

**MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – February 24, 2020
Mercer County
McDade Administration Building
640 South Broad Street
Trenton, NJ 08650-0068
10:30 AM**

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

ROLL CALL OF COMMISSIONERS:

Lillian Nazzaro, Esq.	Present
K. Megan Clark Hughes	Present
Raissa Walker	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Amy Zeiders Yvonne Frey
	PERMA Jennifer Conicella
Managed Care Services	First MCO Suzanne Rajsteter
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney
Risk Management Consultant	Borden Perlman Salisbury & Kelly Diane Purcell Doug Borden
Attorney	Paul Adezio, Esq.
Safety Director	J.A. Montgomery Risk Control Glenn Prince

ALSO PRESENT:

Ana-Eliza T. Bauersachs, Capehart Scatchard, PA
Susan Schaefer, Susan Schaefer, LLC
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: OPEN & CLOSED MINUTES OF JANUARY 29, 2020

Chair Nazzaro advised she had a question with regards to the minutes. Chair Nazzaro indicated on page 6 of the minutes, it stated the Commissioners should be appointed by the Freeholders. Mr. Adezio noted that statement was correct.

MOTION TO APPROVE THE OPEN & CLOSED MINUTES OF JANUARY 29, 2020

Moved:	Chair Nazzaro
Second:	Commissioner Hughes
Vote:	3 Yes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE REPORTS: Mr. Prince advised the Safety and Accident Review Committee last met on February 19, 2020. Mr. Prince reported the next meeting was scheduled for March 18th and that concluded his report unless there were any questions.

CLAIMS COMMITTEE: Ms. Conicella reported the Claims Committee met prior to the Commission Meeting and the PARS would be presented during session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there were two action items.

MCIFC DIVIDEND: Executive Director reported last month he advised there were dividend options available to the Commission for Fund Years 2014, 2015 and 2016. Executive Director referred to a copy of the available options which were included in the agenda. Executive Director reported Chair Nazzaro advised she discussed the dividend with the Commission Treasurer and the County would like to take option # 1, \$500,000. Executive Director reported the Dividend would appear as a credit on the 2020 assessment billing and would be applied to the outstanding receivable. Executive Director explained the Commission had a substantial amount of surplus, however the Treasurer was funding the loss funds on a cash basis so there was a large receivable. Executive Director advised Ms. Dodd distributed Resolution 20-20, Authorizing Refund from the 2014 Fund Year.

MOTION TO ADOPT RESOLUTION 20-20, AUTHORIZING REFUND FROM THE 2014 FUND YEAR

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Yes, 0 Nays

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of January was included in the agenda. Executive Director advised there were 10 certificate of insurances issued during January.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT FOR THE MONTH OF JANUARY

Moved: Commissioner Walker
Second: Commissioner Hughes
Vote: 3 Yes, 0 Nays

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE would hold its Reorganization Meeting on February 27, 2020 at 1:00 PM at the Camden County College Regional Emergency Training Center. Executive Director noted Ms. Nazzaro advised she would attend this meeting in person.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director advised the December Financial Fast Track was included in the agenda. The Commission had a surplus of \$12,116,246 as of December 31, 2019. Executive Director also referred to line 10 of the report, “Investment in Joint Venture” and indicated \$1,533,202 of the surplus was the MCIFC’s share of the NJCE equity. Executive Director noted the dividend of \$500,000 was displayed on line 9 of the report. Executive Director advised for the record the receivable amount as of August 31, 2019 was \$16.5 million. Executive Director reported the Treasurer advised he would be applying more funds to this receivable.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the December Financial Fast Track was included in the agenda. As of December 31, 2019 the Fund had a surplus of \$15,026,779 and the cash balance was \$30,611,582. Executive Director noted the NJCE had issued dividends in the amount of \$3,607,551.

CLAIMS TRACKING REPORTS: Executive Director advised the Claims Tracking Reports for the month of December were included in the agenda. Executive Director referred to the Expected Loss Ratio report and advised this report compared how the Commission was performing versus the actuary’s projections. Executive Director reviewed the reports with the Commission and advised the Commission was performing much better than the actuary’s projections.

Executive Director advised that concluded his report unless there were any questions.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Chair Nazzaro advised the Treasurer was not present. Chair Nazzaro advised the February Bill List, Resolution 17-20 was included in the agenda.

MOTION TO APPROVE RESOLUTION 17-20, FEBRUARY BILL LIST

Moved: Commissioner Walker
Second: Commissioner Hughes

Vote: 3 Yes, 0 Nays

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

ATTORNEY: Mr. Adezio advised he did not have any report however, he wanted to discuss a matter under new business regarding the airport and the exercise they do every year with volunteers.

CLAIMS SERVICE: Ms. Fowlkes advised Resolution 18-20, Disclosure of Liability Claims Check Registers was included in the agenda along with a copies of the check registers for January 1, 2020 to January 31, 2020.

MOTION TO APPROVE RESOLUTION 18-20 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTERS

Moved: Commissioner Walker
Second: Commissioner Hughes
Vote: 3 Yes, 0 Nays

MANAGED CARE: Ms. Rajsteter advised she would review First MCO’s report which was included in the agenda and then she would discuss the card that was distributed.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
January	\$ 70,724	\$ 43,450	\$ 27,274	39%	80	63	21,819	79%

Ms. Rajsteter referred to a copy of the new claim card that was distributed. Ms. Rajsteter advised this was a new way to roll out information sent to an employee when they were injured. After a brief discussion it was determined the cards were only for nurse case management claims, and First MCO did not handle those claims for Mercer so the cards were not necessary. Ms. Fowlkes advised currently Ms. Schaefer provides the employees with all of the information they need pertaining to any bills. Ms. Rajsteter advised that concluded her report unless there were any questions.

NJCE SAFETY DIRECTOR: Mr. Prince advised a copy of the Safety’s Director Report for January through February was included in the agenda. Mr. Prince reported the agenda also included two new Safety Briefings and a Safety Director Bulletin, “Service Animals in the Work Place”. Mr. Prince referred to a copy of the BRIT Safety Grant Program which was included in the agenda. Mr. Prince advised the memo included an overview of the program and indicated the program was a cost sharing program where counties could receive reimbursement for up to 50% of the cost of a safety item or service. Mr. Prince noted the total amount of funding available to members of the New Jersey Counties Excess Liability Joint Insurance Fund was \$45,000. Mr. Prince reported requests should be submitted to him no later than September 30, 2020. In response to Executive Director’s inquiry, Mr. Prince advised he would provide a list of previous items that were approved to the Chairperson. Mr. Prince advised that concluded his report unless anyone had any questions.

RISK MANAGER CONSULTANT: Ms. Purcell advised she did not have anything to report, however they continue to work on the daily requests as received. Ms. Purcell advised that concluded her report unless there were any questions.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: Ms. Zeiders introduced Richard Crooks of her office. Ms. Zeiders advised Mr. Crooks, Claims Specialist, started in September and would service the account along with Yvonne Frey.

Mr. Adezio reported annually the airport conducts a disaster drill in the event there was a plane crash. Mr. Adezio advised there was a whole harmless agreement for the volunteers, however, a question was raised by Brenda Montgomery, airport manager, with regard to the civil air control and Red Cross as whether they needed to provide proof of insurance listing the County as additional insured to participate in the drill. Mr. Borden recommended obtaining certificates with additional insured wording and noted it did not cost anything. Mr. Cooney, NJCE Underwriting Manager agreed the County should obtain the certificate of insurances. Ms. Hughes advised they were requested last year.

PUBLIC COMMENT: None

CLOSED SESSION: Chair Nazzaro read and requested a motion to approve Resolution 19-20 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 19-20 FOR EXECUTIVE SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Yes, 0 Nays

MOTION TO RETURN TO OPEN SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Yes, 0 Nays

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

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	3 Yes, 0 Nays

Ms. Bauersachs advised she wanted to mentioned a new law that was passed increasing compensation for workers' comp hand and foot injuries. Ms. Bauersachs advised under the new law the compensation was significantly more if it is over 25% of the hand or foot. For example, under the current law 50% of the hand equates to \$33,364 and under the new law 50% of the hand equates to \$43,128. Ms. Bauersachs reported the bill does not exactly say when it should be enacted so different parts of New Jersey are approaching differently. Ms. Bauersachs advised there were rumors that the

legislators will have another bill that will clarify. Ms. Bauersachs reported that this has not affected Mercer yet.

MOTION TO ADJOURN:

Moved:	Chair Nazzaro
Second:	Commissioner Walker
Vote:	3 Yes, 0 Nays

MEETING ADJOURNED: 11:13AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary