

**MERCER COUNTY INSURANCE FUND COMMISSION  
OPEN MINUTES  
MEETING – August 12, 2024  
Mercer County  
McDade Administration Building  
640 South Broad Street  
Trenton, NJ 08650-0068  
1:30 PM**

Meeting was called to order by Chairman Marion. Mr. Thorpe read the Open Public Meetings notice into the record.

Pledge of Allegiance

**ROLL CALL OF COMMISSIONERS:**

Christopher R. Marion	Present
Alejandra M. Silva	Present
Ana Montero	Present
Isamar Maldonado	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Joseph Hrubash</b>
Claims Service	Inservco Insurance Services, Inc. <b>Nancy Fowlkes</b> <b>Richard Crooks</b> <b>Kelly Guerriero</b>
	Qual Lynx <b>Chris Roselli - <i>Absent</i></b>
	PERMA <b>Jennifer Conicella</b> <b>Djamal Kirby</b>
Managed Care Services	First MCO <b>Mark Liggett</b>
NJCE Underwriting Manager	Conner Strong & Buckelew <b>Ed Cooney</b>
Risk Management Consultant	Acrisure <b>Amy Pieroni</b> <b>Patti Fahy</b>
Treasurer	<b>Nicola Trasente</b>
Attorney	<b>Paul Adezio, Esq.</b>
Safety Director	J.A. Montgomery Consulting <b>Paul Shives</b> <b>Liam Callahan</b>

**August 12, 2024**

**Mercer County Insurance Fund Commission OPEN Minutes**

**ALSO PRESENT:**

Jason Thorpe, PERMA Risk Management Services  
Pauline Kontomanolis, PERMA Risk Management Services  
Edwin Cruz, Mercer County  
Jacqueline Tolbert, MCIA  
Jaclyn Terranova, Esq., Capehart Scatchard  
Susan Schaefer, Susan Schaefer, LLC

**APPROVAL OF MINUTES: OPEN AND CLOSED MINUTES OF JULY 22, 2024**

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF JULY 22, 2024**

Moved: Commissioner Silva  
Second: Commissioner Montero  
Vote: Unanimous

**CORRESPONDENCE:** Executive Director referred to an article from Safety National regarding the increase in workers’ compensation claims severity.

**SAFETY COMMITTEE:** Mr. Callahan reported the next Safety and Accident Review Committee meeting is scheduled for August 13<sup>th</sup>. With no questions, Mr. Callahan concluded his report.

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

**RESOLUTION 35-24 CERTIFYING THE APPOINTMENT OF INSURANCE FUND COMMISSIONERS** – Executive Director reported that the Mercer County Board of County Commissioners adopted an Ordinance amending the Administrative Code of Mercer County concerning membership on the Mercer County Insurance Commission. Executive Director said the ordinance will allow for an increase to number of Commissioners for the Insurance Fund Commission. Executive Director advised that the Insurance Fund Commission amended its Rules & Regulations, increasing the number of Insurance Commissioners, during its March 2024 Commission meeting. Executive Director then referred to Resolution 35-24 certifying the appointment of additional Insurance Fund Commissioners enclosed within the agenda.

**MOTION TO ADOPT RESOLUTION 35-24, CERTIFYING THE APPOINTMENT OF INSURANCE FUND COMMISSIONERS**

Moved: Commissioner Silva  
Second: Commissioner Montero  
Vote: Unanimous

**PROPERTY APPRAISAL SERVICES PROCUREMENT** – Executive Director referred to a 2023 memorandum from PERMA Risk Management Services to NJCE Fund Commissioners regarding a Property Appraisal CCRFP. Executive Director noted the memorandum included information on the scope for the procurement and reimbursement of services. Executive Director advised that once the Mercer County Board of County Commissioners approves authorization for the Procurement of Property Appraisal Services at an upcoming meeting, the NJCE JIF will reimburse the county up to the \$20,000 cap for the out-of-pocket costs for the appraisals. Commissioner Maldonado advised that the Property Appraisal RFP has been issued and has return date deadline of September 4, 2024.

