

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
OPEN PUBLIC ORGANIZATION MEETING
MAY 12, 2020
10:00 AM**

Meeting called to order by Executive Director. The Open Public Meeting Notice was read into record.

ROLL CALL OF 2020 FUND COMMISSIONERS:

Brian Auger, Somerset County Library	Present
Geoffrey Soriano, Somerset County Parks Commission	Present
William Hyncik, Somerset County VoTech	Present
Sara Sooy, County of Somerset	Absent

FUND PROFESSIONALS PRESENT:

Executive Director/Program Manager	PERMA Risk Management Services Emily Koval Brandon Lodics
Fund Attorney	Scholl, Whittlesey & Gruenberg, LLC Frank Whittlesey
Fund Treasurer	Yvonne Childress
Aetna	Jason Silverstein
Express Scripts	Kyle Colalillo
Fund Actuary	Absent
Integrity Health	Absent
Fund Auditor	Digesh Patel Matt Daly

ALSO PRESENT:

Karen Kamprath, PERMA
Sam Zabawa, Somerset County
Greg D’Orazio, Assured Partners
Raelene Sipple, SCVTS
Donna Mozet, County of Somerset
Paul Malarcher, County of Somerset
Diane Peterson, Conner Strong & Buckelew
Marybeth Visconti, Conner Strong & Buckelew

MOTION TO APPROVE THE OPEN SSRHIF MINUTES OF MARCH 10, 2020:

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: All in Favor

EXECUTIVE DIRECTORS REPORT

FINANCIAL FAST TRACK as of February 28, 2020 – Executive Director reviewed the financial fast tract for the SCIC and SSRHIF. She said through 2019 the Commission stayed above the IBNR budget with a gain of about \$350,000. She said there is current a deficit for the HIF of about \$583,000, however if this was a typical Fund with all fund years combine it would be only a loss of about \$230,000. She said claims are running just about on budget, and the IBNR is still slightly overstated. She said March still looks slightly higher but April looks to be below budget as are most HIF’s across the state.

Executive Director said there was a Covid report distributed from Aetna and Mr. Silverstein will review during his report.

2019 SOMERSET COUNTY INUSRANCE COMMISSION AUDIT – Executive Director said Mr. Patel and Mr. Daly from Mercadien are on the call to present the 2019 Audit. Mr. Patel provided an overview of the 2019 Audit. He said there are no comments or recommendations and has an unmodified opinion. Mr. Daly said the net position is down slightly when compared to the prior year. He said there was an operating loss of \$760,000. He said however there was nothing out of the ordinary for the current year.

MOTION TO APPROVE RESOLUTION 12-20 ACCEPTING THE 2019 AUDIT ON BEHALF OF THE SOMERSET COUNTY INSURANCE COMMISSION AND FILE WITH THE STATE.

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: 3 Ayes, 0 Nays

WELLNESS GRANTS – Executive Director said as a reminder, the Fund has secured \$50,000 in Wellness credits. Below is the allocation by member, based on lives. Wellness Expense approvals and reimbursements requests may be made through the Fund by sending to emilyk@permianc.com

<u>Wellness Allocation</u>	<u>Lives</u>	<u>Wellness Dollars</u>	<u>Spent</u>	<u>Available</u>
Somerset County	16,212	\$37,928.13	2205	\$35,723.13
Somerset County Library	1,428	\$3,340.82	0	\$3,340.82
Somerset County Parks	2,484	\$5,811.34	0	\$5,811.34
Somerset County Vo Tech	1,248	\$2,919.71	0	\$2,919.71

REQUESTS FOR PROPOSALS - Executive Director said that under the Local Public Contracts law the Actuary, Auditor and Attorney contracts need to go out for RFP.

MOTION TO ISSUE AND ADVERTISE REQUESTS FOR PROPOSALS FOR PROFESSIONAL SERVICES CONTRACTS ON BEHALF OF THE FUND FOR ACTUARY, AUDITOR AND ATTORNEY.

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: All in Favor

RISK MANAGEMENT PLAN - AMENDMENT - Executive Director said an internal review of the enrollment process was performed and found that the process of partial month transactions was not consistent across all of our Funds. In order to synchronize enrollments with accounts payable, we are recommending the following standard 'rule' for rate charging for enrollments during any given month:

22.) PARTIAL MONTH ENROLLMENTS

When processing enrollments and terminations, the Fund will charge a member for a full month rate for an employee that is enrolled between the 1st and the 15th of the month, but will charge the member in the following month if an enrollment occurred between the 16th and the 31st of the month. If a member should term between the 1st and the 15th of the month, the Fund will not charge the member a rate for the enrollment, but will charge a full month rate if a member terms between the 16th and the 31st of the month.

MOTION TO APPROVE RESOLUTION 13- 20 AMENDING THE RISK MANAGEMENT PLAN TO ESTABLISH A STANDARD PARTIAL MONTH ENROLLMENT RATE CHARGE RULE.

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: 3 Ayes, 0 Nays

In response to Chair Hyncik, Executive Director said the Run in/ Run out as noted in the risk management plan relates to the IBNR and is included in the rates. She said she can provide additional information on the Run in after the meeting.

FINANCIAL DISCLOSURE STATEMENTS - Executive Director said each Fund Commissioner is required to complete a Financial Disclosure Statement through the Department of Community Affairs. The 2020 notice with instructions has been released. The deadline to file is April 30, 2020. Fines will be issued for noncompliance. In light of the circumstances surrounding COVID-19, the Local Finance Board, at its meeting of April 22, 2020, voted to extend the date at which the Board would take enforcement action against non-fillers of the 2020 FDS until **July 31, 2020** from the statutory deadline of April 30, 2020.

A listing of compliance is included below. This list was updated as of May 7, 2020.

William Hyncik - Filed
Geoffrey Soriano - Filed
Sara Sooy - Not Filed
Brian Auger - Not Filed

BYLAW AMENDMENT - Executive Director said as of today we have received 2 bylaw amendment resolutions from the members. We are in need of one more by July 9.

PROGRAM MANAGER'S REPORT

ELIGIBILITY/ENROLLMENT

Please direct any eligibility, enrollment, or system related questions to our dedicated Southern Skyland Regional HIF team. The team can be reached by email at somersetctyinscom@permainc.com or by fax at 856-552-2175.

MONTHLY BILLING

As a reminder, please be sure to check your monthly invoice for accuracy. *Please confirm the invoice detail as retro adjustments are limited to two months by the Fund's policy.* If you find a discrepancy, please report it to the Southern Skyland Regional HIF eligibility/enrollment team somersetctyinscom@permainc.com or by fax at 856-552-2175.

OPEN ENROLLMENT UPDATE - VOTECH - Program Manager said the Somerset County VoTech's annual open enrollment period is currently underway having opened to members on April 27th and closing on May 15th. All changes and updates must be entered into Benefit Express by May 22nd. Open enrollment is passive, which means that the current benefit elections will "roll over" to the next plan year (July 1, 2020 until June 30, 2021) unless a member requests a change.

AETNA UPDATE

COVID-19 Update - Program Manager said in regards to the antibody testing, in accordance with the CDC regulations the antibody testing would be covered with no cost share.

Please visit this webpage for more information on how Aetna is handling COVID-19 related benefit developments:

<https://www.aetna.com/individuals-families/member-rights-resources/need-to-know-coronavirus.html>.

EXPRESS SCRIPTS UPDATE

Formulary Update - ESI has advised that there will not be any changes on July 1 to the Basic Formulary.

Ranitidine (Zantac) Withdrawal- The US Food and Drug Administration has announced they have requested manufacturers withdraw all prescriptions and over-the-counter (OTC) drugs containing ranitidine from the market. This is the latest step in an ongoing investigation of a contaminant known

as N-Nitrosodimethylamine (NDMA) in ranitidine medications. ESI identified 3 SSRHIF members who are impacted by this withdrawal. These individuals have been sent direct communications and are recommended to discuss alternative drugs with their health care provider.

STOP LOSS COVID-19 UPDATE

Tokio Marine HCC has stated that they will accept coverage changes such as: waivers of deductibles, copays and member cost-sharing on COVID-19 related testing and treatment, as covered expenses under the Stop Loss policy with no further action required by the plan sponsor.

Regarding eligibility, HCC will accept the employer’s determination of who is actively at-work and are eligible for plan coverage, including employees who have been furloughed or have reduced hours.

LEGISLATIVE UPDATE

New COBRA Regulations - Due to the COVID-19 pandemic, the Department of Labor (DOL) and the Internal Revenue Service (IRS) recently issued guidance for group health plan sponsors regarding deadline extensions for COBRA, Flexible Spending Accounts (FSAs), and Health Reimbursement Arrangements (HRAs). The extended timeframes are intended to assist employers, employees and dependents who may have difficulty meeting standard timeframes associated with COBRA. The new ruling establishes an “Outbreak Period” defined as beginning with the declaration of a National State of Emergency on March 1, 2020 running through the duration of the Emergency plus a 60-day period following the date the National State of Emergency ends. At this time, an end date has not been specified for the National State of Emergency so the "Outbreak Period" cannot yet be determined.

The DOL guidance provides the below timeframe extensions derived by disregarding the Outbreak Period:

- Extension of the 30-day and 60-day special enrollment timeframes
- Extension of the 60-day COBRA election period
- Extension of the 45-day initial premium payment timeframe
- Extension of the 30-day grace period for subsequent premium payments
- Extension of the 60-day COBRA notification timeframe

The chart below compares the current time-frames with the new guidelines.

COBRA NOTICE/EVENT	PRE-PANDEMIC	CHANGE
Initial Notice of COBRA Rights	Within first 90 days	Clarification required
Election Notice	Within 14 days of Qualifying Life Event	Clarification required
Election Period	Within 60 days	60 days after the end of the “outbreak period”
Initial Payment	Within 45 days	Within 45 days after the end of the “outbreak period”
Grace period for non-payment	30 days	30 days after “outbreak period”

We are working with the Fund’s COBRA administrator, Benefit Express to ensure they are taking the necessary measures to comply with and administer the new timeframes for eligible lines of coverage administered by the Fund. We will provide updated information and correspondence when they are available.

For more information, please click on this link to the DOL’s COVID-19 FAQ:
<https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/faqs/covid-19.pdf>

ADMINISTRATIVE AUTHORIZATIONS

There are no appeals or authorizations to report.

TREASURER – Fund treasurer said the report is included in the agenda.

SCIC APRIL 2020 BILLS LIST - CONFIRMATION OF PAYMENT

FY2019	\$22,877.95
Total	\$22,877.95

SSRHIF APRIL 2020 BILLS LIST - CONFIRMATION OF PAYMENT

FY2020	\$589,105.79
Total	\$589,105.79

SCIC MAY 2020 BILLS LIST - RESOLUTION 14-20

FY2019	\$5,000
Total	\$5,000

SSRHIF MAY 2020 BILLS LIST - RESOLUTION 14-20

FY2020	\$408,574.74
Total	\$408,574.74

MOTION TO APPROVE THE APRIL AND MAY 2020 BILLS LISTS FOR SCIC AND SSRHIF.

MOTION: Commissioner Soriano
SECOND: Commissioner Auger
VOTE: 3 Ayes, 0 Nays

ATTORNEY – Fund Attorney said there was an issue with a disgruntled member in the Health Center that is hopefully resolved. He also noted the bylaw issue that is outstanding needs to be wrapped up and sent down to Trenton for approval.

INTEGRITY HEALTH – None

AETNA – Mr. Silverstein reviewed the claims for February and March 2020. He also provided an update on the Covid 19 related claims. In response to Chair Hyncik, Mr. Silverstein said they are receiving very positive feedback regarding telemedicine.

EXPRESS SCRIPTS – Mr. Colalillo said the trend is at 19% for January – March which is primarily being driven by an increase in total days of medication. He said there is also additional information attached on the ESI website as well as a report on the Covid impact.

OLD BUSINESS - None

NEW BUSINESS - None

PUBLIC COMMENT - None

MOTION TO ADJOURN:

MOVED:	Commissioner Soriano
SECOND:	Commissioner Auger
VOTE:	Unanimous

MEETING ADJOURNED: NEXT MEETING July 14, 2020

Minutes prepared by:
Karen Kamprath, Assisting Secretary