

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
OPEN PUBLIC MEETING
NOVEMBER 20, 2020
10:00 AM**

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

ROLL CALL OF 2020 FUND COMMISSIONERS:

William Hyncik, Fund Chair, Somerset County VoTech	Present
Brian Auger Fund Secretary, Somerset County Library	Present
Geoffrey Soriano, Somerset County Parks Commission	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
Diane Peterson, Conner Strong & Buckelew
Marybeth Visconti, Conner Strong & Buckelew
Sharon Vaughn, Integrity Health
Arge Mardakis, Somerset County
Raelene Sipple, Somerset County Votech
John Bruno, Somerset County

MOTION TO APPROVE THE OPEN AND CLOSED SSRHIF MINUTES OF OCTOBER 20, 2020:

MOTION: Commissioner Soriano
SECOND: Commissioner Auger
VOTE: 3 Ayes, 0 nays, 1 Abstain (Commissioner Robinson)

EXECUTIVE DIRECTORS REPORT

FINANCIAL FAST TRACK - SCIC and SSRHIF - Executive Director said she expected the October Fast Track to be distributed prior to the meeting however they are still being finalized and will be distributed later today. She said she would like to note that the Fund is slightly over budget on the Medical but flat on RX. She said there is a large surplus from the Commissioner that is being transferred to the HIF.

2021 BUDGET ADOPTION - Executive Director said the biggest item for today is the 2021 budget adoption. She said there are a few changed from the introduced version. She said one major change is the stop loss policy. She said we did not go out for RFP and received a renewal from HCC our current vendor. She said the renewal was lower than expected.

Executive Director said 1 other item to note, is that through the RFP process we were able to negotiate a lower fee for the health center between the management fee and expenses. She said overall there is a 9.43% decrease from last year.

	HCC 2020	HCC 2021
Specific Retention	\$300,000	\$325,000
Laser 1	\$400,000	\$400,000
No New Lasers	Included	Included
2022 Rate Cap	Included	Included
Estimated Premium	\$1,571,495	\$1,537,933

MOTION TO OPEN THE PUBLIC HEARING ON THE 2021 BUDGET:

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

MOTION TO CLOSE THE PUBLIC HEARING ON THE 2021 BUDGET:

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

MOTION TO APPROVE RESOLUTION 21-20 ADOPTING THE AMENDED 2021 BUDGET IN THE AMOUNT OF \$40,536,804:

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: 4 Ayes, 0 Nays

STOP LOSS RESOLUTION - Executive Director said Resolution 22-20 is included in the consent agenda and includes binding of the Stop Loss policy with the terms and conditions described in the budget presentation.

ONSITE HEALTH CENTER - RFP DECISION - Executive Director said responses to the Fund’s RFP for the Administrator of the Onsite Health Center were received in July 2020. Two vendors responded - Integrity Health (incumbent) and R-Health. In early October, a subcommittee of the HIF interviewed both vendors. The Fund was instructed to obtain ‘best or final’ pricing from each.

Results:

R-health - committed to the financial terms and conditions in its original proposal

Integrity Health

- Reduced management fee from \$31 pepm to \$27 pepm.
- Absorbed certain pass through expenses in within this fee
- Capped health care salaries and benefits
- Total decrease ~8% from original proposal

Based off the qualifications and final financial proposals of both respondents, it is the recommendation of the Executive Director/Program Manager that the Fund award the contract to the incumbent, Integrity Health effective April 1, 2021 through March 31, 2024. Below is a recommended evaluation.

Evaluation of RFP Responses		Integrity Health	R-Health
a.	Organizational Management, Stability and Ownership (10%)	10	9
b.	Expertise as an Onsite Health Center Administrator (25%)	25	20
c.	Experience in health joint insurance funds with similar services (10%)	10	5
d.	Ability to comply with the required standards of the RFP (15%)	15	15
e.	Results collected from provided references (10%)	10	10
f.	Fee Proposal (30%)	25	30
g.	Total	95	89

Prior to signing, the contract terms will be fully vetted by the Fund Attorney.

Resolution 23-20 reflects this decision and is included in the consent agenda.

EUS CERTIFICATIONS - Executive Director said for State filing and regulatory purposes, there are 2 EUS (Extraordinary Unspecified Services) Certifications for Aetna and United Healthcare Medicare Advantage that are required to be approved by the Fund. The certifications along with Resolution 24-20 are included in the consent agenda.

DIRECT BILL COUPONS - RETIREES AND COBRA - Executive Director said Benefit Express requires at least 60 days to guarantee updated direct bill retiree coupons and ACH debits by January 1. Since the budget is just being adopted, that timeframe cannot be met. PERMA will work diligently with BE to determine when these coupons will be mailed and the recommended payment process. We will work with each of the entities on a communication strategy to the impacted retirees.

OPEN PUBLIC MEETINGS ACT - REMOTE MEETING CHANGES

Executive Director said there were some updates the Open Public Meetings act to consider for Zoom meetings. The following changes will be made effective the next public meeting. The Fund Attorney has reviewed and approves. Resolution 25-20 formalizes these changes.

1. Adopt via a resolution standard procedures and requirements for public comment (included in consent)
2. Prepare standard notice of meeting which is to contain clear & concise instructions for public access to the meeting, how to submit public comment and where the agenda/meeting documents can be found
3. Revise the annual meeting notice to state that due to the Governor's State of Emergency Declaration that meetings will be conducted as remote meetings until further notice;
4. Post copies of each meeting notice and the revised annual meeting notice on the Fund's website and on the door to the main public entrance of the municipality where the in person meeting would have been held & on the main handicapped access door;
5. Have a link on the meeting notice or on the Fund website near where the meeting notice is posted for the download of the meeting agenda by the public;
6. Prepare a standard form of announcement to be read at the beginning of each remote meeting that adequate & electronic notice of the remote meeting was provided, stating the time, place and manner in which the notice was provided.

Southern Skyland Regional Health Insurance Fund					Print date	19-Nov-20
2021 Certified Budget						
Census:	Monthly	Annual				
Medical Aetna	1,580	18,960				
Medical Coresource (Moving to AETNA 1/1/2021)	8	96				
Rx ESI	1,797	21,564				
Rx Coresource	8	96				
Medicare Advantage - Medical	363	4,356				
Rx No Medical (Incl in Rx above)	240	2880				
Medicare Advantage - Only (Incl above)	31	372				
LINE ITEMS	2020 Annualized Budget	2021 Proposed Budget	\$ Change	% Change		
1 Medical Claims (Aetna)	\$ 23,354,656	\$ 24,908,375	\$ 1,553,719	6.65%		
2 Medical Claims (Coresource)	\$ 87,583		\$ (87,583)	-100.00%		
3 Subtotal Medical Claims	\$ 23,442,239	\$ 24,908,375	\$ 1,466,136	6.25%		
4 Prescription Claims (Express Scripts)	\$ 8,816,740	\$ 10,145,771	\$ 1,329,031	15.07%		
5 Prescription Rebates (Express Scripts)	\$ (1,373,512)	\$ (1,979,090)	\$ (605,578)	44.09%		
6 Prescription Claims (Coresource)	\$ 20,052		\$ (20,052)	-100.00%		
7 Prescription Claims Subtotal	\$ 7,463,280	\$ 8,166,681	\$ 703,401	9.42%		
8 Subtotal Claims	\$ 30,905,519	\$ 33,075,056	\$ 2,169,537	7.02%		
9						
10 Medicare Advantage- AETNA-MA	\$ 243,072	\$ 219,108	\$ (23,964)	-9.86%		
11 Medicare Advantage - UHC-MA	\$ 426,394	\$ 400,815	\$ (25,580)	-6.00%		
12 Subtotal Medicare Advantage	\$ 669,466	\$ 619,923	\$ (49,544)	-7.40%		
13						
14 Horizon Dental	\$ 1,214,026	\$ 1,131,511	\$ (82,515)	-6.80%		
15						
16 Partnership Health Center - Integrity Management	\$ 590,736	\$ 524,040	\$ (66,696)	-11.29%		
17 Partnership Health Center - Lease	\$ 120,000	\$ 120,000	\$ -	0.00%		
18 Partnership Health Center - Expenses	\$ 2,279,790	\$ 2,064,566	\$ (215,224)	-9.44%		
19 Subtotal PHC	\$ 2,990,526	\$ 2,708,606	\$ (281,920)	-9.43%		
20						
21 Reinsurance						
22 Specific	\$ 1,571,495	\$ 1,537,933	\$ (33,562)	-2.14%		
23						
24 Total Loss Fund	\$ 37,351,032	\$ 39,073,028	\$ 1,721,996	4.61%		
25						
26 Contingency	\$ -	\$ -	\$ 0	0.00%		
27						
28 Expenses						
29 Legal	\$ 10,000	\$ 10,000	\$ 0	0.00%		
30 Executive Director/Program Manager	\$ 401,544	\$ 401,544	\$ 0	0.00%		
31 Enrollment Vendor	\$ 89,232	\$ 89,232	\$ 0	0.00%		
32 TPA - Aetna	\$ 752,143	\$ 755,952	\$ 3,808	0.51%		
33 TPA - Coresource	\$ 2,976	\$ -	\$ (2,976)	-100.00%		
34 Actuary	\$ 20,000	\$ 8,000	\$ (12,000)	-60.00%		
35 Auditor	\$ 16,320	\$ 15,360	\$ (960)	-5.88%		
36 Consulting	\$ 128,917	\$ 128,917	\$ 0	0.00%		
37						
38 Subtotal Expenses	\$ 1,421,132	\$ 1,409,005	\$ (12,128)	-0.85%		
39						
40 Miscellaneous						
41 Miscellaneous and Contingency	\$ 19,279	\$ 4,325	\$ (14,954)	-77.57%		
42 Claims Auditor	\$ -	\$ -	\$ 0	0.00%		
43 GASB 75 Reporting	\$ 7,500	\$ 7,500	\$ 0	0.00%		
44 A4 Surcharge	\$ 29,958	\$ 31,946	\$ 1,988	6.64%		
45 ACA Taxes	\$ 11,000	\$ 11,000	\$ -	0.00%		
46 Subtotal Miscellaneous	\$ 67,737	\$ 54,771	\$ (12,966)	-19.14%		
47						
48 Total Expenses	\$ 1,488,869	\$ 1,463,775	\$ (25,094)	-1.69%		
49						
50 Total Budget	\$ 38,839,902	\$ 40,536,804	\$ 1,696,902	4.37%		
51 County Line Adjustments		\$ 332,515				
52 Total Billing	\$ 38,570,482	\$ 40,204,289	\$ 1,633,807	4.24%		

Southern Skyland Regional Health Insurance Fund													
2021 PROPOSED vs ANNUAL ASSESSMENTS BY MEMBER													
Group Name	Annualized Assessments FY2020			Proposed Assessments FY2021			Difference \$			Difference %			
	Member Billed	Direct Billed	Total	Member Billed	Dividend Applied To Rates	Direct Billed	Total	Member Billed	Direct Billed	Total	Member Billed	Direct Billed	Total
Somerset County	29,352,523	480,076	29,832,600	30,561,898	332,515	464,896	31,359,309	1,209,375	(15,180)	1,194,195	4.12%	-3.16%	4.00%
Somerset County Library	2,675,101	34,701	2,709,802	2,802,757		33,281	2,836,039	127,656	(1,420)	126,236	4.77%	-4.09%	4.66%
Somerset County Parks	3,612,204	1,224	3,613,428	3,798,765		1,291	3,800,056	186,561	67	186,628	5.16%	5.45%	5.16%
Somerset County Vo Tech	2,403,132	11,520	2,414,652	2,529,201		12,199	2,541,400	126,069	679	126,748	5.25%	5.89%	5.25%
Totals	38,042,960	527,522	38,570,482	39,692,622	332,515	511,667	40,536,804	1,649,662	(15,854)	1,633,807	4.34%	-3.01%	4.24%

PROGRAM MANAGERS 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.

