

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND**  
**OPEN MINUTES**  
**AUGUST 22, 2016**  
**BARRINGTON BOROUGH**  
**6:15 PM**

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Meeting of Executive Committee called to order by Chair Mevoli Open Public Meetings notice read into record.

**PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**

**ROLL CALL OF 2016 EXECUTIVE COMMITTEE:**

Michael Mevoli, Chairman	Borough of Brooklawn	Present
M. Joseph Wolk, Secretary	Borough of Mt. Ephraim	Present
Richard Michielli	Borough of Magnolia	Present
Louis Di Angelo	Borough of Bellmawr	Present
Terry Shannon	Borough of Barrington	Present
Jack Lipsett	Gloucester City	Present
Neal Rochford	Haddonfield	Absent
Edward Hill - Alternate 1	CCBOSS	Present

**APPOINTED PROFESSIONALS PRESENT:**

Executive Director/Adm.	PERMA Risk Management Services <b>Paul Laracy</b> <b>Karen Kamprath</b>
Program Manager	Conner Strong & Buckelew <b>Jeanne Frank</b>
Attorney	<b>J. Kenneth Harris, Esq.</b>
Medical TPA - Amerihealth	<b>Lisa Didio</b>
Medical TPA - Aetna	
Treasurer	<b>Ken Verrill</b>
Express Scripts	
Auditor	

## ALSO PRESENT

Eleanor Kelly, Boro of Runnemede  
Kim Porter, CHP Group  
Sarah Scala, Hardenberg

## APPROVAL OF MINUTES: JULY 25, 2016

### MOTION TO APPROVE OPEN MINUTES OF JULY 25, 2016:

Moved: Commissioner Wolk  
Second: Commissioner DiAngelo  
Vote: 6 Ayes, 0 Nays, 1 Abstain  
(Commissioner Lipsett)

## CORRESPONDENCE – None

Commissioner Shannon welcomed everyone to Barrington Borough.

## PRO FORMA REPORTS

- **Fast Track Financial Reports** – as of June 30, 2016
  - **Historical Income Statement**
  - **Consolidated Balance Sheet**
  - **Indices and Ratios Report**

Executive Director said the Fund is performing very well for the year and the budget renewal should be positive. He said the draft budget and dividend options will be presented to the finance committee in September. He said \$750,000 was returned last year and there is the option to give back more this year. Commissioner Shannon said she was hoping to be able to reduce premiums for the last 3 months. Executive Director said the Fund lost a significant amount in the 2<sup>nd</sup> half of 2015 so we want to remain cautious. Commissioner Shannon said she feels it is fair to give back to the employees. Executive Director said this can be discussed further at the Finance Committee meeting.

**2017 BUDGET PROCESS** - PERMA is in the final stages of developing a draft budget. A finance committee meeting can be scheduled in September, prior to the Executive Committee Meeting on September 26 to discuss the budget and dividend options.

**TRANSFER RESOLUTION** - Resolution #21 -16 illustrates another transfer of Funds owed to the Coastal and SHIF Funds. Some of this transfer results from the MRHIF dividend received earlier this month. Approving the audit last month also allows for additional funds to be rolled over from closing out Fund Year 2014. The check will be included on the September bills list.

**MOTION TO APPROVE RESOLUTION 21-16 TRANSFERRING CLOSED YEAR FUNDS FROM THE SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND TO THE SCHOOLS**

**HEALTH INSURANCE FUND AND THE SOUTHERN COASTAL REGIONAL EMPLOYEE BENEFITS FUND IN THE AMOUNTS LISTED:**

Moved: Commissioner Shannon  
Second: Commissioner Wolk  
Vote: 7 Ayes, 0 Nays

In response to Chair Mevoli, Executive Director said Funds from 2015 will be distributed at this time next year. In response to Commissioner Shannon, Executive Director said SHIF and Coastal are part of the 2015 year through December.

**ADMINISTRATION**

**INDEMNITY AND TRUST AGREEMENTS** - There are many renewing members at the end of this year and a few members that have not submitted a current 3 year indemnity and trust agreement. All of the members below have been contacted by the Fund office this month. Please submit a fully adopted resolution and agreement to Karen Kamprath ([kkamprath@permainc.com](mailto:kkamprath@permainc.com)) as soon as possible.

