

**UNION COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – March 16, 2022
ZOOM VIRTUAL MEETING
10:00 AM**

Meeting called to order by Chair Wagner. Executive Director read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Amy Wagner	Present
Claudia Martins	Present
Laura Scutari	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	D&H Alternative Risk Solutions, Inc. Kathleen Guze Mary Ann Matilasso
	PERMA Risk Management Services Jennifer Conicella
Managed Care Services	First MCO Alyssa Hrubash
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney Jonathon Tavares
Risk Management Consultant	Acrisure, LLC Robin Racioppi
Treasurer	Bibi Taylor
Attorney	Bruce Bergen, Esq.
Safety	J.A. Montgomery Consulting Glenn Prince Paul Shives
	T&M Associates Mark Worthington

ALSO PRESENT:

Terry Pacheco, Union County
Cathy Dodd, PERMA Risk Management Services
Jason Thorpe, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN MINUTES AND CLOSED MINUTES OF FEBRUARY 16, 2022

Executive Director noted the closed minutes were e-mailed to the Commissioners prior to the meeting for review.

MOTION TO APPROVE THE OPEN MINUTES AND CLOSED MINUTES OF FEBRUARY 16, 2022

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

CORRESPONDENCE: None.

SAFETY COMMITTEE: Mr. Worthington reported that since the last Commission meeting the Labor Committee met and discussed spring 2022 in-person trainings and scheduled fire drills for the Emergency Action Plans. Mr. Worthington reported that he also conducted a site visit at 40 Parker Road where there were concerns with the chairs and potential slippage. With no questions, Mr. Worthington concluded his report.

CLAIMS COMMITTEE: Ms. Conicella reported the Claims Committee did not meet, however two PARs will be presented during closed session via a Zoom breakout room. With no questions, Ms. Conicella concluded her report.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there were two action items.

EMPLOYEE DISHONESTY COVERAGE – Executive Director reported that the Employee Dishonesty Coverage with Selective Insurance Company renews on April 5, 2022. Executive Director noted that the policy covers the positions of Executive Director, Third Party Administrator and Treasurer and advised that the limit per loss is \$1,000,000 with a \$10,000 deductible. Executive Director reported that the annual premium is \$1,659, which is the same as last year. Executive Director asked if there were any questions. Hearing none, Executive Director asked for a motion to approve the renewal.

MOTION TO APPROVE EXPENDITURE FOR EMPLOYEE DISHONESTY COVERAGE IN THE AMOUNT OF \$1,659

Moved:	Chair Wagner
Second:	Commissioner Martins
Roll Call Vote:	Unanimous

AVASCI TECHNOLOGY – Executive Director reported that during the annual Best Practices Webinar, AvaSci Technology provided a virtual demonstration on their product. Executive

Director explained that AvaSci uses new technology that combines biomechanical data from motion capture cameras, with an artificial intelligence-based movement algorithm to detect falsified or exaggerated injury and workers' compensation claims. Executive Director advised that AvaSci is available to conduct an in-person presentation if the County is interested. Chair Wagner asked the Executive Director to send her information on AvaSci so it could be reviewed by the Commissioners. Executive Director indicated he would do so.

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) – Executive Director reported that the NJCE conducted its Reorganization Meeting on February 24th and referred to a written summary report of the meeting enclosed within the agenda. Executive Director reported that the NJCE renewed certain professional contracts as well as the Origami underwriting database contract. Executive Director advised that the NJCE is scheduled to meet again on April 28th at 9:30 AM via Zoom.

2022 BUDGET DELTA – Executive Director reported that the NJCE Finance Committee met on February 22nd to discuss the 2022 Budget Delta in the amount of \$744,455. Executive Director advised that the NJCE Board of Commissioners accepted the recommendation of the Finance Committee to charge an additional premium to cover the delta. Executive Director referred to a copy of the Finance Committee agenda explaining the 2022 Budget Delta and the payment options for the members. Executive Director noted that most member Counties and Insurance Commissions have chosen to add the payment to their 3rd installment in 2022. Executive Director noted that in the case of Union County, the additional premium is primarily for cyber liability. Executive Director advised that with regard to the cyber liability marketplace, deductibles are increasing at a rapid rate and limits are being reduced as public entities are one of the top three targets for cyber-crimes. Executive Director also referred to the Ancillary Coverages Reconciliation to Actual report for Union County, enclosed within the agenda. Executive Director explained that the Commission certified a premium of \$105,536 and noted that the amount represents a 75% increase over the expiring premium. Executive Director further explained that the certified premium amount was a projection and was billed, but noted that he anticipates the actual premium amount being closer to the \$168,857 as outlined in the Ancillary Coverages Reconciliation to Actual report. Executive Director further explained that he anticipates the actual premium being the higher amount as there is going to be a retention that the NJCE may have to absorb and the excess cost will be increasing. Executive Director advised that the current cyber policy expires June 26, 2022. Executive Director further advised that he has spoken to the Underwriting Manager regarding having the cyber policy expire on a January 1 anniversary to avoid having to project premium amounts. Mr. Cooney added that the underwriting team restructured the cyber program for the rest of the NJCE members for January 1, 2022. Mr. Cooney noted that the goal is to roll the Union County Insurance Fund Commission into the restructured NJCE cyber program as well. Mr. Cooney advised that he is currently working with the Commission RMC on a potential transition.

