

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: SEPTEMBER 22, 2020
ZOOM MEETING
12:00 P.M.**

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

PLEDGE OF ALLEGIANCE

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
Jerry Giaimis, Executive Committee	Absent
Matthew Cavallo, Executive Committee Alternate	Present
Bob Kakoleski, Executive Committee Alternate	Present

APPOINTED OFFICIALS PRESENT:

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

OTHERS PRESENT:

Lyanna Rios
Ben Kezmarsky
Suzanne Pennell
Frank Covelli
Vincent Caruso
Tom Ucko
Matt McArow
Dave Voza

CORRESPONDENCE - None

APPROVAL OF MINUTES:

MOTION TO APPROVE THE PRESENTED OPEN MINUTES OF AUGUST 25, 2020

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

EXECUTIVE DIRECTORS REPORT

FAST TRACK FINANCIAL REPORTS – as of July 31, 2020

Executive Director said the Fast Track reflects the dividend that was approved at the last meeting. She said we are starting to see the claims start to normalize across the state but overall the Fund has a \$15 million surplus overall.

2021 BUDGET ADOPTION

Executive Director said the 2021 BMED Budget as introduced is attached. We also include an amended budget that reflects updates for Medicare Advantage and reinsurance which both went down.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2021 BUDGET

MOTION: Commissioner Franz
SECOND: Commissioner Gambutti
ROLL CALL VOTE: All in Favor

MOTION TO CLOSE THE PUBLIC HEARING

MOTION: Commissioner Franz
SECOND: Commissioner Gambutti
ROLL CALL VOTE: All in Favor

DIVIDEND

Executive Director said at the previous meeting, the Fund approved a dividend in the amount of \$4,240,068, of which \$875,000 to be included in the budget being adopted today. Resolution 25-20 is included in consent for ratification of this release and to submit to the State.

\$875,000 to be added into the 2021 budget towards rate reduction (about 2.5% of the budget). *Since this is a dividend and only members with closed year balance are eligible, only those members will get its share of the \$875,000 to flow through to their rates.*

\$3,365,068 will be released to the members. Members will have the choice of one or combination of the following:

- A check from the Fund to be cut in October. Please allow 30 days for the check to be cut.
- A reduction on a future bill specified by the member.
- An additional rate reduction at no more than 2.5% of their projected assessment.

- Retain their dividend with the Fund to gain interest. This can be requested to be released to the member at any time.

MRHIF SEPTEMBER MEETING RESULTS

Executive Director said the MRHIF met on September 9th with the following outcomes:

1. The 2020 MRHIF budget was introduced with the following characteristics:
 - a. Overall reduction of 13.71%.
 - b. The claims projection is reduced due to long-term trends of stable and reduced costs for claims in the MRHIF layer.
 - c. There is no increase in reinsurance cost for 2021.
 - d. Attachment points for local HIFs and the MRHIF will remain the same in 2021.
 - e. Expenses reflect the outcome of RFP processes for most professionals.
 - f. GASB 45 compliance costs are rising due to a cyclical increase in valuation reports.
 - g. Most members are receiving assessment reductions due to favorable loss ratios. However, the NJ HIF is receiving an assessment increase due to persistent high claims experience.
2. The Express Scripts contract was extended through 12/31/2021 with improved discounts and formulary rebates. In addition, an RFP for the Rx consultant role was authorized to assist with a full scale RFP for pharmacy benefit manager services for 2022 and thereafter.
3. RFP results for fund professional positions were accepted with incumbents being re-appointed in every case.
4. The cyclical claims audit of Aetna is getting underway in October. This audit will also include an evaluation of the effectiveness of the Aetna National Advantage Program (their secondary network).
5. MRHIF authorized a study to evaluate the feasibility of HIFs directly contracting with service providers to reduce costs.
6. The reinsurance agreement with US Fire was approved for 2021.

MRHIF MEMBERSHIP RENEWAL

Executive Director said Resolution 26-20 authorizing the Fund's membership renewal in the Municipal Reinsurance Health Insurance Fund for a three year period effective January 1, 2021 is included in the consent agenda.

BENEFITS CONSULTANT

ONLINE ENROLLMENT SYSTEM TRAINING

The Executive Committee voted and approved mandatory use of the online enrollment system by each member group. If you need training or would like a refresher course on the online enrollment system, please reach out to Karen Kidd at kkidd@permainc.com of PERMA.

MONTHLY BILLING

As a reminder, please be sure to check your monthly invoice for accuracy. If you find a discrepancy, please report it to the BMED enrollment team. The Fund's policy is to limit retro corrections, *including terminations*, to 60 days. We have noticed an increase in requests for enrollment changes, billing changes, terminations and additions well past the 60 day time frame. Moving forward, it is of the utmost importance to review bills for rate and enrollment accuracy on a monthly basis. If there is an error, please bring it to the enrollment team's attention.

BROKER CONTACT INFORMATION

Please direct any escalated claims, benefit coverages, prescription coverage, Medicare advantage or appeal related questions to our dedicated BMED Client Servicing Team. The team can be reached by email at brokerservices@permainc.com.

OPEN ENROLLMENT UPDATE

Benefits Consultant said the Open Enrollment for BMED members is approaching. As in past years this will be a passive open enrollment meaning only members who want to make a plan change will need to complete open enrollment forms. If you wish to remain in your current plan you do not need to take action as your previous year's election will rollover.

The 2020-2021 Open Enrollment will **begin on 10/19/2020 and end on 10/30/2020**.

The deadline for groups submitting changes in Benefits Express is **11/6/2020**.

Please know members will only be receiving new ID cards if they make a change in their benefit elections.

2021 NOTICE OF CREDITABLE COVERAGE (NOCC)

Benefits Consultant said, As a courtesy, the BMED in conjunction with Express Scripts will be producing the annual mailing campaign for the 2021 Notice of Creditable Coverage. The CMS Annual Open Enrollment period for the 2021 plan year is October 15th, 2020 through December 7th, 2020. Express Scripts will be mailing the letters between September 16th, 2020 and September 27th, 2020. A sample of the notice is included with your agenda.

CONNER STRONG COVID-19 RESOURCE UPDATE

As previously reported Conner Strong & Buckelew has compiled a database of COVID-19 resources available to our clients. To access the resource center please use the link below.

- Link-<https://www.connerstrong.com/insights/covid-19-resource-center/>

ADMINISTRATIVE UPDATES

There are not updates to report at this time.

FUND ATTORNEY - None

TREASURER - Fund Treasurer said his report is included in the Agenda. He said the fraudulent activity report last month has stopped, with money returned and additional controls put in place.

Resolution 27-20 - September 2020

FUND YEAR	AMOUNT
Fund Year 2020	\$1,115,740.20
TOTAL	\$1,115,740.20

BOARD ADVISOR - Mr. LaMendola said they have been working on putting together an outreach to the members regarding wellness, but there have been a few delays so this will hopefully be going out in the coming months.

AETNA - THIRD PARTY ADMINISTRATOR - Mr. Silverstein said the pepm for June 2020 was \$1,106 and \$954.00 for July 2020. He said there were no claims over \$50,000 for July. He said all dashboard metrics continue to perform well. He reviewed the Covid reporting included with the Agenda.

PHARMACY NETWORK (Express Scripts) - Mr. Colalillo said the trend has increased 9.78% for the year. He said they will continue to monitor the high dollar and specialty claims. He said the August issues document was included and provides an overview of the most recent Covid treatment options. He said convalescent plasma received an emergency use authorization last month.

DELTA DENTAL - None

MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED.

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

OLD BUSINESS: None

NEW BUSINESS: Chair Hart complimented the most recent HI Fund publication.

PUBLIC COMMENT: None

MOTION TO ADJOURN

MOTION:	Commissioner Franz
SECOND:	Commissioner Kunze
VOTE:	Unanimous

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: October 27, 2020
Zoom Meeting
12:00 P.M.

Karen Kamprath, Assisting Secretary
Date Prepared: October 6, 2020