

SELF-INSURANCE FUND COMMISSION OF THE CITY OF HOBOKEN

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DAWN ZIMMER
Mayor



Stephen Marks, Chairman
Linda Landolfi, Commissioner
Michael Russo, Commissioner

MINUTES OF THE WEDNESDAY, JANUARY 25, 2017 MEETING

Meeting called to order at 6:08p.m.

The Open Public Meeting Act statement read by the Chairman.

ROLL CALL: Linda Landolfi, Michael Russo and Stephen Marks were present.

ALSO PRESENT: Quentin W. Wiest, former Business Administrator; Patrick Wherry, Municipal Manager for the City of Hoboken; Daisy Amado, secretary for the commission and Mike Atkinson, Benefits Department-Fairview Insurance Agency.

APPROVAL OF MINUTES OF DECEMBER 28, 2016 MEETING:

Commissioner Russo moved to approve the minutes with a second from Commissioner Landolfi and all members present in favor.

CLAIMS REVIEW: Cumulative Self Insurance Activity for the City of Hoboken through January 20 for UMR and through January 22 for Horizon handout reviewed by all members.

Mike Atkinson advised he has been working with Anna Acoella and Joe Ciampa in connection to the claims reserve and it has been a struggle. Contract states we have a year after termination of plan so we have to wait until the end of May. Currently they are drawing down and we are not replenishing the monies. Commissioner Russo suggested we reach out to Ulysses "Yulie" Diaz since he now works for Horizon and he may be able to assist us.

Discussion regarding no employee piercing the \$250,000 spec level. Commissioner Russo requested a breakdown from January to January comparison to see why we are slightly higher this year. Commissioner requested number of patients and number of claims, basic metrics to understand what the numbers are. Quentin mentioned number of eligible employees was 992 active and retirees and that is the number we were working with, however now Horizon says it's up to 1005 and they were going to give us some incentives if employees were over 1,000. Mike Atkinson will provide breakdown to Commission. Discussion as to contract period, year to date surplus numbers, and City currently under budget.

RENEWAL OF DENTAL AND PRESCRIPTION PLANS:

Chairman advised the City renewed its dental plan for one straight year. Julie Graham of Fairview walked us through it and the numbers were extremely competitive. If we had considered doing self-insurance it would not be worth it. We are still with Horizon for one year.

Mike Atkinson provided commission with a Prescription Benefits Renewal Proposal binder dated March 1, 2017. Benecard provided a flat renewal and included a return of savings for the renewal policy. The other carriers who provided quotes were: Maxor, and Bollinger/Caremark. Maxor is a prepaid prescription program and their proposal is 6.8% under current rate for the \$3/\$5 plan and -1.8% under current rates for the \$5/\$10 plan. Bollinger/Caremark is an insured program where Bollinger is the administrator and Caremark is the PBM. Their rates are 15.8% higher than our current rate. Discussion as to employees and Chapter 78. Benecard plan offered mirrors current rate. Chairman raised question as to City paying health benefits for two or three employees at NHSA. Commission discussed three employees grandfathered in. Commissioner Landolfi will provide those names to Fairview. Commissioner Russo requested the prescription renewal for the retirees be broken down.

The prescription renewal plan needs to go before the City Council before March 1st. We have a placeholder for the Council Meeting of February 1st.

Commissioner Landolfi made a motion for the City to renew the prescription benefits with Benecard with a second from Commissioner Russo and all members present in favor.

NEW BUSINESS:

- Quentin mentioned how pharmacies may offer a discount if we use them more and this could help keep costs down if you focus on certain pharmacies. He suggested we have educational discussions with employee groups in connection to their pharmacy choice. Chairman Russo said we can take the top ten pharmacies and negotiate. PBM stands for Prescription Benefit Manager.
- Mike Atkinson provided a standard Stop Loss Disclosure Statement from RMDS for Chairman Marks' signature – form was executed and original returned to Mr. Atkinson.
- Quentin mentioned employees utilizing New York hospitals and us paying a New York surcharge which reduces claims.
- Commissioner Russo discussed with Chairman two instances of employee/retirees/spouses complaints of denied claims. Chairman has had several conversations with persons having issues and Fairview has also been very helpful with same.

Commissioner Landolfi made a motion to adjourn the meeting with a second from Chairman Marks and all members present in favor.

Meeting was adjourned at 7:13 p.m.