

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: APRIL 23, 2019
FRANKLIN LAKES, NEW JERSEY
12:00 P.M.**

Meeting called to order by Chairman Gregory Hart. The Open Public Meeting Notice was read into the record.

ROLL CALL OF 2019 EXECUTIVE COMMITTEE:

Chairperson		
Gregory Hart	Borough of Franklin Lakes	Present
Secretary		
Richard Kunze	Borough of Oakland	Present
Executive Committee	Members	
Hugo Poli	Village of Ridgely Park	Present
Joseph Catenaro	Fairfield Township	Present
Gregory Franz	Borough of Edgewater	Present
Donna Gambutti	Twp of S. Hackensack	Absent
Jerry Giannis	Borough of Saddle River	Present
Alternates		
Matthew Cavallo	Township of Verona	Absent
Bob Kakoleski	Borough of Rutherford	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	Paul Laracy Emily Koval Shah Mapp
Attorney	Huntington Bailey, LLP	Russ Huntington
Treasurer	Joseph Iannaconi	Joseph Iannaconi
Third Party Administrator	Aetna	Joseph Rodrigues
Dental Claims Administrator	Delta Dental of NJ, Inc.	Kim White
Auditor	Lerch, Vinci & Higgins	Absent
Actuary	John Vataha	Absent
Independent Consultant	LaMendola Associates	Absent
Benefits Consultant	Conner Strong	Jozsef Pfeiffer Maggie Friel
RX Administrator	Express Scripts	Kyle Colalillo

OTHERS PRESENT:

Frank Covelli, PIA
Matt McArow, GJEM Agency
Tom Ucko, IMAC Agency
Carolyn Petrowski, Voza Agency

CORRESPONDENCE - None

APPROVAL OF MINUTES:

MOTION TO APPROVE THE PRESENTED OPEN MINUTES OF FEBRUARY 26, 2019:

MOTION:	Commissioner Poli
SECOND:	Commissioner Kakoleski
ROLL CALL VOTE:	6 Ayes, 0 Nays

EXECUTIVE DIRECTORS REPORT

FAST TRACK FINANCIAL REPORTS – as of February 28, 2019

Executive Director Mrs. Koval said there was a deficit this month and a slight deficit last month due to increase in prescriptions and increase in PEPM for Aetna. More detail pertaining to Aetna will be given to the strategic planning committee.

IBNR - ACTUARY CERTIFICATION - At the end of each Fund year, the Actuary must certify that the Fund is reserving enough funds for incurred but not reported (IBNR) claims. The Actuary has reviewed the claims and financial fast track through the end of the year and has determined a range for which he believes will be a conservative reserve. Enclosed on page 5 is his certification and range development. This will be filed with the annual audit in June.

FINANCIAL DISCLOSURE STATEMENTS - As done in prior years and required by State law, each Fund Commissioner is required to complete a Financial Disclosure Statement through the Department of Community Affairs. The 2019 notice with instructions has been released. The deadline to file is April 30, 2019. Fines will be issued for noncompliance. A listing of compliance is included on page 8.

STRATEGIC PLANNING COMMITTEE - The Committee is scheduled to meet on 4/18/2019 and an update will be provided at the meeting.

Chair Hart stated that a strategic planning task force was established. The purpose of the strategic planning is to reaffirm the mission and goals. There is plan to have no more than 4 task force sessions.

WELLNESS COMMITTEE - The Wellness Committee received an application from the Borough of Oakland requesting funding for a wellness program. The application and funding request is included in Appendix II. The program will consist of multiple phases of which employees must participate in wellness related seminars/screenings, etc. The Borough is asking for \$10,000 each year from BMED, but the total cost will be up to \$33,671 by 2020. Since the Wellness is an annual decision, we ask for authorization to approve this program for one year and review again in 2020. Ms. Koval reviewed the program and explained that it is similar to the program that the North Jersey Fund follows, which has been successful, so far.

