

ATLANTIC COUNTY INSURANCE COMMISSION
OPEN MINUTES
MEETING – October 9, 2015
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

FUND PROFESSIONALS PRESENT:

Executive Director PERMA Risk Management Services **Joseph Hrubash for Brad Stokes**

Claims Administrator Qual-Lynx
Kathy Kissane
Karen Beatty
Katie Perry
Jeannie Pincus

Conner Strong & Buckelew
Danielle Batchelor

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
J. Eugene Siracusa

Glenn Insurance
Michael Thomas

ALSO PRESENT:

Joseph J. Giraldo, Atlantic County Improvement Authority
Rachel Chwastek, PERMA Risk Management Services
Michelle Savage, Atlantic County
Clayton Ingersoll, Atlantic County
Nancy Marzolino, Atlantic County
James T. Dugan, Atlantic County
Chandra Anderson, Atlantic County

APPROVAL OF MINUTES: OPEN MINUTES OF SEPTEMBER 11, 2015

MOTION TO APPROVE OPEN MINUTES OF SEPTEMBER 11, 2015.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 3 Ayes, 0 Nays

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR’S REPORT:

Executive Director Brad Stokes was not present. Mr. Joseph Hrubash presented the Executive Director’s report.

CERTIFICATE OF INSURANCE ISSUANCE REPORT:

Mr. Hrubash reported there were 13 Certificates of Insurance issued during the period of August 27, 2015 to September 30, 2015.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT.

Motion: Commissioner Robbins
Second: Commissioner Kessler
Vote: 3 Ayes, 0 Nays

Mr. Hrubash reported the proposed amendment to the Rules and Regulations to add two Alternate Commissions had its first reading at the last meeting. The County Executive with Freeholder approval would appoint those Alternate Commissioners. Jim Ferguson reported the amendment was considered and voted upon by the Freeholders and was approved. Once the action is taken by the Commission today he will report to the County Executive and request the Executive to appoint two Alternate Commissioners. The two proposed alternates’ names will go back to the Freeholders for approval. Then we will have alternates in place to avoid conflicts and keep a quorum intact. Mr. Hrubash gave credit to the Commission for taking this action and this may spark other Commissions to also appoint Alternate Commissioners.

MOTION TO OPEN PUBLIC COMMENT ON THE PROPOSED AMENDMENT.

Motion: Commissioner Woods
Second: Commissioner Robbins
Vote: 3 Ayes, 0 Nays

Commissioner Woods opened the amendment to public comment. Commissioner Kessler commented this change will be very beneficial for the Commission, but the Commission still needs to address how to handle conflict matters. The current amendment allows for a quorum, but doesn't address all conflict situations and she would like to see a conflict policy developed at some point in the future. Mr. Hrubash agreed that is a great recommendation and it will be addressed after the alternates are chosen. There was no other public comment.

MOTION TO CLOSE PUBLIC COMMENT ON THE PROPOSED AMENDMENT.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 3 Ayes, 0 Nays

MOTION TO APPROVE RESOLUTION 31-15 AMENDING THE COMMISSION RULES AND REGULATIONS TO INCLUDE ALTERNATE COMMISSIONERS.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 3 Ayes, 0 Nays

The CEL committee meeting was held on September 24, 2015. The 2014 audit was finalized and it was clean. Gloucester and Camden County Commissions have their second two year expiration coming up, and they already have the necessary resolutions before their Freeholder Boards. The CEL is looking at the Counties' aviation data with drones and weather balloons. An application is being distributed to collect the data in order to determine if there is need for an aviation policy. The underwriters reported the renewals for 2016 were moving along.

The financial fast track of our Commission shows that as of July 31, 2015 there is a surplus of \$424,592.

The CEL's financial fast track as of July 31, 2015 shows a surplus of over \$5.3 million and total cash of \$9.2 million. We are doing well as a group. Just about all of the Commissions are running some sort of surplus.

Claims tracking report shows a summary of claim activity for July and August 2015. There were 23 workers' compensation claims closed. Kathy Kissane explained they were seasonal, minor medical only claims which closed quickly. There were not many significant injuries. Mr. Hrubash noted that as we get into years two and three we'll have more history to look back on.

The third 2015 Property and Casualty Assessments were due on September 15, 2015.

The 2016 renewals are being worked on. Exposure data is being reconciled and the underwriter sent out applications for the ancillary coverages.

Non-owned and owned aircraft need to be reviewed for the 2016 budget. Each member will need to complete an application. If the member doesn't have any aircraft then they should state so on their application as there is no risk and no exposure. Mr. Prince commented that some Prosecutor's offices are using drones for narcotics surveillance. It's become very popular in the narcotics units for their investigations. The County will need to take this into consideration when completing the application.

