

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, June 24, 2021
TELEPHONIC MEETING
1:00 PM**

Meeting called to order by Tim Sheehan, Chairman. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Timothy Sheehan, Chairman	Present
Michael Burke, Vice Chairman	Present
Tamarisk Jones	Present
Karen Christina (Alternate)	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Joseph Hrubash
Claims Service	Inservco Insurance Services, Inc. Veronica George Richard Crooks Suretha Hobbs Yvonne Frey
	Qual-Lynx Chris Roselli
	Medlogix Jennifer Goldstein
	PERMA Jennifer Conicella
NJCE Underwriting Manager	Conner Strong & Buckelew
Underwriting Services Director/RMC	Hardenbergh Insurance Group Christina Violetti Joe Henry
Attorney	Marmero Law, LLC Amy Krumenacker, Esq.
Treasurer	Tracey Giordano
Safety Director	J.A. Montgomery Risk Consulting Glenn Prince

ALSO PRESENT:

Susan Morris, Conner Strong & Buckelew
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open and Closed Minutes of April 22, 2021 and Open and Closed Minutes of May 4, 2021

MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF APRIL 22, 2021 AND OPEN AND CLOSED MINUTES OF MAY 4, 2021

Motion:	Commissioner Christina
Second:	Commissioner Jones
Vote:	Unanimous

CORRESPONDENCE: None

SAFETTY COMMITTEE REPORT: Chairman Sheehan reported the Claim Committee had not met since their last meeting.

CLAIMS COMMITTEE: Chairman Sheehan reported the Claims Committee met on May 11 and June 8 and discussed the PARS/SARS that would be presented today during closed session.

EXECUTIVE DIRECTOR REPORT: Executive Director advised his report was included in the agenda.

2022 RFP'S FOR PROFESSIONAL SERVICES – FAIR & OPEN PROCESS: Executive Director reported the contracts for the Executive Director, Risk Management Consultant, Underwriting Services Director, Third Party Administrator, Managed Care Provider, Actuary, Auditor, Defense Panel Attorneys, Field Nurse Case Manager, and Commission Attorney expired as of 12/31/21. Executive Director referred to a copy of Resolution 39-21, Authorizing the Preparation and Advertisement of the Request for Proposals.

MOTION TO APPROVE RESOLUTION 39-21 AUTHORIZING THE PREPARATION AND ADVERTISING THE REQUEST FOR PROPOSALS FOR THE POSITION OF EXECUTIVE DIRECTOR, RISK MANAGEMENT CONSULTANT, UNDERWRITING SERVICES DIRECTOR, THIRD PARTY CLAIMS ADMINISTRATOR, MANAGED CARE PROVIDER, ACTUARY, AUDITOR, DEFENSE PANEL ATTORNEYS, FIELD NURSE CASE MANAGER AND COMMISSION ATTORNEY

Motion:	Commissioner Jones
Second:	Commissioner Burke
Roll Vote:	Unanimous

NJ COUNTIES EXCESS JOINT INSURANCE FUND (NJCE): Executive Director reported the NJCE met on April 22 and May 27 and written summaries of the reports were included in the agenda. Executive Director advised the NJCE also met earlier in the morning and the two major items discussed at the meeting were the approval of the amended budget for the additional

assessment for the premium portion of the delta of \$609,437 and the Fund Auditor submitted a draft financial audit for the period ending December 31, 2020. Executive Director advised the Financial Fast Tracks were revised and noted the reductions in the surplus for 2016, 2020 and 2021 fund years. Executive Director said the most significant change was a result of the projected \$10 million that COVID-19 related workers' compensation claims that will eventually cost the NJCE. Executive Director said the NJCE was strengthening its claim and IBNR reserves due to the uncertainty over the recovery from the excess insurer Safety National. Executive Director reported the MEL JIF was experiencing the same issue with Safety National and a meeting was held with the Insurance Commissioner of NJ Department of Banking & Insurance to put them on notice that the carrier was taking a hard line on providing coverage. Conner Strong and Bucklew also reached out to the NJ Department of Banking & Insurance.