**WORKERS’ COMPENSATION CLAIM PAYMENT REIMBURSEMENTS** – Executive Director reported that his office met with the TPA on 8/5/24 to discuss the timing of claim payment reimbursements to

the county. Executive Director advised that following that meeting Ms. Kontomanolis, Chief Accounting Officer, met with the Commission Treasurer to discuss the reimbursements. Executive Director asked Ms. Kontomanolis to provide a brief verbal report. Ms. Kontomanolis reported that she had an extensive meeting with the Treasurer, and they agreed they would, along with the TPA, do a thorough reconciliation of the County claim payment records and the Fund Office claim payment records to reach a proper resolution. Mr. Trasente added that his meeting with Ms. Kontomanolis was a very productive meeting and the plan they are putting in place should resolve the issues.

**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, 2024 the Commission has a surplus of \$6,293,234 Executive Director advised that line 11 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, 2024 is \$800,067 and advised that the total cash balance is \$14,622,988. Executive Director noted that he had the PERMA Claims Team examine the reasons for the deficits in the 2022, 2023, and 2024 fund years. Executive Director asked Ms. Conicella for a brief overview of her findings. Ms. Conicella reported that claim frequency over the fund years in question is the root cause of the deficits. Ms. Conicella noted that claims frequency has continued to increase over the past several years and not necessarily severity. Chairman Marion advised that he will be meeting with members of the Corrections Department, including the Warden and Deputy Warden, in September and will invite them to attend Insurance Commission meetings going forward. Chairman Marion said during his meeting with the Corrections Department they will discuss outstanding claims and what can be done to avoid claims in the future.

**NJCE PROPERTY AND 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, 2024 the Commission has a surplus of \$8,307,927. Executive Director advised that Line 7 of the report, “Dividend” represents the dividend figure released by the NJCE of \$6,707,551 and noted that the NJCE cash balance is \$27,195,567.

**CLAIMS TRACKING REPORTS** – Executive Director advised the Claim Tracking reports as of May 31, 2024, were included in the agenda. Executive Director referred to a copy of the Claims Management 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.

**MERCER COUNTY AIRPORT PROPERTY COVERAGE** – Executive Director reported that he sent suggestions to Chairman Marion regarding potential property coverage for the airport that would include coverage for the EMAS blocks. Executive Director said Mr. Cooney has an update to provide. Mr. Cooney advised that as previously reported, the Underwriting Team has had difficulty marketing coverage as the markets are concerned with the loss experience associated with the EMAS blocks. Mr. Cooney reported after he exhausted the insurance market, he contacted the carriers for the NJCE to discuss possible coverage. Mr. Cooney further reported that he is optimistic that he will be successful in getting the excess insurers to provide full limit for the EMAS blocks excess of a \$1 million policy per occurrence retention. Mr. Cooney noted that coverage would likely be contingent on scheduling the replacement cost values of the EMAS blocks in Origami for premium computation and working with the manufacturer and/or installer towards implementing a sound maintenance program to include a comprehensive strength testing inspection. Executive Director noted that once he and Mr. Cooney receive confirmation from the carrier, he will notify the Chairman of the same. Executive Director advised that the next step is for the County/Insurance Commission to decide on a self-funding option. Executive Director noted that once determined the Insurance Commission can approach the NJCE JIF for approval on the NJCE self-funding layer.

**2024 MEETING SCHEDULE** – Executive Director advised that the next Commission meeting is scheduled for Monday, September 23, 2024 at 1:30 PM.

With no questions, Executive Director concluded his report.

Executive Director's Report Made Part of Minutes.

**TREASURER REPORT:** Chairman Marion advised the August Bill List; Resolution 36-24 was included in the agenda. Chairman Marion said a motion was needed to approve the various bills lists.

