

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
FEBRUARY 24, 2022
ZOOM MEETING - 9:30 AM**

Meeting of Fund Commissioners called to order by Silvio Esposito, Chair. Open Public Meetings notice read into record.

ROLL CALL OF 2022 EXECUTIVE COMMITTEE AND FUND COMMISSIONERS

2022 Executive Committee		
Silvio Esposito, Chair	Township of Hanover	Present
Scott Heck, Secretary	Borough of Ringwood	Present
Stephen Mountain	Township of Randolph	Present
Barbara Russo	Township of Berkeley Heights	Present
Tom Russo	Town of Newton	Present
Dina Valente - Stoel	Borough of Lincoln Park	Absent
Tammy Smith	Knowlton BOE	Present
Executive Committee Alternates:		
Cathy Shanahan	Township of West Milford	Present
Carinne Piccolo- Kaufer	Township of Hardyston	Present

Fund Commissioners		
Mike Sondermeyer	Borough of Bloomingdale	Absent
Michael Restel	Township of Wantage	Absent
Neil Spidaletto	Township of Sparta	Present
Diana Francisco	Andover Township*	Absent
Ralph Blakeslee	Borough of Netcong*	Absent
Keith Kazmark	Borough of Woodland Park	Present
john schmidt	Township of Dover	Absent
Andrew Fiore	Borough of Harding	Absent
Katie Yanke	Borough of Montville*	Absent
Joe Sabatini	Township of Byram*	Absent
James Burnett	Borough of Madison*	Absent
Open	Borough of Mountain Lakes*	Absent
Open	Township of Prospect Park*	Absent
John Shepherd	Township of Roxbury*	Absent
Debra Millikin	Township of Jefferson*	Absent
Open	Kinnelon	Absent
Adam Brewer	Township of Pequannock	Present
Fund Commissioner Alternates		
Ashleigh Frueholz	Township of Byram*	Absent
Jennifer Dodd	Town of Newton	Absent
Lisa Spring	Township of Roxbury*	Absent
Gabby Evangelista	Borough of Wharton	Present
Perry Mayers	Borough of Lincoln Park	Present

Sherry Gallagher	Township of Bloomingdale	Absent
Michele Landtau	Township of Sparta	Absent
John Bennett	Township of Dover	Absent
Open	Borough of Netcong*	Absent
Sandra Emmerich	Borough of Madison*	Absent
* Dental Only		

APPOINTED OFFICIALS PRESENT:

Executive Director	PERMA Risk Management Services	Brandon Lodics Emily Koval Jordyn DeLorenzo
Program Manager	Vozza Agency	David Vozza Randi Gerber
Attorney	Dorsey & Semrau	Fred Semrau
Claims Administrator	Aetna	Jason Silverstein
Dental Administrator	Delta Dental	Brian Remlinger Kim White
Prescription Administrator	Express Scripts	Michael Stahl
Treasurer	Michael Soccio	Michael Soccio
Auditor	Nisivoccia	
Actuary	John Vataha	
Wellness Coordinator	Cavitas	Marianne Eskilson

PRESENT FUND PROFESSIONALS:

**Brittany Vozza
Joe Rude
Renee Gear
Lisa Sabato
Lane Hindman
Suzanne McCarney**

FLAG SALUTE

APPROVAL OF OPEN JANUARY 27, 2022 MINUTES:

MOTION TO APPROVE OPEN MINUTES OF January 27, 2022:

MOTION:	Commissioner Piccolo-Kaufer
SECOND:	Commissioner Smith
VOTE:	All in Favor

EXECUTIVE DIRECTOR'S REPORT

PRO FORMA REPORTS

○ **Fast Track Financial Reports** as of December 31, 2021

Executive Director reviewed the Financial Fast Track through December 31, 2021. He said that financials continue to stay strong with a very health surplus.

AETNA CLAIMS PROCESSING SLOW DOWN -Executive Director said that during the Schools HIF Budget development process, the Fund Actuary discovered that Aetna's claim turnaround time is slower than what the Fund had experienced historically but still withing industry standards and within the commitments of their contractual performance guarantees. Aetna has advised that the claims processing slowdown began in July 1, 2021.

Executive Director explained what IBNR is. He said that the Fund holds this reserve for claims that are happening, just haven't hit the Fund bank account. The liability is required by statute. He said that because of this slow down, the monthly IBNR amount reserved was understated. Executive Director said that PERMA is a little disappointed that this was not notified earlier. Aetna advised that it is a staffing issue and are addressing it with the Fund accounts. Unfortunately, this is an issue across all self insured groups. Aetna is staying with the performance guarantee standards set in the fund contract. In comparison to previous years, claim processing turn around times were much faster, of which the Fund depended on for the monthly IBNR reserve. The SHIF actuary will be doing quarterly reviews to make sure we catch up. Aetna is adding resources.

FINANCIAL FAST TRACK -Executive Director Brandon Lodics reviewed the Financial fast track through December. He said you will see a \$409,000 adjustment in IBNR which is a corrective accrual that catches up the last six months of 2021. From an operational standpoint, calendar year 2021 did operate at about \$600,000 loss. Once you factor in reimbursements from Benefit Express, Cobras direct deal retirees as well as investment income, 2021 did operate at a surplus of about \$400,000. There is no concern going forward with the volume of surplus this fund holds, right now there is about \$15million in surplus.

Program Manager Dave Vozza mentioned that the fund had some high claims in 2021 so the IBNR being raised might also be overstated. Since there is a \$15million dollar surplus, the fund is comfortable and in good financial standing.

Account Manager stated that the Schools Health Insurance Fund approved additional two IBNR reviews from the actuary.

Ms. Koval reviewed the informational piece of the report which includes the following:

WELLNESS CONTRACT APPROVALS

It was inadvertently overlooked to formally approve the Wellness contracts the various phases of the Wellness Program. Resolution 13-22 approves:

Derm Detect - \$96 a screening
Life Line - \$240 per scan
Fitness Coaching, LLC - \$250 per seminar

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND

The MRHIF executive committee met on February 9 to reorganize for 2022. Besides reorg, there were no major action items. The Fund will continue its 3 year TPA audit cycle which this year will focus on Delta Dental.

GASB 75 REPORTS

The Fund contracts with an Actuary to provide GASB 75 reports on behalf of its medical members. Please reach out to Emily Koval if your audit requires a full report or update to last year's report. During its 'busy' season, reports can take up to 4 weeks to turn around.

2022 MEL/MRHIF EDUCATIONAL SEMINAR

The 11th annual seminar will be conducted virtually on 2 half day sessions: Friday, April 29th and Friday, May 6th from 9 am to 12 noon. There is no fee for employees and insurance producers associated with MEL and Municipal Reinsurance Health Insurance Fund (MR HIF) members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs. Attached a copy of the ad which will appear in the League of Municipalities "Power of Collaboration". The seminar qualifies for Continuing Educational Credits for designated positions as outlined within the ad. Registration will be posted to the MEL website at www.njmel.org.

PRORAM MANAGER REPORT

Program Manager Dave Vozza reminded everyone to keep an eye on the Open Enrollment System Training Schedule included in the agenda.

LITIGATION

Mr. Vozza stated our office has received a number of Pre-Litigation Demands and appeals for reimbursements of OON services, mostly consisting of surgical services for Breast Reconstruction or Spinal Surgeries. These claims are high in cost and they are mostly coming from one law firm. The office continues to work directly with the fund attorney's office in the research and resolution of these issues.

In response to Chairman Esposito, Attorney Fred Semrau stated that he is working with Dave Vozza to come up with a solution to this ongoing issue.

WELLNESS PROGRAM

Brittany Vozza stated that the 2022 program is underway. The office has started scheduling the wellness vendors for participating towns and we are working with our consultant on town level enrollment and programming. They ask that you please have enrollment completed no later than 3/31/2022. They received a request from the Borough of Ringwood to join the 2022 wellness program. The Wellness committee is recommending approval for them to join effective 3/1/2022.

