

MERCER COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES
MEETING – July 25, 2022
Meeting Held Telephonically
10:30 AM

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

ROLL CALL OF COMMISSIONERS:

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

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Nancy Fowlkes Yvonne Frey Sureatha Hobbs
	Qual Lynx Chris Roselli
	PERMA Jennifer Conicella
Managed Care Services	First MCO Marie Lamb
NJCE Underwriting Manager	Conner Strong & Buckelew Ed Cooney - <i>Absent</i>
Risk Management Consultant	CBIZ Borden Perlman Doug Borden Diane Pursell
Attorney	Paul Adezio, Esq.
Safety Director	J.A. Montgomery Consulting Glenn Prince

ALSO PRESENT:

Jackie Tolbert, Mercer County Improvement Authority
Susan Schaefer, Susan Schaefer, LLC
John Pszwaro, Esq., Capehart Scatchard
Cathy Dodd, PERMA Risk Management Services
Jason Thorpe, PERMA Risk Management Services
Gregory Giordano, Esq., Lenox Law Firm

APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF APRIL 25, 2022

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF APRIL 25, 2022

Moved: Commissioner Walker
Second: Commissioner Hughes
Vote: Unanimous

CORRESPONDENCE: None

SAFETY COMMITTEE: Mr. Prince reported that the Safety and Accident Review Committee met on June 22nd and advised that a variety of safety topics and claims were discussed. Mr. Prince further advised that the next Safety and Accident Review Committee meeting is scheduled for July 27, 2022. With no questions, Mr. Prince concluded his report.

CLAIMS COMMITTEE: Ms. Conicella reported the Claims Committee did not meet prior to the meeting, but noted that the PARs and SARs would be presented during closed session via a Zoom breakout room. With no questions, Ms. Conicella concluded her report.

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

RESOLUTION 25-22 AUTHORIZING THE SERVICES OF SUSAN SCHAEFER, LLC – Executive Director reported that the Mercer County Board of County Commissioners adopted Resolution 2022-525 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 that the service agreement is for the County of Mercer and the Mercer County Insurance Fund Commission for the period of July 1, 2022 through June 30, 2023. Executive Director referred to Resolution 25-22, Authorizing the Services of Susan Schaefer, LLC, enclosed within the agenda and asked if there were any questions. Hearing none, Executive Director requested a motion to adopt the resolution.

MOTION TO ADOPT RESOLUTION 25-22, AUTHORIZING THE SERVICES OF SUSAN SCHAEFER, LLC

Moved: Commissioner Walker
Second: Commissioner Hughes
Roll Call Vote: Unanimous

NJCE JIF MEMBERSHIP – Executive Director reported that Mercer County’s three-year membership in the NJCE JIF expires on 12/31/22. Executive Director advised that the NJCE has mailed the applicable Resolution and Indemnity Agreement to the County Administrator for execution.

ENTITY MEMBERSHIP IN THE INSURANCE COMMISSION – Executive Director reported that the three-year membership for the Mercer County Insurance Fund Commission is also due to expire at the end of the year. Executive Director advised that the Fund Office will be mailing the applicable Indemnity and Trust Agreement to the County and Improvement Authority for execution. Executive Director further advised that each member entity will need to pass a resolution authorizing its participation in the Mercer County Insurance Fund Commission.

PROFESSIONAL SERVICE AGREEMENTS – Executive Director reported that the Service Agreements for the positions of Executive Director, Actuary, Claims Administrator and Risk Management Consultant are due to expire on 12/31/22. Executive Director advised that the Fund Office will work with the County to issue and advertise the applicable RFPs for each professional service.

OCTOBER MEETING DATE CHANGE – Executive Director reported that due to a scheduling conflict, it is being recommended that the October 24th meeting be rescheduled for Monday, October 17, 2022 at 10:30am. Executive Director asked the Commissioners if there were any issues with the date change. The Commissioners indicated that there were no issues. Mr. Thorpe added that he will contact Chair Nazzaro to confirm whether there are any issues with the meeting date change.