HIF ORGANIZATION ANNOUNCEMENT

We are pleased to announce that Jason Edelman will be joining PERMA as a *HIF-New Business Development Executive*. Jason will assume the responsibilities previously handled by Greg Grimaldi who retired in May. Those broker partners who worked with Greg will now work with Jason. Jason was previously with PERMA, and has four successful years of experience with the HIF model and business. Jason left to pursue a career in Employee Benefit sales, joining Graham in Philadelphia where he spent 2 years before moving to Alliant in a new business role, where he has been for the last 4 years. In his new role at PERMA, Jason will be responsible for helping to grow the HIF business.

AETNA UPDATE

Network Update

Network negotiations with Premier Health were held over the past few months. Approximately 18 Fund members received letters in late July notifying them that Premier Health was going to pull out of the Aetna network on 9/1/2020. We are pleased to announce that the negotiations were successful and Premier Health remains in-network with Aetna. Impacted members received retraction letters.

UNITEDHEALTHCARE UPDATE

Program Manager said there were 2 mailers sent out from United Healthcare. He said the first was a request for information from the Medicare Advantage membership for the County. He said they are looking for contact information to better service this population. He said annually United Healthcare issues new ID cards to the Medicare Advantage population even though there is no benefit change. He said members will receive new ID cards effective January 1.

Retiree Mailing- UnitedHealthcare is reaching out to retirees enrolled in UHC Medicare Advantage Plans to update their contact information. In an effort to increase member engagement in clinical programs, such as *HouseCalls* and *Just Checking In* the attached letter is being mailed to retirees who do not have a phone number or email registered to their account.

Medicare Advantage ID Cards - We have been advised that UHC issues new ID cards *every year* to Medicare Advantage members. New cards with a January 1, 2021 effective date are being mailed to **all SSRHIF retirees** enrolled in a UHC Medicare Advantage plan. Please note that *there are no changes to benefits or ID numbers.*

COMPLIANCE UPDATE

Annual NOCC Mailing – As in previous years, ESI has mailed the annual Notice of Creditable Coverage to all plan members (active and retirees) who are currently age 65 or older, or will be reaching age 65 in 2021. A sample of the NOCC that was mailed in early October, is included with your agenda.

LEGISLATIVE UPDATES

NJ COVID Executive Orders

1. **Executive Order #172** – Program Manager said Governor Murphy recently signed Executive Order #172, which allows entities in the State Health Benefit Plan (SHBP) to waive the normal waiting period for new hires, enabling them to enroll in health benefits upon date of hire. The order became effective on 8/3/2020 and will remain in effect for the duration of the COVID-19 NJ Public Health Emergency. Fund entities wishing to comply with this order may do so by completing and returning the Plan Document Amendment form included with this agenda to PERMA. We strongly recommend that the amendment, be ratified by the entity's governing body.
2. **Executive Order #192**- Program Manager said On October 27, 2020, Governor Phil Murphy signed **Executive Order #192** which requires all New Jersey public and private employers institute mandatory health and safety protocols to protect workers and their families from COVID-19 exposures. The Executive Order also directs NJDOL to provide compliance and safety training for employers and employees. For more information, please review the attached brief from the MEL JIF.

Program Manager said the following 2 health insurance mandates were passed for 2021 implementation.

1. **NJ Senate Bill #2133**- Earlier this year, NJ Senate bill 2133 expanded the NJ Infertility Mandate as follows:
 - Requires coverage for *standard fertility preservation services* when a medically necessary treatment directly or indirectly causes *iatrogenic infertility*.
 - *Iatrogenic infertility*- impairment of fertility caused by surgery, radiation, chemotherapy, or other medical treatment.
 - *Standard fertility preservation services* -procedures consistent with established medical practices and professional guidelines published by the American Society for Reproductive Medicine, The American Society of Clinical Oncology, or as defined by the New Jersey Department of Health.

