

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
AUGUST 28, 2017
BARRINGTON BOROUGH
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 - Patricia Harris welcomed the Committee to Barrington Borough

ROLL CALL OF 2017 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	Present
Edward Hill	CCBOSS	Present

APPOINTED PROFESSIONALS PRESENT:

Executive Director/Administrator	PERMA Risk Management Services Paul Laracy Emily Koval
Program Manager	Conner Strong & Buckelew Brandon Lodics
Attorney	Ken Harris
Deputy Treasurer	Michael Zambito
Aetna	Kim Ward
AmeriHealth	Lisa DiDio
Express Scripts	Ken Rostkowski
Auditor	Absent

Also Present:

Eleanor Kelly, Runnemedede
Mike Sheeran, Glenn Insurance
Kim Porter, CHB Group
Joe Madera, Hardenberg Insurance
Robert Maybury, Mt. Holly MUA
Suzanne Wood, Cbiz
Robert Weil, Conner Strong & Buckelew

APPROVAL OF MINUTES: July 24, 2017 Open

MOTION TO APPROVE OPEN MINUTES OF JULY 24, 2017:

Moved: Commissioner Michielli
Second: Commissioner Wolk
Vote: Unanimous

CORRESPONDENCE - None

Fast Track Financial Reports - as of June 30, 217

Executive Director said the Financial Fast Track showed the Fund with a monthly gain of approximately \$1,800,000, but there were allocation issues that were discovered with Amerihealth claims that was corrected in this month, so the gain is not specific to June.

Executive Director said resolution 21-17 illustrates the remaining funds from 2015 closed years that is owned by the Schools and Coastal Funds. Other than a very small account that will remain open for contingency, this is the final large payment to these groups.

MOTION TO APPROVE RESOLUTION 21-17 TRANSFERRING 2015 CLOSED YEAR FUNDS TO THE SCHOOLS HEALTH INSURANCE FUND AND THE COASTAL REGIONAL EMPLOYEE BENEFITS FUND.

Moved: Commissioner DiAngelo
Second: Commissioner Shannon
Vote: 8 Ayes, 0 Nays

EXECUTIVE DIRECTOR'S REPORT

2018 BUDGET PREVIEW - An updated draft 2018 budget was distributed to the Commissioners. Executive Director said the overall increase is 2.21%, although the municipal claims are flat or decreasing, but the Camden County Board of Social Services is rated separately and its increase is 7.7%, but is still further reviewing. The average for the remaining groups is -.83%.

The overall medical and Rx rate remains stable while the dental rate drops by 5%. Medicare Advantage rates are +5%. As in past years, loss ratio adjustments of +-2.5% are applied. We remain on target to distribute a dividend for 2018 similar to the one declared in early 2017. Executive Director said the prescription decrease includes retirees entering into an EGWP plan which will be reviewed at the next meeting.

Chair Mevoli said he was very happy with this renewal and if there are no changes, there will be no need for the finance budget meeting. He said the Fund has come a long way over a few years and attributes the success to the professionals and its members.

MOTION TO INTRODUCE THE 2018 SOUTHERN REGIONAL EMPLOYEE BENEFITS FUND BUDGET AND ADVERTISE A PUBLIC HEARING FOR OCTOBER 23, 2018 TO ADOPT THE BUDGET.

Moved:	Commissioner Wolk
Second:	Commissioner Michielli
Vote:	8 Ayes, 0 Nays

In response to Chair Mevoli, Executive Director said he would not recommend two dividends in one year, but will include analysis for the members to review for early next year.

PROGRAM MANAGER'S REPORT

OPEN ENROLLMENT - Ms. Friel said the SNJREBF will be hosting the 2018 open enrollment for January 1, 2018. We are currently in the planning stages and will have firm dates for the Open Enrollment at our next meeting.

Highlights:

- Retirees and COBRA enrollees will receive the information directly at their residencies
- Medicare Advantage retirees will not be included in this open enrollment

Ms. Friel requested that the members move to an electronic open enrollment distribution to save on postage and printing. Executive Committee agreed to the electronic open enrollment. Retiree packets will be sent via mail.

STATE HEALTH BENEFITS (SHBP) UPDATE - On August 3, 2017 the SHBP Committee proposed the 2018 rate renewal and plan modifications for the Local Government and State Employee Groups. We will discuss major highlights at the meeting.

