

ATLANTIC COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – May 11, 2018
Freeholders' Meeting Room
Stillwater Building
201 Shore Road
Northfield, New Jersey 08225
11:00 A.M.

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

PLEDGE OF ALLEGIANCE

ROLL CALL OF COMMISSIONERS:

Jacqueline Woods Present
Tammi Robbins Present
Janette Kessler Present
Joseph Giraldo Present
Geraldine Cohen 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 (Not Present)
Treasurer	Bonnie Lindaw (Not Present)
Safety Director	J.A. Montgomery Risk Control Glenn Prince
Risk Management Consultant	Insurance Agencies, Inc. Gene Siracusa
	Glenn Insurance Mike Thomas

ALSO PRESENT:

Rachel Chwastek, PERMA Risk Management Services
Chandra Anderson, Atlantic County
James Dugan, Atlantic County
Angelier Hurt, Atlantic County
Jabiel Santiago, Atlantic County
Eric Bause, Actuarial Advantage

APPROVAL OF MINUTES: OPEN MINUTES OF APRIL 6, 2018.

MOTION TO APPROVE OPEN MINUTES OF APRIL 6, 2018.

Motion: Commissioner Robbins
Second: Commissioner Kessler
Vote: 3 Ayes

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR'S REPORT:

Brad Stokes presented the Executive Director's report.

CERTIFICATE OF INSURANCE ISSUANCE REPORT: The report shows two certificates were issued for the time period of March 1, 2018 to March 28, 2018.

MOTION TO APPROVE CERTIFICATE OF INSURANCE ISSUANCE REPORT.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 3 Ayes

Mr. Eric Bause from Actuarial Advantage presented the actuary report on the fund year 2017. The report provides the IBNR (incurred but not reported) reserves which is for cases that are out there and have happened, but have not yet resulted in a claim. This includes reopeners. As of March 31, 2018 the case reserves were \$3,965,000, the total IBNR reserve was \$2,357,000, together they are the primary liabilities which are put into the financial statements. Mr. Stokes asked how the prior years' going forward will hold their own. Mr. Bause noted that he did not expect the prior years to grow unexpectedly because the reserves were appropriately placed. Mr. Stokes noted that the Gloucester and Camden Commissions were issued dividends for the first time this year. Mr. Stokes noted that he spoke to Commissioner Robbins about possibly having a smaller report, similar to the financial fast track, that could be sent out.

The CEL met on April 26, 2018. Tim Sheehan was sworn in as the Gloucester County Fund Commissioner. Contracts were also awarded for litigation management and the actuary.

Bowman and Company should have reached out to all members regarding the payroll audits.

The CEL plans on developing an on-line Risk Management Information System (RMIS). It is going out to RFP for competitive contract and is expected to be implemented over a two year period. Training will be available once this is implemented.

The Insurance Commission financial fast track for March 31, 2018 shows the Commission's statutory surplus at over \$5.7 million. All years have been in the positive and continue to trend very well.

The CEL financial fast track report as of March 31, 2018, shows a surplus of \$10.7 million.

The Claims Activity Report has claims from February and March. 16 claims were closed. Kathy Kissane noted that a lot of the 2015 workers' compensation claims are being resolved.

Commissioner Kessler commented that the underwriting report from the CEL meeting advised that in 2019 the property deductible will be increasing from \$100,000 to \$250,000. There will also be a rate increase for the 2019 renewal in light of the significant loss activity from prior years. We would have to decide within our Commission if we are going to pay that difference between \$100,000 to \$250,000 on the Commission level, or if we are going to change our deductibles. Mr. Stokes noted that is accurate. Commissioner Kessler also noted that everything she has read about property coverage for 2019 reports it will be increasing.

CLAIMS SERVICES: Michael Cusak reported that the Claims Committee met prior to the Commission meeting, discussed the open PARS and decided on an action plan. Kathy Kissane noted that she confirmed with Kim DeLaurentis that the change discussed would be sufficient for the outstanding bills.

TREASURER: Bonnie Lindaw was not present. Commissioner Robbins reported that Bonnie Lindaw was at a conference and not available. Resolution 16-18 is the May bills list which includes payments to the professionals and totals \$202,938.86. The resolution was recommended for approval. Checks will be mailed next week.

MOTION TO APPROVE RESOLUTION 16-18 THE MAY BILLS LIST.

Motion: Commissioner Kessler
Second: Commissioner Woods
Vote: 3 Ayes

CEL SAFETY DIRECTOR – JA MONTGOMERY RISK CONTROL:

Glenn Prince of JA Montgomery presented the safety report for April to May. Mr. Prince talked with Mr. Thomas about setting up future loss control visits and setting up the training program. The Safety Committee will meet immediately following this meeting.

MANAGED CARE – QUAL-LYNX:

Karen Beatty presented the claims services report. The Cumulative Summary shows that in March there was 55.3% in savings and April had 64% in savings. Savings for the year is at 58.1%. The report now includes the prior year numbers for reference.

For 2018 the ACUA has 26 claims reported and the County proper has 61 claims. There are no claims for the ACIA.

Ms. Beatty asked whether any members have utilized the new HealthMed Associates. Commissioner Kessler reported that she has used them several times. Their facility is convenient because they have longer hours than AtlantiCare. Ms. Beatty noted that the Jail sent an employee to the emergency room at

6:30 P.M. when HealthMed would have been able to see the employee and save money. Commissioner Woods asked whether Dr. Stern is the physician seeing patients. Ms. Beatty confirmed he is. It was also noted that Dr. Patel would be coming to the facility in the Summer and the Absecon location is open.

CLAIMS SERVICES – QUAL-LYNX:

Kathy Kissane reported the Claims Committee met prior to the Commission meeting and reviewed 5 PARS. The PARS were reviewed, amended, and recommended for approval by the Committee. Unless there are any other questions which would require a closed session she requests a motion for approval of the PARS as reviewed, amended and recommended by the Claims Committee.

MOTION TO APPROVE THE PARS AS REVIEWED AND AMENDED DURING THE CLAIMS COMMITTEE MEETING OF MAY 11, 2018.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 3 Ayes

RISK MANAGER’S REPORT:

Gene Siracusa presented the Risk Manager’s report. Mike Thomas attended the County’s internal safety meeting on April 23, 2018. Certificates of insurance were reviewed for the County. They also reviewed a request for a workers’ compensation audit by Bowman & Company for the ACIA. They reviewed a request for railroad protective liability for NJ Transit for work being done by the ACUA near railroad tracks.

OLD BUSINESS: None.

NEW BUSINESS: Commissioner Woods expressed thanks to Geraldine Cohen for serving as an alternate Commissioner. This is Warden Cohen’s last meeting as she will be retiring by the end of the month.

PUBLIC COMMENT:

Commissioner Woods 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 July 13, 2018 at 11:00 A.M.

MOTION TO ADJOURN THE MEETING.

Motion: Commissioner Robbins
Second: Commissioner Kessler
Vote: 3 Ayes

MEETING ADJOURNED: 11:20 A.M.

Minutes prepared by: Chandra Anderson, Secretary