

**SCHOOLS HEALTH INSURANCE FUND
OPEN MINUTES
May 22, 2019
MOORESTOWN COMMUNITY HOUSE
12:00 PM**

Meeting of Board of Trustees called to order by Chair Collins
Open Public Meetings notice read into record.

PLEDGE OF ALLEGIANCE

ROLL CALL OF 2018-2019 BOARD OF TRUSTEES:

Trustee	BOE		
Joseph Collins	Delsea Regional BOE	Chairman	Present
Beth Ann Coleman	Collingswood BOE	Secretary	Present
Lisa Giovanelli	Rancocas Valley BOE		Present
Michael Colling	Medford Lakes BOE		Present
Christopher Lessard	Frankford Township BOE		Present
Christopher Destratis	Swedesboro-Woolwich BOE		Present
Evon Digangi	Mount Holly BOE		Absent
Jim Sekelsky	Hardyston Township BOE		Absent
Nicholas Bice	Burlington Township BOE		Present
Marie Goodwin	Medford Township BOE		Present
Christina Moskal	Ewing Township BOE		Present
Jason Schimpf	Kingsway Regional School District		Present

PRESENT FUND PROFESSIONALS:

FUND ADMINISTRATOR: PERMA Risk Management
Emily Koval
Shah Mapp

PROGRAM MANAGER: Conner Strong & Buckelew
Brandon Lodics
Jozsef Pfeiffer

FUND ATTORNEY: Ken Harris

FUND TREASURER: Ken Verrill
Lorraine Verrill

FUND ACTUARY: Absent

MEDICAL TPA AMERIHEALTH: Kristina Strain
Lane Hindman

MEDICAL TPA AETNA: Joe Rodrigues

MEDICAL TPA EXPRESS SCRIPTS: Kyle Colalillo
Ken Rostkowski

ALSO PRESENT

Rob Wachter, Mount Laurel BOE
Susan Morris, Conner Strong & Buckelew
Suzanne Ryan, Conner Strong & Buckelew
Kim Porter, CHB Group
Joel Sand, KTB
Susan Jarnagin, Gallagher
Lisa Sollenberger, Voorhees BOE
Helen Haley, Voorhees BOE
Tracey Capecci, Assured Partners

APPROVAL OF MINUTES: March 27, 2019 Open

MOTION TO APPROVE OPEN MINUTES OF MARCH 27, 2019

Moved:	Trustee Coleman
Second:	Trustee Giovanelli
Vote:	Unanimous

CORRESPONDENCE - Ms. Koval said a letter from Alexandria BOE thanking the wellness grant program for funding which assisted in the creation of a walking trail. Ms. Muscarella said there was a ribbon cutting ceremony which was very well received.

PUBLIC COMMENT - None

EXECUTIVE DIRECTORS REPORT

FINANCIAL FAST TRACK - as of March 31, 2019

Executive Director said that there was a significant addition to surplus in the month of March, with rebates from Express Scripts in the amount of \$750,000.

ORGANIZATIONAL RESOLUTIONS

As done in the past, the reorganization resolutions can be resolved at this meeting, making a policies and procedures effective July 1, 2019. Ms. Koval reviewed the resolutions that needed attention:

- Resolution 9-19: Since the Fund's footprint has moved outside of Southern Jersey, it is being recommended to include newspapers that cover the entire State. Our suggestion is to remove

Burlington Times and add the Star Ledger and Trenton Times for our publications. The website will remain.

- Resolution 10-19: Please note the Meeting Dates for 2019-2020.
- Resolution 12-19: The Risk Management Plan contains updated factors for claims ceded to the Municipal Reinsurance Health Insurance Fund and the reinsurance. As discussed in February, the aggregate retention limit has been removed as the value of this coverage lessens as the group size increased. This limit can always be repurchased.
- Resolution 13-19: As has always been in the past, broker fees are negotiated between the BOE and the firm and paid through the BOE's individual rates.

OPERATIONS & NOMINATIONS COMMITTEE

MEMBERSHIP GROWTH STATUS - We concluded the 2018/2019 year with membership growth of 15%. This follows growth averaging 24% per year for the preceding 2 years.

Following are membership summaries for 3 new members that would join for the 2019/2020 year.

As we are not near our new growth limit, and these applications do not include any policy exceptions, we invite the committee members to approve these new members via email. The Operations Committee reviewed and are recommending membership to the following groups. Ms. Koval reviewed each group.

MOTION TO APPROVE RESOLUTION 15-19 TO OFFER MEMBERSHIP:

Moved:	Trustee Giovanelli
Second:	Trustee Bice
Vote:	Unanimous

WELLNESS AND CLAIMS COMMITTEE

The Wellness Committee reviewed the Wellness Grant application for 2019-2020 and released it in early May. There has been a request to push the due date further. All applications are now due June 30, 2019 (included in the agenda for reference). A fully summary and resolution will be presented at the July meeting allowing for these programs to begin at the beginning of the 2019-2020 school year.

