

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA AND REPORTS
DECEMBER 14, 2017 – 9 AM**

**Via teleconference
Please dial 1-866-921-5493 and
Enter passcode 7269691#**

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I. Advertising the notice in the South Jersey Times**
- II. Filing advance written notice of this meeting with the Commissioners of the SALEM COUNTY INSURANCE FUND COMMISSION; and**
- III. Posting notice on the Public Bulletin Board in the Salem County Courthouse and the Salem County Administration Building and filing it with the County Clerk**

**SALEM COUNTY INSURANCE FUND COMMISSION
AGENDA - OPEN PUBLIC MEETING
DECEMBER 14, 2017 – 9:00 AM**

- MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**
- ROLL CALL OF COMMISSIONERS**
- APPROVAL OF MINUTES: October 5, 2017 Open Minutes.....Appendix I**

- CORRESPONDENCE - None**

- EXECUTIVE DIRECTOR/ADMINISTRATOR – PERMA.....Page 1**

- COMMITTEE REPORTS**
 - Claims Committee Report.....Verbal**

- TREASURER – Katie Coleman**
 - Resolution 19-17 Bills List.....Page 9**

- CEL SAFETY DIRECTOR – J.A. Montgomery Risk Control**
 - Monthly Report Page 10**

- CLAIMS SERVICE – Inservco Insurance Services**
 - Monthly Savings Report..... Page 15**

- EXECUTIVE SESSION**

- Motion for Executive Session for Certain Specified Purposes for Personnel, Safety, Public Property or Litigation in accordance with the Open Public Meeting Act - PAYMENT AUTHORIZATION REQUEST**

- Motion to Return to Open Session**
- Motion to Approve PARS**

- OLD BUSINESS**
- NEW BUSINESS**
- PUBLIC COMMENT**

- MEETING ADJOURNMENT**

SALEM COUNTY INSURANCE FUND COMMISSION

9 Campus Drive, Suite 216

Parsippany, NJ 07054

Date: December 14, 2017

Memo to: Commissioners of the Salem County Insurance Fund Commission

From: PERMA Risk Management Services

Subject: Executive Director's Report

- Certificate of Insurance Issuance Report:** Attached on **Pages 2 & 3** are the Certificate of Insurance Issuance Reports from the CEL listing those certificates issued for the period of September 1, 2017 to October 31, 2017. There were 4 certificates of insurance issued during this period.
 - Motion to approve the Certificate of Insurance reports.**

- NJ Excess Counties Insurance Fund (CELJIF)** – The CEL met on October 26, 2017 and introduced the 2018 Budget and it was approved on November 16, 2017. At the October meeting the Fund Commissioners adopted a resolution authorizing the release of a \$200,000 dividend from the 2010 and 2011 Fund Years. Summary reports of both meetings will appear in the next agenda. The next meeting of the CEL will be on February 22, 2018.

- Financial Fast Track** – Included on **Pages 4 & 5** of the agenda are the Financial Fast Tracks for the Salem County Insurance Fund Commission as of August 30, 2017 and September 31, 2017.

- NJ CEL Property and Casualty Financial Fast Track** – Included in the agenda on **Page 6** is a copy of the NJ CEL Financial Fast Track Report as of **October 31, 2017**. The report indicates the Fund has a surplus of **\$8,562,765**.

- Reporting of Claims to Claims Made Policies Prior to 12/31/17 Expiration Date** Included in the agenda on **Pages 7 & 8** is a copy of a memorandum from Michelle Leighton regarding reporting of claims to claims made policies prior to 12/31/17. Ms. Leighton will review the information with the Commission.

Salem County Insurance Comm.

Certificate of Insurance Monthly Report

From 9/1/2017 To 9/30/2017

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - New Jersey State Council I - Salem County	on the Arts P.O. Box 306 Trenton, NJ 08625	Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4056379 RE: 2018 Grant Evidence of Insurance as respects the New Jersey State Council on the Arts 2018 Grant.	9/5/2017 #1748263	GL AU EX WC OTH
H - New Jersey Transit I - Salem County	One Penn Plaza East Newark, NJ 07105	Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4056379 RE: Vehicle 16-1858 NJ Transit is Additional Insured and Loss Payee if required by written contract as respects to Vehicle 16 1858 Vin# - 1FD4E4FS1HDC62198.	9/5/2017 #1748267	GL AU EX WC OTH
H - NJ Dept of Human Services, I - Salem County	Division of Aging Services PO Box 807 Trenton, NJ 08625	Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4056379 RE: Area Plan Grant Evidence of Insurance as respects required documentation of insurance to complete application for funding through the Area Plan Grant.	9/19/2017 #1755269	GL AU EX WC OTH
Total # of Holders: 3				

10/02/2017

1 of 1

Salem County Insurance Comm.
Certificate of Insurance Monthly Report

From 10/1/2017 To 10/31/2017

Holder (H)/ Insured Name (I)	Holder / Insured Address	Description of Operations	Issue Date/ Cert ID	Coverage
H - NJ Department of Human Services I - Salem County	(Dept of Disability Services) 11A Quakerbridge Plaza PO Box 705 Hamilton, NJ 08625	Company E: XS Worker Compensation Statutory x \$1,000,000 XS Employers Liability \$5,000,000 x \$1,000,000 Policy Term 1/1/17 to 1/1/18 Policy # SP4056379 RE: Personal Assistance Services Program 2018 Evidence of Insurance as respects Personal Assistance Services Program 2018 contract renewal.	10/25/2017 #1776009	GL AU EX WC OTH
Total # of Holders: 1				

SALEM COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF August 31, 2017					
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1. UNDERWRITING INCOME	124,222	993,773	6,175,098	7,168,871	
2. CLAIM EXPENSES					
Paid Claims	75,056	352,521	2,055,838	2,408,359	
Case Reserves	(92,448)	(54,665)	1,282,814	1,228,149	
IBNR	76,391	100,182	458,467	558,650	
Discounted Claim Value	(623)	(676)	(47,387)	(48,063)	
TOTAL CLAIMS	58,377	397,362	3,749,733	4,147,094	
3. EXPENSES					
Excess Premiums	56,544	452,352	3,146,285	3,598,638	
Administrative	7,014	56,199	331,712	387,911	
TOTAL EXPENSES	63,558	508,552	3,477,997	3,986,549	
4. UNDERWRITING PROFIT (1-2-3)	2,287	87,859	(1,052,632)	(964,773)	
5. INVESTMENT INCOME	6	27	21	48	
6. PROFIT (4 + 5)	2,293	87,886	(1,052,611)	(964,724)	
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259	
8. DIVIDEND INCOME	0	0	0	0	
9. DIVIDEND EXPENSE	0	0	0	0	
10. INVESTMENT IN JOINT VENTURE	1,786	(4,390)	84,494	80,103	
11. SURPLUS (6 + 7 + 8)	4,079	83,496	(966,858)	(883,362)	
SURPLUS (DEFICITS) BY FUND YEAR					
2012	3	(3,154)	(161,808)	(164,962)	
2013	21	(50,306)	(392,759)	(443,065)	
2014	8	1,329	(208,312)	(206,983)	
2015	8	50	(552,833)	(552,783)	
2016	20	79,392	348,854	428,246	
2017	4,020	56,184		56,184	
TOTAL SURPLUS (DEFICITS)	4,079	83,496	(966,858)	(883,362)	
TOTAL CASH					
				602,700	
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2012					
Paid Claims	579	40,753	226,909	267,662	
Case Reserves	(579)	(39,391)	44,813	5,422	
IBNR	0	(1,363)	3,592	2,229	
Discounted Claim Value	0	1,483	(1,786)	(303)	
TOTAL FY 2012 CLAIMS	0	1,483	273,527	275,010	
FUND YEAR 2013					
Paid Claims	25,922	33,269	784,234	817,503	
Case Reserves	(27,600)	16,674	355,192	371,866	
IBNR	1,678	57	19,837	19,894	
Discounted Claim Value	0	(568)	(11,630)	(12,198)	
TOTAL FY 2013 CLAIMS	0	49,432	1,147,633	1,197,065	
FUND YEAR 2014					
Paid Claims	18,480	74,808	513,021	587,829	
Case Reserves	(53,889)	(108,264)	227,070	118,806	
IBNR	35,408	28,456	33,910	62,366	
Discounted Claim Value	0	1,817	(7,564)	(5,747)	
TOTAL FY 2014 CLAIMS	(0)	(3,183)	766,437	763,254	
FUND YEAR 2015					
Paid Claims	525	36,378	411,730	448,108	
Case Reserves	(8,025)	20,447	520,015	540,462	
IBNR	7,500	(58,787)	232,797	174,009	
Discounted Claim Value	0	1,876	(17,672)	(15,796)	
TOTAL FY 2015 CLAIMS	0	(86)	1,146,869	1,146,784	
FUND YEAR 2016					
Paid Claims	109	62,685	119,944	182,628	
Case Reserves	(1,109)	(57,039)	135,725	78,686	
IBNR	1,000	(87,646)	168,332	80,686	
Discounted Claim Value	0	4,049	(8,734)	(4,685)	
TOTAL FY 2016 CLAIMS	0	(77,951)	415,266	337,315	
FUND YEAR 2017					
Paid Claims	29,442	104,628		104,628	
Case Reserves	(1,247)	112,907		112,907	
IBNR	30,805	219,465		219,465	
Discounted Claim Value	(623)	(9,333)		(9,333)	
TOTAL FY 2017 CLAIMS	58,377	427,667	0	427,667	
COMBINED TOTAL CLAIMS	58,377	397,362	3,749,733	4,147,094	

SALEM COUNTY INSURANCE COMMISSION					
FINANCIAL FAST TRACK REPORT					
AS OF September 30, 2017					
ALL YEARS COMBINED					
	THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1. UNDERWRITING INCOME	124,222	1,117,995	6,175,098	7,293,092	
2. CLAIM EXPENSES					
Paid Claims	122,050	474,570	2,055,838	2,530,408	
Case Reserves	(177,629)	(232,294)	1,282,814	1,050,520	
IBNR	(32,301)	67,882	458,467	526,349	
Discounted Claim Value	4,481	3,805	(47,387)	(43,582)	
TOTAL CLAIMS	(83,399)	313,963	3,749,733	4,063,695	
3. EXPENSES					
Excess Premiums	56,544	508,896	3,146,285	3,655,182	
Administrative	7,011	63,210	331,712	394,922	
TOTAL EXPENSES	63,555	572,107	3,477,997	4,050,104	
4. UNDERWRITING PROFIT (1-2-3)	144,066	231,925	(1,052,632)	(820,707)	
5. INVESTMENT INCOME	4	31	21	52	
6. PROFIT (4 + 5)	144,070	231,956	(1,052,611)	(820,654)	
7. CEL APPROPRIATION CANCELLATION	0	0	1,259	1,259	
8. DIVIDEND INCOME	0	0	0	0	
9. DIVIDEND EXPENSE	0	0	0	0	
10. INVESTMENT IN JOINT VENTURE	10,779	6,389	84,494	90,882	
11. SURPLUS (6 + 7 + 8)	154,849	238,345	(966,858)	(728,513)	
SURPLUS (DEFICITS) BY FUND YEAR					
2012	1,567	(1,587)	(161,808)	(163,395)	
2013	70,251	19,945	(392,759)	(372,814)	
2014	50,196	51,525	(208,312)	(156,788)	
2015	50,010	50,061	(552,833)	(502,772)	
2016	32,499	111,891	348,854	460,745	
2017	(49,674)	6,511		6,511	
TOTAL SURPLUS (DEFICITS)	154,849	238,345	(966,858)	(728,513)	
TOTAL CASH					
				480,655	
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2012					
Paid Claims	0	40,753	226,909	267,662	
Case Reserves	0	(39,391)	44,813	5,422	
IBNR	0	(1,363)	3,592	2,229	
Discounted Claim Value	21	1,505	(1,786)	(282)	
TOTAL FY 2012 CLAIMS	21	1,505	273,527	275,032	
FUND YEAR 2013					
Paid Claims	110,106	143,374	784,234	927,609	
Case Reserves	(173,294)	(156,620)	355,192	198,572	
IBNR	(8,290)	(8,233)	19,837	11,604	
Discounted Claim Value	4,422	3,854	(11,630)	(7,776)	
TOTAL FY 2013 CLAIMS	(67,057)	(17,625)	1,147,633	1,130,008	
FUND YEAR 2014					
Paid Claims	0	74,808	513,021	587,829	
Case Reserves	0	(108,264)	227,070	118,806	
IBNR	(50,000)	(21,544)	33,910	12,366	
Discounted Claim Value	1,633	3,451	(7,564)	(4,114)	
TOTAL FY 2014 CLAIMS	(48,367)	(51,549)	766,437	714,887	
FUND YEAR 2015					
Paid Claims	1,753	38,131	411,730	449,861	
Case Reserves	(8,253)	12,194	520,015	532,209	
IBNR	(43,500)	(102,287)	232,797	130,509	
Discounted Claim Value	1,248	3,124	(17,672)	(14,548)	
TOTAL FY 2015 CLAIMS	(48,752)	(48,838)	1,146,869	1,098,031	
FUND YEAR 2016					
Paid Claims	0	62,685	119,944	182,628	
Case Reserves	(1,605)	(58,644)	135,725	77,080	
IBNR	(29,395)	(117,040)	168,332	51,291	
Discounted Claim Value	809	4,857	(8,734)	(3,876)	
TOTAL FY 2016 CLAIMS	(30,191)	(108,143)	415,266	307,124	
FUND YEAR 2017					
Paid Claims	10,191	114,819		114,819	
Case Reserves	5,524	118,431		118,431	
IBNR	98,884	318,349		318,349	
Discounted Claim Value	(3,652)	(12,985)		(12,985)	
TOTAL FY 2017 CLAIMS	110,947	538,614	0	538,614	
COMBINED TOTAL CLAIMS	(83,399)	313,963	3,749,733	4,063,695	

