

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – July 24, 2017
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08650-0068
10:30AM**

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	Absent
Raissa Walker	Absent
Lillian Nazzaro	Present

FUND PROFESSIONALS PRESENT:

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

ALSO PRESENT:

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 JUNE 26, 2017

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF JUNE 26, 2017

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

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported the Safety & Accident Review Committee last met on July 19th and were scheduled to meet again on August 15th. Mr. Prince advised his associate Barry Sloane would attend that meeting.

CLAIMS COMMITTEE: Ms. Leighton reported the Claims Committee met prior to the Commission meeting and there were eight claims to discuss during closed session. Ms. Leighton advised Danielle Batchelor made a decision to leave Conner Strong & Buckelew. Ms. Leighton indicated she was the Claims Team Leader and planned to take the lead and continue to serve as the Commission's Claims Consultant for Conner Strong & Buckelew. On behalf of Ms. Batchelor, Ms. Leighton wanted to thank the members for their past partnership with Ms. Batchelor. Ms. Leighton advised that concluded her report unless there were any questions.

EXECUTIVE DIRECTOR REPORT: Executive Director reported there were three action items during his report today.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported on the Certificate of Insurance Report for the month of June. Executive Director advised there were 2 certificate of insurances issued for the period of 6-1-17 to 6-30-17. Executive Director asked if anyone had any questions on the report.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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

WORKER COMPENSATION CASE MANAGEMENT SERVICES: Executive Director referred to a copy of Resolution 32-17, authorizing the services of Susan Schaefer, LLC which was included in the agenda. Executive Director advised Ms. Schaefer was providing worker compensation case management services for the Commission. Executive Director asked if there were any questions and if not requested a motion to adopt Resolution 32-17.

MOTION TO ADOPT RESOLUTION 32-17 AUTHORIZING THE SERVICES OF SUSAN SCHAEFFER, LLC

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

2017 MEETING SCHEDULE: Executive Director reported the meeting schedule did not include a date for an August meeting. Executive Director advised he did not anticipate any pertinent action items for August and asked the Commissioners if they thought it was necessary to schedule a meeting. Executive Director explained if a meeting was not necessary he would request adoption of Resolution 33-17 which authorized the Treasurer to process the contracted payments and expenses or request a motion to schedule an August meeting and suggested August 28th. In response to Chairman’s Mair inquiry, Executive Director advised the other Commissions did not meet in August and thought 11 out of the 12 JIF’s did not meet as it was typically a slow month. Executive Director noted Ms. Fowlkes presented numerous worker compensation cases during the earlier Claims Committee meeting. Executive Director explained a special meeting could always be scheduled if necessary. Chairman Mair indicated he was in agreement to skip the August meeting and requested a motion to adopt Resolution 33-17.

MOTION TO ADOPT RESOLUTION 33-17 AUTHORIZING THE TREASURER TO PROCESS CONTRACTED PAYMENTS AND EXPENSES

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

NJ EXCESS COUNTIES INSURANCE FUND (CELJIF): Executive Director advised at the last meeting he provided a verbal summary of the CELJIF’s meeting of June 22, 2017. Executive Director noted the agenda included a written report of the meeting. Executive Director reported the next CEL meeting was scheduled for September 28, 2017.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director advised the May Financial Fast Track was included in the agenda. The Commission had a surplus of \$5,500,501 as of May 31, 2017. Executive Director also referred to line 10 of the report, “Investment in Joint Venture” and indicated \$694,842 of the surplus was the MCIFC’s share of the CELJIF equity. Executive Director noted the cash balance was \$900,877.

NJ CEL PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the May Financial Fast Track was included in the agenda. As of May 31, 2017 the Fund had a surplus of \$7,476,092 and the cash balance was \$20,947,745. Executive Director asked if anyone had any questions regarding the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director advised the Claims Tracking Reports for the month of June were included in the agenda. Executive Director reported he reviewed the Claim Activity Report and did not see any anomalies. 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 report indicated the Commission was running lower than the actuary's projection for Fund years 2014, 2015 and 2016. Executive Director noted the only year that was running higher than the actuary projected was 2017. Executive Director explained this was normal for this time of the year. Executive Director asked if anyone had any questions on the claim reports.

2018 RENEWALS: Executive Director advised the Fund Office was in the process of sending the NJCE FY 2018 Renewal Schedules to the County and Improvement Authority along with copies to the Commission Risk Manager's office. The updated documents should be returned to Ms. Dodd by Friday, August 25, 2017. Executive Director reported the Underwriting Manager also sent out the renewal applications for the ancillary lines of insurance.

2016 COMMISSION AUDIT: Executive Director advised Mr. Jim Miles of Bowman & Company, LLP was starting the 2016 Commission Audit. Executive Director noted Mr. Miles should present a draft copy of the audit at the September meeting.

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 July Bill List, Resolution 34-17, was included in the agenda.

MOTION TO APPROVE RESOLUTION 34-17, JULY BILL LIST IN THE AMOUNT OF \$996,621.37

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

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

ATTORNEY: Mr. Sypek advised he did not have anything to report.

CLAIMS SERVICE: Ms. Fowlkes reported she would present the PARS during closed session. Ms. Fowlkes advised Resolution 35-17, Disclosure of Liability Claims Check Register, was included in the agenda along with a copy of the check register for the period of June 1, 2017 to June 30, 2017.

MOTION TO APPROVE RESOLUTION 35-17 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

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

MANAGED CARE: Ms. Royce reported for the month of June, provider bills were received in the amount of \$232,376 and First MCO repriced the bills to \$113,318 for a total savings of

\$118,558 or a 51%. Ms. Royce pointed out that the billed amount was higher this month but explained the bills received might be for claims that happened in previous months. Ms. Royce asked if anyone had any questions and concluded her report. Chairman Mair noted the penetration rate for the past two months had dropped off. Ms. Royce advised she would review the bills but thought some of the bills were most likely for emergency bill visits. In response to Ms. Leighton's inquiry, Ms. Royce advised Robert Wood Johnson was in the network, however Capital Health was not. After a brief discussion, Ms. Fowlkes pointed out there were two recent claims involving the shooting incident and inmate incident where employees were taken to the emergency room at Capital Health.

CEL SAFETY DIRECTOR: Mr. Prince reviewed the June - July Risk Control Activity Report which was included in the agenda. Mr. Prince referred to a copy of the Ladder Safety Bulletin which was included in the agenda. In response to Chairman Mair's inquiry regarding the posting of the bulletin on the County website Mr. Prince advised he would check with his office. Mr. Prince reported last month the Chairman had requested his department to visit the Parks Department to discuss signage. Mr. Prince advised on July 14th, his associate, Barry Sloane, visited a couple of parks and observed a variety of signage in place indicating "no swimming" at those locations. Mr. Prince advised the report was distributed for approval and an electronic copy of letter would be sent out shortly. In response to Chairman Mair's inquiry, Mr. Prince suggested increased patrols in the areas. Mr. Prince indicated there were only two parks visited at this time. Mr. Prince advised wherever there was water there should be signage. Mr. Sypek will confirm with the Park Department that they are doing this. Mr. Prince advised that concluded his report unless there were any questions.

RISK MANAGER CONSULTANT: Mr. Borden advised he had three quick items to discuss. Mr. Borden was starting the renewal process and noted Ms. Tolbert was scheduled to meet at his office and would schedule a meeting with Ms. Hughes. Mr. Borden reported they bound coverage for the event cancellations a few weeks ago. Mr. Borden indicated it covered the six paid events and included weather as long as it was for public safety. Mr. Borden advised the only other pending item was the underground storage tank liability. Mr. Borden reported he was waiting for the official approval from the County. In response to Chairman Mair's inquiry Mr. Borden advised he has not spoke to Mr. Watson but corresponded directly with Mr. Adezio.

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 Nazzaro
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 Nazzaro
Vote: 2 Ayes, 0 Nays

CLOSED SESSION: Chairman Mair read and requested a motion to approve Resolution 36-17 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 36-17 FOR EXECUTIVE SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

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

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:09 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary