

**CENTRAL JERSEY HEALTH INSURANCE FUND  
OPEN MINUTES  
JANUARY 16, 2019  
BRIELLE BOROUGH MUNICIPAL BUILDING  
1:30 PM**

Meeting called to order by Chairman Thomas Nolan. The Open Public Meeting notice read into record.

**PLEDGE OF ALLEGIANCE**

**MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER**

**ROLL CALL OF 2018 EXECUTIVE COMMITTEE:**

<b>CHAIRPERSON</b>		
Thomas Nolan	Borough of Brielle	Present
<b>SECRETARY</b>		
William Rieker	Township of Lakewood	Present
<b>EXECUTIVE</b>	<b>COMMITTEE</b>	
Joseph Gilsean	Township of Brick	Absent
Diane Lapp	Township of Manchester	Present
Adam Hubeny	Borough of Atlantic Highlands	Present
Eugenia Poulos	Township of Red Bank	Absent
Donato Nieman	Township of Montgomery	Present
<b>ALTERNATES:</b>		
Brian Valentino	Western Monmouth MUA	Present
Brian Brach	Manasquan RRSA	Present

**APPOINTED OFFICIALS PRESENT:**

Executive Director/Administrator	PERMA Risk Management Services	<b>Paul Laracy Emily Koval</b>	Present Present
Program Manager	Conner Strong & Buckelew	<b>Brandon Lodics Marybeth Visconti</b>	Present Present
Attorney	Berry, Sahradnik, Kotzas & Benson	<b>Jack Sahradnik</b>	Present
Treasurer		<b>Stephen Mayer</b>	Absent
Network & Medical Claims Service	Qualcare Inc.	<b>Gary Epstein</b>	Present
Network & Medical Claims Service	Aetna	<b>Joseph Rodrigues</b>	Present
Dental Claims Service	Delta Dental	<b>Amy Lehrer</b>	Absent
Rx Administrator	Express Scripts	<b>Kyle Colalillo Ken Rostkowski</b>	Present Present
Auditor	Holman & Frenia	<b>Rodney Haines</b>	Absent

**OTHERS PRESENT:**

Trina Lindsey, Bedminster Township  
Dominick Cinelli, Brown & Brown  
Bryan Dempsey, Spring Lake  
John Casagrande, Danskin Agency  
Charles Casagrande, Danskin Agency  
Valerie Tornick Heilweil, Borough of Keyport  
Ted Lewis, Eatontown Sewer Authority  
Doreen Hoffman, Borough of Red Bank  
Lori Cole, West Long Branch  
Chris Mullins, Highland School District  
Joe Zanga, South River

**CORRESPONDENCE:** None

**APPROVAL OF MINUTES: OCTOBER 17, 2018 OPEN:**

**MOTION TO APPROVE OPEN MINUTES OF OCTOBER 17, 2018:**

<b>MOTION:</b>	Commissioner Nieman
<b>SECOND:</b>	Commissioner Rieker
<b>VOTE:</b>	Unanimous

**ADJOURN SINE DINE MEETING** - Chairs vacated - Chairman Nolan asks Executive Director to run meeting.

**MOTION TO ADJOURN SINE DIE MEETING:**

<b>MOTION:</b>	Commissioner Gilseman
<b>SECOND:</b>	Commissioner Nieman
<b>VOTE:</b>	Unanimous

**ROLL CALL OF 2019 FUND COMMISSIONERS:**

<b>CJHIF 2019 FUND COMMISSIONERS</b>			
<b>MEMBER</b>	<b>COMMISSIONER/CONTACT</b>	<b>ALTERNATE</b>	
ATLANTIC HIGHLANDS BOROUGH	Adam Hubeny	Beth Merkel	Present
BOROUGH OF ALLENTOWN	Laurie Gavin		Present via CC
BOROUGH OF RED BANK	Ziad Shehady	Doreen Hoffmann	Present
BRIELLE BOROUGH	Tom Nolan		Present
ENGLISHTOWN BOROUGH	Peter Gorbatuk		Absent
LAKWOOD TOWNSHIP	William Rieker		Present
MANASQUAN RIVER REG'L SEWERAGE AUTH	Brian Brach		Present
MANCHESTER TOWNSHIP	Dianne Lapp		Present
PLUMSTED TOWNSHIP	Eric Sorchik	Joe Pryzwara	Absent
SHIP BOTTOM BOROUGH	Kathleen Flanagan		Absent
TOWNSHIP OF SHREWSBURY	Thomas Seaman		Absent
BRICK TOWNSHIP	Joseph Gilsenan		Present via CC
BOROUGH OF MANASQUAN	Tom Flarity		Absent
BOROUGH OF SPRING LAKE	Bryan Dempsey		Present
TOWNSHIP OF ABERDEEN	Angela Morin		Present
BOROUGH OF MATAWAN	Louis Ferrara		Absent
EATONTOWN SEWERAGE AUTHORITY	Theodore Lewis		Present
TOWNSHIP OF MONTGOMERY	Donato Nieman	Susan Smith	Present
TOWNSHIP OF BEDMINSTER	Judith Sullivan	Trina Lindsey**	Present
WEST LONG BRANCH TOWNSHIP	Lori Cole		Present
KEYPORT BOROUGH	Valerie Heilweil		Present
TOMS RIVER MUA	Robert DiBiase	Cindy Toye**	Present via CC
SEASIDE HEIGHTS BOE	Kevin O'Shea		Absent
WESTERN MOUNMOUTH MUA	Brian Valentino		Present
Harvey Cedars	Daina Dale		Absent
Jackson MUA	james diaz		Present via CC
Brick Housing Authority			Absent
Borough of Oceanport	Donna Phelps		Absent
South River	Jack Layne	Joseph Zanga	Present
Tuckerton Borough School District	Janet Gangemi		Absent
Highlands Elementary School	Christopher Mullins		Present
Borough of Barnegat Light	Brenda Kuhn		Asbent
City of AsburyPark			

A quorum of Fund Commissioners was achieved. The following nomination was presented and unanimously adopted.

Commissioner Hubeny read the proposed 2019 Executive Committee Slate.

**Nomination of Chairperson: Thomas Nolan**

**Nomination of Secretary: William Rieker**

**Nomination of Executive Committee: Joseph Gilsenan  
Diane Lapp  
Adam Hubeny  
Donato Nieman  
Brian Valentino**

**Nomination of Alternates:**

**Brian Brach  
Brian Dempsey**

**MOTION TO APPROVE NOMINATION OF 2019 EXECUTIVE COMMITTEE, AS READ**

**MOTION:** Commissioner Hubeny  
**SECOND:** Commissioner Gilsenan  
**VOTE:** 19 Ayes, 0 Nays

Oaths of Office distributed, and Fund Attorney swore in the 2019 Executive Committee.

**ROLL CALL OF 2019 EXECUTIVE COMMITTEE**

<b>CHAIRPERSON</b>		
Thomas Nolan	Borough of Brielle	Present
<b>SECRETARY</b>		
William Rieker	Township of Lakewood	Present
<b>EXECUTIVE</b>	<b>COMMITTEE</b>	
Joseph Gilsenan	Township of Brick	Absent
Diane Lapp	Township of Manchester	Present
Adam Hubeny	Borough of Atlantic Highlands	Present
Donato Nieman	Township of Montgomery	Present
Brian Valentino	Western Monmouth MUA	Present
<b>ALTERNATES:</b>		
Brian Brach	Manasquan River Regional SA	Present
Brian Dempsey	Spring Lake Borough	Present

**EXECUTIVE DIRECTOR’S REPORT**

**FINANCIAL FAST TRACK** – Executive Director reviewed the Financial Fast Track through November 30, 2018 which showed a very healthy surplus. He said net of the dividend just released, there is still a \$4.4 million surplus earned this year.

**2019 REORGANIZATION** - The Reorganization resolutions are included in the consent agenda for approval. Executive Director reviewed the following:

- #5-19 – September meeting is the 2<sup>nd</sup> Wednesday to avoid conference conflicts and the November meeting (if needed) is coordinated with the League of Municipalities event.
- #7-19 – Current Signatories – Tom Nolan, William Rieker, Steve Mayer, which will remain the same.
- #8-19 – RMP – Changes to specific and aggregate attachment points were reviewed.
- #9-19 – Current MRHIF representatives are Adam Hubeny and Diane Lapp, which were unanimously voted to remain.

**MUNICIPAL REINSURANCE HEALTH INSURANCE FUND - MRHIF** met in December and acted upon the following items. Executive Director reviewed.

1. MRHIF had contracted with Adler Associates to complete an audit of ESI’s performance against discount and rebate guaranties for 2017. The audit was completed verified that ESI met overall discount and pricing guaranties.
2. MRHIF also commissioned an audit of Delta Dental that confirmed accurate performance and recommended the implementation of contractual performance standards and improved procedures for coordination of benefits
3. The contract award to US Fire for reinsurance was ratified. This contract culminates a lengthy RFP process that was instituted due to the withdrawal of Munich Re. from the American Health reinsurance market.
4. The 2019 budget was adopted with an overall reduction of 6.19% and an assessment reduction for CJHIF of 3.08%.
5. The Executive Committee requested a review of the marketing contract to assess its effectiveness and relevancy. This report has been received and was included with the agenda for your review. Commissioner Hubeny said he would like to re-evaluate the program at the end of the year.

In addition, the current chairman and secretary of the MRHIF both are retiring thus opening the need for new executive committee leadership for 2019 and thereafter.

**INDEMNITY AND TRUST AGREEMENTS** - On November 1, 2018 PERMA sent Indemnity and Trust Agreements and Resolutions to be adopted by the governing bodies to renew membership with the Fund for an additional 3 years. Below is a list of members who have renewing agreements due by December 31, 2018 and older. Please reach out to PERMA for a blank form to be executed. The list was last updated on January 9, 2019.

MEMBER	Agreement Termination Date
Seaside Heights BOE	6/30/2015
Western Monmouth MUA	12/31/2017
Oceanport	6/30/2018
Borough of Red Bank	12/31/2018
Englishtown Borough	12/31/2018
Manchester Township	12/31/2018
Montgomery Township	12/31/2018
Borough of South River	12/31/2018
Brick Housing Authority	12/31/2018
Brick MUA	12/31/2018
Harvey Cedars	12/31/2018

**CLAIMS AGENT CONTRACT RENEWALS** - We have completed negotiations with claims agents for the CJHIF and other HIFs with the following outcomes:

1. Aetna

- 1 year agreement
  - Fees will remain at \$51.32 per employee per month
  - \$1.25 per employee per month can be refunded for wellness and marketing expenses of the CJHIF
2. Amerihealth
- 1 year agreement
  - Fees will remain at \$42 per employee per month
  - \$1.25 per employee per month is ceded for wellness and marketing expenses of the CJHIF
  - Contract will now include performance standards
3. Delta Dental
- 1 year agreement
  - Fees will increase from \$3.10 to \$3.12 per employee per month.
  - Performance guaranties will be added to the agreement.

For Express Scripts, we are finishing the first year of a 3 year agreement awarded by MRHIF. However, this agreement allows for a market check and possible renegotiation that will take place in the first half of 2019.

Resolution 1-19 awarding TPA contracts under the Extraordinary Unspecified Services is included in the consent agenda.

**2018 WELLNESS GRANT APPLICATIONS** - Applications for a 2019 wellness grant were emailed to the membership in December with no changes from the prior year grant application. A summary of responses is below, which the wellness committee will be reviewing prior to the meeting. The budget includes \$50,000 for grants. A resolution approving the grants as is included in consent. There are still plenty of funds available, so members may apply during the course of the year.

Group Name	Total Census	Biometric Screenings (option 1)	Option 2 (Tavi Challenges)	Option 3 (Wellness Days)	Option 4 - Build own	Wellness Champion Stipend	Total	Notes
Manasquan River RSA	17				\$2,142.00	\$0.00	\$2,142.00	Standup Desk Station
Atlantic Highlands	51	\$1,530.00				\$0.00	\$1,530.00	Biometric Screenings
Brielle Borough	38	\$1,140.00				\$1,000.00	\$2,140.00	Biometric Screenings
Bedminster	42	\$1,260.00	\$2,600.00			\$0.00	\$3,860.00	Biometric Screenings and 2 Tavi Challenges
Montgomery	136	\$3,300.00		\$1,750.00	\$11,100.00	\$1,000.00	\$17,150.00	Biometric screenings, Wellness Days, Nutrition initiatives, DPW centered health class
Aberdeen	156				\$11,510.00	\$2,000.00	\$13,510.00	Flu shots; 5k runs; yoga, stress, cooking classes; health fair
<b>Totals</b>	<b>440</b>	<b>\$3,930.00</b>	<b>\$2,600.00</b>	<b>\$0.00</b>	<b>\$2,142.00</b>	<b>\$4,000.00</b>	<b>\$26,822.00</b>	

**2019 COMMITTEE APPOINTMENTS** - Below are the standing Committees that were appointed in 2018. If a Commissioner is interested in joining a committee, please reach out to Emily Koval or Chair Nolan.

Finance & Contracts Committee  
Tom Nolan, Chair

Wellness Committee  
Diane Lapp, Chair

William Ricker  
OPEN

Joseph Gilsonan  
OPEN

Operations and Claims Committee  
William Rieker, Chair  
Joseph Gilsonan  
Diane Lapp

Nominating Committee  
Adam Hubeny, Chair  
Joseph Gilsonan

**JANUARY BILLS** - Ms. Koval said that due to the rate renewal, the bills were slightly delayed. Instead of using the December 2018 census for contracted fee payments, we are asking for authorization to pay these bills when the final January census is received to avoid reconciling next month.

**MOTION TO AUTHORIZE TREASURER AND PERMA TO PAY JANUARY FEES, AS CONTRACTED.**

<b>MOTION:</b>	Commissioner Hubeny
<b>SECOND:</b>	Commissioner Gilsonan
<b>VOTE:</b>	8 Ayes, 0 Nays

**PROGRAM MANAGER'S REPORT**

**ELIGIBILITY/ENROLLMENT:** Please direct any eligibility, enrollment, or system related questions to our dedicated CJHIF enrollment team. The team can be reached by email at [cjhifenrollments@permainc.com](mailto:cjhifenrollments@permainc.com) or by fax at 856-552-2175.

**MONTHLY BILLING** - As a reminder, please be sure to check your monthly invoice for accuracy. *Please confirm the invoice detail as retro adjustments are limited to two months by Fund policy.* If you find a discrepancy, please report it to the CJHIF eligibility/enrollment team [cjhifenrollments@permainc.com](mailto:cjhifenrollments@permainc.com) or by fax at 856-552-2175.

**BROKER CONTACT INFORMATION** - Please direct any escalated claims, benefit coverages, prescription coverage, Medicare advantage or appeal related questions to our dedicated CJHIF Client Servicing Team. The team can be reached by email at [brokerservices@permainc.com](mailto:brokerservices@permainc.com).

**2019 OPEN ENROLLMENT UPDATE** - The 2019 Open Enrollment period concluded in the middle of November. Only members who were looking to make changes were required to complete enrollment forms. All changes were processed timely, and new ID cards were sent out for January 1.

**AETNA UPDATES**

- As previously reported Aetna issued new ID cards to the majority of their population due to an administrative update. In Mid-December PERMA reached out to enrollment contacts for every entity with members impacted. The communication is included in your agenda packet.
- As required by CMS, Aetna issued their Annual Notice of Change (ANOC) to all Medicare Advantage enrollees. The ANOC is a booklet that explains any changes in your plan's benefit

coverage, costs or service area. There are no material changes to Medicare Coverage for 2019.

## EXPRESS SCRIPTS UPDATES

- Expanded network 1/1/2019 - As previously reported and approved by the Fund, the CJHIF transitioned to ESI's National Plus Network, which is a larger, more inclusive pharmacy network. Additional pharmacies such as Walgreens and some non-retail chain pharmacies are now an in-network pharmacy for all CJHIF members. CJHIF enrollees are encouraged to visit [www.express-scripts.com](http://www.express-scripts.com) and register their account to see what pharmacies are available to them. We have included a flyer, which instructions on how to register for the ESI Member Portal.
- SafeGuard Rx- Migraines Care Value - effective 4/1/2019 ESI implemented a new disease management program for migraine patients. The program is designed to ensure that patients are receiving the most appropriate and cost-effective treatment for their migraines. It is a pro-active response to a new class of medications, *Calcitonin Gene-Related Peptide* inhibitors (CGRP) that were recently approved by the FDA or are in the pipeline for approval in the near future. *There are currently no members in CJHIF utilizing the impacted medications.*

## END OF YEAR REPORTING UPDATE

As a courtesy to Fund members, PERMA has provided the below reports to the designated enrollment representatives:

- **Dependent Age Out Reports** - for the entities with dependent children terminating coverage at the year of the year in which they turn 26. .
- **Affordable Care Act Reporting:**
  - **W2 Reporting** - report of "billed premium," per individual enrolled in plan in CY 2018.
  - **1095 A/B-** Benefits Express Extract of employees and dependents enrolled in the plan throughout CY 2018.