MEDICARE PART D NOTICES

Employers whose provide Rx drug benefits must notify Medicare-eligible employees and CMS. Employers whose health care plans include prescription drug benefits for active employees (or retirees) who are Medicare-eligible must notify those covered individuals by Oct. 15 of each year whether their drug benefit is "creditable coverage," meaning that it is expected to cover, on average, as much as the standard Medicare Part D prescription drug plan. These plan sponsors must also report whether their drug benefit is creditable coverage to the federal Centers for Medicare & Medicaid Services (CMS) by March 1 for calendar-year plans.

The disclosure obligation applies to all plan sponsors that provide prescription drug coverage, even those that do not offer prescription drug coverage to retirees. Medicare Part D, which became effective in 2006, is a federal program to subsidize the cost of private prescription drug plans.

If your group's prescription plan is in the Fund, Express Scripts will be sending these member notices by the October 15th due date.

Commissioner Shannon asked if a member can reimburse employees for their Part B contribution. Program Manager said that group have done this, but it is not ideal.

AMERIHEALTH UPDATES - AmeriHealth Administrators will be following AmeriHealth NJ's choice to use LabCorp as its exclusive outpatient lab for all self-funded business. All other lab contracts will be terminated by May, 1, 2018 as indicated in the schedule below.

These facilities will be out-of-network providers as of May 1, 2018:

- Quest Diagnostics effective October 1, 2017
- Bio Reference Laboratories (Bio Reference) effective March 1, 2018
- Health Network Laboratories (Health Network) effective May 1, 2018

LabCorp includes the following affiliates as part of its specialty laboratory testing group: Dianon Pathology, Integrated Oncology, Integrated Genetics, MedTox Laboratories, Monogram BioSciences, and Litholink ("Specialty Testing Group"). AmeriHealth Administrators will also include some additional contracted freestanding laboratories in-network, after May 1, 2018. For assistance in locating in-network facilities, plan members are encouraged to visit the member page of ahatpa.com or log on to the secure website listed on their ID card and access the Find a Provider Tool.

In response to Chair Mevoli, Ms. Didio said that LabCorp presented the best discounts if all membership uses them. The credit card request at Labcorp is still an issue but they are not required to present it.

AmeriHealth will be notifying members directly by the end of August and we will keep you apprised of and share sample communications as we receive them.

- AHA 1/1/2018 migration -What to Expect
 - New ID cards
 - New group number will not be listed on the ID card
 - ID numbers are not changing
 - New URL on back of the ID cards
 - Members will need to newly register on the new site
 - The old ID cards will be linked to the new ID cards so if a member uses the old card, it will still work.
- Communications - members will receive a letter with their new ID card, explain the change and how will affect them.
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VISION RFP UPDATE - An RFP for a standalone vision plan (as reported at the May meeting) was issued by MRHIF with proposals due on July 19, 2017. We are currently reviewing the responses we have received.

APPEAL REVIEW:

No appeals to report at this time.

TREASURER'S REPORT - Fund Treasurer reviewed the August Bills List and Treasurer's Report. He also distributed a report detailing the rate increases.

Resolution 20-17: Payment of July 2017 Bills List

CY	\$11,342,685.78
FY 2017	\$557,327.01
TOTAL	\$ 11,900,012.79

MOTION TO APPROVE RESOLUTION 22-17, APPROVAL OF AUGUST 2017 BILLS LIST IN THE AMOUNT OF \$11,900,012.79.

Motion: Commissioner Shannon
Second: Commissioner Wolk
Vote: 8 Ayes, 0 Nays

FUND ATTORNEY: No report

AETNA: Chair Mevoli reviewed the claim reports included in the agenda.

AMERIHEALTH: Ms. DiDio reviewed the claims and high claim reports included in the agenda. In addition, she reviewed the platform migration process and LabCorp exclusivity.

EXPRESS SCRIPTS: Mr. Rostkowski said year to date the Fund is trending down but did see an increase in specialty drugs in July.

DENTAL ADMINISTRATOR: None

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Moved: Commissioner Michielli
Second: Commissioner Wolk

Vote:

Unanimous

**MEETING ADJOURNED:
NEXT MEETING: September 25, 2017
BELLMAWR BOROUGH**

Emily Koval , Assisting Secretary
for

JOSEPH WOLK, SECRETARY