

**SCHOOLS HEALTH INSURANCE FUND  
OPEN MINUTES  
March 27, 2019  
MOORESTOWN COMMUNITY HOUSE  
12:00 PM**

---

Meeting of Board of Trustees called to order by Chair Collins

Open Public Meetings notice read into record.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF 2018-2019 BOARD OF TRUSTEES:**

<b>Trustee</b>	<b>BOE</b>		
Joseph Collins	Delsea Regional BOE	Chairman	Present
Beth Ann Coleman	Collingswood BOE	Secretary	Present
Lisa Giovanelli	Rancocas Valley BOE		Present
Michael Colling	Medford Lakes BOE		Present
Christopher Lessard	Frankford Township BOE		Absent
Christopher Destratis	Swedesboro-Woolwich BOE		Present
Evon Digangi	Mount Holly BOE		Present
Jim Sekelsky	Hardyston Township BOE		Absent
Nicholas Bice	Burlington Township BOE		Present
Marie Goodwin	Medford Township BOE		Present
Christina Moskal	Ewing Township BOE		Present
Jason Schimpf	Kingsway Regional School District		Present

**PRESENT FUND PROFESSIONALS:**

**FUND ADMINISTRATOR:**                      **PERMA Risk Management**  
Paul Laracy  
Emily Koval

**PROGRAM MANAGER:**                      **Conner Strong & Buckelew**  
Brandon Lodics  
Jozsef Pfeiffer

**FUND ATTORNEY:**                              Ken Harris

**FUND TREASURER:**                            Lorraine Verrill

**FUND AUDITOR:**                                Absent

**FUND ACTUARY:**                                Absent

**PRESCRIPTION ADMIN:** Kyle Colalillo  
Ken Rostkowski

**MEDICAL TPA AMERIHEALTH:** Mike Murphy  
Kristina Strain

**MEDICAL TPA AETNA:** Joe Rodrigues

**MEDICAL TPA HORIZON:** Michelle Witherspoon

**ALSO PRESENT**

Jess Dewysocki, Tabernacle  
Joe Madera, Hardenburgh Ins. Group  
Tim Skys, Watchung Hills  
Susan Morris, Conner Strong  
Rob Wachter, Mount Laurel BOE  
Chuck Grade,  
Susan Jarnagin, Gallagher  
Dina Murray, Allen Associates  
Lisa Sollenberger, Medford Lakes  
John J. Cobb, J Cobb Ins Group  
Edward J. O'Malley, Gallagher  
Joel Sand, KTS

**APPROVAL OF MINUTES: February 27, 2019 Open**

**MOTION TO APPROVE OPEN MINUTES OF FEBRUARY 27, 2019**

**Moved:** Trustee Moskal  
**Second:** Trustee Bice  
**Vote:** 10 Ayes, 0 Nays

**CORRESPONDENCE** - None

**PUBLIC COMMENT** - None

**EXECUTIVE DIRECTORS REPORT**

**FINANCIAL FAST TRACK** - as of January 31, 2019

Executive Director reviewed the Financial Fast Track and shows a loss for January, due to surge in claims from AmeriHealth. Financial Fast Track for February shows that the January loss was more than reversed in February. We are reviewing the January claim uptick from Amerihealth.

**2019/2020 BUDGET ADOPTION** (page 5)

The 2019-2020 budget was introduced at the previous meeting and draft rates were distributed to the member brokers/consultants and administrators. Included is the budget and assessments to be adopted in public session. Unless amendments are made, rates will not change and will be included in the open enrollment packets.

**MOTION TO OPEN THE PUBLIC HEARING ON THE 2019-2020 BUDGET:**

**Moved:** Trustee Lessard  
**Second:** Trustee Giovanelli  
**Vote:** Unanimous

**MOTION TO CLOSE THE PUBLIC HEARING ON THE 2019-2020:**

**Moved:** Trustee Coleman  
**Second:** Trustee Collins  
**Vote:** 10 Ayes, 0 Nays

**MOTION TO ADOPT RESOLUTION 6-19 APPROVING THE 2019-2020 SCHOOLS HEALTH INSURANCE FUND BUDGET IN THE AMOUNT OF \$235,882,404:**

**Moved:** Trustee Goodwin  
**Second:** Trustee Destratis  
**Vote:** 10 Ayes, 0 Nays

**AGGREGATE COVERAGE** – Executive Director said that this budget includes the removal of the aggregate limit at the reinsurance level. He said the finance committee reviewed and determined that the savings outweighs the small amount of coverage that had been purchased in the past due to the size of the Fund. He said he has not done this before and it is possible that the Coastal Fund may choose to opt out of this coverage as well. Executive Director said that the rate stabilization has been included in almost every budget to cover unfunded corridors as such. He agrees with the decision to remove this coverage. Chair Collins said that this consideration may affect future dividend amounts because the surplus needs to continue to be healthy.

**MEMBERSHIP**

Ms. Koval said the operations committee met to review new member submissions. She said to date we have grown the membership by 9% this year. Even with these prospective members, we will be within the 20% growth cap. The Committee has recommended the following groups to be offered membership to the Fund effective the dates listed:

SCHOOL BOARD	TOTAL CENSUS	DATE OF ENTRY
Rahway BOE	413	5/1/2019
Milford BOE	13	5/1/2019
North Burlington BOE	233	6/1/2019

**MOTION TO APPROVE RESOLUTION #7-19 APPROVING THE NEW MEMBERSHIP AS PRESENTED:**

Moved: Trustee Giovanelli  
Second: Trustee Lessard  
Vote: 10 Ayes, 0 Nays

**WELLNESS & CLAIMS COMMITTEE**  
**2019-2020 WELLNESS GRANTS**

The Wellness Committee will meet in April to define the Wellness Grant Applications and guidelines. In the interest of allowing additional time for members to develop their programs this year, we are asking for allow the Wellness Committee to approve the application process and allow for distribution before the next meeting.

**MOTION TO AUTHORIZE THE WELLNESS COMMITTEE TO APPROVE THE 2019-2020 GRANT APPLICATION PROCESS AND DISTRIBUTE TO THE MEMBERSHIP BEFORE THE MAY 2019 MEETING:**

Moved: Trustee Schimpf  
Second: Trustee Goodwin  
Vote: 10 Ayes, 0 Nays

**PROGRAM MANAGER'S REPORT**

**OPERATIONS UPDATES:**

**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](mailto:kkidd@permainc.com) of PERMA.

**Contact Information** - Please direct any eligibility, enrollment, billing or system related questions to our dedicated SHIF Team. The team can be reached by email at [CS.MB.SHIFenrollments@permainc.com](mailto:CS.MB.SHIFenrollments@permainc.com) or by fax at 856-552-4945.

**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 SHIF 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 SHIF Client Servicing Team. The team can be reached by email at [brokerservices@permainc.com](mailto:brokerservices@permainc.com).

### **AETNA UPDATES**

Beginning 3/1/2019, Aetna is changing its policy regarding colorectal cancer screenings. To align with the American Cancer Society's current guidelines for average risk individuals, colorectal cancer screenings will be covered beginning at age 45 vs. the current policy of age 50.

### **AMERIHEALTH ADMINISTRATORS (AHA) UPDATES**

No updates at this time.

**EXPRESS SCRIPTS (ESI) UPDATES** - We have been advised that there has been a change in classification for a class of drugs known as "PCSK9s" and include brand names Praluent and Repatha. These medications (which lower LDL or bad cholesterol) became widely available in 2015 and were originally classified as specialty drugs due to the high retail cost and concerns about efficacy, safety and adherence. Effective May 8<sup>th</sup>, ESI is reclassifying PCSK9 inhibitors as traditional medications which will reduce member cost-share and provide patients with increased retail pharmacy access options to obtain the medications. ESI will begin a communication campaign to impacted members:

- Beginning March 13<sup>th</sup>, members will be notified via email about the reclassification
- In April, letters will be sent to members who are currently filling scripts for these drugs through Accredo (ESI specialty pharmacy) offering members these options:
  1. Transfer current PCSK9 scripts to their retail pharmacy by contacting Accredo and requesting the transfer.
  2. Request a new script from their doctor to have filled at their in-network retail pharmacy.

**ADMINISTRATIVE & LEGISLATIVE MANDATE UPDATES** - To prepare for the busy July 1<sup>st</sup> renewal season we have discussed time frames for plan adds with our carrier partners, given the volume all plan changes must be received by our carriers 75 days in advance of 7/1. We ask all new plan additions, plan changes, and plan deletions be submitted and finalized with PERMA no later than **Friday April 15<sup>th</sup>**.

Open Enrollment Timeframe:

- In preparation for the SHIF 7/1 renewal, we have tentative dates for Open Enrollment. Open Enrollment would begin **Monday April 29<sup>th</sup>** and run through **Friday May 17<sup>th</sup>**. As we conducted last year, Groups that have recently joined the SHIF within the last few months may not be participating in the spring Open Enrollment and will have a separate Open

Enrollment in the fall. PERMA is working with these districts in order to get them on the SHIF Open Enrollment Schedule.

Open Enrollment Materials:

- Since we received such positive feedback on the electronic distribution of materials, we will be handling this Open Enrollment the same way. Communications will be distributed via email to all group enrollment contacts.
- Sample Communications will be distributed to brokers for approval by early April. If your group does not want to receive the standard communication, please let our office know.

**ADMINISTRATIVE AUTHORIZATIONS**

<u>Appeal</u>	<u>Type</u>	<u>Outcome</u>
Medical	Medical Necessity	Denial Overturned
Medical	Medical Necessity	Denial Overturned
Medical	Medical Necessity	Denial Overturned
Medical	Medical Necessity	Denial Overturned

**GUARDIAN NURSES** - Ms. Long reviewed report that was in the agenda saying that the numbers continue to be strong and cases are doing well. She included a couple member stories from the past month.

**TREASURER** - Fund Treasurer reviewed the Bills Lists for March 2019. Announced that a couple of CD's are coming to pay out soon, and was able to negotiate a guaranteed rate of 2.95%.

**RESOLUTION 7-19- March 2019**

<b>FUND YEAR</b>	<b>AMOUNT</b>
<b>CLOSED YEAR</b>	<b>-\$825,021.00</b>
<b>FUND YEAR 2017/2018</b>	<b>\$934,787.00</b>
<b>FUND YEAR 2018/2019</b>	<b>\$3,543,411.76</b>
<b>TOTAL ALL FUND YEARS</b>	<b>\$3,653,177.76</b>

**MOTION TO APPROVE RESOLUTION 5-19 THE MARCH 2019 BILLS LIST AND TREASURERS REPORT AS PRESENTED:**

**MOTION:** Trustee Bice  
**SECOND:** Trustee Coleman  
**VOTE:** Unanimous

**FUND ATTORNEY** - Fund Attorney said that Governor Murphy announced a plan to establish a state based health market exchange. Also the assembly passed a bill that would limit the cost of drugs to max out of pocket per prescription per month to \$150-250 depending upon the level of the plan.

**AETNA** - Joe Rodrigues reviewed the report included in the agenda. He said that there were some Q4 metrics that were missed, so there will be a performance guarantee payment back to the Fund. He will work with PERMA to arrange.

**AMERIHEALTH** - Kristina Strain reviewed the report included in the agenda. She said the claims with admin fees did come down for February from the spike in January.

**HORIZON**- No report

**EXPRESS SCRIPTS** - Kyle Colalillo reviewed the report included in the agenda.

**DELTA** - No report

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:** None

**MOTION TO ADJOURN:**

<b>MOTION:</b>	Trustee Giovanelli
<b>SECOND:</b>	Trustee Coleman
<b>VOTE:</b>	Unanimous

**MEETING ADJOURNED:** 1:25 pm

**NEXT MEETING:** May 22, 2019  
Moorestown Community  
12:00pm

Shah Mapp, Assisting Secretary  
Date Prepared: May 15, 2019