UCIFC FINANCIAL FAST TRACK - Executive Director advised the December Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$5,877,852 as of December 31, 2021. Executive Director referred to Line 10 of the report, "Investment in Joint Venture" and indicated \$1,907,566 of the surplus was the UCIFC's share of the NJCE equity. Executive Director noted the cash amount was \$12,794,293.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK – Executive Director reported the December Financial Fast Track was included in the agenda. As of December 31, 2021, the Fund had a surplus of \$14,368,341. Executive Director referred to line 7, "Dividend", and noted

the NJCE released dividends in the amount of \$5,857,551. Executive Director noted the cash amount was \$30,590,981.

CLAIMS TRACKING REPORTS – Executive Director advised the Claim Tracking reports as of December 31, 2021, were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report. Executive Director advised this report measured how the losses were running compared to the actuary's projections. Executive Director reviewed the Fund Years with the Commission.

CERTIFICATE OF INSURANCE REPORT – Executive Director referred to a copy of the certificate of insurance issuance reports from the NJCE listing certificates issued during the month of February enclosed within the agenda. Executive Director advised there were three (3) certificates issued in February. Executive Director asked if anyone had any questions on the report. Hearing none, Executive Director asked for a motion to approve the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

KEY TASKS FOR 2022 – Executive Director referred to the list of Key Tasks for 2022 prepared by the NJCE Underwriting Manager. Executive Director commended all of the member Counties and Insurance Commissions for making tremendous strides in updating the underwriting data in Origami which made the renewal process for the Underwriting Manager easier. Executive Director said there is additional work that needs to be done which is outlined on the Key Tasks list. Executive Director advised that not all of the tasks on the list apply to the Union County Insurance Fund Commission, but noted that the completion of the COPE information is critical for the property renewal as carriers will apply a higher rate if information is missing.

NJCE CYBER TASK FORCE – Executive Director reported that the NJCE Cyber Task Force issued a bulletin focusing on Third Party Vulnerabilities, which is one of the top 3 causes of claims. Executive Director referred to the bulletin which included four stories outlining what NJCE members have experienced with their cyber claims. Executive Director added that the stories conclude by pointing which NJCE Cyber Program items directly address the four claim examples. Mr. Cooney added that Cyber Task Force is trying to release monthly updates on cyber issues which will include claim stories of fellow members. Mr. Cooney further added the Task Force believes that monthly updates are the best way of expressing the urgency associated with cyber issues is by telling stories of fellow NJCE members, as well as NJCE's sister-JIF, the MEL. Chair Wagner commented that the Commission appreciates all of the cyber information being provided as it has been very helpful. Chair Wagner added that the County's IT department has been distributing weekly reminders to the county staff reminding them to be cautious when clicking on emails.

2022 MEL, MRHIF & NJCE EDUCATIONAL SEMINAR – Executive Director reminded the Commissioners that the 11th Annual Educational Seminar will be held virtually again this year. Executive Director noted there will be two sessions; Friday, April 29th and Friday, May 6th, 9:00 AM to Noon. Executive Director reported that the seminar qualifies for Continuing Education Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents.

With no questions, Executive Director concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Ms. Taylor referred to Resolution 18-22, the March Bill List, enclosed within the agenda and advised that upon review of the bills, there is a recommendation to approve. Ms. Taylor asked if there were any questions on the bill list. Hearing none, Executive Director asked for a motion to approve the resolution.

MOTION TO APPROVE RESOLUTION 18-22 MARCH BILL LIST

Moved:	Chair Wagner
Second:	Commissioner Martins
Roll Call Vote:	Unanimous

Executive Director advised the monthly Treasurer reports were included in the agenda.

ATTORNEY: Mr. Bergen advised he did not have anything to report this month.

CLAIMS ADMINISTRATOR: Ms. Guze reported for the month of February there were only 3 worker compensation claims reported. Ms. Guze added that February was an incredible month claim-wise and that she would like to see that trend continue. Ms. Guze advised that there were 9 COVID claims reported during the month of February; 5 were denied and 4 remain under investigation. With no questions, Ms. Guze concluded her report.

MANAGED CARE: Ms. Hrubash referred to First MCO's reports, which were included in the agenda. Ms. Hrubash reviewed the Case Management Monthly Activity Report for the month of February as noted below.

Month	Total Claims Reported	Medical Only	Loss Time	Total Case Managed	Present Open Claims
February	11	2	2	4	10

Ms. Hrubash reviewed the Medical Savings Report for the month of February as noted below.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	PPO %
February	\$ 111,734	\$ 36,736	\$ 74,998	67%	121	120	99%

With no questions, Ms. Hrubash concluded her report. Executive Director emphasized the 99% PPO penetration percentage for the month commended First MCO on an outstanding job.

NJCE SAFETY DIRECTOR: Mr. Prince referred to the Safety Director's report for February through March enclosed within the agenda, which includes all risk control activities. Mr. Prince referred to the Safety Expo announcement enclosed within the agenda. Mr. Prince reported that J.A. Montgomery continues to hold Safety Expos throughout the state and they have continued to receive positive feedback from the attendees. Mr. Prince then referred to the listing of all virtual trainings that are scheduled. Mr. Prince advised that any questions regarding the virtual trainings should be directed to him. Mr. Prince reported that he has received information relevant to motor vehicle and MVR checks. Mr. Prince advised that the NJ Motor Vehicle Commission has the CAIR Program,

which is a customer abstract information and retrieval system, and is run through the business and government services offices of the Motor Vehicle Commission. Mr. Prince noted that several member Commissions have paid the \$150 fee, which allows up to 5,000 look-ups, and allows for up to 5 administrators that can be responsible for running those tags or MVRs. Executive Director added that some of the member Commissions are paying the cost of the program out of the miscellaneous line item within their Commission budgets. Mr. Prince advised that any questions regarding the process can be directed to him. Mr. Prince reported that the NJCE is initiating a Safety Committee that will meet quarterly via Zoom. Mr. Prince explained that the purpose of the NJCE Safety Committee is to provide the various members with an opportunity to roundtable what works and does not work for their Counties/Commissions, training opportunities, as well as other safety items. Mr. Prince requested that the Commission consider appointing a representative to the NJCE Safety Committee. Lastly, Mr. Prince reported that the New Jersey Chapter of the American Public Works Association is hosting a Public Works Expo at the NJ Convention & Exposition Center. Mr. Prince added that the Expo is free for Public Works employees and CEUs are available. With no questions, Mr. Prince concluded his report.

Correspondence Made Part of Minutes

OLD BUSINESS: None

NEW BUSINESS: None.

PUBLIC COMMENT: Mr. Bergen indicated there was no public comment.

CLOSED SESSION: Executive Director advised there was a need for a closed session.

Commission Attorney stated that pursuant to the provisions of the Open Public Meetings Act, a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. Commission Attorney then read the below statement which was included in the agenda.

N.J.S.A. 10:4-12(B)

Pursuant to provisions of the Open Public Meetings Act a public body may enter into Executive Session for the purpose of discussing certain enumerated subjects. This Commission now wishes to enter Executive Session for the purpose of discussing claim numbers 8135 and 7750. The minutes of the Executive Session shall be separated from the minutes of the Open Public Session. The minutes of the Executive Session, redacted as appropriate and necessary, shall be available in approximately 30 days. The Commission Secretary shall retain the original minutes until such time as the confidential limitations have been removed, at which time they shall be available.

Upon the affirmative vote of a majority of the members present, the Commission may retire to Executive Session.

Upon the Commission's return it may or may not take formal action on the matters discussed.

MOTION TO GO INTO TO CLOSED SESSION

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

MOTION TO APPROVE THE PARS AS DISCUSSED IN EXECUTIVE SESSION

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

NEXT MEETING: Executive Director asked whether the Commissioners would like to meet in-person for the April 20th meeting or continue to meet virtually. Chair Wagner advised that the Commissioners are willing to return to in-person meetings. Executive Director advised that the necessary arrangements will be made to conduct the April 20th meeting in-person.

MOTION TO ADJOURN:

Moved:	Chair Wagner
Second:	Commissioner Martins
Vote:	Unanimous

MEETING ADJOURNED: 10:32 AM

Minutes prepared by: Jason Thorpe, Assisting Secretary