

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

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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 12:30pm
Beth Ann Coleman	Collingswood BOE	Secretary	Present
Lisa Giovanelli	Rancocas Valley BOE		Present
Michael Colling	Medford Lakes BOE		Present
Christopher Lessard	Frankford Township BOE		Present
Christopher Destratis	Swedesboro-Woolwich BOE		Absent
Evon Digangi	Mount Holly BOE		Absent
Jim Sekelsky	Hardyston Township BOE		Absent
Nicholas Bice	Burlington Township BOE		Present
Marie Goodwin	Medford Township BOE		Present
Christina Moskal	Ewing Township BOE		Present

**PRESENT FUND PROFESSIONALS:**

**FUND ADMINISTRATOR:**

**PERMA Risk Management**

Paul Laracy  
Emily Koval  
Shah Mapp

**PROGRAM MANAGER:**

**Conner Strong & Buckelew**

Brandon Lodics  
Jozsef Pfeiffer

**FUND ATTORNEY:**

Ken Harris

**FUND TREASURER:**

Lorraine Verrill

**FUND ACTUARY:**

**PRESCRIPTION ADMIN:**

Kyle Colalillo

**MEDICAL TPA AMERIHEALTH:**

Kristina Strain

**MEDICAL TPA AETNA:** Joe Rodrigues

**MEDICAL TPA HORIZON:** Michelle Witherspoon

**ALSO PRESENT**

John Recchinti, Evesham Township  
Greg Grimaldi, Conner Strong & Buckelew  
Chuck Grande, Integrity Consulting Group  
Anthony Tonzini, Integrity Consulting Group  
JulieAnn Kuczynski, AJG  
Dina Murray, Allen Associates  
Susan Jarnigan, AJG  
Joe Madera, Hardenbergh Insurance  
Susan Morris, Conner Strong & Buckelew  
Joanne DiAngelo, Moorestown  
Lisa Sollenberger, Voorhees Township  
Jodi Lennon, Riverside

**APPROVAL OF MINUTES: January 23, 2019 Open**

**MOTION TO APPROVE OPEN MINUTES OF JANUARY 23, 2019**

<b>Moved:</b>	Trustee
<b>Second:</b>	Trustee
<b>Vote:</b>	Unanimous

**CORRESPONDENCE** - None

**PUBLIC COMMENT** - None

**EXECUTIVE DIRECTORS REPORT**

**FINANCIAL FAST TRACK** - as of December 31, 2018. Executive Director reviewed the Financial Fast Track (Page 15) and stated that the surplus was \$74,701,708, December was a very profitable month.

**2019/2020 BUDGET INTRODUCTION** - A draft budget introduction has been reviewed by the Finance Committee and then distributed to the groups and their brokers earlier this month.

Resolution #4-19 introducing the 2019-2020 budget is included on page 13.

**Claim Funds**

Executive Director said claim funds for medical are flat, Rx is down -5.2%, and Dental is down -2%.

### **Reinsurance**

Executive Director said reinsurance is interesting this year overall it is down 6.51% for specific reinsurance due to the entering of a new contract with reinsurer with terms favorable for MRHIF. He stated that they are looking to modify or eliminate the aggregate due to the minor coverage amount and risk we are taking on.

### **Membership Wellness**

Executive Director said there was a 9% increase in enrollment in the wellness program, so there was an increase into the wellness program budget to accommodate those new members.

### **Expenses**

The Executive Director stated that the New Jersey A4 Retiree Surcharge has been reduced from 2.3% to 2% which can reduce the budget by an additional \$550,000. Overall the budget is down 2.3%.

### **MOTION TO ADOPT RESOLUTION #4-19 APPROVING THE 2019-2020 SCHOOLS HEALTH INSURANCE FUND BUDGET IN THE AMOUNT OF \$235,138,284:**

Moved:	Trustee
Second:	Trustee
Vote:	7 Ayes, 0 Nays

**NEW MEMBER SUBMISSIONS** - PERMA has received several new member submissions over the past month, although no written confirmation of intent to join.

Prior to the March meeting, we will set up an Operations Committee call to review individual applications.

**MRHIF MEETING** - Ms. Koval said that MRHIF meant last week. She said one highlight of the meeting is that the Committee unanimously voted to waive the \$.75 per employee fund member per month for the aggregate coverage which is fully sustainable by the Fund surplus. This will result in saving the SHIF \$95,000 effective 7/1. She also stated that the ESI market check, Qualcare and Amerihealth audits will be beginning soon. The marketing consultant has been hired an additional year.

