

MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – June 22, 2020
Meeting Held Telephonically
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 Richard Crooks
	Qual Lynx Chris Roselli
	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:

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

APPROVAL OF MINUTES: OPEN OF APRIL 27, 2020

MOTION TO APPROVE THE OPEN MINUTES OF APRIL 27, 2020

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

CORRESPONDENCE: None

SAFETY COMMITTEE REPORTS: Mr. Prince advised the Safety and Accident Review Committee Meetings were postponed until we return to the office. Mr. Prince reported he would attend those meetings as his colleague, Barry Sloane retired. Mr. Prince advised that concluded his report unless there were any questions.

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

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda and there was one action item.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported the certificate of issuance report from the NJCE listing the certificates issued for the month of May was included in agenda. Executive Director advised there were 3 certificate of insurances issued during May. Executive Director noted there were no certificate request for the month of April.

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

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

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE last met on April 23, 2020. A summary report was included in the agenda. Executive Director advised the NJCE website now included the Safety Director’s Bulletins pertaining to COVID-19 along with other resource information. Executive Director advised the Board of Fund Commissioners adopted resolutions offering membership to both Essex County and Sussex County. Executive Director noted Essex County decided to stay with their current carrier due to the COVID pandemic and Sussex County was renewing on 1/1/21. Executive Director reported the NJCE issued an RFP for a Learning Management System, however he thought another RFP would need to be re-issued as the responses were being disqualified. The Learning Management System would allow the Counties to have on-line training and recorded. Executive Director

reported a contract was awarded to Citta, Holzapfel & Zabarsky as Litigation Manager and also to Bowman and Company as the Auditor. Executive Director said price quotes were requested for the position of Payroll Auditor and Actuary. Executive Director said Ed Cooney was actively working with the NJCE Cyber Task Force. Executive Director advised the NJCE postponed the luncheon scheduled for June 25th celebrating 10 years of the Fund and hoped it could be rescheduled for some time in October.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director advised the April Financial Fast Track was included in the agenda. The Commission had a surplus of \$11,574,163 as of April 30, 2020. Executive Director also referred to line 10 of the report, “Investment in Joint Venture” and indicated \$1,429,181 of the surplus was the MCIFC’s share of the NJCE equity. Executive Director noted dividends of \$615,168 released from the NJCE and MCIFC were displayed on line 9 of the report.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK: Executive Director reported the April Financial Fast Track was included in the agenda. As of April 30, 2020 the Fund had a surplus of \$16,247,540 and the cash balance was \$30,058,449. 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 April 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.

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 participating in the call. Chair Nazzaro advised the May and June Bill Lists, Resolutions 24-20 and 25-20 were included in the agenda.

MOTION TO APPROVE RESOLUTION 24-20, MAY BILL LIST

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

MOTION TO APPROVE RESOLUTION 25-20 JUNE 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 wanted to thank Inservco Services, especially Yvonne Frey and Richard Crooks for tacking the flurry of law suits that were received regarding the Art All Night

shooting incident in June of 2018. Mr. Adezio noted other than that he did not have anything to report.

CLAIMS SERVICE: Ms. Conciella advised she would provide an update of the COVID claims within the NJCE. Ms. Conciella reported there were 578 exposure claims, 204 positive claims and 5 fatalities. Ms. Conciella indicated if anyone had any questions they should reach out to her or Robyn Walcoff. In response to Chair Nazzaro’s inquiry, Ms. Conciella advised the claims she mentioned were all worker compensation, however there was 1 liability claim from another County.

A brief discussion on a lawsuit against the PATH and COVID liability claims took place. Executive Director spoke about Title 59 and how it was favorable for public entities. Ms. Walcoff pointed out on the liability issues Judge Millard, Litigation Manager for the NJCE, was engaged early on and asked him to prepare a memo on the tort immunities and liability. Judge Millard would also be used as a resource for his perspective. Ms. Walcoff advised the memo was shared with the NJCE Fund Attorney. Executive Director suggested checking with the Fund Attorney to see if the memo could be shared with the Commissioners.

CLAIMS SERVICE: Ms. Fowlkes advised Resolution 26-20, Disclosure of Liability Claims Check Registers was included in the agenda along with a copies of the check registers for April 1, 2020 to April 30, 2020 and May 1, 2020 to May 31, 2020.

MOTION TO APPROVE RESOLUTION 26-20 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTERS

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

INSERVCO INSURANCE SERVICES, INC. STEWARDSHIP REPORTS: Ms. Zeiders advised she would review the liability and worker compensation stewardship reports that were distributed by e-mail prior to the meeting. Ms. Zeiders referred to page 5 of the report “Claim Summary by Policy Period” for the past 3 years. Ms. Zeiders noted in 2017 there were 274 claims, 2018 had 368 and then in 2019 the claim amount was reduced to 223 which was a good trend. Ms. Zeiders also noted in August of 2019 Qual Lynx started handling the property claims. Ms. Zeiders continued to review the report and asked if anyone had questions. Executive Director asked if there was a way to identify for specifically the 81 claims categorized as “injured”. Ms. Zeiders advised she would review the reports.

