

MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – July 27, 2020
Meeting Held Telephonically
10:30 AM

Meeting was called to order by the Executive Director. Executive Director read the Open Public Meetings notice into record.

In response to Executive Director’s inquiry Ms. Walker agreed Executive Director could run the meeting in Ms. Nazzaro’s absence.

ROLL CALL OF COMMISSIONERS:

Lillian Nazzaro, Esq.	Absent
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
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 JUNE 22, 2020

MOTION TO APPROVE THE OPEN MINUTES OF JUNE 22, 2020

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	2 Yes, 0 Nays

CORRESPONDENCE: None

SAFETY COMMITTEE REPORTS: Mr. Prince reported it was his understanding until further notice the Safety and Accident Review Committee would not meet in person. Mr. Prince hoped that would change in the near future. Mr. Prince advised that concluded his report unless there were any questions.

CLAIMS COMMITTEE: Ms. Conicella reported the Claims Committee did not meet, however the PARS would be presented during closed session. Ms. Conicella concluded her report unless there were any questions.

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

RESOLUTION 28-20, AUTHORIZING THE SERVICES OF SUSAN SCHAEFER, LLC: Executive Director reported the Mercer County Freeholders adopted Resolution 2020-344 authorizing a professional service agreement, awarded through a non-fair and open process with Susan Schaefer, LLC for worker compensation case management services. Executive Director advised the agreement type was for the County of Mercer and the Mercer County Insurance Fund Commission for the period of July 1, 2020 through June 30, 2021 with an hourly rate of \$85/hour in an amount not to exceed \$207,000. Executive Director referred to Commission Resolution 28-20, Authorizing the Services of Susan Schaefer, LLC. Executive Director noted the Commission Attorney reviewed the resolution.

MOTION TO ADOPT RESOLUTION 28-20, AUTHORIZING THE SERVICES OF SUSAN SCHAEFER, LLC

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	2 Yes, 0 Nays

CERTIFICATE OF INSURANCE ISSUANCE REPORT: Executive Director reported there were no certificate of insurances issued for the month of June.

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE last met on June 25, 2020. A summary report was included in the agenda. Executive Director advised the NJCE was scheduled to meet again on September 24, 2020.

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 \$11,540,421 as of April 30, 2020. Executive Director also referred to line 10 of the report, “Investment in Joint Venture” and indicated \$1,444,078 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 May Financial Fast Track was included in the agenda. As of May 30, 2020 the Fund had a surplus of \$16,382,595 and the cash balance was \$30,379,953. 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 May 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 the actuary did make an adjustment on the loss funds due to the profit that was made during the prior years. Executive Director asked if anyone had any questions on the Financial Fast Tracks or the Claims Tracking Reports.

BANK POSITIVE PAY: Executive Director reported over the past few weeks several of the municipal JIFs experienced fraudulent activities in their bank accounts. Executive Director advised fortunately, the majority of the JIFs were on “Positive Pay”. Executive Director explained “Positive Pay” was a feature offered by banks to prevent any unauthorized checks from being honored. The issuer of the checks transmits a file to the bank with specific information regarding checks issued and the bank will only honor those checks. Executive Director noted we strongly recommend implementing this feature on all Insurance Commission Bank Accounts. Executive Director advised his office reached out to the Commission Treasurer suggesting he implement “Positive Pay” on the Mercer County Insurance Fund Commission Bank Accounts. In response to Executive Director’s comment, Ms. Walker advised she would discuss the Positive Pay with the Treasurer, Dave Miller.

2021 RENEWAL – UNDERWRITING DATA COLLECTION: Executive Director reported the Fund Office would begin the data collection process early in August for the 2021 renewal in order to provide the relevant information to the underwriters. Executive Director advised last year was the initial launch of Origami, the online platform where members’ exposure data was uploaded for members to access and edit, as well as, applications to download and complete for ancillary coverages. Executive Director noted the Fund Office was working with Origami to facilitate an easier process for members to complete applications for the ancillary coverages. Executive Director advised the NJCE Underwriting Manager was requesting the entities provide all of the COPE, (construction, occupancy, protection, exposure) property information this year. Executive Director explained this included the building age/year built, construction type, zip codes and flood zones.

MEL-SPONSORED WEBINAR: COMMUNICATION IN A CRISIS: Executive Director reported on Tuesday, August 4th at 10:30 AM the MEL would present a second webinar for its members, *Facing and Embracing Crisis For Your Municipality*. Executive Director advised when a crisis occurs, leaders would be judged primarily on their response and their communication with the public. Executive Director stated four experienced professionals would share their expertise and experiences on developing a crisis communication plan and addressing the public media in a crisis. Executive Director noted this was a MEL sponsored program and they were inviting the NJCE membership. Executive Director referred to a copy of the program flyer with the noted speakers and information on how to register which was included in the agenda.