PROGRAM MANAGER'S REPORT

OPERATIONS UPDATES:

Online Enrollment System Training - The Executive Committee voted and approved mandatory use of the online enrollment system by each member group. If you need training or would like a refresher

course on the online enrollment system, please reach out to Karen Kidd at kkidd@permainc.com of PERMA.

Contact Information - Please direct any eligibility, enrollment, billing or system related questions to our dedicated SHIF Team. The team can be reached by email at CS.MB.SHIFenrollments@permainc.com or by fax at 856-552-4945

Monthly Billing -As a reminder, please be sure to check your monthly invoice for accuracy. If you find a discrepancy, please report it to the SHIF enrollment team. The Fund's policy is to limit retro corrections, *including terminations*, to 60 days. We have noticed an increase in requests for enrollment changes, billing changes, terminations and additions well past the 60 day time frame. Moving forward, it is of the utmost importance to review bills for rate and enrollment accuracy on a monthly basis. If there is an error, please bring it to the enrollment team's attention.

Broker Contact Information - Please direct any escalated claims, benefit coverages, prescription coverage, Medicare advantage or appeal related questions to our dedicated SHIF Client Servicing Team. The team can be reached by email at brokerservices@permainc.com.

Benefit Express Update

We have been notified that Benefit Express will be changing to a new COBRA and retiree billing system by the end of the May. This change will impact any member currently being direct billed for COBRA, Dep31 or retiree premiums by Benefit Express. The new system will offer additional payment options for members to pay their monthly premiums. Currently, the only form of payment they accept is a personal check however once the new system is implemented, members will be able to pay online, send in a check, or set up an ACH payment.

Benefit Express will be sent out notices in mid-May to all COBRA and retiree members advising them of the change, new payment coupons will also be included as the payment address is also being updated.

Sample letters are attached for your information.

AETNA UPDATES

No updates at this time.

AMERIHEALTH ADMINISTRATORS (AHA) UPDATES

No updates at this time.

Express Scripts (ESI) UPDATES

2019 Formulary Update:

ESI has announced that the National Preferred Formulary Guide (NPF) which the SHIF utilizes will be updated. Beginning 7/1/2019, the new Express Scripts formulary will go into effect for SHIF

members. Copies of the National Preferred Formulary and Exclusion list are included in this report.

There are approximately 15 SHIF members who will be impacted by the Formulary updated. Member impact letters were mailed in early May.

***For those entities on the Basic Formulary, there will be no updates.

SaveOnSP Update:

SaveonSP continues to monitor the specialty medication market and associated manufacturer copay assistance programs to align the program with the available copay manufacturer assistance funds to maximize your savings opportunity. With that, we are adding 10 new therapeutic classes, modifying certain copays and will be removing 6 medications. **Effective 7/1/2019, the SaveonSP program will cover 19 therapeutic classes and over 150 medications.** Please see the below drug list for the medications being added to the program

- **Addition:** There are 10 new therapeutic classes added to the list; SaveonSP Program now covers medication in 19 therapeutic classes. Members impacted will receive a notification letter informing them their drug qualifies for a \$0 Copay.
- **Removal:** There are 6 medications being removed from the program. *Communication Plan:* outbound phone calls will be made to all members on one of the below medications:
 - ESI Formulary Exclusions 7/1/2019: Ampyra, Gleevec, Kisqali, Zytiga
 - Copay assistance program no longer available Hycamtin
 - Copay assistance reduced significantly Imatinib Mesylate

SaveOn identified two members impacted by the newly added drugs. There are no members who are impacted by the removal of drugs.

ADMINISTRATIVE & LEGISLATIVE MANDATE UPDATES

SHIF Activity Update: Rahway Board of Education joined the SHIF on 5/1 for Medical only. This group was a takeover direct from Aetna. Implementation went as expected with no issues. ID cards were received prior to the effective date.

We are currently working to implement the below new lines of coverage for July 1st.

Implementations are going as planned with no issues thus far.

New SHIF Membership:

- Glen Ridge Board of Education, 245 Members – Medical, Prescription, and Dental
- Mansfield Board of Education, 75 Members – Medical Only
- Paulsboro Board of Education, 148 Members – Medical Only
- Northern Burlington County School District, 304 Members – Medical Only
- Sparta Board of Education, 467 members – Medical Only
- Woodbury City Board of Education, 200 members – Medical and Prescription

The following existing groups are joining for additional lines of coverage:

- Township of Franklin Public Schools – Dental
- Kingsway Regional School District – Prescription
- Lebanon Board of Education – Prescription and Dental

Open Enrollment Update: Open Enrollment officially closed on Friday May 17th. We ask that all open enrollment changes be entered into the Benefit Express enrollment system no later than **Friday May 24th**. If your group needs to extend open enrollment, and you have not contacted our office, please do so as soon as possible. Late enrollment entries will cause delays in generating member ID cards.