**INDUSTRY UPDATES/MERGERS - AETNA/CVS** - On 11/28/18, CVS Health completed its acquisition of Aetna. Aetna will be a subsidiary of CVS and we expect there to be no member impact.

**CIGNA/ESI** - On 12/18/18 Express Scripts and Cigna received regulatory approval, allowing them to move forward with their merger. The entities will continue to operate individually, and we expect there to be no member impact.

**ADMINISTRATION AUTHORIZATIONS - Enrollment Authorization:** The Borough of Brielle has requested authorization to allow a new hire to be enrolled as of date of hire, bypassing the waiting period. They will be passing a resolution at their January board meeting, which will be filed with the MRHIF.

**CJHIF January, 16, 2019 Program Manager Report Attachment** - Below is the email message (referenced in your meeting agenda) that was sent to all CJHIF entities in mid-December with members who were impacted by the Aetna ID card reissuance for January 1, 2019:

SUBJECT: NEW! AETNA ID CARDS

Good morning,

As reported in the Executive Committee public meetings:

Towards the end of the year, AETNA will be reissuing ID cards to a majority of their members. You are receiving this information because some employees and/or retirees in your group will be receiving new ID Cards. We wanted you to be aware in case you receive any questions.

**Important Notes:**

- The new ID Cards are a result of an AETNA administrative system update. **There are no changes to benefits.**
- **ID Numbers and Group Numbers will not change**
- Members and their families will be able to use their current ID Cards until the new ones arrive
- Members and their families should dispose of their old ID Cards when the new ones arrive
- Enrollees in AETNA HMO and EPO plans **will not** receive new cards
- AETNA will include the attached stuffer with the new ID Cards

**Please note: \*\*\*This will NOT impact AETNA Medicare Advantage Retirees or AmeriHealth Administrators enrollees.**

If you have any questions please do not hesitate to contact your HIF Risk Manager.

**TREASURER** – Chair Nolan said resolution #15-18 approving the bills list is included in the consent agenda for approval.

**November 2018 - Confirmation of Payment**

<b>FUND YEAR 2018</b>	<b>\$610,373.88</b>
<b>TOTAL ALL FUND YEARS</b>	<b>\$610,373.88</b>

**December 2018 - Confirmation of Payment**

<b>FUND YEAR 2018</b>	<b>\$614,068.15</b>
<b>TOTAL ALL FUND YEARS</b>	<b>\$614,068.15</b>

**ATTORNEY:** Fund Attorney thanked the committee for his reappointment

**QUALCARE:** Mr. Epstein thanked the Fund for reappointment and reviewed the monthly claim reports and high claimant reports.

**AETNA:** Mr. Rodrigues reviewed the monthly claims report and the high claimant report from January through November 2018. In addition, the monthly dashboard report was included which included the status of the performance guarantees. Mr. Rodrigues said that the CVS merger has occurred but everything continues as usual.

**AMERIHEALTH:** The monthly claim report was included in the Agenda.

**EXPRESS SCRIPTS:** Mr. Colalillo reviewed the report included in the agenda which showed a -15% trend, which is beyond the ESI book of business. He said that the Cigna and ESI merger occurred but business will continue as usual.

**DELTA DENTAL:** No report.

**NEW BUSINESS:** Commissioner Hubeny said that he had a difficult renewal this year because of negotiations with the PBA but Diane Peterson was instrumental in helping to keep the Borough with the Fund. He thanked her for her hard work.

**OLD BUSINESS:** None

**PUBLIC COMMENT:** None

**MOTION TO APPROVE THE CONSENT AGENDA, AS DISCUSSED:**

<b>MOTION:</b>	Commissioner Nieman
<b>SECOND:</b>	Commissioner Hubeny
<b>VOTE:</b>	8 Ayes, 0 Nays

**MOTION TO ENTER EXECUTIVE SESSION FOR A CLAIM APPEAL DISCUSSION**

<b>MOTION:</b>	Commissioner Lapp
<b>SECOND:</b>	Commissioner Neiman
<b>VOTE:</b>	8 Ayes, 0 Nays

**MOTION TO ADJOURN MEETING:**

<b>MOTION:</b>	Chair Nolan
<b>SECOND:</b>	Commissioner Gilsenan
<b>VOTE:</b>	Unanimous

**MEETING ADJOURNED: 2:15 pm**