NJCE 10TH YEAR ANNIVERSARY: Executive Director stated as previously discussed, this year marked the 10th anniversary of the Fund's inception, which began with two County members and had grown to ten members and 19 affiliated entities. Executive Director advised in February, the Board agreed to celebrate the milestone with a luncheon hosted at a Central Jersey venue. Executive Director said to save the date of October 19, 2020 at noon pending additional directives issued by the Governor's office.

NJCE BEST PRACTICE WORKSHOP: Executive Director reported the NJCE had set up a task force to address the feasibility of holding the seminar in 2020.

2020 NEW JERSEY ASSOCIATION OF COUNTIES CONFERENCE: Executive Director advised the annual conference originally scheduled for May had been rescheduled for October 27th – October 29th.

2020 MEL MRHIF & NJCE EDUCATIONAL SEMINAR: Executive Director reported the annual seminar originally scheduled for May 1st was cancelled and hopefully rescheduled for a date later in the year.

2020 MEETING SCHEDULE: Executive Director advised the Commission was not scheduled to meet in August and the next scheduled meeting was on September 28, 2020.

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

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director advised the Treasurer was not participating in the call. Executive Director advised the July Bill List, Resolution 29-20 was included in the agenda.

MOTION TO APPROVE RESOLUTION 29-20, JULY BILL LIST

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	2 Yes, 0 Nays

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

ATTORNEY: Mr. Adezio advised there was no report from legal today.

CLAIMS SERVICE: Ms. Conicella advised they were keeping a close eye on the COVID claims within the NJCE and they had slowed up quite a bit. There was still some claims, however no serious claims. Ms. Conicella reported she was looking for some volunteers to participate in the Planning Committee for the Best Practice Workshop that the Executive Director mentioned earlier. Ms. Conicella asked if anyone was interested to send her an e-mail. Ms. Conicella advised that concluded her report unless there were any questions

CLAIMS SERVICE: Executive Director advised Resolution 26-20, Disclosure of Liability Claims Check Registers was included in the agenda along with a copy of the check register for June 1, 2020 to June 30, 2020.

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

Moved: Commissioner Walker
 Second: Commissioner Hughes
 Roll Vote: 2 Yes, 0 Nays

MANAGED CARE: Ms. Rajsteter advised she would review First MCO’s report which was included in the agenda for the month of June. Ms. Rajsteter noted there were no appeals for the month.

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
June	\$ 69,143	\$ 33,072	\$ 36,071	52%	28	23	\$ 28,857	82%

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 June and July was included in the agenda. Mr. Prince referred to a copy of the Safety Director Bulletins listed in the agenda and reported they were distributed by e-mail and also posted on the NJCE website, <https://njce.org/>. Mr. Prince encouraged all members to visit the website for up to date safety information which included live streaming videos as well as all training opportunities available through J.A. Montgomery Consulting. Mr. Prince advised the agenda included the July and August Webinar Training Schedules. Mr. Prince mentioned as he previously reported they have suspended all of the in-person training opportunities at this time and hoped that changes shortly. Mr. Prince advised if anyone had any questions on any training to reach out to him. Mr. Prince reported that concluded his report unless there were any questions.

RISK MANAGER CONSULTANT: Ms. Purcell reported her office was involved in some initial conversations surrounding the potential acquisition of the Hopewell Valley Golf Club and any insurance considerations; however, this was still in the initial stages. Ms. Purcell advised as there was more progress they would be more involved.

Mr. Adezio spoke about the subpoena they received concerning firefighting foam at the airport and indicated the insurance folks were going to work on digging into prior policies that maybe applicable and asked for a status report.

Correspondence Made Part of Minutes.

OLD BUSINESS: Ms. Zeiders advised she wanted to follow up on some items on the Stewardship Report she presented last month. Ms. Zeiders reported she looked into some coding and wanted to provide more information. Ms. Zeiders indicated this was under the liability report and the code was GINJUR. Ms. Zeiders explained this code was used when the initial notice of claim was received from an attorney and it might allege general injuries. If there was more specific information another code was used, however, this code was used when the claim comes in as general injuries. After a brief discussion, Executive Director asked Ms. Zeiders to find a code for the shooting incidents that took place during the Art All Night event in 2018. Ms. Zeiders also advised on the worker compensation Stewardship Report there was a code, 99-Misc-Other Misc, NOC. Ms. Zeiders reported she believed those codes were assigned by the State and the codes could not be changed.

NEW BUSINESS: None

PUBLIC COMMENT: None

CLOSED SESSION: Executive Director read and requested a motion to approve Resolution 31-20 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 31-20 FOR EXECUTIVE SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	2 Yes, 0 Nays

Ms. Dodd 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:	2 Yes, 0 Nays

MOTION TO ADJOURN:

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	2 Yes, 0 Nays

MEETING ADJOURNED: 11:25 AM

Minutes prepared by:
Cathy Dodd, Assisting Secretary