Watchung Hills is requesting a special open enrollment for an October 1st effective date. The group is currently wrapping up negotiations on a new collective bargaining agreement and would like to allow membership to make changes.

Healthy Learn Wellness Portal: All SHIF groups have access to the HealthyLearn Wellness Portal. This portal is powered by the American Institute for Preventive Medicine, a leading provider of source based clinical content. The site is a compete home-base of wellness and clinical data. Some high-level features include:

- Wellness tip of the day
- An “ask a coach” feature (coach emails back and forth with member)
- Clinical and symptom checker
- Wellness videos
- Broad wellness information
- Information on a broad range of healthcare topics
- Financial wellness information

Link - www.healthylearn.com/connerstrong.

Please feel free to include this portal in any wellness communications or on a school Intranet.

ADMINISTRATIVE AUTHORIZATIONS

<u>Appeal</u>	<u>Type</u>	<u>Outcome</u>
Medical	Medical Necessity	Denial Upheld

TREASURER – The bills list and Treasurer’s report was included in the Agenda.

Confirmation of Payment – April 2019

FUND YEAR

AMOUNT

FUND YEAR 2018/2019	\$1,830,211.43
TOTAL ALL FUND YEARS	\$1,830,211.43

RESOLUTION #16-19 - MAY 2019 BILLS LIST

FUND YEAR	AMOUNT
FUND YEAR 2018/2019	\$1,303,850.76
TOTAL ALL FUND YEARS	\$1,303,850.76

MOTION TO APPROVE RESOLUTION 16-19 THE APRIL AND MAY 2019 BILLS LIST AND TREASURERS REPORT AS PRESENTED:

MOTION:	Trustee Colling
SECOND:	Trustee Giovanelli
VOTE:	Unanimous

GUARDIAN NURSES - Ms. Long reviewed her utilization report which showed continued increase in visits, including the chronic care visits. She said that her team is available to go to member's locations to describe the program and answer questions.

FUND ATTORNEY - Fund Attorney reviewed the Senate Bill 3743. The most significant impact is the change in maximum required employee contribution for health insurance premiums. Chapter 78 established a sliding scale for employee contributions based upon the level of coverage and salary. To summarize employees are required to contribute between 9% up to 35% of the premium for family coverage based upon a salary range of from \$45,000 to \$110,000 and over. The proposed legislation establishes an annual maximum dollar amount for the premium contribution which, in general, is less than the Chapter 78 contribution requirements and at the maximum 35% contribution level is \$3,000 less than the Chapter 78 contribution level for family coverage under an Aetna PPO \$15 copay plan.

There is some confusing text in the proposed bill in that it says that the contribution to be withheld from the employees wages for health care benefits is "as that amount of contribution is specified by an applicable resolution, collective negotiations agreement or other means." It is not clear to me whether the intent of this language is to provide that BOEs can negotiate different/larger contribution amounts since the introductory text says employee contributions shall not exceed the levels provided in S.3743. It appears to me that the contribution limits in the bill are less than what employees would currently be paying under Chapter 78, so does this mean the cost of health insurance paid by the BOEs is automatically increased and that paid by employees reduced, upon the expiration of current negotiated contracts or do the BOEs have the ability to negotiate rates other than as stated in S.3743. The statement to the bill says "The bill clarifies that the amount of contribution to be paid by an employee for health care benefits coverage will be determined by means of a binding collective negotiations agreement."

The other part of the bill requires that for each type of coverage, e.g. individual, family, parent/child, employee/other, that each plan have 4 levels of coverage based on out-of-pocket costs inclusive of copayments and deductibles.

If this bill is passed, and the contribution levels, which do not have an inflation adjustment, are adopted as the maximum contribution by employees, BOEs are going to experience significant financial difficulties in paying for employee health benefits.

AETNA – Joe Rodrigues reviewed report included in agenda. Stated to correct the record that all service metrics have been meant for the fiscal year.

AMERIHEALTH – Reviewed report. It was requested to include a diagnosis of the high claimants included in report to mirror Aetna’s report.

HORIZON- None

EXPRESS SCRIPTS – Reviewed report included in agenda.

DELTA – Not present.

CONSENT AGENDA-

MOTION TO APPROVE THE CONSENT AGENDA AS DISCUSSED WITH AMENDMENTS TO RESOLUTIONS 8-19 AND 14-19:

MOTION:	Trustee Coleman
SECOND:	Trustee Bice
VOTE:	Unanimous

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT:

MOTION TO ADJOURN:

MOTION:	Trustee Moskal
SECOND:	Trustee Lessard
VOTE:	Unanimous

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: July 24, 2019
Moorestown Community House
12:00pm

Shah Mapp, Assisting Secretary
Date Prepared: May 30, 2019