

ATLANTIC COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – February 8, 2019
Freeholders' Meeting Room
Stillwater Building
201 Shore Road
Northfield, New Jersey 08225
11:02 A.M.

Meeting was called to order by Commissioner Robbins. Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF COMMISSIONERS:

Jacqueline Woods	Not Present
Tammi Robbins	Present
Janette Kessler	Present
Joseph Giraldo	Present
Michael Fedorko	Present

FUND PROFESSIONALS PRESENT:

Executive Director PERMA Risk Management Services	Brad Stokes
Claims Administrator	<u>Qual-Lynx</u> Karen Beatty Kathy Kissane
	<u>Conner Strong & Buckelew</u> Michael Cusak
CEL Underwriting Manager	Conner Strong & Buckelew
Attorney	James F. Ferguson
Treasurer	Bonnie Lindaw
Safety Director	J.A. Montgomery Risk Control Glenn Prince
Risk Management Consultant	Insurance Agencies, Inc. Michael Ridge
	Glenn Insurance Michael Thomas

ALSO PRESENT:

Rachel Chwastek, PERMA Risk Management Services
Chandra Anderson, Atlantic County
James Dugan, Atlantic County
Jonathan Czurnecki, JA Montgomery

APPROVAL OF MINUTES: OPEN MINUTES OF JANUARY 11, 2019.

MOTION TO APPROVE OPEN MINUTES OF JANUARY 11, 2019.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR'S REPORT:

Brad Stokes presented the Executive Director's report.

The 2019 Risk Management Plan was provided with the January agenda in order for members to review proposed changes. Minor changes include the dates. Additional changes are on page six and reflect the property damage deductible change from \$100,000 to \$250,000 with the CEL picking up the excess of \$150,000. The risk managers did follow up with Ed Cooney about questions they had on certain other deductibles. Mike Ridge noted they would review that during their report today. There were no questions on the revised Risk Management Plan.

MOTION TO APPROVE THE 2019 RISK MANAGEMENT PLAN.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

The CEL will hold their next meeting February 28, 2019 in Blackwood and it will be their reorganization meeting.

The Insurance Commission financial fast track for November 30, 2018 shows the Commission's statutory surplus is just over \$5 million. All years have been in the positive and continue to trend very well. The June and July PARS were heavy, but he believes the Fund has rebounded well.

The CEL financial fast track report as of November 30, 2018, shows a surplus of approximately \$14.2 million. Again all years are in the positive.

There is no meeting in March. The next meeting will be on April 5, 2019.

Last month we discussed that some updates were needed to the Rules and Regulations. The previously approved amendment has now been included in the final document and will be posted on the website. There were some further recommendations for changes. On page 19 article 6 Budgets, the rules currently read prepare the budget on or before November 15th, however, the budget is prepared in December, therefore, it is recommended to change the date to December 15th of each year. On page 20 the rules currently read no

later than December 1st the Commissioners shall adopt a budget, but we do not adopt the budget until the January meeting. It is recommended to change that date to January 15th of each year.

Mr. Stokes noted that Commissioner Kessler had pointed out that the duties of the CEL Commissioner are not specified in the rules. Mr. Stokes agrees it is a good idea to spell the duties out. It is anticipated all of the changes recommended will be made to the Rules and Regulations and they will be presented for approval during the April meeting.

Commissioner Kessler questioned why pages 25, 26 and 27 of the rules include wording with regard to handling health insurance claims. She does not believe that section is necessary since our Fund does not include health insurance. She also wanted to make sure that 45 days' notice was provided to the secretary prior to making any changes to the Rules and Regulations. Mr. Stokes did in fact give notice. He also indicated that if anyone has any further recommendations to present them before the April meeting.

Conner Strong had a cyber attack this past Monday which resulted in no access to email and other important documents. Mr. Stokes thanked everyone for their understanding and patience during that event. He also thanked Rachel for pulling together the agenda. He noted that as far as they could tell no personal data had been breached.

CLAIMS SERVICES: Michael Cusak reported that the Claims Committee met immediately prior to this meeting and discussed PARS which were all recommended for approval as discussed.

MOTION TO APPROVE THE PARS AS REVIEWED DURING THE CLAIMS COMMITTEE MEETING OF FEBRUARY 8, 2019.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

TREASURER: Bonnie Lindaw presented the February bills list which provides payments to multiple vendors and totals \$1,388,901.06. She reviewed the payments based on the approved budget for 2019 and noted the wrong certified budget for 2019 was posted on the website, but it has since been corrected. She has the checks which had to be handwritten in light of the cyber attack.

Ms. Lindaw also reported that the bank reconciliation for January is not yet complete. She provided her report based on the bank reconciliations for December. The Insurance Commission administrative account has a balance of \$4,923,177.67; the liability account has \$10,393.65 in outstanding checks from 2018. None of the checks are outdated. The workers' comp account has \$112,079.18 in outstanding checks. She contacted Qual-Lynx about one check from 2015 which should be escheated, reissued or cancelled.

MOTION TO APPROVE THE FEBRUARY BILLS LIST.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

CEL SAFETY DIRECTOR – JA MONTGOMERY RISK CONTROL:

Glenn Prince of JA Montgomery presented the safety report. The Safety Director’s report covers risk control safety activities for January and February. On January 4, 2019 a loss control visit to the Ventnor Library identified a couple of issues and the report will be forthcoming.

Mr. Prince included Safety Director’s Bulletins on planning for snow events, ADA accessible websites and injury reporting. He also included a matrix on the back page showing when a PEOSH notification should be made.

Mr. Prince introduced Jonathan Czurnecki, the new risk control consultant to join JA Montgomery.

MANAGED CARE – QUAL-LYNX:

Karen Beatty presented the claims services report. The Cumulative Summary shows 223 bills were repriced in January for a savings of 67.3%. The top ten provider list really has not changed much. The intake reporting shows 25 new claims were reported, 16 from the County and 9 from the ACUA.

Commissioner Kessler commented that she has noticed AtlantiCare has been keeping patients longer rather than referring them over to orthopedic specialty. She believes this referral should be happening sooner. Ms. Beatty explained their nurses and adjusters have a meeting scheduled next week to review and address this situation.

CLAIMS SERVICES – QUAL-LYNX:

Kathy Kissane had nothing to report.

RISK MANAGER’S REPORT:

Michael Thomas presented the Risk Manager’s report. Mike Ridge, Gene Siracusa and Mike Thomas had a meeting on January 29, 2019 and went through the Risk Management Plan in detail. They were able to clarify with Ed Cooney some questions they had on pages 8 and 9. The CEL is providing \$150,000 of property coverage on top of the Commission’s retention. This amount also applies to the earthquake and flood coverage. The deductible listed for those coverages is \$250,000 and last year it was \$100,000. However, the retention is still \$100,000 with the CEL providing the next \$150,000 of coverage.

They also clarified that the deductible for flood with respect to pumping stations, vehicles, mobile equipment and pistol ranges is still \$100,000 with the CEL picking up the next \$150,000 of coverage.

OLD BUSINESS: None.

NEW BUSINESS: None.

PUBLIC COMMENT:

Commissioner Robbins opened the meeting to public comment. Having neither heard nor seen any public comment the public session is closed. The next meeting will be held on April 5, 2019 at 11:00 A.M.

MOTION TO ADJOURN THE MEETING.

Motion: Commissioner Giraldo
Second: Commissioner Fedorko
Vote: 4 Ayes

MEETING ADJOURNED: 11:20 A.M.

Minutes prepared by: Chandra Anderson, Secretary