

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND  
OPEN PUBLIC MEETING  
MARCH 14, 2023  
9:30 AM  
SOMERSET COUNTY**

Meeting called to order by Fund Chair. The Open Public Meeting Notice was read into record.

**ROLL CALL OF 2023 EXECUTIVE COMMITTEE:**

Colleen Mahr, Chair	Present
Brian Auger, Secretary	Present
Geoffrey Soriano, Commissioner	Absent
Adam Beder, Commissioner	Present

**FUND PROFESSIONALS PRESENT:**

Executive Director	PERMA Risk Management Services <b>Emily Koval</b> <b>Brandon Lodics</b> <b>Jordyn DeLorenzo</b>
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Program Manager	Conner Strong & Buckelew <b>Peter Mina</b>
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Fund Attorney	Scholl, Whittlesey & Gruenberg, LLC <b>Frank Whittlesey</b>
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Fund Treasurer	<b>Yvonne Childress</b>
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Aetna	<b>Jason Silverstein</b>
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Express Scripts	<b>Hiteksha Patel</b>
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Fund Actuary	<b>John Vataha - Absent</b>
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Integrity Health	<b>Douglas Forrester</b>
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Fund Auditor	<b>Mercadien, P.C. - Absent</b>
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**ALSO PRESENT:**

Diane Peterson  
Karen Kidd  
Shanelle Robinson  
Lilly Lazroe  
John Bruno  
John Lajewski  
Arge Mardakis

Mrs. Mahr asked the present professionals and attendees to introduce themselves.

**MOTION TO APPROVE THE OPEN MINUTES OF JANUARY 10, 2023:**

**MOTION:** Commissioner Auger  
**SECOND:** Commissioner Mahr  
**VOTE:** **Unanimous**

**CORRESPONDENCE:** None.

## **EXECUTIVE DIRECTOR'S REPORT**

### **FINANCIAL REPORTS - COMMISSION AND HEALTH INSURANCE FUND**

- 1. Skylands Fund Financial Fast Track** - as of December 31, 2022
- 2. Ratios Report** - as of December 2022

Mrs. Koval reviewed the financial fast track through December 2022 stating that the Fund ended the year on a very good note. She stated that the statutory surplus for year to date change was \$4.1 Million and the stator surplus total is \$4.4 million. She said in 2022 the surplus is about \$4.5 million even though 2021 has a loss. She stated that 2022 was significantly better than any other year that the fund has had.

Chair Mahr asked Ms. Koval to explain the columns in the Finance Fast Track. Mrs. Koval stated that the first column is the month of December, the second column "year to date change" is the year 2022, the third column is the comparing prior year end to last year, and the 4<sup>th</sup> column "Fund Balance" is the Fund balance all the way from 2017 until now including all underwriting, income, expenses and surplus gained.

Mrs. Koval stated that on the ratios chart the claims paid to claims budget YTD is below budget at a .85 which is below budget. She stated in the "Surplus as months of Claims" is at 1.55. The goal is to have about 2-2.5 months of claims. She stated that this fund is still fairly new and it takes a while to gain surplus. She stated that once that number gets over 2-2.5, if the Commissioners are comfortable with it, they can start the discussion of declaring a dividend.

**REVISED CASH MANAGEMENT PLAN** - Mrs. Koval stated that Revised Resolution 3-23 is included in the agenda which includes a name change from Investors Bank to Citizens Bank which is a Fund investment account.

In response to Chair Mahr, Mrs. Koval stated that the Fund does not go out for RFP for the depository. If the fund was to do investments then the fund could go out for RFP for an asset manager. She stated as far as a banking, the Fund can look for other banks at any time.

### **MOTION TO APPROVE REVISED RESOLUTION 3-23:**

**MOTION:** Commissioner Auger  
**SECOND:** Commissioner Beder  
**VOTE:** **Unanimous**

## **HEALTH CENTER**

Mrs. Koval stated that prior to the Fund, the Health Center expenses were paid directly from the County, now the Fund makes these payments. The payment process of the Fund is slower due to the Voucher and review process. This is taking about 30-45 days between the time Integrity sends over the payment request and they receive the Check/ACH. She said that Revised 6-23 has been updated

to reflect the payment for the Center expenses which includes salaries and benefits to employees earlier in the month. This will allow the Fund Treasurer to pay these expenses outside of the Bills List.

Chair Mahr stated that she has been in touch with the Executive Director's Office as well as the Fund Treasurer Mrs. Childress and stated that after the conversations had, she feels comfortable allowing this change.