NJCE FINANCE COMMITTEE: Executive Director reported the NJCE team (PERMA, JAM and CSB) made a presentation to the Finance Committee on the state of the commercial market and benefits of the insurance commission/joint insurance versus commercial market. Executive Director said the presentation was roughly an hour, generated some good questions and interaction with commissioners and was well received. Executive Director said the Finance Committee recommended the presentation be made available to all commissioners and key members of their management team. Executive Director advised it was also recommended a recorded version be available as well as one or two live webinars to promote interaction and allow for questions. Executive Director referred to a copy of a memorandum along with a copy of the presentation, which was included in the agenda.

CERTIFICATE OF INSURANCE REPORTS: Executive Director referred copies of the Certificate of Insurance reports from the NJCE listing the certificates issued for the months of April and May. Executive Director advised there were (6) six certificates of insurances issued during April and (12) twelve during the month of May. Executive Director asked if there were any questions on the report.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the March Property & Casualty Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$3,084,333 as of March 31, 2021. Executive Director advised that \$2,395,821 line 10 of the report "Investment in Joint Venture was the GCIC's share of the NJCE equity. Executive Director noted the cash amount was \$3,783,638.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the March Financial Fast was not available and would appear in the next agenda.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the March Health Benefits Financial Fast Track. As of March 31, 2021 there was a surplus of \$272,952. Executive Director noted the cash amount was \$450,102. Executive Director asked if anyone had any questions on the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director advised the Claim Tracking reports as of March 31, 2021 were included in the agenda.

2021 PROPERTY & CASUALTY ASSESSMENTS: Executive Director reported the Treasurer's Office advised all of the member entities paid the May 15th assessment. Executive

Director advised the final payment would be due on October 15, 2021. Executive Director noted the Statement of Accounts would be sent out in September.

CYBER TASK FORCE UPDATE: Executive Director referred to a copy a news alert from the MEL Cyber Task Force, which he wanted to share with the NJCE members.

NJCE MEMBERSHIP: Executive Director advised Gloucester County's 3-year membership in the NJCE expires on December 31, 2021. Executive Director reported the NJCE mailed out the 2022 membership renewal notice to the County Administrator.

ENTITY MEMBERSHIP IN THE INSURANCE COMMISSION: Executive Director reported the three-year membership for the members of the Gloucester County Insurance Commission also expires at the end of the year. Executive Director advised the Fund Office would mail the applicable Indemnity and Trust Agreement to the Commission Risk Manager's office for the member entities execution. Executive Director said as in the past, each member entity needed to pass a resolution authorizing its participation in the Gloucester County Insurance Commission.

2022 RENEWAL – UNDERWRITING DATA COLLECTION: Executive Director advised the Fund office was beginning the data collection process for the 2022 renewal in order to provide relevant information to underwriters. Members and/or risk managers would manage the renewal via Origami, the online platform where members' exposure data (property, vehicles, etc.) may be accessed and edited, as well as, applications to download and complete for ancillary coverages. Executive Director said the Payroll Auditor was also conducting payroll audits which would be uploaded by the Fund office into Origami.

2021 MEL, MRHIF & NJCE EDUCATIONAL SEMINAR: Executive Director reported the 10th Annual Educational Seminar was held virtually on May 14 and May 21 and was a great success. Executive Director said there were over 200 attendees for each session.

2021 GOVERNMENT FINANCE OFFICERS ASSOCIATION OF NJ (GFOA OF NJ): Executive Director advised J.A. Montgomery had been invited to present at the GFOA of NJ conference at the Golden Nugget in Atlantic City from September 21st to September 24th. Executive Director explained the GFOA of NJ was a professional association of government finance officers working together to enhance and promote professionalism within the governmental community.

2021 NEW JERSEY ASSOCIATION OF COUNTIES CONFERENCE: Executive Director reported the 71st Annual Conference was scheduled to be held from October 11th – October 14th at Caesar's in Atlantic City. Executive Director said NJAC would be celebrating its 100-year anniversary. Executive Director said the New Jersey Counties Excess Joint Insurance Fund and J.A. Montgomery would be presenting at the NJAC conference in October.

2021 NJLM ANNUAL CONFERENCE: Executive Director said the 106th Annual New Jersey State League of Municipalities Conference was scheduled for November 16th through November 18th at the Atlantic City Convention Center in Atlantic City.