Ms. Zeiders advised she would now provide some highlights of the worker compensation report. Ms. Zeiders noted the information was for a three-year period and reported during 2017 there were 173 claims, 211 in 2018 and 202 in 2019. Ms. Zeiders reported the most claims were from the Correction Center followed by the Transportation and Infrastruct Department. Ms. Zeiders pointed out most medical claims were reported on Wednesday, while lost time claims were reported on Monday. Ms. Zeiders indicated she was pleased that the amount of days to report a claim was down from 20 days to 7 days which was a great improvement. Ms. Zeiders reviewed the Top 5 Cause of Injury Chart. After a brief discussion, Ms. Zeiders advised she would see what other reports could be produced to break out the information further. Ms. Zeiders continued to review the report. Executive Director asked for more information on the 184 claims categorized as “no physical injury”. Ms. Zeiders

advised that concluded the review of the Stewardship Reports unless anyone had any further questions. Ms. Nazzaro thanked Ms. Zeiders for the presentation and reports.

MANAGED CARE: Ms. Rajsteter advised she would review First MCO’s report which was included in the agenda for the month of May.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
May	\$ 210,493	\$ 139,103	\$ 71,390	34%	54	39	57,112	72%

Ms. Rajsteter advised that concluded her report unless anyone had any questions.

NJCE SAFETY DIRECTOR: Mr. Prince advised a copy of the Safety’s Director Report for April through June was included in the agenda. Mr. Prince reported the Safety Director Bulletins and Messages are distributed by e-mail to the Fund Commissioners, Risk Managers and Training Administrators and can also be found on the NJCE website, <https://njce.org>. Mr. Prince reported due to the current situation all instructor led training classes were on hold, however, a webinar style program was developed by J.A. Montgomery and a copy of the June/July Webinar Training Schedule was included in the agenda. Mr. Prince advised he conducted an accident investigation on June 15th at DOT and the report would be distributed later during the week. Mr. Prince also reported they were working on a Learning Management System, a dedicated safety institute of instructor-led and online training program and more information would follow. Mr. Prince advised that concluded his report unless anyone had any questions. Executive Director advised the MEL was partnering with Princeton Strategic Communication to present a webinar on *Facing and Embracing Crisis for your Municipality* on Tuesday, June 30th at 10:30. Executive Director indicated the MEL was inviting members of the NJCE to participate and he would send out the flyer with all of the pertinent information. Lastly, Mr. Prince reported there were a variety of safety videos that were short in duration on the website that could be utilized for toolbox or tailgate talks.

RISK MANAGER CONSULTANT: Ms. Purcell advised she did not have anything to report.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: Mr. Adezio advised he would like to raise to the Insurance Commission and Professionals the new issue regarding the firefighting and foam issue. Mr. Adezio reported the County received a couple of subpoenas to produce relevant records regarding the use of a particular product at the fire academy and airport. Mr. Adezio advised this was reported to Inservco and he had received confirmation from Chubb for the policies in force this year. Mr. Adezio advised this would reach back to previous years so he needed to try to identify other policies so the carriers could be notified of this potential claim. Mr. Adezio explained the Middlesex Water Company had sued the 3M Company alleging that 3M manufactured and distributed foam or other products they knew or should have known would damage the environment, Middlesex Water was damaged as a result. 3M was sending subpoenas to everyone in the area to try accumulate as much data as possible to see whom was using the products to draw more people into the case. Executive Director asked Ms. Walcoff to reach out to Mr. Adezio to offer assistance finding prior insurers. Mr. Borden requested that he and Ms. Purcell be included on any discussions.

Chair Nazzaro advised she had some questions regarding the impact of COVID and essential employees. Executive Director indicated there was some pending legislation on this. Executive Director asked Ms. Walcoff to send a copy of the legislation to Chair Nazzaro. Ms. Bauersachs advised she would also research.

Executive Director advised Chair Nazzaro to e-mail his office with any other questions she had and to copy Ed. Cooney. Executive Director reported Mr. Cooney was waiting to hear back from Safety National on their position as to whether the workers compensation claims were one occurrence and the importance was if there was one retention for the County Commission to share. In response to Chair Nazzaro's inquiry, Executive Director said all positive and exposure claims should be reported.

PUBLIC COMMENT: None

CLOSED SESSION: Chair Nazzaro read and requested a motion to approve Resolution 27-20 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 27-20 FOR EXECUTIVE SESSION

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

Executive Director advised anyone that was participating in closed session should hang up and call back again using the number and password provided prior to the meeting.

MOTION TO APPROVE THE PARS/SARS AS REVIEWED DURING CLOSED SESSION

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 11:25 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary