

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: FEBRUARY 24, 2011
SADDLE RIVER BOROUGH HALL
12:00 P.M.**

Meeting called to order by Chairman Charles Cuccia. The Open Public Meeting Notice was read into the record.

ROLL CALL OF 2011 EXECUTIVE COMMITTEE:

Chairperson		
Charles Cuccia	Borough of Saddle River	Present
Secretary		
Peter Van Winkle	Borough of Rutherford	Present
Executive Committee	Members	
Linda LoPiccolo	Twp. of South Hackensack	Present
Robert Hoffman	Borough of Westwood	Absent
Maureen Iarossi-Alwan	Borough of Montvale	Present
Helene Fall	Borough of Park Ridge	Present
Hugo Poli	Village of Ridgefield Park	Present
Alternates		
Victor Baginski	Borough of Wallington	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	Paul Laracy Emily Koval
Attorney	Huntington Bailey, LLP	Russell Huntington
Treasurer	Joseph Iannaconi	
Third Party Administrator	Aetna	Gary Lopez
Dental Claims Administrator	Delta Dental of NJ, Inc.	Kim White
Auditor	Lerch, Vinci & Higgins	
Actuary	John Vataha	
Independent Consultant	LaMendola Associates	Clark LaMendola
Benefits Consultant	Conner Strong	Diane Peterson
RX Administrator	Express Scripts	Katty Mercado

OTHERS PRESENT:

Frank Covelli, PIA
Carolyn Petrowski, Voza Agency
Glenn Parsells, Alpine RMC
Paul Tomasko, Alpine
Robin Degenais, PIA

CORRESPONDENCE – A notice from Fund Auditor, Lerch, Vinci & Higgins LLP was included stating new communication requirements during the annual audit.

APPROVAL OF MINUTES: February 4, 2011 Open and Closed.

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF FEBRUARY 4, 2011:

MOTION: Commissioner Iarossi-Alwan
SECOND: Commissioner Fall
ROLL CALL VOTE: 7 Ayes, 0 Nays

PRIMA CONFERENCE - The next PRIMA convention will take place in Portland, Oregon from June 5th to June 8th, 2011. Please check your calendars and determine if you are interested in attending this year's conference. Resolution 17-11 authorizing travel and related expenses for the conference is included.

MOTION TO ADOPT RESOLUTION #17-11 AUTHORIZING TRAVEL AND RELATED EXPENSES FOR ATTENDANCE OF MEMBERS AT THE ANNUAL RISK MANAGEMENT CONFERENCE.

MOTION: Commissioner Iarossi-Alwan
SECOND: Commissioner Fall
ROLL CALL VOTE: 7 Ayes, 0 Nays

MUNICIPAL REINSURANCE HIF - The MRHIF met on February 2, 2011 for their annual reorganization meeting. Commissioner Van Winkle's report was included in the agenda. The next meeting is scheduled for March 8, 2011.

STRATEGIC PLANNING COMMITTEE - The Strategic Planning Committee will meet prior to this meeting to further discuss the new Fund name and logo. An outline of items to be discussed is included in the agenda, along with the logo draft. Chairman Cuccia said the only change discussed was to add "A" in front of BMED, making the name Gateway Regional Health Insurance Fund, A BMED Fund. The change will be for marketing purposes and will not be changed legally. The Committee asked for the approval of the logo and name change.

MOTION TO APPROVE LOGO AS PRESENTED AND THE NON-LEGAL NAME CHANGE TO GATEWAY REGIONAL HEALTH INSURANCE FUND, A BMED FUND.

MOTION: Commissioner Fall
SECOND: Commissioner Van Winkle
ROLL CALL VOTE: 7 Ayes, 0 Nays

DEPARTMENT OF BANKING AND INSURANCE EXAMINATION - The DOBI examination of the HIFs is proceeding efficiently. Executive Director said the audit should be complete soon and there are no concerns yet.

FINANCIAL DISCLOSURE STATEMENTS - Included in last month's agenda packet was a Financial Disclosure form. We would encourage all Fund Commissioners to complete these forms and provide two copies with original signatures to the Fund office on or before April 1, 2011. In accordance with State regulations, the Fund must file these disclosures with the Department of Community Affairs. The website for the on-line form is: http://www.state.nj.us/dca/lgs/ethics/pdfs/fds_fill-in_form.pdf

INCLEMENT WEATHER PROCEDURE - A procedure has been instituted for Commissioners to confirm whether a meeting has been cancelled. The Executive Director will talk to the Chair to determine if a meeting should be cancelled. In the case of an early morning or evening meeting, PERMA will leave a message, which can be obtained by dialing the Fund's main number of (201) 587-0555. For meetings that occur during normal business hours, meeting status can also be obtained by dialing the Fund office.

FINANCIAL REPORTS - The Fast Track Financial Report, as of December 31, 2010; Cash Flow Tracking Report, as of December 31, 2010; the Budget\Billing Reconciliation, as of February 2011 and the Regulatory Compliance Checklist , as of February 18, 2010.

Executive Director's Report Made Part of the Minutes.

ATTORNEY:

Fund Attorney said there is one claim appeal for closed session.

TREASURER:

The Treasurers' Report was included in the agenda. In response to last month's meeting request, Executive Director said that the Treasurer has advised that he will attend the audit and budget meetings this year.

FEBRUARY 2011 BILLS LIST

FUND YEAR	AMOUNT
2010	\$45,195.48
2011	\$259,999.78
TOTAL	\$305,195.26

JANUARY CERTIFICATION OF CLAIMS\IMPREST TRANSFERS



FUND YEAR	AMOUNT
2011	\$1,458,239.89
2009	\$0.00
2008	\$0.00
Closed	\$0.00
TOTAL	\$1,458,239.89

Treasurer's Report Made Part of the Minutes

BOARD ADVISOR:

Board Advisor distributed an article entitled, “The Hot Spotters” which focused on high cost of medical insurance and managing these costs in a Workers’ Compensation style. He suggested the Committee members review the article and consider using the approach illustrated in the article. He said most costs can be clustered by a few large claims and prevention may help bring these high costs down.

THIRD PARTY ADMINISTRATOR – Aetna

Mr. Lopez distributed the Monthly Claim Activity Report for February, and an in-network lab benefits handout. He reviewed the claims for Year End 2010 is \$931.82 per employee. In addition, Mr. Lopez reviewed the Year End Key Statistics report. He said the utilization of in network was approximately 13%, which is slightly higher than last year and the Aetna book of business. He emphasized that Commissioners raise awareness on the benefits on in-network, along with the plan changes that incentivize in-network usage.

BENEFITS CONSULTANT: Conner Strong

MINI-MED PLANS- Follow Up

As a follow up on the research of offering Mini-Med plans to part time employees, the New Jersey Department of Banking and Insurance has issued a statement (N.J.S.A 17BL27 A-2, (b)) stating that *Mini-Med* plans will **not** be recognized as employer sponsored group benefits. As a result of this, they are to be considered **individual health benefits**. However, Mini-Med plans do not follow the NJ approved benefit designs for individual health benefit plans and the State of New Jersey has ruled them out as eligible plan offerings in the State. Mr. Lopez said that the minimeds have a cap on benefits and do not pay for catastrophic claims which employees may not be aware of. When these claims are not being paid, DOBI receives complaints.

In 2014 the National Health Care Reform legislation will prohibit the offering of these plans when plan limits will be eliminated.

Legislative Update – Program Manager said the main topics that will affect the HIFs within the NJ healthcare bill are a moratorium on the State Health Benefits Plan and the requirement of multiple plan options. She said that Saddle River has already started been quoted for 5 different plans including employee contribution for richer plans.

WELLNESS PROGRAM

The dates and locations are in the process of being finalized for the Wellness Kick-Off meeting with Onlife Health.. The letter to the groups will be mailed by February 28th requesting each B-Med member to appoint a Wellness Coordinator. The Web Portals marketing materials are in the design stage and will be reviewed at the Kick-Off meeting. Enrollment files for the wellness program have been reviewed and are in the testing stages.

**EXPRESS SCRIPTS
(DRUG QUANTITY MANAGEMENT AND PRIOR AUTHORIZATION PROGRAMS)**

At the last B-Med HIF meeting, the Executive Committee approved the implementation of the Drug Quantity Management and Prior Authorization programs under Express Scripts. The Executive Director has authorized the system changes for implementation as of April 1, 2011.

Employee Communications are in the development stage and will be distributed as follows:

- 1) Express Scripts will run disruption reports and mail letters only to the individuals who have received a script for drugs listed on either the drug quantity management program or a drug requiring prior authorization. (Conner Strong and PERMA have provided suggested language and Express Scripts is in the final review of the communications).
- 2) A payroll stuffer will be provided to all employees, to advise them of the new programs. This will be created and mailed to each group for distribution.

MARKETING REPORT

The majority of Municipalities and Boards of Educations are contacted during marketing campaigns. As of February 15, 2011, the following groups have provided data for actuarial rating:

Name of Prospect	Proposed Effective Date
Harrington Park Borough	2/1/2011
Borough of Fort Lee	2/1/2011
Hasbrouck Heights BOE	7/1/2010
Town of Secaucus	7/1/2010
Nutley BOE	7/1/2010
Hoboken Housing Authority	5/1/2010
Learning Community Charter School	5/1/2010

Borough of Norwood	5/1/2010
Upper Saddle River BOE	4/1/2010
Waldwick Borough	4/1/2010
Woodcliff Lake Borough	4/1/2010

COMPLAINT REPORT as of January 10, 2011

CLAIM APPEALS

There is ONE claim appeals to be reported in closed session.

Benefits Consultant Report Made Part of the Minutes

PRESCRIPTION PROVIDER – EXPRESS SCRIPTS

Monthly reports included in the agenda. Ms. Mercado said she is available for any questions regarding the new drug safety programs. She said members impacted mostly by these programs will be made aware.

DENTAL ADMINISTRATOR – DELTA DENTAL:

No report

CONSENT AGENDA:

The following Resolutions listed on the Consent Agenda will be enacted in one motion.

Resolutions	Subject Matter
15-11	Authorization of February 2011 Bills List
16-11	Certification of Claim Payments/Imprest Transfers
17-11	Authorization of 2011 PRIMA Travel Expenses
18-11	Resolution for Executive Session - For specified purpose of Claims discussion

MOTION TO APPROVE THE CONSENT AGENDA, AS DISCUSSED:

MOTION: Commissioner LoPiccolo
SECOND: Commissioner Iarossi- Alwan
ROLL CALL VOTE: 7 Ayes, 0 Nays

OLD BUSINESS:

None.

NEW BUSINESS:

None

PUBLIC COMMENT:

None.

MOTION TO OPEN AND TO RATIFY DECISIONS MADE IN CLOSED SESSION:

MOTION:	Commissioner LoPiccolo
SECOND:	Commissioner Van Winkle
VOTE:	Unanimous

MOTION TO ADJOURN:

MOTION:	Commissioner LoPiccolo
SECOND:	Commissioner Fall
VOTE:	Unanimous

MEETING ADJOURNED: 12:35pm

NEXT MEETING: April 28, 2011
Saddle River Borough Hall
12:00 P.M.

Emily Koval, Assisting Secretary
Date Prepared: April 20, 2011