Mr. Hrubash noted that during the Best Practices Workshop he discussed that during the ACORN conference he attended there was whole discussion about drones. There was a restaurant that wanted to add some ambiance to their facility and was using a drone, however, something went wrong with the controls and the drone hit a patron in the head. There was no proper insurance coverage in place. Another question is whether they are aircraft or non-aircraft.

Overseas coverage also needs to be addressed if there are employees traveling overseas.

CLAIMS SERVICES:

Danielle Batchelor, Esq. did not have anything to report.

TREASURER:

Bonnie Lindaw presented Resolution 32-15 the October 2015 Bills List. The bills included fourth quarter fees for Qual-Lynx claims administration, PERMA Executive Director, actuarial consulting fee, secretarial services, and risk managers fee. The total was \$200,815.78. Mr. Hrubash advised a voucher came in after the bill list was prepared from Qual-Lynx requesting payment for repricing bills in the amount of \$47,500, repricing bills is capped at \$190,000. This amount was confirmed and the fourth quarter payment was approved. The October bills list will be amended to include the additional payment of \$47,500 to Qual-Lynx. The new total will be \$248,315.78.

MOTION TO APPROVE RESOLUTION 32-15 THE OCTOBER 2015 BILLS LIST AS AMENDED TO INCLUDE THE PAYMENT OF \$47,500 TO QUAL-LYNX.

Motion: Commissioner Kessler
Second: Commissioner Woods
Vote: 3 Ayes, 0 Nays

CEL SAFETY DIRECTOR – JA MONTGOMERY RISK CONTROL:

Glenn Prince presented the safety report for September and October. The next safety meeting is after today's Commission meeting at 11:30 A.M. Topics to be covered will include recent claims received, 2016 NJ CEL Safety Catalog and additions to the media library. There are four ACUA training sessions for early November. Commissioner Kessler asked about sharing resources between Commissions. It would be a valuable addition to the CELJIF. Mr. Prince explained there have been discussions about sharing training sessions, however, it depends on the type of training. Equipment training must be the same equipment the employees are going to use in order to get the certification. Some training is site specific. Also, some locations are small and don't allow for a large class size, so this would have to be on a case by case basis. Commissioner Kessler said Jim Kickham is adding this discussion to the CEL's agenda. Mr. Prince advised there is a phone conference scheduled for today at 3:00 P.M. to further discuss training and training calendars. Mr. Hrubash asked whether a particular location is chosen for training sessions, and Mr. Prince advised it is County by County depending upon where they want the training. Health Department training for safe lifting would be at the Health Department in order to use their patient lifts used at their facility and their specific needs. Landscaping safety can be done anywhere. Forklift training involves specific equipment.

MANAGED CARE – QUAL-LYNX:

Karen Beatty presented the claims services report. The Managed Care Summary report shows for the month of September 2015 there was 50.1% overall savings with 92.4% PPO penetration rate, and year to date savings of 61.6% with 97.5% PPO penetration rate.

Commissioner Kessler questioned why the PPO penetration rate was at 92.4%, and Ms. Beatty explained there were out of state providers. The provider report shows the out of state bill was for an ACUA claim. Ms. Beatty noted it could have been an out of state lab used by a pain management doctor. She will do some research and report back to Commissioner Kessler.

For the month of September there were 14 reported claims, 12 for Atlantic County, and 2 for the ACUA. There were no claims for the Improvement Authority. Six of the claims were report only and eight required medical treatment.

CLAIMS SERVICES – QUAL-LYNX:

Kathy Kissane reported the Claims Committee met prior to the Commission meeting and reviewed two workers’ compensation PARS. The Committee voted to approve the PARS as recommended. Ms. Kissane asked for a Motion to approve the two PARS as approved and recommended.

MOTION TO APPROVE THE PARS AS REVIEWED DURING THE CLAIMS COMMITTEE MEETING OF OCTOBER 9, 2015.

Motion: Commissioner Robbins
Second: Commissioner Kessler
Vote: 3 Ayes, 0 Nays

EXECUTIVE SESSION: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

PUBLIC COMMENT:

Commissioner Woods opened the meeting to public comment. Having heard nor seen any public comment the public session is closed. The next meeting will be held on November 13, 2015 at 11:00 A.M.

MOTION TO ADJOURN THE MEETING.

Motion: Commissioner Kessler
Second: Commissioner Robbins
Vote: 3 Ayes, 0 Nays

MEETING ADJOURNED: 11:24 A.M.
Minutes prepared by: Chandra Anderson, Secretary