### **INDEMNITY AND TRUST AGREEMENTS**

On November 1, 2018 PERMA sent Indemnity and Trust Agreements and Resolutions to be adopted by the governing body to renew membership with the Fund for an additional 3 years. Below is a list of members who have renewing agreements due by December 31, 2018 and older. Please reach out to PERMA (emilyk@permainc.com) for a blank form to be executed.

Member	I&T End Date
SOUTHAMPTON TWP BOE	6/30/2017
TABERNACLE BOE	12/31/2017
BELLMAWR PUBLIC SCHOOL DISTRICT	12/31/2018
CINNAMINSON TWP BOE	12/31/2018
CITY OF BURLINGTON BOE	12/31/2018
MT. HOLLY TWP. BOE	12/31/2018
SWEDESBORO-WOOLWICH BOE	12/31/2018
BERLIN BOROUGH BOE	12/31/2018
HARDYSTON TWP BOE	12/31/2018
LEAP ACADEMY UNIVERSITY CHARTER SCHOOL	12/31/2018

## PROGRAM MANAGER'S REPORT

**AETNA** - Program manager said that Aetna will be rebranding logo and issuing new ID cards to members. All information will be same just a different color and slight adjustment to logo.

**AMERIHEALTH** - Program Manager said there is a hospital system in south east Pennsylvania there is little impact on this membership however AmeriHealth is in contract negotiation with Saint Francis health center, Mercy health center, and Nazareth hospital. Coding issues with the ER will be updated and members that were affected will be notified.

1. As a follow-up to last month's report where AHA identified an issue with ER visits being denied incorrectly due to a piece of their internal coding that was missing from their systems. We will provide an update on impact at the meeting.
2. For the past several months AHA has been negotiating with Trinity Health, which includes the following entities as well:
  - a. Mercy Health System of Southeastern PA including Mercy Fitzgerald, mercy Philadelphia and Nazareth hospitals.
  - b. St. Mary medical Center, including St. Mary Rehabilitation Hospital
  - c. Saint Francis Healthcare, including Saint Francis Hospital, Wilmington, DE

AHA continues to engage in good-faith negotiations. If the parties are unable to reach an agreement, Trinity will no longer be a part of the AmeriHealth Administrators network as of **April 1, 2019**.

If no agreement is reached, AHA will mail a letter and FAQ to plan members who received care from Trinity or its affiliates in the last 12 months.

AHA will report on the impact of the SHIF at the meeting

**SaveOn Program** - Program Manager said the program is having very good results and has produced a net savings to the fund of \$558,673 with 102 participants and just 590 claims.

### **ADMINSTRATIVE AUTHORIZATIONS**

Program manager said there were three appeals since the last meeting one prescription the denial for that prescription was overturned, two medical appeals were upheld.

Type	Reason/Description	Outcome
Prescription	Medical Necessity	Denial overturned
Medical	Medical Necessity	Denial Upheld
Medical	Medical Necessity	Denial Upheld

**TREASURER** - Fund Treasurer reviewed the bills list and treasurers report.

**RESOLUTION #5-19 February 2019 BILLS LIST**

FUND YEAR	AMOUNT
FUND YEAR 2017/2018	\$0
FUND YEAR 2018/2019	\$1,583,691.79
<b>TOTAL ALL FUND YEARS</b>	<b>\$1,583,691.79</b>

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

**MOTION:** Trustee Giovanelli  
**SECOND:** Trustee Lessard  
**VOTE:** 7 Ayes, 0 Nays

**FUND ATTORNEY** - Fund Attorney said there was one bill that was passed last week that there is a gag order that pharmacist must notify consumers coming in that there may be a cheaper drug available to them. Also, there are provisions in that if a price of a drug is lower when paid without insurance, the subscriber getting the prescription filled is not obligated to pay a higher co-pay.

**AETNA** - Mr. Rodrigues reviewed the claims through December 2019. He said there is a total of \$56.7 million in paid claims. He said there were 13 claims above \$50,000 totaling \$974,309.02. He said the average speed of answer metric was missed by +2 seconds, and he will update the Fund on any money due back.

**AMERIHEALTH** -reviewed the claims through January 2019. She said the claims will continue to normalize as they come out of the system migration. Trinity health contract is set to expire April 1 and negotiations will continue. Those affected by emergency room coding issue will be notified directly.

**HORIZON**- None

**EXPRESS SCRIPTS** - Report include in Agenda. Specialty cost will continue to be monitored.

**DELTA** - None

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:** None

**MOTION TO ADJOURN:**

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

**MEETING ADJOURNED:** 1:12 pm

**NEXT MEETING:** March 27, 2019  
Moorestown Community House  
12:30pm

Shah Mapp, Assisting Secretary,  
Date Prepared: March 21, 2019