MOTION TO APPROVE RINGWOOD TO JOINING THE 2022 WELLNESS PROGRAM:

MOTION: Commissioner Piccolo-Kaufer
SECOND: Commissioner Mountain
VOTE: All in Favor

Randi Gerber reviewed the following informational portion of the report listed below:

FDA Authorizes Oral Antiviral Treatment for Covid 19

In late December 2021, the U.S. Food & Drug Administration (FDA) issued an emergency use authorization for Pfizer's Paxlovid™ and Merck's *molnupiravir* for the treatment of mild-to-moderate coronavirus disease (COVID-19) for certain patients who are at high risk for progression to severe COVID-19, including hospitalization or death. These treatments are available by prescription only, and the FDA recommends initiating them as soon as possible after diagnosis of COVID-19 and within five days of symptom onset. These prescriptions are covered by your pharmacy benefit through Express Scripts.

Covid Test Kits Available through Mail Order

Express – Scripts now provides participants with an option to receive their COVID-19 At-Home Test Kits via mail order. This option is only available to those who are registered in the Express Scripts member portal. For test kits purchased outside of an Express Scripts participating pharmacy, there is an attachment included in the agenda of an updated Express Scripts claim form that now reflects the Covid Test Kit Reimbursement Selection Box.

WELLNESS COORDINATOR - Marianne Eskilson provided an update on the wellness program roll out. Mrs. Eskilson stated that the newsletter is live for the members and will be sent out during the week of February 28. They will be sending a product out to the participating and non-participating members about the newsletter. The education program will start in March after a few tests of the system with Valley health. The schedule for March will include live seminars on multiple topics. Mrs. Eskilson reviewed the Cavitas report that is in the agenda. She talked about the kickoff for the 6-part series as well as welcomed Ringwood to the wellness program. She reviewed a few goals and objectives for the 2022 fund year.

TREASURER: Mike Soccio reviewed the treasures report and bills list.

Resolution 12-22 : January 2022 Bills List

FUND YEAR 2022	AMOUNT
FY 2021	\$574,137.01
TOTAL	\$574,137.01

Confirmation of Payment : January 2022 Dividends List

FUND YEAR 2022	AMOUNT
TOTAL	\$981.46

AETNA: Jason Silverstein reviewed the Aetna report in the agenda. Mr. Silverstein reviewed the December claims. The high cost claimants report showed there were 4 high claimants for the month of December over the threshold of \$50,000. Mr. Silverstein stated that the dashboard metrics continue to

perform well although the average speed to answer and abandonment rate is below target level. Aetna is taking the necessary steps to improve those numbers and will keep everyone updated at the next meeting. He reviewed the COVID-19 reports attached in the agenda.

EXPRESS SCRIPTS: Mike Stahl said the December 2021 claims came in at \$715,539 for a YTD total of \$7,937,126 resulting in a -4.1% trend for the month of December.

DELTA DENTAL: Brian Remlinger reviewed the Dental Action Plan which monitors where members are falling with utilization. There are four spectrums that compare these numbers. This reports shows that a good amount of the members are not utilizing their dental plans and they would like to see that number go up and encourage people to use their dental insurance. Kim White stated that this report is from the 4th quarter of 2020 to 3rd quarter of 2021 which is prime covid time. She stated that the NJMBEF should be proud because they are going great compared to other funds.

ATTORNEY: Fund Attorney Fred Semrau wanted to add that there have been two major claims that have been noticed and he is working with Dave and the Vozza Agency to put together a strategy on how they will be handling claims of this nature going forward. There have not been many claims to ever reach this level but nonetheless he will be able to report in the future on what the strategy will be.

MOTION TO APPROVE THE CONSENT AGENDA::

MOTION:	Commissioner Mountain
SECOND:	Commissioner Smith
VOTE:	10 ayes, 0 nays

OLD BUSINESS: Dave Vozza asked if here were any thoughts on going back to in person meetings in April. Ms. Koval conducted a vote and everyone agreed that an in-person meeting is favorable. The next meeting will be held at Randolph.

NEW BUSINESS: None

PUBLIC COMMENT: None.