**MOTION TO APPROVE RESOLUTIONS 36-24 THE AUGUST BILL LIST**

Moved: Commissioner Silva  
Second: Commissioner Maldonado  
Roll Call Vote: Unanimous

**ATTORNEY:** Mr. Adezio advised that he did not have a report for the month.

**CLAIMS SERVICE:** Mr. Thorpe advised Resolution 37-24, Disclosure of Liability Claims Check Registers, was included in the agenda along with a copy of the check registers for July 1, 2024 to July 31, 2024.

**MOTION TO APPROVE RESOLUTION 37-24 AUTHORIZING DISCLOSURE OF LIABILITY CLAIMS CHECK REGISTER**

Moved: Commissioner Silva  
Second: Commissioner Maldonado  
Roll Call Vote: Unanimous

**MANAGED CARE:** Mr. Liggett advised he would review First MCO's report, which was included in the agenda for the month of July. Mr. Liggett provided the below information:

Month	Provider Bill Amount	Repriced Amount	Savings	Percentage of Savings	Number of Bills	In Network Bills	Net Savings	PPO %
Jul-24	\$ 142,494	\$ 46,133	\$ 96,361	68%	94	94	\$ 77,089	100%

Mr. Liggett asked if there were any questions and/or comments. Chairman Marion said he would like FMCO to schedule a virtual meeting in the Fall to conduct a tutorial on the Managed Care agenda report for the new Commissioners. Mr. Liggett indicated that he would schedule a tutorial. With no further questions, Mr. Liggett concluded his report.

**RISK/LOSS CONTROL SERVICES:** Mr. Callahan advised that the Safety Director's report was distributed prior to the meeting. Mr. Callahan noted that included in the report was a listing of the meetings attended and upcoming meetings that will be attended. Mr. Callahan reported that Ms. Taylor met with Warden Ellis for a loss control visit at the Mercer County Department of Corrections on July 15<sup>th</sup>. Mr. Callahan also reported that he conducted a loss control visit with Mr. Cruz at the Joyce McDade Administration Building, prior to the meeting. Mr. Callahan advised that he and Mr. Cruz discussed the Emergency Action Plan (EAP) and a report will be forthcoming. Mr. Callahan then referred to the listing of Safety Director Bulletins and training opportunities including the Leadership Academy and the Safety Expo. Mr. Callahan asked if there were any questions. Chairman Marion asked if there was a limit to the number of individuals who can sign up for the Leadership Academy. Mr. Shives advised that there is not a limit for the number of people a member can send but recommended registering once Open Enrollment starts in December as the in-person class space can run out of space. Chairman Marion asked the Commissioners to think about which individuals from their respective departments should register. With no further questions, Mr. Callahan concluded his report.

Correspondence Made Part of Minutes.

**RISK MANAGEMENT CONSULTANT:** Ms Pieroni said that she did not have a report for the month but noted that she will be meeting with Mr. Cruz to discuss several items.

**OLD BUSINESS: None**

**NEW BUSINESS:** Ms. Conicella introduced Mr. Kirby and advised that he is the newest member of the PERMA Claims Team.

**PUBLIC COMMENT: None**

**CLOSED SESSION:** Chairman Marion requested a motion to approve Resolution 38-24 authorizing a Closed Session to discuss PARs and SARs.

**MOTION TO APPROVE RESOLUTION 38-24 FOR EXECUTIVE SESSION**

Moved: Commissioner Silva  
Second: Commissioner Maldonado  
Vote: Unanimous

**MOTION TO RETURN TO OPEN SESSION**

Moved: Commissioner Silva  
Second: Commissioner Montero  
Vote: Unanimous

**MOTION TO APPROVE THE PARS/SARS AS REVIEWED DURING CLOSED SESSION; APPROVAL OF CLAIM #3960003522 IS CONTINGENT ON FINAL REVIEW BY THE INSURANCE COMMISSION CHAIRMAN**

Moved: Commissioner Silva  
Second: Commissioner Maldonado  
Roll Call Vote: Unanimous

**MOTION TO ADJOURN:**

Moved: Commissioner Silva  
Second: Commissioner Montero  
Vote: Unanimous

**MEETING ADJOURNED: 2:11 PM**

Minutes prepared by:  
Jason Thorpe, Assisting Secretary