

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
MAY 21, 2018
VOORHEES TOWN CENTER
6:00 PM

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

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

WELCOME - Chair Mevoli welcomed everyone to Voorhees

ROLL CALL OF 2018 EXECUTIVE COMMITTEE:

| | | |
|---------------------------|------------------------|---------|
| Michael Mevoli, Chairman | Borough of Brooklawn | Present |
| M. Joseph Wolk, Secretary | Borough of Mt. Ephraim | Present |
| Louis Di Angelo | Borough of Bellmawr | Present |
| Terry Shannon | Borough of Barrington | Present |
| Jack Lipsett | Gloucester City | Present |
| Neal Rochford | Haddonfield | Present |
| Edward Hill | CCBOSS | Present |
| Alternates | | |
| Robert Maybury | Mount Holly MUA | Absent |

APPOINTED PROFESSIONALS PRESENT:

| | |
|---------------------------|---|
| Executive Director/Adm. | PERMA Risk Management Services Paul Laracy Karen Kamprath |
| Program Manager | Conner Strong & Buckelew Brandon Lodics Maggie Friel |
| Attorney | J. Kenneth Harris, Esq. |
| Medical TPA - AmeriHealth | Mike Murphy |
| Medical TPA - Aetna | Joe Rodrigues |
| Express Scripts | Absent |
| Deputy Treasurer | Absent |
| Treasurer | Mike Zambito |

PRESENT FUND COMMISSIONERS AND PROFESSIONALS:

Georganna Marian, Hardenbergh Insurance
Kim Porter, CHB Group
Tom Kirner, Glenn Insurance Inc.
Robert Weil, Conner Strong & Buckelew

APPROVAL OF MINUTES: April 23, 2018 Open

MOTION TO APPROVE OPEN MINUTES OF APRIL 23, 2018:

| | |
|---------|----------------------|
| Moved: | Commissioner Wolk |
| Second: | Commissioner Lipsett |
| Vote: | Unanimous |

CORRESPONDENCE - None

EXECUTIVE DIRECTOR'S REPORT

FAST TRACK FINANCIAL REPORT - as of March 31, 2018

Executive Director said the year to date surplus is \$762,000 with a combined surplus almost \$12.5 million.

2019 - 2021 RFP PROCESS

Executive Director said the current professional contracts expire on December 31, 2018. He said an email with the RFP's was sent to the contracts committee for approval. To allow for enough time for responses and committee reviews prior to the development of the 2019 budget, we are recommending the RFPs be released in early June. We ask the Executive Committee to authorize the Contracts Committee to approve the release of the Request for Proposals for all Fund positions. We anticipate a full report of responses at the July meeting.

MOTION TO AUTHORIZE THE CONTRACTS COMMITTEE TO APPROVE THE RELEASE OF THE REQUEST FOR PROPOSALS FOR ALL FUND POSITIONS:

| | |
|---------|----------------------|
| Moved: | Commissioner Wolk |
| Second: | Commissioner Lipsett |
| Vote: | Unanimous |

EXPRESS SCRIPTS OPIOID PROGRAM

Executive Director said this program was discussed at the April meeting. He said it is being recommended that all HIFs implement ESI's opioid program. This program seeks to reduce opioid abuse and addiction by limiting dosages, identifying and correcting drug seeking behavior, using prior authorizations, and encouraging safe disposal of unused opioids. The annual cost of the program is \$10,542. However, from a budgeting standpoint, the net cost is \$7,354 because of overall reductions in the cost of ESI's utilization management program as a result of improved contract terms.

In response to Commissioner Shannon, Executive Director said there will be approvals in place for members in chronic pain. Program Manager said there will be a more rigorous approval in place for long acting agents. In response to Chair Mevoli, Executive Director said the administrative fees will be approximately \$0.07 pepm and this is not included in the original contract.

In response to Commissioner Shannon, Executive Director said quarterly reports will be provided.

MOTION TO AUTHORIZE IMPLEMENTATION OF THE EXPRESS SCRIPTS OPIOID PROGRAM:

| | |
|---------|-----------------------|
| Moved: | Commissioner DiAngelo |
| Second: | Commissioner Shannon |
| Vote: | 7 Ayes, 0 Nays |

PROGRAM MANAGERS REPORT

KENNEDY HOSPITAL

Program Manager said Aetna is currently in contract negotiations with Kennedy Hospital. The term date of this contract has been extended to 6/30/18 from 4/30/18. Aetna is confident that an agreement will be reached.

NEGOTIATIONS WITH ADVOCARE

Program Manager said Advocare has sent a letters to its members advising they will not accept any new patients who are insured with Aetna. There is a provision in the providers PCP contract that allows freezing of their panel of patients. As of now, Advocare is still a PAR provider.

Mr. Rodrigues said if the person is an existing patient with Advocare there should be no issues.

EXPRESS SCRIPTS COVERAGE UPDATE

Program Manager said ESI has recently been notified of a shortage in the market on Epinephrine Auto Injector products. To ensure members have access to the medication they need, Express Scripts will allow coverage on the products outlined below through a onetime override if requested (normally a NPF Exclusion product). This update will not occur automatically, an override must be requested. Though the auto injector is on backorder, there is still the ability to receive the vial and syringe rather than the auto injector. As a note, the brand Auvi-Q is an excluded brand, however if patients or prescribers specifically ask about Auvi-Q, ESI will provide the phone number for the direct delivery program sponsored by the manufacturer Kale'o.