MOTION TO ADJOURN :

MOTION:	Commissioner T. Russo
SECOND:	Commissioner Brewer
VOTE:	All in Favor

MEETING ADJOURNED AT: 10:30 am

NEXT MEETING: April 28, 2022, 9:30 am

RANDOLPH MUNICIPAL BUILDING

Jordyn DeLorenzo
For

Scott Heck, Secretary

Date Prepared: 4/21/2022

APPENDIX II

NJHIF WELLNESS COMMITTEE MEETING

Conference Call

April 7, 2022 1:00pm

Attendees:

Steve Mountain, Committee Member
Carinne Picollo-Kaufer, Committee Member
Marianne Eskilson, Civitas
Brittany Vozza, Vozza Agency
Randi Gerber, Vozza Agency
Jordyn DeLorenzo, PERMA
Emily Koval, PERMA
Marie Morro, Sparta

DENTAL REQUIREMENT:

Brittany Vozza stated that they have been receiving some complaints from some of the members that two cleaning/exams is using a significant portion of the members calendar year maximum benefit. They are stating this has proposed an issue for some individuals who need to get actual work done as applied to the calendar year maximum. We have looked back, and the prior requirement was one cleaning/exam. Our recommendation is to change the requirement to one cleaning/exam and encourage member agencies to add this as a challenge option so those who go twice can still be rewarded. Mrs. Eskilson stated that it is more of a policy change. We were unaware that it was a hardship to have that two time a calendar year cleaning requirement, so we are looking for some guidance on that.

Carinne Picollo-Kaufer replied with she has not heard of any complaints about the maximum out of pocket benefit. She thought that the cleanings did not cost towards the maximum out of pocket benefit. With that being said, there is a whole scheduling issue for individuals who have to get their cleanings 6 months apart. Some people have expressed that due to the strict guidelines on the 6 months apart they are unable to go twice due to scheduling and they end up having to go Christmas week or some inconvenient time like that.

Randi Gerber replied that this is going to be a discussion topic at the April HIF meeting. They will be suggesting that the members are allowed to go two times per calendar year no matter the timing of the visits. This will work out well with the program and resolve that issue.

Mrs. Eskilson stated that they are also looking into the availability to upgrade dental plans when people have certain periodontal issues. That they might qualify for more frequent cleanings since they suffer from some type of dental disease.

Mrs. Picollo-Kafuer stated that with all that being said, she thinks that all of the topics discussed are a good idea and to send out a flyer to participating members stating that they understand there are concerns about x,y,z and they are considering changes in 2023 to better accommodate the members.

Mr. Mountain and Marie Morro also agreed with what Carrine stated.

AETNA EAP:

Ms. Vozza reviewed the Aetna EAP offerings for on-site seminars She stated that the fund would be able to contract directly with Aetna's EAP program to offer the training seminars through their Workplace Resilience Program. The cost of the seminars is \$500.00 each (\$325 plus \$175 for

travel/prep) and member towns can select and schedule directly to fit their schedules. Aetna provides the fund with a \$1 PEPM wellness benefit which can be used to offset the cost of the seminars. Mrs. Gerber added on with she is excited for this program. Each town will have the ability to pick whatever topics they want. We will probably initially offer two per wellness town that you can use as your own wellness initiatives. There is not RFP required and we would be getting \$1 PEPM from Aetna as a wellness stipend. It is a no brainer, almost like a free program. Mrs. Eskilson agreed that she also does not see a downside to this program and it is a very nice add on. Mrs. Koval asked that since this is an EAP required service that these towns have to offer, is there a reason we are not offering it to all members and not just wellness members? It will not affect the budget and I think this could benefit everyone and might bring interest to the wellness program. Maybe offer one seminar to every member to entice them into the wellness program. Mrs. Gerber stated they were trying to stay under the budget so there might not be enough money to offer that to every town. Ms. Vozza countered and stated that maybe they will initially start offering just one seminar to every town and see if anyone bites and go from there.

“AbleTo” BEHAVIORAL CARE PORGRAM

Ms. Vozza reviewed the AbleTo program and availability to members for counseling and coaching services. Some members will be receiving an offering for services based on an algorithm derived from diagnosis codes. We are confirming with Aetna that while only some will receive the attached and the reach out that this would be available for all members to use. If that is the case we would like to send to all liaisons and members to make them aware of the availability of this valuable program. Mrs. Eskilson stated that she likes this approach as we’re trying to help people think about habit change if they need some additional personalized support that we make this an opportunity. Mr. Mountain stated that this is a very great program idea and he wishes that this was available earlier for his employees. He stated that this flyer should be sent out annually because it is very helpful.