MOTION TO APPROVE THE OAKLAND WELLNESS PROGRAM, AS PRESENTED:

MOTION: Commissioner Franz
SECOND: Commissioner Catenaro
VOTE: 6 Ayes, 0 Nays

WELLNESS PROGRAM

Chair Hart introduced Dianne McClain. McClain stated that she started the wellness program for BMED and that she is a certified spin instructor and also an ex-marathon runner. She is currently working on a packet to bring to the different municipalities and expose them to a structured wellness program that is BMED supported. She said she was available to all medical members.

BENEFIT'S CONSULTANT'S REPORT

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND (MRHIF)

2019 MEL & MRHIF Educational Seminar is scheduled for Friday, May 3rd. The workshop will be held at the National Conference Center in East Windsor and will begin at 9:00 am. The workshop provides professional Continuing Education credits for CFOs/CMFOs, Public Works, Municipal Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees and insurance producers associated with MEL and MRHIF members as well as personnel who work for service companies engaged by MEL member JIFs and MRHIF member HIFs to attend and earn CE credits. The registration form for the Seminar is included in this agenda.

AETNA UPDATES

Beginning 3/1/2019, Aetna is changing its policy regarding colorectal cancer screenings. To align with the American Cancer Society's current guidelines for average risk individuals, colorectal cancer screenings will be covered beginning at age 45 vs. the current policy of age 50.

EXPRESS SCRIPTS (ESI) UPDATES

We have been advised that there has been a change in classification for a class of drugs known as "PCSK9s" and include brand names Praluent and Repatha. These medications (which lower LDL or bad cholesterol) became widely available in 2015 and were originally classified as specialty drugs due to the high retail cost and concerns about efficacy, safety and adherence. Effective May 8th, ESI is reclassifying PCSK9 inhibitors as traditional medications which will reduce member cost-share and provide patients with increased retail pharmacy access options to obtain the medications. ESI will begin a communication campaign to impacted members:

- Beginning March 13th, members were be notified via email about the reclassification
- In April, letters will be sent to members who are currently filling scripts for these drugs through Accredo (ESI specialty pharmacy) offering members these options:
 1. Transfer current PCSK9 scripts to their retail pharmacy by contacting Accredo and requesting the transfer.
 2. Request a new script from their doctor to have filled at their in-network retail pharmacy.

2019 FORMULARY UPDATE - ESI has announced that the National Preferred Formulary Guide (NPF) which the BMED utilizes will be updated. Beginning 7/1/2019, the new Express Scripts formulary will go into effect for BMED members. Copies of the National Preferred Formulary and Exclusion list are included in this report.

There are approximately 6 BMED members who will be impacted by the Formulary updated. Member impact letters are scheduled to be mailed in early May.

ADMINISTRATIVE & LEGISLATIVE MANDATE UPDATES

No updates to report at this time

ADMINISTRATIVE AUTHORIZATIONS

One small claim appeal, which was approved by the Small Claims Committee, is being requested for ratification in consent.

FUND ATTORNEY - Fund Attorney said there is nothing to report at this time.

TREASURER - Fund Treasurer said his report is included in the Agenda.

Confirmation of Payment - March 2019

FUND YEAR	AMOUNT
FY 2019	\$462,706.29
TOTAL	\$462,706.29

Resolution 18-19 - April 2019 Bills List

FUND YEAR	AMOUNT
FY 2018	\$9,689.00
FY 2019	\$471,073.89
TOTAL	\$480,762.89

BOARD ADVISOR- None

AETNA - THIRD PARTY ADMINISTRATOR - Not present.

PHARMACY NETWORK (Express Scripts) - Mr. Colalillo reviewed the report and stated that the fund actually had a trend of approximately 12%. BMED currently has an active membership of around 2000.

DELTA DENTAL - Reviewed the report

MOTION TO APPROVE THE CONSENT AGENDA, AS DISCUSSED.

MOTION:

Commissioner Catenaro

**SECOND:
VOTE:**

Commissioner Giamis
6 Ayes, 0 Nays

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN

**MOTION:
SECOND:
VOTE:**

Commissioner Kunze
Commissioner Poli
Unanimous

MEETING ADJOURNED: 1:00 pm

NEXT MEETING: June 25, 2019
Franklin Lakes Borough
12:00 P.M.

Shah Mapp, Assisting Secretary
Date Prepared: June 14, 2019