**MOTION TO APPROVE REVISED RESOLUTION 6-23:**

<b>MOTION:</b>	Commissioner Auger
<b>SECOND:</b>	Commissioner Beder
<b>VOTE:</b>	<b>Unanimous</b>

**2. Performance Incentive** – Mrs. Koval stated that there will be a discussion about this in Executive Session towards the end of the meeting.

**PROGRAM MANAGERS REPORT:**

Peter Mina began his report by introducing himself.

**ELIGIBILITY/ENROLLMENT** - Mr. Mina stated that there is Benefit Enrollment System training provided to all contacts with WEX access **every 3<sup>rd</sup> Wednesday at 10AM** and to please contact Austin Flinn, [aflinn@permainc.com](mailto:aflinn@permainc.com) for additional information or to request an invite.

**COVID-19 ORAL PRESCRIPTIONS** - Mr. Mina stated that there has been no change to the Prescriptions and the medications require a prescription from a physician for access. Those two medications are Paxlovid and Molnupiravir.

**EXPRESS-SCRIPTS UPDATE** – Mr. Mina stated that effective April 1, 2023, ESI will no longer issue physical ID cards. Digital ID cards are available with the most up to date information. This will eliminate the need to reissue ID cards each time plan and/or benefit information has changed on a member's ID card. He stated that there is an option for individuals to request a physical ID card by calling Express Scripts Directly for those who do not have a cellphone or who prefer to have a card on hand. This information was shared with the brokers on February 10, 2023.

In response to Chair Mahr, Mr. Mina stated that this information will be open enrollment and new member packets. He stated that he will forward the flyers onto the risk managers again as well as the Commissioners so they can distribute it to their employees.

**2022 SaveOn Savings** – Mr. Mina stated in the 2022 plan year Southern Skylands Regional HIF saved \$324,363 for members enrolled in SaveOn. There were 56 participants in the program, for an average savings per prescription of \$527. Mr. Mina said that SaveOn is a program that prescription members can enroll in to help save them money on specialty medications. Mrs. Patel from Express Scripts stated that this program is specifically for extremely expensive medications. Mr. Lodics stated that this program is to help the members to be able to pay for their medications. In this case with the program, the member pays a \$0 copay and the plan receives the additional savings from the manufacturer discount.

Mrs. Patel stated that the program works when the member is filling this medication, it will set off a flag and they will be able to join the program. She also stated that Doctors are aware of these types of programs so when they prescribe these extremely expensive drugs to a patient, they are encouraged to tell them about said program.

## **AETNA UPDATE**

**Aetna/Virtua Negotiations** - Mr. Mina stated that Aetna and Virtua Health have come to an agreement. The contract is in place for 4 years (actual agreement is 3 years and 11 months), effective 2/1/23. There have been no interruption to member access as an agreement was reached prior to the contracts extension termination date of March 31, 2023. Aetna will send retraction letters on 2/15/23.

## **OPERATIONAL UPDATES:**

**End of Year/Wellness Incentive Program Reporting** - Mr. Mina stated that in addition to the End of Year report, a Wellness Incentive Program report has been provided reflecting employees who received a gym reimbursement in 2022. An additional report was provided in late January 2023 for reimbursements issued for the time period of **November 1, 2022 through December 31, 2022.**

## **2022 LEGISLATIVE REVIEW**

**COVID -19** - Mr. Mina stated that the National Emergency Declaration has been extended through May 11, 2023. And FREE Tests from the Government for COVID-19 at home tests kits are available at <https://www.covid.gov/tests>.

## **Medical and Rx Reporting**

**Federal Extension Granted** -Mr. Mina stated that the Centers for Medicare and Medicaid Services (CMS), U.S. Departments of Labor, Health and Human Services, and the Treasury published an FAQ that provided an extension to the filing period for 2020 and 2021 prescription drug and health care spending reporting. The Departments have provided a submission grace period through January 31, 2023 and will not consider a plan or issuer to be out of compliance with the requirements provided a good faith submission of 2020 and 2021 data is made on or before the date. Carriers will be filing their full reporting on behalf of clients prior to January 31, 2023.

## **Mental Health Parity and Addiction Equity Act (MHPAE)**

- Mr. Mina stated that there has been no changes to the following information. In December of 2020 Congress passed into Law the Consolidated Appropriateness Act. The Law addresses how the DOL, HHS and IRS will assess how well plan sponsors and insured plans are keeping up with compliance requirements under MHPAE (passed in 2008).

Plans and plans sponsors will be required to complete a detailed analysis of the plan, confirming compliance.

On behalf of all self-insured groups, Conner Strong & Buckelew, is working with our TPA and PBM partners to request assistance for our clients in providing the analysis. We will continue to keep you updated on the progress and efforts on the Fund's next steps.

<https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/mental-health-parity/self-compliance-tool.pdf>

### **No Surprise Billing and Transparency Act- Continued Delays**

- Mr. Mina stated that there has been no changes to the following information. Medical carriers will provide the HIF with a unique URL/hyperlink to post to the HIF's main public website. The URL/hyperlink is required to be posted by July 1, 2022. The link will automatically refresh each month with any updated information. The Program Manager recommends all groups link their website to the HIF's public website, <https://hifundnj.com/>, there will not be a link sent to the groups. By doing so, this will satisfy the group's obligation for this requirement. The Program Manager sent communication on June 14<sup>th</sup> to all brokers to share with their groups.

The Health Insurance Funds, including Skylands protect plan members from surprise billing with involuntary out of network balance bills with a hold harmless clause:

- Example: an in-network surgeon contracts with an out of network anesthesiologist. Should the out of network anesthesiologist balance bill the patient, the Funds would hold the member harmless, paying up to the invoiced amount.

The law also imposes certain requirements on the Carriers, PBMs and healthcare providers. Many of these requirements continue to be delayed, but we will continue to work with the insurance providers to assure the Skylands HIF remains compliant.

- Issuing updated ID Cards with additional out of pocket information
- Providing transparency in coverage machine-readable files
- Providing price comparison tools
- Healthcare providers should work with insurance carriers to provide potential patients with good faith estimates of costs

**2023 Specialized Audits (Appendix II)** - Mr. Mina stated that as approved through an RFP through the Executive Director's contract, the HIFs has acquired the services of AIM to conduct specialized audits for Southern Skylands Regional Fund (SSRF). He stated that there is more information provided in the Appendix of the agenda. In response to Chair Mahr, Mr. Mina stated that AIM will be conducting Audits on the Mental Health Parity Act, No Surprises Act and Gene Therapy. Mrs. Koval stated that in the Executive Director's Contract this year they added AIM to do specialized Audits for anything that the Fund sees fit. This year, those three topics were chosen. She said Gene Therapy is very expensive. Aim will be able to dig into the data and provide reporting based on their findings. She stated that it should only take a couple of months and they are able to go onto location and do the audit as well at Aetna or Express Scripts.

Mr. Mina opened the floor to any questions. Mr. Beder asked how communication is pushed out from the Program Managers Office to the 4 entities. Mr. Mina stated that communication is sent out via email to the brokers and the Brokers are responsible for communicating that to their clients. Chair Mahr asked if the communications can be sent out to the HR representatives as well. She stated that communication can always be better. HR Representative Arge Mardakis asked that if HR could be included in the communications so that they are able to get the information to the clients quicker as well as assist them in any needs.

## 2023 IRMAA Charge

The standard Part B premium amount in 2023 is \$164.90 (reduced from 2022 premium of \$170.10). Most participants pay the standard Part B premium amount. If the participants modified adjusted gross income as reported on their IRS tax return from 2 years ago is above a certain amount, they will pay the standard premium amount and an Income Related Monthly Adjustment Amount (IRMAA). IRMAA is an extra charge added to your premium.

### Carrier Appeals:

Carrier Appeals: Submission Date	Appeal Type /Carrier	Appeal Number	Reason	Determination	Determination Date
12/13/2022	Medical/ Aetna	SSIRHIF-2022-12-01	Benefit Application	Upheld	1/9/2023
12/29/2022	Medical/ Aetna	SSIRHIF-2022-12-02	Benefit Application	Upheld	1/9/2023
1/9/2023	Medical/ Aetna	SSIRHIF-2023-01-01	Benefit Application	Upheld	2/16/2023
12/23/2022	Medical/ Aetna	SSIRHIF-2023-02-01	Medical Necessity	Upheld	1/4/2023

### IRO Submissions:

Carrier Appeals: Submission Date	Appeal Type /Carrier	Appeal Number	Reason	Determination	Determination Date
1/31/2023	Medical/ Aetna	SSIRHIF-2023-02-01	Medical Necessity	Upheld	2/21/2023

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**TREASURER** – Fund Treasurer reviewed the Bills Lists and Treasurer’s report through December 2022 is included in the Agenda.

### **MOTION TO APPROVE RESOLUTION 12-23 APPROVING THE TREASURERS REPORT AND BILLS LISTS FOR JANURY, FEBRUARY AND MARCH 2023:**

**MOTION:** Commissioner Auger  
**SECOND:** Commissioner Beder

**VOTE:**

**Unanimous**

**ATTORNEY** – Fund Attorney stated he has no reports to give. He stated that during his time here there has only been one contested matter of litigation that was significant which is a testament to show the professionals and members are operating well so that I don't have any legal matters to work on.

**INTEGRITY** – Douglas Forrester reviewed the report for the month of January 2023. He stated that the numbers continue to remain strong as well as utilization numbers. Mr. Forrester stated that the new component of Pain management and Chiropractic will be of great value. He stated that the admission of the Chiropractic Expense to the Health Center will return a positive ROI (return on investment). He stated that the purpose is to begin to strengthen the Funds position of dealing with Main Management. When looking at the claims, Pain Management is the single largest piece of the Rx. Adding Chiropractic into the practice was anticipated in the construction of the facility itself so adding it will not be a space issue. Mr. Forrester stated that Dr. Spector is attentive to all components of what goes on in the center. She is monitoring PT and chiropractic services so that they become a solution for pain.

Mr. Forrester stated that the facility itself is subtenants with the County in regards to commercial space. He stated that with Commercial leases there is a provision for the landlord over a certain period of time to provide maintenance such as a new paint job. He stated as the center is approaching its 5<sup>th</sup> year, he believes it is time for that.

Chair Mahr asked Mr. Forrester to walk through his Utilization report that is provided in the agenda by line. He stated that each number on the chart under the visits represents one service that an individual received. For example if a patient came in for a care visit, an Xray and went to the pharmacy, this would could has 3 “visits” on the chart. The second chart is the number of people, subscriber and dependents that are patients.

Mr. Forrester went over the Specialized Services. In response to Chair Mahr, Mr. Forrester stated that Behavioral Health could use a bit more attention. He stated that there is a clear demand for BH and they would rather have therapists on site than remote and that is something Dr. Spector and Mr. Forrester are looking into. He stated that he would say that BH is the most underdeveloped area in the Center.

Mrs. Mahr stated that they want to understand the patterns of the center and the employees.

Mr. Lodics stated that from a HIF perspective, the cost component of the Center is built into the premiums which is passed though Chapter 78. Workers Comp and other employer related costs should be passed through the employees because the only census the HIF has is the ones enrolled in the Health Plan. The separation of powers is necessary.

**AETNA:** Jason Silverstein reviewed the paid claims for the month of December 2022 and January 2023. Mr. Silverstein stated that 2022 Average of the fund for PEPM average spend came in about \$1,335 which is -3% from the prior year. He stated there were 3 high claimants for the month of December and 1 for January. He reviewed the dashboard report and noted all metrics continue to perform well through the month of December. He stated that the Covid reporting is up from the prior month. He stated that the Covid reporting is going away after this month and will be replaced that with an infectious disease report. As requested, Mr. Silverstein will be providing a quarterly report that shows the top conditions as well as dollar amounts that the members experience.

**EXPRESS SCRIPTS:** Mrs. Patel reviewed the report included in the agenda through the month of January 2023. She stated that the total plan costs per member per month is \$191.03 to the \$1708 patients. The generic fill rate total is 81.%. Compared to this month last year the Change in Plan costs PMPM is down 6.5% which is good.

**OLD BUSINESS - None.**

**NEW BUSINESS** – Chair Mahr inquired on new members who are interested in joining the Fund. Mrs. Koval stated that there are a few perspectives who are potentially going to join sometime this year. Mrs. Koval stated that once the town wants to join and takes action, there will be a committee meeting that reviews the entity and the data that will be implemented. It will have to be approved at the Executive Committee Level at the meetings.

**PUBLIC COMMENT - None.**

**MOTION TO GO INTO EXECUTIVE SESSION:**

MOVED:	Commissioner Auger
SECOND:	Commissioner Beder
VOTE:	Unanimous

The Executive Committee discussed the negotiated Integrity Health administration contract that includes an outcomes performance incentive. No action was taken at this time.

**MOTION TO ADJOURN:**

MOVED:	Commissioner Auger
SECOND:	Commissioner Beder
VOTE:	Unanimous

**MEETING ADJOURNED: 12:45pm**

**NEXT MEETING: May 9, 2023 at 9:30am**

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Minutes prepared by:

Jordyn DeLorenzo, Assistant Account Manager