MOTION TO APPROVE CHANGING THE OCTOBER MCIC MEETING DATE TO MONDAY, OCTOBER 17, 2022 AT 10:30AM.

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE) – Executive Director reported that the NJCE met on April 28, 2022 and again on June 23, 2022 and referred to written summaries of both meetings enclosed within the agenda. Executive Director reported that the NJCE Cyber Task Force has been busy as there has been a lot of activity in that area. Executive Director advised that the underwriting team will be distributing communications on cyber risk control measures and what can be expected for the cyber renewal. Executive Director reported that the NJCE Underwriting Manager is currently working with a technical writer on drafting the coverage policies that would apply to the Commission level and the NJCE level, prior to reaching the excess level. Executive Director reported that once the coverage policies are approved, the excess would become reinsurance. Executive Director explained that excess becoming reinsurance is much more seamless in terms of coverage and provides the NJCE with more authority in making decisions regarding accepting claims, settlements, etc.

2023 RENEWAL – UNDERWRITING DATA COLLECTION – Executive Director referred to a memorandum from the NJCE Underwriting Team Manager, enclosed within the agenda, noting some critical items needed for the renewal. Executive Director emphasized that there is a question within Origami regarding whether locations with a value of \$10 million or greater have a sprinkler system that must be answered for the renewal. Executive Director advised that if the question is not answered, the carrier may not cover that location. Executive Director reported that

an e-mail was distributed to identified renewal users on June 27, 2022, with the link for the 2023 NJCE JIF Exposure Renewal hosted online via Origami Risk. Executive Director advised that the deadline to complete the data underwriting renewal is August 19, 2022.

MCIFC PROPERTY & CASUALTY FINANCIAL FAST TRACK – Executive Director referred to the Financial Fast Track for the month of May enclosed within the agenda. Executive Director reported that as of May 31, 2022 the Commission has a surplus of \$9,208,962. Executive Director advised that line 10 of the report “Investment in Joint Venture” is Mercer County Insurance Fund Commission’s share of equity in the NJCE. Executive Director noted that MCIFC’s equity in the NJCE as of May 31, 2022 is \$1,369,124 and advised that the total cash balance is \$3,468,317.

NJCE PROPERTY & CASUALTY FINANCIAL FAST TRACK - Executive Director referred to the NJCE Financial Fast Track for the month of May. Executive Director reported that as of May 31, 2022 the Fund has a surplus of \$14,790,253. Executive Director advised that Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of \$5,857,551 and noted that the NJCE cash balance is \$26,655,729.

CLAIMS TRACKING REPORTS – Executive Director advised the Claim Tracking reports as of May 31, 2022, were included in the agenda. Executive Director referred to a copy of the Claims Management Report Expected Loss Ratio Analysis Report. Executive Director advised this report measured how the losses were running compared to the actuary’s projections. Executive Director reviewed the Fund Years with the Commission.

With no questions, Executive Director concluded his report.

INFORMATIONAL ITEMS REPORT: Mr. Thorpe advised that he had three informational items for his report, one of which was an action item.

CERTIFICATE OF INSURANCE REPORT – Mr. Thorpe referred to copies of the certificate of insurance issuance reports from the NJCE listing certificates issued in the months of May and June. Mr. Thorpe advised there were (4) four certificates of insurance issued during the month of May and (1) one certificate of insurance issued during the month of June. Mr. Thorpe asked if anyone had any questions on the reports. Hearing none, Mr. Thorpe asked for a motion to approve the reports.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORTS

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

2022 NJLM ANNUAL CONFERENCE – Mr. Thorpe reported that the 107th Annual New Jersey State League of Municipalities Conference is scheduled for November 15th through November 17th at the Atlantic City Convention Center in Atlantic City. Mr. Thorpe noted that the MEL’s annual reception, co-sponsored by the NJCE, will be held on Wednesday, November 16th. Mr. Thorpe added that invitations will be distributed as the event gets closer.

2022 MEETING SCHEDULE – Mr. Thorpe reported that the Commission is not scheduled to meet in August. Mr. Thorpe noted that the next scheduled meeting is on September 26, 2022.

