

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
OPEN PUBLIC MEETING
SEPTEMBER 12, 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	Present
Adam Beder, Commissioner	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Emily Koval Jordyn DeLorenzo
Program Manager	Conner Strong & Buckelew Crystal Bailey
Fund Attorney	Scholl, Whittlesey & Gruenberg, LLC Frank Whittlesey
Fund Treasurer	Yvonne Childress
Aetna	Jason Silverstein
Express Scripts	Hiteksha Patel
Fund Actuary	John Vataha - Absent
Integrity Health	Douglas Forrester
Fund Auditor	Mercadien, P.C. - Jack Hammell

ALSO PRESENT:

Janine Erickson
Shelly Bell
Joseph Graham
Melissa Kosehsky
Samantha Zabawa
Theresa Tiedge
Arge Mardakis
Diane Peterson
Patrick Yacovelli
Connie Lacamera
Raelene Sipple

MOTION TO APPROVE THE OPEN MINUTES OF MAY 9, 2023:

MOTION: Commissioner Soriano
SECOND: Commissioner Auger
VOTE: 1 Abstention

Welcome New Members: Peapack-Gladstone & Somerville

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR’S REPORT

FINANCIAL REPORTS – COMMISSION AND HEALTH INSURANCE FUND - Mrs. Koval reviewed the financial fast track for June and July. She stated that the last 3 months have been very positive. She stated that she took a brief look at the August financials, and it looks to be about a break even. She stated that there is \$6.3 in statutory surplus.

BUDGET INTRODUCTION- Mrs. Koval reviewed the presentation that has been included with the agenda for review. She reviewed the overview of the overall budget and the chart below:

	2023 Annualized	2024 Projected	% Increase
Medical Claims	\$27,842,897	\$29,293,572	+5.21%
Rx Claims (before rebates)	\$10,960,147	\$11,537,177	+5.26%
Dental Claim – Pass through	\$1,178,953	\$1,237,765	+4.99%
Stop Loss (projected)	\$1,615,939	\$1,777,352	10.00%
Medicare Advantage	\$748,020	\$778,253	4.00%
Health Center	\$3,574,477	\$3,711,415	3.83%
Loss Fund Contingency	\$12,267	\$121,724	892.29%
Expenses	\$1,683,595	\$1,730,184	2.77%
Overall Budget	\$44,515,478	\$46,923,585	5.41%

She reviewed the member assessments. She stated that the 5 year performance is at 4.54% which is great considering the rate trends. Mrs. Koval reviewed how the 2024 budget was developed by the Actuary and PERMA. She stated that the Claims budget is increasing 5.22% with medical at 5.21% and RX at 5.26%.

She stated that there are a few key components like the increase in admissions which we are seeing across the state and increase in high-cost claimants. She also stated that RX is up with a consistent plan cost utilization and a cost driver being weight loss medications. Mrs. Koval reviewed the Medical Claim Trends.

Mrs. Koval reviewed the Prescription Plan Performance with Express Scripts. She stated that Rx is running well especially with the Save On program. She stated that the cost drivers are weight loss with a 125% increase. She also stated that cancer medications are up. This is because cancer treatments are moving from chemo to a pill which could shift the utilization from medical to prescription.

Mr. Beder asked about the weight loss program and if the fund has chosen to cover or not. Mrs. Koval stated that Ozempic is not approved for weight loss. Wagovey is approved but it comes with a

heavy price tag. Mrs. Patel from ESI stated that the only people being prescribed the weight loss drugs have to fit a specific criteria to get the script for the drug. It is not something that they will give to just anyone. There are strict guideline and BMI requirement that doctors have to follow so that it is only being given to people who truly need it. Mr Beder asked about what would happen to the costs when the drug becomes available and back in stock. Mrs. Patel stated that they are monitoring this. Mr. Yuk stated that they are seeing this statewide and in all the HIFs. He stated that there is a huge increase, but they do not see it as a concern at this point. They are keeping a close eye on the criteria. ESI stated that weight loss drugs are only approved for 7 months, if the member is not losing weight and no longer fits the criteria, then they will not get approved for a second time. Mrs. Koval reviewed the expenses in the presentation.

MOTION TO APPROVE RESOLUTION 19-23 INTRODUCING THE 2024 SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND IN THE AMOUNT OF \$46,923,585 AND A PUBLIC HEARING WILL BE HELD AT THE SOMERSET COUNTY BUILDING ON OCTOBER 10, 2023 AT 9:30AM.

MOTION:	Commissioner Beder
SECOND:	Commissioner Auger
VOTE:	Unanimous

REQUEST FOR PROPOSALS

MOTION TO ALLOW PERMA TO RELEASE A PROFESSIONAL SERVICES RFP FOR ATTORNEY, AUDITOR AND ACTUARY EFFECTIVE JANUARY 1, 2024 THROUGH DECEMBER 31, 2024.

MOTION:	Commissioner Beder
SECOND:	Commissioner Auger
VOTE:	Unanimous

As for the Medical TPA contract, the Fund Attorney has recommended that the Fund enter a new, one year contract with Aetna.

MOTION TO RELEASE AN EUS RFP FOR MEDICAL TPA FOR ONE YEAR, STARTING JANUARY 1, 2024.

MOTION:	Commissioner Beder
SECOND:	Commissioner Auger
VOTE:	Unanimous

STOP LOSS

The Stop Loss renewal is typically delivered after September claims are finalized, which is in mid October. The Fund has not performed a formal RFP for Stop Loss in three years. It is our recommendation to go out to RFP for Stop Loss.

MOTION TO RELEASE AN RFP FOR MEDICAL AND PRESCRIPTION STOP LOSS INSURANCE

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

INTEGRITY CONTRACT

The Fund's contract with Integrity Health for the management of the Health Center term extends to 12/31/2023, but there are two, one year optional extension. The County is requesting to use one of these extension through 12/31/2024.

MOTION TO APPROVE RESOLUTION 20-23 EXTENDING THE INTEGRITY HEALTH CONTRACT ONE ADDITIONAL YEAR, ENDING DECEMBER 31, 2024.

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

NEW MEMBER STATUS REPORT

Mrs. Koval reviewed the new member report that is included in the agenda. She stated that there will be no new members for 1/1. Somerville and Peapack – Gladstone's implementations are complete. Chair Mahr asked about Hillsborough. Mrs. Koval stated that the broker is a big supporter of the fund and they are interested. They were unable to commit at the time.

PROGRAM MANAGERS REPORT:

Mrs. Crystal Bailey reviewed the informational report in the agenda.

ELIGIBILITY/ENROLLMENT

System training (new and refresher) is provided to all contacts with WEX access **every 3rd Wednesday at 10AM**. Please contact Austin Flinn, aflinn@permainc.com for additional information or to request an invite.

COVERAGE UPDATES:

Aetna Medicare Advantage – Effective January 1, 2024, Aetna Medicare Advantage PPO plans will transition to a new CMS contract. Retirees will automatically be moved to the new contract, there is nothing employers needs to do for the transition. As a result, retirees will receive new ID cards prior to January 1, 2024. **Aetna ID numbers and the service center information currently listed on retiree ID cards will not change.** The only change to the ID card will be the contract number, located under the ID number. All age ins for December 2023 will receive the new ID card. Aetna will send notification to retirees the 1st week of December 2023. The Program Manager sent all brokers information which included the letter that will be sent to all retirees enrolled in the Medicare Advantage PPO plan on August 18th.

Mrs. Bailey asked if everyone can please remind their employees about the 60 day enrollment period for newborns. She stated that they are seeing an uptick on people forgetting to add their dependent in a timely matter. This forces children to not have coverage until the open enrollment period.

EXPRESS SCRIPTS UPDATE

CMS Annual Open Enrollment period for the 2024 plan year is October 15 – December 7. ESI has begun gathering information needed for their annual mailing campaign for the 2024 Notice of Creditable Coverage (NOCC). To meet the CMS requirement, Express Scripts will mail the NOCC letters the week of September 18th to those age 65 and older enrolled in ESI coverage through the HIFs. The Program Manager team has provided ESI with an updated letter template for the new plan year in preparation of the mailing.

2Q2023 SaveOn Savings – To date (1/1/2023 – 6/18/2023), Southern Skyland Regional Health Insurance Fund has saved \$236,556 for members enrolled in SaveOn, additional \$109,791 savings in 2Q2023. There are currently 53 participants in the program since January 2023, adding an additional 13 participants in 2Q2023. The average savings per prescription to date is \$962. This average is down by \$121 versus 1Q2023.

OPERATIONAL UPDATES: None

2023 LEGISLATIVE REVIEW: None

Medical and Rx Reporting: None

No Surprise Billing and Transparency Act- Continued Delays

Carrier Appeals:

Submission Date	Appeal Type/Carrier	Appeal Number	Reason	Determination	Determination Date
08/15/2023	Medical/Aetna	SSRHIF-2023-08-01	Provider Network Status	Under Review	N/A

IRO Submissions: None

TREASURER – Fund Treasurer reviewed the Bills Lists and Treasurer’s report through June 2023 is included in the Agenda.

MOTION TO APPROVE RESOLUTION 21-23 APPROVING THE TREASURERS REPORT AND BILLS LISTS FOR JUNE, JULY, AUGUST AND SEPTEMBER 2023:

MOTION:	Commissioner Auger
SECOND:	Commissioner Beder
VOTE:	Unanimous

ATTORNEY – Fund Attorney no report.

INTEGRITY – Mrs Lazaro Forrester reviewed the report for the month of July 2023. She stated that the numbers continue to remain strong as well as utilization numbers. She stated that behavioral

health and chiropractor care has a zero-utilization due to turn over in providers. She stated that the next week there will be communication about there services sent to all members. She stated that their care coordination team is working on the diabetes program.

Mr. Beder asked if Aetna gives information on claims to the health center that help in the care coordination. Mrs. Lazaro stated that it come regularly and the data is put into their online system. Mr. Beder asked if Aetna also does care coordination. Mrs. Lazaro stated that the health center does ask the patient if they are involved with a care coordinator with the carrier and in most times, they will leave the carrier and continue with the health center. Chair Mahr stated that she is interested in the care coordination program and is it being utilized to its fullest potential. Mr. Beder stated that he toured the facility last month and was very impressed with the care coordination and the facility.

AETNA: Jason Silverstein reviewed the paid claims for the month of June and July 2023. He stated there were 6 high claimants for the month of June and 3 for the month of July. He reviewed the dashboard report and noted all metrics continue to perform well.

EXPRESS SCRIPTS: Mrs. Patel reviewed the report included in the agenda through the July 2023. She stated that the total plan costs per member per month is \$225.08. The generic fill rate total is 82.7%. Compared to this month last year the Change in Plan costs PMPM is up 11.5%. She reviewed the Q1 ESI report that was provided at the meeting.

OLD BUSINESS - None.

NEW BUSINESS - None

**PUBLIC COMMENT -
OPEN TO PUBLIC:**

MOVED:	Commissioner Auger
SECOND:	Commissioner Soriano
VOTE:	Unanimous

CLOSE TO PUBLIC:

MOVED:	Commissioner Auger
SECOND:	Commissioner Beder
VOTE:	Unanimous

MOTION TO ADJOURN:

MOVED:	Commissioner Auger
SECOND:	Commissioner Beder
VOTE:	Unanimous

MEETING ADJOURNED: 11:00am

NEXT MEETING: October 10 at 9:30am

Minutes prepared by:

Jordyn DeLorenzo, Assistant Account Manager