Member	I & T end date
BOROUGH OF BARRINGTON	12/31/2015
Winslow Fire District	12/31/2015
BOROUGH OF BELLMAWR	12/31/2016
BOROUGH OF PITMAN	12/31/2016
GLOUCESTER CITY	12/31/2016
TOWNSHIP OF FRANKLIN	12/31/2016
PINE HILL BOROUGH	12/31/2016
CHESILHURST BOROUGH	12/31/2016
TOWNSHIP OF BORDENTOWN	12/31/2016
MT. HOLLY MUNICIPAL UTILITIES AUTHO	12/31/2016

Executive Director said Commissioner Lipsett sent out the I&T for Gloucester City.

**Southern New Jersey Regional Employee Benefits Fund  
Program Manager's Report  
July 25, 2016**

**ADMINISTRATIVE UPDATES**

**MONTHLY BILLING** - As a reminder, please be sure to check your monthly invoice for accuracy. If you find a discrepancy, please report it to the SNJREBF enrollment team. The Fund's policy is to limit retro corrections to 60 days.

**STATE HEALTH BENEFITS (SHBP) UPDATE** - As previously mentioned in last month's meeting,

the SHBP cancelled their renewal meetings originally scheduled for July 6 and July 13 until further notice. We are still awaiting additional information to be provided at this time, and will notify the Fund when the SHBP renewal is released.

**PHARMACY CLINICAL NEWS FLASH - AUGUST UPDATE** - We will continue to provide updates regarding pharmacy trends and new drugs to the market.

*Recent FDA Approvals: No new drugs to report for the month of August*

Name of Medication	Approval Date	Release Date	Diagnosis	Type	Estimated Pricing
<i>Tecentriq</i>	5/18/2016	October	Metastatic urothelial carcinoma	Specialty	\$150,000 per year
<i>Zinbryta</i>	5/27/2016	July	Multiple Sclerosis	Specialty	Not Available
<i>Epclusa</i>	6/28/2016	July	Hepatitis C genotypes 1-6	Specialty	\$75K (wholesale) per 12-week regimen

**EXPRESS SCRIPTS FORMULARY UPDATE**

Express Scripts recently completed its annual formulary review, and the following drug list exclusions will go into effect for your member population on January 1, 2017.

New Exclusions		
COLCHICINE	KINERET	ORENCIA
TALTZ	ZYCLARA	

Claims reporting was run and analyzed, and less than 10 members will be affected throughout the Southern Fund. Express Scripts will send a letter to the affected members advising of this change and include the suitable alternatives for them to discuss with their physician. Clinical exceptions can also be reviewed if requested by the physician.

The complete communication notice from Express Scripts has been included in this packet for your review.

**TREASURER'S REPORT** - Fund Treasurer reviewed the August Bills List.

**Resolution 22-16: Payment of August Bills List**

FY2016	\$522,237.12
<b>Total</b>	<b>\$522,237.12</b>

**MOTION TO APPROVE RESOLUTIONS 22-16, APPROVAL OF THE AUGUST 2016 BILLS LIST:**

Motion: Commissioner Lipsett  
Second: Commissioner Michielli  
Vote: 7 Ayes, 0 Nays

**MOTION TO APPROVE THE REMAINDER OF THE TREASURERS REPORT:**

Motion: Commissioner Wolk  
Second: Commissioner Lipsett  
Vote: Unanimous

**FUND ATTORNEY:** Fund Attorney said any new regulations by HHS apply to entities that receive federal funding. He said the biggest issue is to provide notices to individuals with limited English proficiency. He said the Fund will not have many instances where this would apply.

**AMERIHEALTH:** Ms. Didio said there are no high level claims for AHNJ or AHA. She reviewed the new AHA report that includes additional averages and statistics for the year. She said the numbers are skewed when compared to last year due to the SHIF and Coastal Funds being included. In response to Commissioner Shanon, Ms. Didio said she did not know if the Adventist patient is a retiree.

**AETNA: None**

**EXPRESS SCRIPTS:** Executive Director said the statistics are stable compared to last year.

**DENTAL ADMINISTRATOR: None**

**OLD BUSINESS:** In response to Commissioner Shannon, Executive Director said there was an indication from ESI that there will be a settlement. The audit showed they under performed in discounts but over performed in rebates. The net payable to the Funds will be \$98 thousand. Executive Director said this will be paid to the MRHIF then distributed to the Funds.

**NEW BUSINESS:** Chair Mevoli said the cost of an Epi Pen rose from \$100 to \$400 and congress will be investigating this.

**PUBLIC COMMENT:**

**MOTION TO ADJOURN:**

Moved: Commissioner Michielli  
Second: Commissioner DiAngelo  
Vote: Unanimous

**MEETING ADJOURNED: 6:30 PM**

**NEXT MEETING: September 26, 2016, Bellmawr Borough**

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Emily Koval , Assisting Secretary  
for

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**JOSEPH WOLK, SECRETARY**