With no questions, Mr. Thorpe concluded his report.

Executive Director's Report Made Part of Minutes.

TREASURER REPORT: Executive Director advised the May Bill List, Resolution 26-22, June Bill List, Resolution 27-22, and the July Bill List, Resolution 28-22 were included in the agenda.

MOTION TO APPROVE RESOLUTIONS 26-22, 27-22, AND 28-22, MAY, JUNE, AND JULY BILL LISTS

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	Unanimous

ATTORNEY: Mr. Adezio advised he did not have anything to report for the month. Commissioner Walker asked if the Commission was aware of the pending litigation involving discrimination. Mr. Adezio confirmed that the matter had been reported to the Commission. Executive Director asked if the carrier has acknowledged the claim. Mr. Adezio confirmed that the carrier has acknowledged receipt of the claim and the file has been assigned to a senior claim specialist.

CLAIMS SERVICE: CLAIMS ADMINISTRATOR – Executive Director advised Resolution 29-22, Disclosure of Liability Claims Check Registers, was included in the agenda along with a copy of the check registers for April 1, 2022 to April 30, 2022, May 1, 2022 to May 31, 2022 and June 1, 2022 to June 30, 2022

MOTION TO APPROVE RESOLUTION 29-22 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	Unanimous

MANAGED CARE: Ms. Lamb advised she would review First MCO’s report, which was included in the agenda for the month of June. Ms. Lamb provided the below information:

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
Jun-22	\$ 102,810	\$ 21,223	\$ 81,587	79%	45	42	\$ 65,269	93%

With no questions, Ms. Lamb concluded her report.

NJCE SAFETY DIRECTOR: Mr. Prince referred to the Safety Director’s report for April through July enclosed within the agenda, which includes all risk control activities. Mr. Prince then referred to the listing of all training opportunities that are scheduled through September 30th. Mr. Prince advised that any questions regarding trainings should be directed to him. Mr. Prince referred to the Safety Expo training schedule in the agenda. Mr. Prince advised that two Safety Expos are scheduled,

one on September 7th at the Camden County Emergency Training Center, and the other on October 5th at the Atlantic Cape Community College. Lastly, Mr. Prince reported that J.A. Montgomery was asked to complete an accident investigation for the prosecutor's office. Mr. Prince advised that the report has been completed and additional training opportunities will be discussed with the prosecutor's office relevant to the accident investigation. Mr. Prince asked if there were any questions or comments. Commissioner Walker said that she is interested in attending one of the Safety Expos with some of her staff and asked if that was acceptable. Mr. Prince advised that it is not only acceptable, but also encouraged as everyone in the program is eligible to attend. Executive Director asked if attendees must register. Mr. Prince advised that attendees do have to register, and he is available to assist if necessary. With no further questions, Mr. Prince concluded his report.

RISK MANAGER CONSULTANT: Ms. Pursell reported that the Hull policy renewal has been completed. Ms. Pursell reported the various electric vehicle charging stations have been added to the schedule. Ms. Pursell reported that she is currently working on adding the new public health nurse to the Medical Malpractice policy and is awaiting a completed application. Lastly, Ms. Pursell advised that she consulted on contract language and insurance requirements pertaining to dental services for the corrections department. With no questions, Ms. Pursell concluded her report.

Correspondence Made Part of Minutes.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

CLOSED SESSION: Executive Director read and requested a motion to approve Resolution 30-22 authorizing a Closed Session to discuss PARS.

MOTION TO APPROVE RESOLUTION 30-22 FOR EXECUTIVE SESSION

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

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

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Roll Call Vote:	Unanimous

NEXT MEETING: Executive Director asked the Commissioners whether they wanted the next Commission meeting held in-person or virtually. The Commissioners indicated that they would like the meeting conducted virtually.

MOTION TO ADJOURN:

Moved:	Commissioner Walker
Second:	Commissioner Hughes
Vote:	Unanimous

MEETING ADJOURNED: 11:27 AM

Minutes prepared by:
Jason Thorpe, Assisting Secretary