We will be working with the Risk Manager of each member entity to determine coverage

2. **NJ Assembly Bill 5508**- In 2020, NJ passed legislation that adds coverage for male sterilization at 100% for ACA and non-ACA compliant plans. Previously, only female sterilization was covered at 100%. This coverage change will become effective upon the 1/1/2021 renewal for the Fund.

We will be working with the Risk Manager of each member entity to determine coverage.

ADMINISTRATIVE AUTHORIZATIONS

There is one administrative authorization for a Level II medical necessity appeal. The IRO determination upheld Aetna’s denial.

TREASURER – Fund treasurer said the report is included in the agenda. She also noted that she was contacted by Investors Bank regarding the account for the Commission which has \$94,000 in it. She said she plans to transfer these funds after confirming with Horizon on the runout.

SSRHIF NOVEMBER 2020- RESOLUTION 26-20

FY2020	\$721,368.35
Total	\$721,368.35

ATTORNEY – Fund Attorney said there has been an ongoing litigation matter that goes back to the Commission. He said a settlement was reached in the amount of \$80,000 and he would need approval from the Committee. He said this would satisfy the obligation and end the litigation for the Fund.

MOTION TO AUTHORIZE A SETTLEMENT IN THE AMOUNT OF \$80,000:

MOTION: Commissioner Auger
SECOND: Commissioner Robinson
VOTE: 4 Ayes, 0 Nays

INTEGRITY HEALTH – Mr. Forrester thanked the Committee for the renewed relationship. He said utilization of the health center remains very good particularly given the pandemic. He said the average for the past few months has been just north of 1300 visits. He said they are pretty much on track for what was predicted even without the pandemic. He said they have a large uptick in flu shots from 200 last year to 445 this year. He said in the beginning of December they are introducing machines that will allow them to expand their testing capabilities specifically for Covid. He said they will be rapid tests with results delivered in about 30 minutes. He said Flu strains A and B and also strep can be tested as well. In response to Chair Hyncik, Mr. Forrester said the machines are from Mckesson. He said the cost is recovered by the tests submitted. He said according to Mckesson the machine is 97% accurate.

AETNA – Mr. Silverstein said the average pepm for September is \$1,428. He said there were 4 claims over \$50,000 for September. He also reviewed the Covid reporting included with the Agenda.

EXPRESS SCRIPTS – Mr. Colalillo said the January – October trend is 14.3%. He said the trend has slowly decreased throughout the year. He also reviewed the covid reporting distributed with the Agenda.

MOTION TO APPROVE THE COSENT AGENDA WHICH INCLUDES RESOLUTIONS 22-20, 23-20, 24-20, 25-20 and 26-20:

MOVED: Commissioner Soriano

SECOND: Commissioner Auger
VOTE: 4 Ayes, 0 Nays

OLD BUSINESS - None

NEW BUSINESS - None

PUBLIC COMMENT - In response to Mr. Malarcher, Executive Director said we should have a better timeline on the retiree notices once we hear back from Benefit Express next week. Mr. Malarcher suggested the letters should include something about what their expected premium percent change might be and the expected timing for the correct notices and correct coupons will go out as there was a lot of confusion last year.

In response to Mr. Malarcher, Program Manager said CMS requires MA for carriers to issue a Notice of Annual Change. He said this is a separate mailer that goes out.

In response to Mr. Malarcher, Ms. Vaughn said the Covid testing should be available for December 1. Mr. Forrester said the December timeframe is contingent on them receiving approval for the protocols recommended.

In response to Commissioner Robinson, Mr. Forrester said the information will be provided next week. He said the reporting requirements to the State are in flux. He said they are in close contact with the state and Commissioner of Health. He said they will do everything they can to make sure all of the protocols are handles appropriately.

MOTION TO ADJOURN:

MOVED: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: Unanimous

MEETING ADJOURNED:

NEXT MEETING: January 12, 2021

Minutes prepared by:
Karen Kamprath, Assisting Secretary