FORMULARY UPDATE

Program Manager said the National Preferred Formulary Guide (NPF) is being updated effective 7/1/2018 and the following 33 medications will be added to the list of excluded medications.

| NEW FORMULARY EXCLUSIONS | | |
|---------------------------------------|---------------------------|----------------------|
| ARIMIDEX | AVALIDE, AVAPRO | AVODART |
| CELEBREX | CELEXA | COREG |
| COSOPT | COZAAR, HYZAAR | CRESTOR |
| DETROL, DETROL LA | DIOVAN, DIOVAN HCT | EXFORGE, EXFORGE HCT |
| GLEEVEC | GLUCOPHAGE, GLUCOPHAGE XR | KEPPRA, KEPPRA XR |
| LAMICTAL, LAMICTAL ODT, LAMICTAL XR | LIPITOR | LOESTRIN, LOESTIN FE |
| LOTREL | MAXALT, MAXALT MLT | MEBOLIC* |
| MICARDIS, MICARDIS HCT | NEURONTIN | NORVASC |
| ORTHO TRI-CYCLEN, ORTHO TRI-CYCLEN LO | TOPAMAX | TRICOR |
| TRILEPTAL | XALATAN | XYZBAC* |
| ZOCOR | ZOMIG TABLETS, ZOMIG ZMT | ZYVIT* |

Member Impact:

- 99.13% of members will not see any changes to their drug coverage.
- Approximately 12 SNJREBF members will be impacted by the formulary update.
 - o These individuals will be receiving a the notification letter that has been included in your packet roughly 30 days prior to implementation
- Of the 33 products being added to the exclusion list, 30 are multi-source brands, products with generic equivalents. The remaining 3 drugs are high-cost combination drugs with lower-cost generic or over-the-counter options.
- Impacted members will receive a customized letter (sample included with the agenda)
- Members who cannot tolerate the suggested alternative (or generic version) have the option of having their provider request a clinical exception with ESI.

SAVEON SAVINGS UPDATE

Program manager said for the date of service period 03/02/2018 thru 03/22/2018, the Fund will be receiving \$9,736.00, as a result of 19 claims processing thru the SAVEON Discount program. The Net Program Savings to date is \$29,133.00, which is approximately \$38.00 credit per claim.

TELEMEDICINE

Program Manager said to date 83 members have registered for the service and there were 19 patient consultations conducted.

MEDICARE

The Centers for Medicare & Medicaid (CMS) has announced that they will be issuing new ID cards to all Medicare members. The new cards will feature a unique, randomly generated number known as *Member Beneficiary Identifier* or **MBI**. The MBI will replace social security numbers with the intent of reducing fraudulent use of social security information (see sample below). The new cards are being mailed to members over the next several months based on geographic areas. Providers will be able to continue using old ID numbers throughout 2018. This will have no impact on the HIF enrollees in the Medicare Advantage program.

IRS - NEW 2018 HSA CONTRIBUTION LIMIT REVERSED

The IRS recently reversed the reduction in the 2018 annual maximum family HSA contribution (which was originally announced earlier this year) from \$6,850 to back to \$6,900.

ONLINE ENROLLMENT SYSTEM TRAINING

The Executive Committee voted and approved mandatory use of the online enrollment system by each member group. If you need training or would like a refresher course on the online enrollment system, please reach out to Karen Kidd at kkidd@permainc.com of PERMA.

CONTACT INFORMATION

Please direct any eligibility, enrollment, billing or system related questions to our dedicated SNJREBF Team. The team can be reached by email at southernnj_enrollments@permainc.com or by fax at 856-685-2249.

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, including terminations, to 60 days.

BROKER CONTACT INFORMATION

Please direct any escalated claims, benefit coverages, prescription coverage, Medicare advantage or appeal related questions to our dedicated SNJREBF Client Servicing Team. The team can be reached by email at brokerservices@permainc.com.

ID CARDS

As a reminder, PERMA no longer has direct carrier system access to order ID cards for members. We wanted you to be aware of the following carrier contact numbers members can call to request additional ID cards if needed.

- Aetna ID cards: 800-370-4526
- Express Scripts ID cards: 800-305-1834
- Delta Dental: 800-452-9310
- AmeriHealth Admin (non referrals): 800-480-5031

AETNA/AMERIHEALTH/ESI UPDATES

DOMESTIC PARTNERSHIP

NJ did have a domestic partnership act became effective on July 10, 2004 and was amended by the Civil Union Act implemented on February 19, 2007.

Under the original Domestic Partnership Act, same-sex couples age 18 or older and opposite-sex couples age 62 or older had to meet the requirements of the Act to register a Domestic Partnership. The implementation of the Civil Union Act amended this requirement so that effective February 19,

2007, same-sex or opposite-sex couples must be age 62 or older and meet the remaining eligibility requirements of the Domestic Partnership Act to register as Domestic Partners. Domestic Partnerships registered prior to February 19, 2007 are still valid and are afforded the rights and benefits of Domestic Partners.

ADMINISTRATIVE AUTHORIZATIONS

There was one medical appeal for non-emergent use of an ER, the IRO upheld the denial on this appeal.

TREASURER'S REPORT - Deputy Treasurer reviewed the April 2018 Bills List.

Resolution #17-18 - May 2018 Bills List

| | |
|---------------|---------------------|
| FY2018 | \$507,802.16 |
| Total | \$507,802.16 |

MOTION TO APPROVE RESOLUTION #17-18 APPROVING THE MAY 2018 BILLS LIST IN THE AMOUNT OF \$507,802.16 AND THE REMAINDER OF THE TREASURERS REPORT:

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

FUND ATTORNEY:

AETNA:

AMERIHEALTH:

EXPRESS SCRIPTS:.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Moved: Commissioner
Second: Commissioner
Vote: Unanimous

**MEETING ADJOURNED:
NEXT MEETING: JUNE 25, 2018**

Karen Kamprath , Assisting Secretary
for

JOSEPH WOLK, SECRETARY