

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – March 27, 2017
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08611
10:30 AM**

Meeting was called to order by Chairman Mair. Ms. Dodd read the Open Public Meetings notice into record.

ROLL CALL OF COMMISSIONERS:

Andrew A. Mair	Present
K. Megan Clark Hughes	Present
Raissa Walker	Excused

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Matthew Baron Keith Platt Amy Zeiders
	Conner Strong & Buckelew Danielle Batchelor
Managed Care Services	First MCO Kelly Royce
CEL Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	Borden Perlman Salisbury & Kelly Doug Borden
Attorney	Paul Adezio, Esq.
Treasurer	
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

Alex Deluccia, Conner Strong & Buckelew
Alma Ortiz, Mercer County Improvement Authority
Ana-Eliza T. Bauersachs, Esq., Capehart Scatchard, PA
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF FEBRUARY 27, 2017

**MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF
FEBRUARY 27, 2017**

Moved:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Yes, 0 Nays

CORRESPONDENCE: NONE

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Review Committee last met on March 15th and three motor vehicle injuries were reviewed as well as four Corrections Department injuries. Mr. Prince noted the next meeting was scheduled for April 19, 2017. Mr. Prince advised that concluded his report unless there were any questions.

CLAIMS COMMITTEE: Executive Director reported the Claims Committee met prior to the Commission meeting and there were two PARS and one SAR to present during closed session along with an update on another claim which was being monitored.

EXECUTIVE DIRECTOR REPORT: Executive Director reported he had one action item for his report today and would review the informational items.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the period 2/1/17 to 2/28/17. There were 9 certificates issued for this period. In response to Chairman Mair's inquiry, Ms. Hughes advised she did not have any questions regarding the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

Moved:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Ayes, 0 Nays

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director reported as discussed last month the CELJIF conducted their Reorganization Meeting on February 23, 2017.

Executive Director advised a summary report of the meeting was included in the agenda. Executive Director noted the CEL was scheduled to meet again on April 27, 2017.

MCIFC & NJ CEL PROPERTY & CASUALTY FINANCIAL FAST TRACKS: Executive Director advised the January Financial Fast Tracks for the MCIFC & NJ CEL were included in the agenda. Executive Director reported the Commission had a surplus of \$5,047,080 and the NJ CEL had a surplus of \$8,711,263. Executive Director noted the Mercer County Insurance Fund Commission's share in the CEL as of January 31st was \$753,388. Executive Director asked if anyone had any questions on the Fast Tracks. In response to Chairman Mair's inquiry, Executive Director advised the Treasurer was funding on a cash basis not an accrual basis resulting in a sizeable account receivable. Any future dividend would most likely be used towards reducing the account receivable. Executive Director noted he could provide the Chairman with a report. Executive Director mentioned he could ask the actuary to re-evaluate the loss funds to determine if there could be a savings.

CLAIMS TRACKING REPORTS: Executive Director advised the Claims Tracking Reports for the month of February was included in the agenda. Executive Director reviewed the Claims Management Report Expected Loss Ratio Analysis report and advised this report compared the actuary's projections of the loss funds versus the actual figures. Executive Director noted the actual amount of claims for the first three years were lower than the actuary projected.

BULLETIN NJCE 17-01: Executive Director advised the agenda included the first coverage bulletin issued by the NJCE Underwriting Manager. This one was in regards to Unmanned Aircraft, (drones). Executive Director asked Mr. Cooney to review the bulletin. Mr. Cooney reported liability coverage for drones was available within the Non-Owned Air Craft policy and the CEL Casualty policy. Mr. Cooney advised some Counties and their departments were using drones for various reasons. Mr. Cooney indicated if anyone had any questions on the drones to reach out to him and recommended their counsel review the planned operations of any drones and the compliance requirements. Chairman Mair advised they have had some internal discussions and do not use drones for County business and they are not permitted in County Parks. Chairman Mair noted the only time the County Government might use a drone would be to lower the cost of photography for planning and development. In response to Chairman Mair's inquiry, Mr. Cooney advised the drones should be scheduled but for the most part coverage was automatic, however his team should be notified with the details of the drone and the use.

2017-2018 LIMIT SCHEMATICS: Executive Director reported a copy of the 2017-2018 Limit Schematics for the Mercer County Insurance Fund Commission was included in Appendix II of the agenda. Executive Director noted the Limit Schematics would also be available on the Conner Strong & Buckelew website along with the policies. In response to Executive Director's inquiry, Mr. Cooney advised the policies should be posted to the website shortly.

CEL TPA: Executive Director advised a copy of a letter from the CEL TPA, AmeriHealth, was included in the agenda. Executive Director reported Amanda Metzger would now be handling the CEL account replacing Tom Watkins. Ms. Metzger's contact information was included in the agenda along with the Service Team Announcement.

