

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
OPEN PUBLIC MEETING
JULY 14, 2020
12:00 PM**

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
Shanel Robinson, County of Somerset (alternate)	Present

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	Doug Forrester
Fund Auditor	Absent

ALSO PRESENT:

Karen Kamprath, PERMA
Sam Zabawa, Somerset County
Greg D’Orazio, Assured Partners
Donna Mozet, County of Somerset
Paul Malarcher, County of Somerset
Diane Peterson, Conner Strong & Buckelew
Marybeth Visconti, Conner Strong & Buckelew
Paul Laracy, PERMA
Judy Lagana, Integrity Health
Sharon Vaughn, Integrity Health
Arge Mardakis, Somerset County

MOTION TO APPROVE THE OPEN SSRHIF MINUTES OF MAY 12, 2020:

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

EXECUTIVE DIRECTORS REPORT

FINANCIAL FAST TRACK as of May 31, 2020 – Executive Director reviewed the financial fast track for the SCIC and SSRHIF. She noted that as of today the cash in the Commission is \$112,000. She said the SSRHIF has over \$1 million as of today. She said in addition we are accruing the ESI rebates that come in on a quarterly basis and have received almost \$600,00 as of yesterday.

CLAIM FUND STATUS

Executive Director said over the past few months we have noticed that claims are running higher than budget, even with elective services being postponed during the COVID shut down. She said with the Fund in early years and uncertainty of this unusual situation in 2020, we are watching the cash flow on a weekly basis. She said we have started digging into the increase in claims along with Aetna. She said one thing that was found was an increase in inpatient utilization and almost twice as many high claimants reaching the spec level for our stop loss.

Executive Director said the 2020 claim fund was established by the actuary based upon claims experience through 6/30/2019. However, a retrospective review of claims experience indicates that claims began to rise after the period of claims that were used to project the current budget. She said to note that the reduction in the claims budget in January of 2020 was caused by the establishment of the Medicare Advantage program. That is, Medicare retirees were placed in a fully insured plan and are no longer part of the self-insured claims program. Executive Director said claims dropped in May of 2020, ostensibly because of service deferrals associated with the Covid-19 crisis.

Executive Director reviewed the following steps that will be taken due to the higher claims experience through April 2020:

- Cash flow tracking reports for 2019 and 2020 will be included in agendas as part of the financial fast track reporting process. These charts compare estimated claims paid and estimated cash balances to actuals on a monthly basis. See attachments on pages 8 and 9.
- We have constructed cash flow models through the end of 2020 using three assumptions regarding claims spend:
- Claims spend will match the budget - illustrates that cash balances would be adequate.
- Claims spend will match the average of the past 7 months – illustrates possible cash flow challenges until 2021 rates are established
- Claims spend will match the average of the past 5 months - illustrates possible cash flow challenges until 2021 rates are established. See Page 10
- Cash flow projections are complicated by the Covid-19 crisis which can lead to lower claims in the short run, but higher claims in the future.
- This projection will also be provided until further notice in the agendas.

- We have asked the actuary to begin the process of projecting 2021 claims. This process will include has analysis of the adequacy of 2020 rates.
- Consider transferring surplus from the Commission to HIF to allow for additional cushion.

AUGUST SUB-COMMITTEE MEETING

Executive Director said the next public meeting is scheduled for September 8 however there are a few items that we would like to discuss with a subcommittee prior to that meeting which include Health Center Reciprocity, Health Center RFP update, Professional Service RFPs, claims and finance update and preliminary 2021 budget review. She said any committee member that would like to join should reach out.

BYLAW AMENDMENT

Executive Director said the Fund has received resolutions from 75% of our membership to approve the bylaw amendment. She said the final approval submission is included in the agenda and Resolution 15-20 is included for approval.

MOTION TO APPROVE RESOLUTION 15-20 APPROVING THE BYLAW AMENDMENT FOR THE SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND.

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

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.

EXPRESS SCRIPTS UPDATE

PHARMACY NETWORK UPDATE

Program Manager said effective August 16, 2020, Sam’s Club Pharmacies will no longer be part of the standard networks of pharmacies ESI offers to our clients. Based on claim data from the past year, there were no impacted Fund members.

LEGISLATIVE UPDATES

“BACK TO WORK” COVID-19 TESTS

Program Manager said they received and released further guidance on Covid back to work teting. Insurers are not required to cover COVID-19 tests that employers may mandate as they bring employees back to work. The Families First Coronavirus Response Act (FFCRA) requires insurers to cover COVID-19 tests without patient cost-sharing, but guidance clarified that the law only applies to tests that are deemed "medically appropriate" by a healthcare provider. This latest guidance suggests that if an employer does mandate employees be COVID-19 tested as a requirement of return to work, it is not required to be covered by insurance. The attached flyer was recently distributed to Fund members.

PCORI FEE UPDATE

Program Manager said the PCORI fee has been extended for another 10 years through September 30th, 2029. As a courtesy, the SSRHIF pays the PCORI fee on behalf of Fund members.

NJ Senate Bill 2273/A20 - Educator’s Health Benefit Fairness Act

Program Manager said this legislation really only impacts the Vo-tech. He said Passed by Assembly on July 1, 2020. The Executive Director and Program Manager offices have been closely following the legislation and preparing for implementation on January 1, 2021. We will be working with the Vocational School’s Risk Manager and leadership to assure compliance with all components.

Key Legislative Components:

- Requires SEHBP and eligible employers that do not participate in the SEHBP to provide certain plans for public education employees and certain public education retirees.
- Requires these plans be offered to public education employees at a salary-based contribution schedule, which will be an alternative to Chapter 78.
- The first plan, *NJ Educator’s Health Plan* must be offered on January 1, 2021
 - A special open enrollment will be held for School Boards in the fall
 - All new employees hired after July 1, 2020 will be required to enroll in the *Educators Plan* on January 1, 2021.

ADMINISTRATIVE AUTHORIZATIONS

There are no appeals or authorizations to report.

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

SSRHIF JUNE 2020 - CONFIRMATION OF PAYMENT

FY2020	\$1,746.00
Total	\$1,746.00

SSRHIF JUNE 2020- CONFIRMATION OF PAYMENT - SUPPLEMENTAL

FY2020	\$619,414.32
Total	\$619,414.32

SSRHIF JULY 2020- RESOLUTION 16-20

FY2020	\$628,752.30
Total	\$628,752.30

MOTION TO APPROVE RESOLUTION 16-20 APPROVING THE JUNE AND JULY BILLS LISTS AND SUPPLEMENTAL BILLS LISTS.

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

ATTORNEY - Fund Attorney said the Fund is still awaiting State approval on the Bylaw amendment. He said there is ongoing litigation for a relatively large claim and that will be discussed in executive session.

INTEGRITY HEALTH - Mr. Forrester the April report included in the Agenda indicates the impact of the pandemic on health center utilization. He said the May and June updates were received which indicate things are returning to normal. He said prior the pandemic the center was seeing robust growth in visits. In response to Chair Hyncik, Mr. Forrester said TeleBH has to do with mental health engagement on a remote basis. He said they are expecting to see a log of activity in regards to that.

AETNA - Mr. Silverstein reviewed the claims for April with an average pepm of \$986.00. He said for the month of May the pepm was \$843.00. He said there was 1 high claim for April and none for May. He reviewed the dashboard and noted the metrics continue to fun well. He reviewed the weekly Covid report included with the Agenda. He also provided a success story from the in touch care management team.

EXPRESS SCRIPTS - Mr. Colalillo said the January - May 2020 is 16.4%. He said the highest pepm for the year was in March mostly due to an increase in 90 day medication fills. He reviewed the Covid-19 issues document included with the agenda which includes a summary of different treatments and vaccines that are out there and what phase of testing they are in.

OLD BUSINESS - None

NEW BUSINESS - None

PUBLIC COMMENT - None

MOTION TO ADJOURN:

MOVED: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: Unanimous

MEETING ADJOURNED: NEXT MEETING September 8, 2020

Minutes prepared by:
Karen Kamprath, Assisting Secretary