

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: FEBRUARY 27, 2018
FRANKLIN LAKES, NEW JERSEY
12:00 P.M.**

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

ROLL CALL OF 2018 EXECUTIVE COMMITTEE:

Chairperson		
Peter Van Winkle	Borough of Rutherford	Present
Secretary		
Gregory Hart	Borough of Franklin Lakes	Present
Executive Committee	Members	
Hugo Poli	Village of Ridgefield Park	Present
Richard Kunze	Borough of Oakland	Absent
Gregory Franz	Borough of Edgewater	Present
Donna Gambutti	Twp of S. Hackensack	Absent
Alternates		
Jerry Giaimis	Borough of Saddle River	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	Paul Laracy Emily Koval Karen Kamprath
Attorney	Huntington Bailey, LLP	William Bailey
Treasurer	Joseph Iannaconi	Joseph Iannaconi
Third Party Administrator	Aetna	Joseph Rodrigues
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 Brandon Lodics
RX Administrator	Express Scripts	Ken Rostkowski

OTHERS PRESENT:

Frank Covelli, RMC
Matt McArow, GJEM
Tom Ucko, IMAC
Dave Voza, RMC

CORRESPONDENCE - None

APPROVAL OF MINUTES:

MOTION TO APPROVE THE PRESENTED OPEN MINUTES OF JANUARY 23, 2018:

MOTION:	Commissioner Catenaro
SECOND:	Commissioner Hart
ROLL CALL VOTE:	All in Favor

EXECUTIVE DIRECTORS REPORT

FAST TRACK FINANCIAL REPORTS - as of December 31, 2017

Executive Director said the fast track shows a dividend in the amount of \$968,000 for the month of December. He said these are funds due to prior members that will be paid in the next year are two. He said the funds have been moved from surplus to payable. He said year to date the statutory profit is \$3.3 million. He said there is a slight deficit for the year due to the aggressive dividend policy.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND

Ms. Koval said the Municipal Reinsurance Health Insurance Fund met on February 14 to reorganize for 2018. She said they also approved an audit for Delta Dental through NIIS.

2018 MEL & MR HIF EDUCATIONAL SEMINAR

Ms. Koval said the 8th annual seminar is scheduled for Friday, April 20th beginning at 9:00 AM at the National Conference Center in East Windsor, NJ. The seminar qualifies for an extensive list of Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and MR HIF members as well as personnel who work for service companies that are engaged by MEL member JIFs and MR HIF member HIFs.

In response to Chair Van Winkle, Executive Director said there is pending legislation which could have a financial impact on the Fund. He said some states are looking at increasing taxes and subsidizing the exchanges using local funds. He said the MRHIF attorney is reviewing the statute.

Executive Director thanked Chair Van Winkle for his involvement with the MRHIF.

BENEFIT'S CONSULTANT'S REPORT

AETNA UPDATES

Benefit's Consultant said Teledoc is available to BMED members as of January 1. Members enrolled in non-HDHP plans will have access to TeleDoc at a \$0 copay. Aetna has included this program to the BMED at no additional cost, the BMED will only be responsible for the claims cost. He said all members should have received a communication piece with instructions on how to use the program.

ESI UPDATES

Rite Aid - Walgreens Merger

Benefit's Consultant said some Rite Aids are being converted to Walgreens as a result of their merger. He said Walgreens does not participate in the BMED pharmacy network. He said PERMA had a

conference call on Friday February 16th with ESI to discuss possible impact. He said currently 118 Rite Aid NJ stores are being converted. He said Walgreens and Express Scripts agreed to allow members to fill at these **Rite Aids** until August as participating in the Prime Network. 60 to 30 days prior to courtesy extension expiring, impacted members will be notified with a letter which will notify them of the impacted pharmacies and advise them of other participating pharmacies near the Rite Aid.

Next Steps:

Given our proximity to New York and Pennsylvania, PERMA has asked Express Scripts to identify Rite Aids which are being converted in other states. Express Scripts will keep the HIF advised of what pharmacies are being impacted, we will reach out to towns that have higher utilization at those impacted pharmacies. Walgreens agreed to provide a list of impacted pharmacies 2 weeks after the conversion, they are considering this information proprietary

ADMINISTRATIVE AUTHORIZATIONS:

There are no claim appeals.

FUND ATTORNEY - Fund Attorney said there is nothing to report at this time.

TREASURER - Fund Treasurer said his report is included in the Agenda.

Confirmation of Payment - January 2018

FUND YEAR CLOSED	AMOUNT
FY 2017	\$2,059.58
FY 2018	\$460,922.34
TOTAL	\$462,922.34

Resolution 14-18 - February 2018 Bills List

FUND YEAR CLOSED	AMOUNT
FY 2017	\$14.95
FY 2018	\$515,362.03
TOTAL	\$515,376.98

MOTION TO APPROVE THE JANUARY 2018 AND FEBRUARY 2018 BILLS LISTS AS DISCUSSED.

MOTION:	Commissioner Catenaro
SECOND:	Commissioner Hart
VOTE:	All in Favor

BOARD ADVISOR - Mr. LaMendola provided an update on the BMED Wellness Program. He said Franklin Lakes and Oakland have met with Valley Health. He said Valley Health just opened their facility in Mahwah and it would be beneficial on both sides to form a relationship. Mr. LaMendola said ESI, Aetna and Delta have all been helpful in providing reports to help identify the disease states most prevalent for each group. He said Mr. Covelli has been extremely helpful working with the towns. Mr. LaMendola said HUMC has agreed to provide onsite biometric screenings for Verona.

Mr. LaMendola said a wellness physical exam should be performed at a wellness center, because they can conduct an exam and clear an individual for physical activity.

Mr. LaMendola said there needs to be a discussion about how the Wellness Funds will be utilized. He said Aetna, ESI and Delta Dental have all offered educational materials that can be distributed by mail and email. He said there also needs to be full time staff support for the Wellness Program built into the culture of the Fund. In response to Commissioner Hart, the wellness committee can meet and include Commissioner Franz and Commissioner Kunze to discuss how to properly distribute funds and then make a recommendation at the April meeting.

AETNA - THIRD PARTY ADMINISTRATOR - Mr. Rodrigues reviewed the claims through January. In response to Commissioner Hart, Mr. Rodrigues the number of lives increased in 2016 which would equate to more claims. He said the number is consistent with the rest of the book of business. He said the report is based off employees' not total medical lives. Executive Director said the vital statistics can be reviewed at the next meeting.

In response to Commissioner Hart, Mr. Rodrigues said there are performance guarantees in place for all of the Fund's and are designed to hold Aetna accountable. Executive Director said the Fund would receive a credit if the metrics are consistently missed.

PHARMACY NETWORK (Express Scripts) - Mr. Rostkowski said the overall trend for the Fund was 9.7%. He said non specialty is at 1.6%. He said the generic fill rate increased 3% points with each point equaling about \$120,000 in savings.

Mr. Rostkowski said ESI offers a mobile app for smartphones.

DELTA DENTAL - Ms. White said Delta has a lot off wellness tools that can be shared with the Risk Managers.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN

MOTION:	Commissioner Poli
SECOND:	Commissioner Hart
VOTE:	Unanimous

MEETING ADJOURNED: 12:45 pm

NEXT MEETING: April 24, 2018
Franklin Lakes Borough

12:00 P.M.

Karen Kamprath, Assisting Secretary
Date Prepared: March 15, 2018