2021 MEETING SCHEDULE: Executive Director reminded everyone that the Commission would not meet in July or August. Executive Director noted a special meeting could be arranged if necessary. Executive Director said the next meeting was scheduled for September 23, 2021 at

1:00 PM. Executive Director noted there were two remaining meetings scheduled for 2021, October 28 and December 9. After a brief discussion, it was agreed the September meeting would be an in-person meeting. Executive Director said he looked forward to seeing everyone again.

Executive Director's Report Made Part of Minutes.

EMPLOYEE BENEFITS: Ms. Morris advised her report was included in the Appendix IV section of the agenda and reviewed the May report with the Commission and the year to date total issues were 67.

TREASURER REPORT: Chairman Sheehan advised the agenda included the May Bill List, Resolution 40-21, the May Benefit Bill List, Resolution 41-21, June Bill List, Resolution 42-21 and the June Benefit List, Resolution 43-21 and requested a motion to approve.

MOTION TO APPROVE RESOLUTION 40-21, MAY BILL LIST, RESOLUTION 41-21, JUNE BENEFIT BILL LIST, RESOLUTION 42-21 JUNE BILL LIST AND RESOLUTION 43-21 JUNE BENEFIT BILL LIST

Motion: Commissioner Burke
 Second: Commissioner Jones
 Roll Call Vote Unanimous

Chairman Sheehan pointed out the monthly Treasurer’s reports were included in the agenda. Chairman Sheehan asked if anyone had any questions on the reports.

CLAIMS SERVICE: Ms. Conicella advised she did not have anything to report at this time.

CLAIMS ADMINISTRATOR: Chairman Sheehan presented Resolution 44-21 Inservco Liability Check Register for the period of 4/1/21 through 4/30/21 and 5/1/21 to 5/31/21.

MOTION TO APPROVE RESOLUTION 44-21 LIABILITY CHECK REGISTER FOR THE PERIOD OF 4/1/21 THROUGH 4/30/21 AND 5/1/21 TO 5/31/21

Motion: Commissioner Burke
 Second: Commissioner Jones
 Roll Call Vote: Unanimous

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the months of April and May as noted below:

Month	Number of Bills	Total Provider Charges	Total Allowed	Total Reductions	Net Reductions	Percent of Net Savings	PPO Penetration
April	47	\$ 52,791.37	\$ 35,888.44	\$ 16,902.93	\$ 14,734.25	28%	49%
May	41	\$ 55,254.72	\$ 18,493.35	\$ 36,761.37	\$ 31,614.78	57%	84%

Ms. Goldstein noted the penetration rate for the month of April was very low due to a hospital bill from Christina Care. Ms. Goldstein advised this is something that is typically negotiated, however it appeared they would not negotiate and she was looking into this. In response to Executive Director’s

questions, Chairman Sheehan said this involved a motor vehicle accident and the injured was taken to a trauma center in Delaware. Executive Director asked that the claim be reviewed to see if AmeriHealth could provide better pricing.

NJCE SAFETY DIRECTOR:

REPORT: Mr. Prince advised the Safety Director’s report was included in the agenda and referred to the Risk Control Activities for April through July. Mr. Prince noted a list of all of the training webinars were included in the agenda through the end of August. Mr. Prince said if any member was interested in training, they could visit the NJCE website and register. Mr. Prince reported the Munich RE Safety Grant for 2021 would be managed by the carrier and they requested to make payment directly to the vendor for approved submissions. Mr. Prince encouraged all departments to co-ordinate submission through their risk manager departments. Mr. Prince said he could review the submissions and send to the Underwriting Manager who would forward to Munich Re for approval or denial. Mr. Prince noted he would issue a memorandum on the new procedure. Mr. Prince said the Learning Management System was up and running as of April 1. Mr. Prince said if any departments required an additional administrator they should contact him so he could co-ordinate training. Mr. Prince concluded his report unless there were any questions.

RISK MANAGEMENT/UNDERWRITING SERVICES DIRECTOR:

REPORT: Ms. Violetti advised a copy of their report was included in the agenda. Ms. Violetti said as mentioned earlier the June Safety and Accident Review Committee meeting was cancelled and the next meeting was scheduled for September 1st. Ms. Violetti reported the 2022 Underwriting Renewal Process was starting and she would be reaching out to the members to obtain updated exposure information.

Ms. Violetti reviewed some coverages for members that could not be placed through the GCIC/NJCELJIF as noted below. Ms. Violetti requested a motion to renew the listed policies.