2017 TPA REQUEST FOR PROPOSALS: Executive Director reported there was a meeting scheduled after the Commission meeting to review and evaluate the TPA responses which were due on March 10, 2017.

DEFENSE ATTORNEY PANEL: Executive Director reported he spoke with Mr. Adezio briefly prior to the meeting and advised there was a panel set up for the AIG policy. Executive Director suggested the Commission set up a Defense Panel. Executive Director noted the Improvement Authority had a situation where their attorney had a conflict. A Commission Defense Panel would have been helpful. Chairman Mair indicated he supported the concept at the CEL and also here but wanted to have a conversation later.

POTENTIAL NEW MEMBERSHIP: Executive Director asked the Chairman if there were any new developments with the Mercer County Vo-Tech and Special Services School Districts in joining the Commission for property and casualty insurance. Chairman Mair indicated he would see what he could do.

Executive Director advised that concluded his report unless anyone had any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chairman Mair advised the Treasurer was not present. Chairman Mair advised the March Bill List, Resolution 19-17, was included in the agenda.

MOTION TO APPROVE RESOLUTION 19-17, MARCH BILL LIST IN THE AMOUNT OF \$49,135.64

Moved:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Ayes, 0 Nays

Executive Director advised the monthly Treasurer Reports were included in the agenda.

ATTORNEY: Mr. Adezio advised he did not have anything to report but wanted to find out the payment procedure for the outside legal bills for the Improvement Authority. Ms. Dodd advised she participated in a conference call with Ms. Batchelor and Mr. Miller of the Improvement Authority. The legal bills would be submitted to Inservco and paid out of the Commission Claim Account. Mr. Adezio noted they were utilizing the list of attorneys that were approved by AIG. Executive Director suggested approving the list of attorneys for the Commission by a resolution for this year and if necessary prepare an RFP for next year. Chairman Mair asked that this be included on the next agenda.

CLAIMS SERVICE:

Executive Director advised Resolution 20-17, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of February 1, 2017 to February 28, 2017.

MOTION TO APPROVE RESOLUTION 20-17 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

Moved:	Chairman Mair
Second:	Commissioner Hughes

Vote:

2 Ayes, 0 Nays

MANAGED CARE: Ms. Royce reported for the month of February provider bills were received in the amount of \$22,389 and First MCO repriced the bills to \$10,423 for a total savings of \$11,966 or 53%. Ms. Royce advised the PPO penetration for the month of February was 96% which was very good.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the January - February Risk Control Activity Report which was included in the agenda. Mr. Prince referred to a copy of the training conducted for March and noted that there were 13 classes scheduled for the DOT and County Parks Departments. Mr. Prince advised that concluded his report and asked if there were any questions. Chairman Mair advised he noticed in the analysis that was provided recently he noted under the type of accidents and it was dominated by automobile. Chairman Mair advised he would like to convene outside of this meeting with a small group to discuss further. Mr. Prince advised he was working on some recommendations with his associate, Barry Sloane, for some of the issues that they were seeing relating to auto claims. Mr. Prince also noted during the Claims Committee meeting a discussion was held on prisoner transportation and he was also developing a Safety Director Bulletin for the law enforcement community to stress the emphasis for using seat belts as well as securing the inmates.

RISK MANAGER CONSULTANT: Mr. Borden advised he did not have anything to discuss.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN THE MEETING TO THE PUBLIC

Moved:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Ayes, 0 Nays

Seeing no members of the public wishing to speak Chairman Mair asked for a motion to close the public comment portion of the meeting.

MOTION TO CLOSE MEETING TO THE PUBLIC

Moved:	Chairman Mair
Second:	Commissioner Hughes
Vote:	2 Ayes, 0 Nays

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 21-17 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 21-17 FOR EXECUTIVE SESSION

Moved: Chairman Mair
Second: Commissioner Hughes
Vote: 2 Ayes, 0 Nays

MOTION TO RETURN TO OPEN SESSION

Moved: Chairman Mair
Second: Commissioner Hughes
Vote: 2 Ayes, 0 Nays

MOTION TO AUTHORIZE PAYMENT AUTHORITY/SETTLEMENT AUTHORITY REQUESTS DISCUSSED IN CLOSED SESSION

Moved: Chairman Mair
Second: Commissioner Hughes
Vote: 2 Ayes, 0 Nays

MOTION TO ADJOURN:

Moved: Chairman Mair
Second: Commissioner Hughes
Vote: 2 Ayes, 0 Nays

MEETING ADJOURNED: 10:56 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary