

**GLOUCESTER COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – Thursday, October 22, 2020
TELEPHONIC MEETING
1:00 PM**

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

ROLL CALL OF COMMISSIONERS:

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

FUND PROFESSIONALS PRESENT:

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| Executive Director | PERMA Risk Management Services Bradford Stokes |
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| Claims Service | Inservco Insurance Services, Inc. Yvonne Frey Richard Crooks Amy Zeiders |
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Qual-Lynx
Chris Roselli

Medlogix
Jennifer Goldstein

PERMA
Jennifer Conicella
Robyn Walcoff

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| NJCE Underwriting Manager | Conner Strong & Buckelew |
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| Underwriting Services Director/RMC | Hardenbergh Insurance Group Christina Violetti |
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| Attorney | Grace Marmero & Associates John Carleton, Esq. |
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| Treasurer | Tracey Giordano |
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| Safety Director | J.A. Montgomery Risk Control Glenn Prince |
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ALSO PRESENT:

Scott Burns Esq., Gloucester County
Susan Morris, Conner Strong & Buckelew
Anthony Musitano, Grace Marmero & Associates
Cathy Dodd, PERMA Risk Management Services

APPROVAL OF MINUTES: Open and Closed Minutes of September 24, 2020

**MOTION TO APPROVE THE OPEN AND CLOSED MINUTES OF
SEPTEMBER 24, 2020**

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

CORRESPONDENCE: None

SAFETY COMMITTEE REPORT: Chairman Sheehan reported the Safety and Accident Committee Meeting did meet via Zoom and Ms. Violetti would highlight some of the topics during her report.

CLAIMS COMMITTEE: Chairman Sheehan reported the Claims Committee did not meet, as there were no PARS or SARS to be discussed. Commission Sheehan advised there would be a closed session today for those invited to discuss an EPL claim. Chairman Sheehan indicated closed session would include the Commissioners, Commission Attorney, Risk Manager and PERMA Claims Team. Chairman Sheehan asked if anyone had anything to add.

EXECUTIVE DIRECTOR REPORT: Chairman Sheehan advised Executive Director, Brad Stokes would provide the Executive Director's report today. Executive Director stated he hoped everyone and their families were well and advised there was one action item for the report.

EMPLOYEE DISHONESTY COVERAGE: Executive Director reported the Employee Dishonesty Coverage policy with Selective Insurance Company would renew on 11/23/20. Executive Director advised this policy covered the positions of Executive Director, Third Party Administrator and the Treasurer. Executive Director noted the annual premium was \$1,111 and the limit per loss was \$1,000,000 with a \$10,000 deductible. Executive Director pointed out there was a slight increase in the premium of \$16.00. Executive Director advised the cost of this coverage would be paid out of the miscellaneous and contingency budget line.

**MOTION TO APPROVE EXPENDITURE FOR EMPLOYEE
DISHONESTY COVERAGE IN THE AMOUNT OF \$1,111**

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

NJ EXCESS COUNTIES INSURANCE FUND (NJCE): Executive Director reported the NJCE last met on September 24, 2020 and a summary report of the meeting was included in the agenda. Executive Director advised the NJCE budget would be delayed for a month to give the Underwriting Manager more time to market the renewal. Executive Director advised the Underwriting Manager was projecting significant increases in the excess premiums.

Mr. Cooney reported the insurance market had been hardening and was the worst in 30 years which meant pricing was going up due to severe losses and terms were getting tougher. Mr. Cooney advised his office was well prepared. Mr. Cooney reviewed the property and liability markets. Mr. Cooney noted they were also looking at higher retentions levels in the CEL layer. Mr. Cooney advised they started a heavy marketing campaign. Mr. Cooney reported in early discussions with the incumbent insurance carriers, worst-case scenario was a 15% increase which in this marketplace was beyond extraordinary. Mr. Cooney indicated most public entities not in a program were seeing a 30% increase on a good day and 100% on a bad day.

Executive Director thanked Mr. Cooney and his team for their efforts in the hard market. Executive Director advised there was also a discussion about a significant NJCE dividend and more information would follow.

CERTIFICATE OF INSURANCE REPORT: Executive Director referred to a copy of the Certificate of Insurance report from the NJCE listing the certificates issued for the month of September which was included in the agenda. Executive Director advised there were 6 certificate of insurances issued during September.

GCIC PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director advised the July Property & Casualty Financial Fast Track was included in the agenda. Executive Director reported the Commission had a surplus of \$2,249,597 as of July 31, 2020. Executive Director advised that \$2,630,996 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 \$3,607,551.

NJCE PROPERTY AND CASUALTY FINANCIAL FAST TRACK: Executive Director reported the agenda included the July Financial Fast Track for the NJCE. As of July 31, 2020, the NJCE had a surplus of \$16,698,019. Executive Director advised line 7 of the report “Dividend” represented the dividend figure released by the NJCE of \$3,607,551. Executive Director noted the cash amount was \$32,002,009.

HEALTH BENEFITS FINANCIAL FAST TRACK: Executive Director reported the agenda included the July Health Benefits Financial Fast Track. As of July 31, 2020, there was a surplus of \$236,402. Executive Director noted the cash amount was \$316,154. Executive Director asked if anyone had any questions on the Financial Fast Tracks.

CLAIMS TRACKING REPORTS: Executive Director reported the agenda included the claim monitoring reports as of July 31, 2020. Executive Director reviewed the Claims Management Report Expected Loss Ratio Analysis with the Commission.

2020 PROPERTY & CASUALTY ASSESSMENTS: Executive Director advised the third and final assessment payment for 2020 was due on October 15, 2020. In response to Executive Director’s inquiry, Ms. Dodd advised she did receive an e-mail from the Treasurer Offices’ indicting all member entities paid.

2021 AUTO ID CARDS/WC POSTING NOTICES/RENEWAL CERTIFICATE OF INSURANCE: Executive Director advised the 2021 auto ID cards and WC Posting Notices would be sent to each member entity representative for distribution the beginning of December. Executive Director noted the NJCE Underwriting Manager’s Team would review any certificates that need to be re-issued for the 2021 renewal.

2021 RFP’s FOR PROFESSIONAL SERVICES – Executive Director reported the RFP’s were issued and advertised for the positions of the Actuary, Auditor, Defense Panel Attorneys, Commission Attorney, Field Nurse Case Manager and Functional Capacity Evaluation Services. The responses were due on Friday, November 6, 2020 at 3:00 PM. The responses would be reviewed and recommendations made at the December meeting. Executive Director noted the Managed Care RFP would be issued shortly.

NJCE BEST PRACTICES WORKSHOP, 2020 VIRTUAL EDITION: Executive Director reported the 9th Annual NJCE Best Practices Workshop was scheduled to be a Zoom Webinar on Thursday, October 29, 2020 starting at 10:00 AM. Ms. Conicella advised everyone should have received the invitation to attend. Ms. Conicella noted Inservco’s invitation went to their spam filter. Ms. Conicella indicated the topics included the progress of the NJCE, the BRIT Safety Grant and COVID-19. Ms. Conicella stated she was looking forward to everyone attending and only the presenters would be on the camera.

Executive Director's Report Made Part of Minutes.

EMPLOYEE BENEFITS: Ms. Morris advised her report was included in the Appendix II section of the agenda and reviewed the report.

TREASURER REPORT: Chairman Sheehan advised the agenda included the October Bill List, 63-20 and the October Benefit Bill List, 64-20. Chairman Sheehan recommended a motion approving the Bill Lists.

MOTION TO APPROVE RESOLUTIONS 63-20 AND 64-20

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

Chairman Sheehan pointed out the monthly Treasurer’s reports showing the cash transactions and investments 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 else to discuss.

CLAIMS REPORT:

Chairman Sheehan presented Resolution 65-20 Inservco Liability Check Register for the period of 9/1/20 through 9/30/20.

MOTION TO APPROVE RESOLUTION 65-20 LIABILITY CHECK REGISTER FOR THE PERIOD OF 9/1/20 THROUGH 9/30/20

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

MANAGED CARE PROVIDER: Ms. Goldstein reviewed the Client Bill Review Summary Report for the months of September

| Month | Number of Bills | Total Provider Charges | Total Allowed | Total Reductions | Net Reductions | Percent of Net Savings | PPO Penetration |
|-----------|-----------------|------------------------|---------------|------------------|----------------|------------------------|-----------------|
| September | 21 | \$ 19,008.41 | \$12,329.69 | \$ 6,822.27 | \$ 5,887.25 | 36% | 82% |

Ms. Goldstein advised the Med Express locations in South Jersey have all changed to Riverside Urgent Care and unfortunately they changed their billing tax ID number which did not coincide with the contract they had. Ms. Goldstein reported they were in the process of trying to work with Riverside to get a link back to their contract with Med Express. Ms. Goldstein indicated her concern was if they continue to use them, they would be out of network. Ms. Goldstein advised she did not have any update yet but was working quickly to get them back in the network or at least be able to negotiate on the bills until the contract was in place. Ms. Goldstein indicated she would provide an update as soon as possible. Ms. Goldstein asked if anyone had any questions and concluded her report.

Chairman Sheehan reported as everyone knew we contracted with Medlogix to do the first report of injury and everything was going very well. Chairman Sheehan noted there was a weekly call to discuss any issues with the transition. Chairman Sheehan advised Jen’s team was incredible and there were some issues which were being worked out. Chairman Sheehan thanked Jen and her team.

NJCE SAFETY DIRECTOR:

REPORT: Mr. Prince advised the Safety Director’s report was included in the agenda and referred to the Risk Control Activities September and October.

Mr. Prince referred to the Webinar Training Schedule through November 30th which was included in the agenda . Mr. Prince encouraged everyone to review the list to determine which courses they would like to participate in.

Mr. Prince advised they were looking into a Learning Management System and during the NJCE meeting today, the initiative was discussed and a contract would be issued to First Net, who was also the provider for the MEL. Mr. Prince noted he would keep everyone updated on the progress of the program. 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 reported the February 4th and September 16th Safety and Accident Review Committee Meeting Minutes were included in the agenda.

Ms. Violetti advised all of the members’ renewal information had been inputted into the Origami System.

Ms. Violetti reported at the May 12th Claims Committee Meeting, Rhonda Stahlberger from Premier Orthopaedic Associates conducted a presentation outlining how employees were receiving medical treatment virtually as opposed to going to a medical provider’s facility. Ms. Violetti referred to a copy of a memo she sent out to the member entities regarding Telemedicine, which was included in the agenda.

Ms. Violetti advised the following coverages for members could not be placed through the GCIC/NJCELJIF for its master programs at this time and it was determined the following bond/policies need to be renewed.

| Member | Coverage | Carrier | Exp. Date | Expiring Premium | Renewal Premium |
|---------------|-----------------|----------------|------------------|-------------------------|------------------------|
| Library | Notary Bond | CNA | 11/17/2020 | \$113.75 | \$113.75 |

MOTION TO AUTHORIZE THE UNDERWRITING SERVICES DIRECTOR TO RENEW THE POLICY AS OUTLINED ABOVE

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

Ms. Violetti advised the following renewals were in process and 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 noted if there was; she would seek direction from the member and then advise the Commissioners accordingly.

| Member | Coverage | Carrier | Exp. Date | Expiring Premium |
|---------------|---|---|------------------|-------------------------|
| County | Pollution Liability – Underground Storage Tanks | Liberty Surplus Insurance Companies | 10/30/2020 | \$3,780.10 |
| Library | Volunteer Accident | QBE | 11/23/2020 | \$350.00 |

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

Motion: Commissioner Burke
Second: Commissioner Jones
Vote: Unanimous

Ms. Violetti asked if anyone had any questions and concluded her report. Chairman Sheehan thanked Ms. Violetti for all of her assistance with the renewal information.

ATTORNEY: Mr. Carleton reported he did not have anything to report.

OLD BUSINESS:

NEW BUSINESS:

PUBLIC COMMENT:

MOTION TO OPEN MEETING TO PUBLIC

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| 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 ¹the meeting.

MOTION TO CLOSE THE MEETING TO THE PUBLIC

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| Moved: | Commissioner Burke |
| Second: | Commissioner Jones |
| Vote: | Unanimous |

CLOSED SESSION: Chairman Sheehan read and requested a motion to approve Resolution 66-20 authorizing a Closed Session to discuss PARS & SARS relating to pending or anticipated litigation as listed.

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

MOTION TO GO INTO CLOSED SESSION

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

MOTION TO RETURN TO OPEN SESSION

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

ROLL CALL OF COMMISSIONERS:

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

**MOTION TO APPROVE THE CLAIM SETTLEMENT DISCUSSION IN
CLOSED SESSION**

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

MOTION TO ADJOURN:

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

MEETING ADJOURNED: 1:32 PM

Minutes prepared by: Cathy Dodd, Assisting Secretary