Member	Coverage	Carrier	Exp. Date	Expiring Premium	Renewal Premium
County	County Warden Bond	CNA	7/1/2021	\$122.50	\$122.50
Rowan College of South Jersey	Director and Officers Liability Policy for the Rowan College at Gloucester County Foundation	United States Liability Group	7/9/2021	\$673.95	\$673.95
Gloucester County Improvement Authority	Nursing Home Patient Trust Bond	CNA	8/3/2021	\$490.00	\$490.00

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE ABOVE POLICIES

Motion: Commissioner Jones
 Second: Commissioner Burke
 Roll Call Vote: Unanimous

Ms. Violetti reported the below renewals were in the process. Ms. Violetti requested authority to renew the policies contingent upon the premium not increasing more than 10% and no significant reduction in the terms and conditions. Ms. Violetti said if there was she would seek direction from the member and then advise the Commissioners accordingly.

Member	Coverage	Carrier	Exp. Date	Expiring Premium
Rowan College of South Jersey	Base Sports Accident Policy	United States Fire Insurance Company	8/1/2021	\$56,700
Rowan College of South Jersey	Catastrophic Sports Accident Policy	Liberty Mutual Insurance Company	8/1/2021	\$12,168
County	911 Teachers Professional Liability Policy	Landmark American Insurance Company	8/13/2021	\$12,600.00
Improvement Authority	Student Accident Policy	QBE Insurance Corporation	9/7/2021	\$415.00
Improvement Authority	Child Development Center Package and Umbrella Policies	Philadelphia Insurance Companies	9/12/2021	\$11,088.17

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE ABOVE POLICY CONTINGENT UPON THE RENEWAL PREMIUM NOT INCREASING MORE THAN 10% AND NO SIGNIFICANT REDUCTION IN THE TERMS AND CONDITIONS

Motion: Commissioner Burke
 Second: Commissioner Jones
 Roll Call Vote: Unanimous

Ms. Violetti provided an update on the below renewal and advised the premium came in higher due to a carrier increase of 5% and an increase in the value of 3 buildings.

Member	Coverage	Carrier	Exp. Date	Expiring Premium
Improvement Authority	Dream Park Package Policy (includes Property/ General Liability/ Care, Custody and Control / Umbrella)	Great American Alliance Insurance Company	5/21/2021	\$114,286.00

Ms. Violetti asked if anyone had any questions and concluded her report.

ATTORNEY: Ms. Krumenacker advised she did not have anything to report.

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO THE PUBLIC

Moved: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

Hearing no members of the public wishing to speak Chairman Sheehan asked for a motion to close the public comment portion of the meeting.

MOTION TO CLOSE THE MEETING TO THE PUBLIC

Moved: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

CLOSED SESSION: Chairman Sheehan read and requested a motion to approve Resolution 45-21 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed. Chairman Sheehan advised Closed Session would be held using a Zoom breakout room.

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MOTION TO GO INTO CLOSED SESSION

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MOTION TO RETURN TO OPEN SESSION

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

Chairman Sheehan asked Ms. Krumenacker to present the motion approving the PARS.

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #2021235239 FROM \$10,000 TO \$47,000 AN INCREASE OF \$37,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #2021234068 FROM \$10,000 TO \$34,490 AN INCREASE OF \$24,490

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002226 FROM \$15,000 TO \$250,000 AN INCREASE OF \$235,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002777 FROM \$29,049.55 TO \$150,000 AN INCREASE OF \$120,950.45

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #35300027576 FROM \$15,000 TO \$80,000 AN INCREASE OF \$65,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002431 FROM \$80,256.56 TO \$110,000 AN INCREASE OF \$29,743.44

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002100 FROM \$16,787.65 TO \$29,987.65 AN INCREASE OF \$12,000

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002726 FROM \$15,000 TO \$68,350 AN INCREASE OF \$53,350

MOTION TO AUTHORIZE AN INCREASE IN AUTHORITY FOR CLAIM #3530002824 FROM \$15,000 TO \$18,625.06 AN INCREASE OF \$3,625.06

Moved: Commissioner Burke
Second: Commissioner Jones
Roll Call Vote: Unanimous

MOTION TO ADJOURN:

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

MEETING ADJOURNED: 1:57 PM

Minutes prepared by: Cathy Dodd, Assisting Secretary