

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: APRIL 27, 2021
ZOOM MEETING
12:00 P.M.

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

ROLL CALL OF 2020 EXECUTIVE COMMITTEE:

Gregory Hart, Chair	Present
Richard Kunze, Secretary	Present
Joseph Catenaro, Executive Committee	Present
Gregory Franz, Executive Committee	Present
Donna Gambutti, Executive Committee	Present
Matthew Cavallo, Executive Committee	Present
Bob Kakoleski, Executive Committee	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	Paul Laracy Emily Koval Karen Kamprath
Attorney	Huntington Bailey, LLP	Russ Huntington Bill Bailey
Treasurer	Joseph Iannaconi	Joseph Iannaconi
Third Party Administrator	Aetna	Jason Silverstein
Dental Claims Administrator	Delta Dental of NJ, Inc.	Brian Remlinger Kim White
Auditor	Lerch, Vinci & Higgins	Absent
Actuary	John Vataha	Absent
Independent Consultant	LaMendola Associates	Clark LaMendola
Benefits Consultant	Conner Strong	Jozsef Pfeiffer Brandon Lodics
RX Administrator	Express Scripts	Kyle Colalillo Chris Auberger
Wellness Coordinator	Civitas	Marianne Eskilson

OTHERS PRESENT:

Suzanne Pennell, Scirocco Group
Christopher Hartwyk, City of Orange
Lisa Sabato, PIA
Brittany Vozza, Vozza Agency
Dave Vozza, Vozza Agency
Vincent Caruso, Lodi Borough
Matt McArow, Otterstedt

Louis Moeller, Conner Strong & Buckelew
Thomas Duch, City of Garfield
Cindy KirkPatrick, Borough of Saddle River
Tom Padilla, Woodcliff Lake
Musa Malik, City of Irvington

CORRESPONDENCE - None

APPROVAL OF MINUTES:

MOTION TO APPROVE THE PRESENTED OPEN MINUTES OF FEBRUARY 23, 2021:

MOTION:	Commissioner Kunze
SECOND:	Commissioner Kakoleski
ROLL CALL VOTE:	All in Favor

EXECUTIVE DIRECTORS REPORT

EXECUTIVE COMMITTEE

Executive Director Koval said Commissioner Gaimis has moved to a new town that is not in the BMED. This leaves a vacancy on the Executive Committee. The Committee may want to consider moving an alternate to this seat and electing a new Commissioner to the Alternate seat. She said Commissioner Kakoleski can move up and the Committee can elect 2 alternates. Commissioner Cavallo suggested Commissioner Molinari from Saddle River, Executive Director said we can reach out.

MOTION TO APPROVE MOVING COMMISSIONER KAKOLESKI FROM AN ALTERNATE COMMITTEE MEMBER TO EXECUTIVE COMMITTEE :

MOTION:	Commissioner Franz
SECOND:	Commissioner Cavallo
ROLL CALL VOTE:	6 Ayes, 0 Nays, 1 Abstain (Commissioner Kakoleski)

NEW MEMBER - CITY OF PLAINFIELD BOARD OF EDUCATION - Executive Director Koval said Plainfield Board of Education has submitted an application for membership for July 1, 2021 for medical coverage only through the Metro subgroup. The Operations Committee met last week to discuss.

Background:

1. BMED's enrollment including the Metro subgroup has grown to 1,874 self-insured medical employees/early retirees. The Metro subgroup (City of Orange) accounts for 579 of these employees/retirees.
2. Through February, we remain financially strong with YTD earnings of \$969K and retained earnings of almost \$16.8M.

3. The Plainfield BOE has 907 employees and is currently fully insured with Aetna. If it joined BMED/Metro, it would represent 1/3 of total enrollment in the self-insured medical plan.
4. The entity has been underwritten using 7.25% trend, 3% margin, full coverage of expenses/reinsurance/taxes, and an 8.44% adjustment to the current year for Covid-19 service deferrals.
5. The BOE's size and continuity of the Aetna relationship support the credibility of the projection. The impact of Covid-19 on this and all other HIF projections is an unknown, but our adjustment factor is conservative and consistent with industry practice.

Approach: The Plainfield BOE will be indemnified under the Metro subgroup which, as a group, are experience rated independently from the other BMED members. If this group joins, the Metro subgroup will have more than enough critical mass to implement its own Fund. Although this does take time, the subgroup may consider starting the feasibility study and filing this year for a possible 1/1/23 start date.

The Operations Committee felt comfortable with this approach and are recommending that the BMED offer membership effective 7/1/2021. Resolution 24-21 is included in consent.

PHARMACY BENEFIT MANAGER RFP – Executive Director Koval said the PBM RFP is currently underway and responses were received from 7 companies: Express Scripts, Aetna, AHA, Magellan, Ingenio Rx and OptumRx as well as a coalition. Our Pharmacy Benefits Consultant is currently reviewing the financials. The MRHIF Contracts Committee will review and we expect to have a recommendation by the June MRHIF meeting.

MEL/MR-HIF/ CEL EDUCATIONAL SEMINAR – Executive Director Koval said the 2021 seminar will be held virtually on the mornings of Friday, May 14th and Friday, May 21st. The information on how to register is included in the Agenda. The agenda includes two ethics courses, and presentations on implicit bias, insurance market conditions, proposals to change the Workers' Compensation law and a discussion of proposed changes to the Affordable Care Act.

GASB 75 REPORT – Executive Director Koval said GASB 75 reports are available through the Fund. Most members will either need a full report or an update this year. The turn around time is a few weeks – please reach out to Karen Kamprath at PERMA to start the process.

FINANCIAL DISCLOSURE STATEMENTS – Executive Director Koval said as done in prior years and required by State law, each Fund Commissioner is required to complete a Financial Disclosure Statement through the Department of Community Affairs. Commissioners could begin filing on April 5, 2021. The deadline to file is April 30, 2021 however, The board has extended the date they would take enforcement action against non-filers to June 30, 2021. Local Finance Notice 2021-08 containing filing information for local government officers, will be distributed to commissioners once available.

BENEFITS CONSULTANT-

Benefits Consultant said there was a discussion last meeting about the American Rescue plan and while we do not have an official update he would like to give an idea of where we stand. HE said they have identified all members who have been terminated in the last 12 months since the start of the pandemic in March 2020. They are working to identify individuals who were terminated

involuntarily. He said once they identify who was involuntarily terminated they can continue to work with benefit express to determine how the actual cobra payment will be handled. He said the subsidy is in place through September 30th.

VENDOR UPDATE

Benefit Express-WEX Acquisition - Benefits Consultant said a leading financial technology service provider, WEX, recently announced that it is acquiring Benefit-Express. BE is a preferred partner of Conner Strong and provides the benefit administration system utilized by the HIFs. The two companies have worked together for many years and we do not anticipate any changes in our day-to-day operations or system functionality. We have been advised that the BE team will continue as is and, are confident that the services provided by BE including Benefit Administration, COBRA, Direct-billing, will continue with no interruption.

ESI UPDATES

National Preferred Formulary (NPF) Update - Benefits Consultant said ESI announced their NPF update for July 1, 2021. 70 additional products will be added to the exclusion list (included with your agenda). There are 11 Fund members identified as having filled scripts for one or more of these products in the past year. Impacted members will receive notification from ESI that includes therapeutically equivalent alternatives and are encouraged to discuss them with their physician.

LEGISLATIVE UPDATES

COVID-19 Vaccine Updates

Vaccine Administrative Fee Change

Effective March 15, 2021, Medicare updated the Fee for Service payment rate for administration of COVID-19 vaccines to \$40 for each dose. Aetna will be follow the new payment rate and has updated the Fund plans accordingly.

Vaccine Eligibility Update

Effective Monday April 19, 2021 all individuals aged 16 and older will be eligible for the COVID-19 vaccine in the state of New Jersey.

APPEALS AND ADMINISTRATIVE AUTHORIZATIONS

During February's meeting, the committee prospectively approved an appeal for medical services. The IRO that reviewed case overturned the plan's denial as the member fit the plan's medical necessity criteria.

ATTORNEY - None

TREASURER - Fund Treasurer said his report is included in the Agenda. He said at the last meeting we discussed joining the JCMI which is the MEL JIF investment vehicle. He said this could provide additional opportunities for investments. Executive Director Koval said we can pass a resolution to join at the June meeting.

Confirmation of Payment -MARCH 2021

FUND YEAR MARCH 2021	AMOUNT
Fund Year 2020	\$25,491.56
Fund Year 2021	\$914,349.68

TOTAL	\$939,841.24

Resolution 25-21 -APRIL 2021

FUND YEAR MARCH 2021	AMOUNT
Fund Year 2020	\$15,472.00
Fund Year 2021	\$913,005.49
TOTAL	\$928,477.49

WELLNESS COORDINATOR – Ms. Eskilson said she continues to reach out to participating towns to work closely with them and their programming. She will also be reaching out to non-participating members to continue to gather data and help brainstorm. She said moving forward she wants to offer lunch and learns to participating and non-participating towns on topics associated to health and wellness.

BOARD ADVISOR – Mr. LaMendola said he would like to thank Ms. Eskilson for her fast start on the development of the program. He also would like to support the suggestion made to join the JCMI, he said there is a benefit available to the Fund.

AETNA - THIRD PARTY ADMINISTRATOR – Mr. Silverstein reviewed the paid claims for January and February 2021. He said there were 2 claims over \$50,000 for January and 2 for February. He reviewed the dashboard and noted the average speed of answer and financial accuracy metrics are below target and the necessary steps have been taken to correct those. He reviewed the Covid reporting distributed with the Agenda.

PHARMACY NETWORK (Express Scripts) – Mr. Colalillo said the trend is down 19% from last year at this time. He said February and March have shown a decrease in utilization for most funds.

DELTA DENTAL – Ms. White said they will have reports available for next month.

MOTION TO APPROVE THE CONSENT AGENDA :

MOTION: Commissioner Franz
SECOND: Commissioner Kunze
VOTE: 7 Ayes, 0 Nays

OLD BUSINESS: None

NEW BUSINESS: Chair Hart said he wanted to mention he is a speaker on a panel for NJ PRIMA on May 26th from 9-12.

PUBLIC COMMENT: None

MOTION TO ADJOURN

MOTION:
SECOND:
VOTE:

Commissioner Kakoleski
Commissioner Gambutti
Unanimous

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: June 22, 2021, 12:00 PM

Karen Kamprath, Assisting Secretary
Date Prepared: June 1, 2021