NEW JERSEY COUNTIES EXCESS JIF					
FINANCIAL FAST TRACK REPORT					
AS OF October 31, 2017					
ALL YEARS COMBINED					
	THIS	YTD	PRIOR	FUND	
	MONTH	CHANGE	YEAR END	BALANCE	
1.	UNDERWRITING INCOME	1,755,721	17,557,208	97,465,900	115,023,108
2.	CLAIM EXPENSES				
	Paid Claims	38,151	509,671	2,721,199	3,230,870
	Case Reserves	(157,302)	990,273	2,624,454	3,614,727
	IBNR	414,036	1,319,083	9,575,203	10,894,286
	Discounted Claim Value	(14,394)	(94,684)	(715,004)	(809,687)
	TOTAL CLAIMS	280,491	2,724,344	14,205,852	16,930,196
3.	EXPENSES				
	Excess Premiums	1,324,972	13,111,723	67,102,915	80,214,638
	Administrative	132,868	1,305,784	7,163,639	8,469,423
	TOTAL EXPENSES	1,457,840	14,417,507	74,266,554	88,684,061
4.	UNDERWRITING PROFIT (1-2-3)	17,389	415,357	8,993,494	9,408,851
5.	INVESTMENT INCOME	2,036	32,246	229,221	261,466
6.	PROFIT (4+5)	19,426	447,603	9,222,714	9,670,317
7.	Dividend	200,000	200,000	300,000	500,000
8.	Cancelled Appropriations	0	0	607,551	607,551
9.	SURPLUS (6-7-8)	(180,574)	247,603	8,315,163	8,562,766
SURPLUS (DEFICITS) BY FUND YEAR					
	2010	(99,920)	(244,057)	722,132	478,075
	2011	(99,866)	12,075	921,187	933,262
	2012	137	(14,238)	554,609	540,371
	2013	248	90,980	1,277,188	1,368,168
	2014	305	(3,308)	2,048,737	2,045,429
	2015	335	169,502	989,944	1,159,445
	2016	383	262,492	1,801,366	2,063,858
	2017	17,804	(25,842)		(25,842)
	TOTAL SURPLUS (DEFICITS)	(180,574)	247,603	8,315,163	8,562,765
	TOTAL CASH				24,047,702
CLAIM ANALYSIS BY FUND YEAR					
FUND YEAR 2010					
	Paid Claims	410	810	164,355	165,165
	Case Reserves	(410)	84,835	1	84,836
	IBNR	0	70,000	164,999	234,999
	Discounted Claim Value	0	(10,134)	(2,805)	(12,938)
	TOTAL FY 2010 CLAIMS	0	145,511	326,550	472,061
FUND YEAR 2011					
	Paid Claims	2,960	32,560	396,667	429,227
	Case Reserves	(2,960)	(60,335)	407,372	347,037
	IBNR	0	(87,225)	380,961	293,736
	Discounted Claim Value	0	5,376	(39,146)	(33,770)
	TOTAL FY 2011 CLAIMS	0	(109,624)	1,145,854	1,036,230
FUND YEAR 2012					
	Paid Claims	3,149	328,260	1,132,971	1,461,231
	Case Reserves	(7,793)	(228,806)	430,462	201,656
	IBNR	4,644	(101,957)	844,069	742,112
	Discounted Claim Value	0	19,383	(69,604)	(50,221)
	TOTAL FY 2012 CLAIMS	0	16,881	2,337,897	2,354,778
FUND YEAR 2013					
	Paid Claims	4,010	(219,679)	516,427	296,748
	Case Reserves	(248,320)	148,974	623,730	772,704
	IBNR	244,311	(4,295)	1,009,843	1,005,548
	Discounted Claim Value	0	(11,573)	(86,001)	(97,575)
	TOTAL FY 2013 CLAIMS	0	(86,573)	2,063,999	1,977,425
FUND YEAR 2014					
	Paid Claims	3,372	88,434	268,119	356,553
	Case Reserves	81,419	350,011	141,719	491,731
	IBNR	(84,791)	(443,445)	1,750,161	1,306,716
	Discounted Claim Value	0	13,723	(101,570)	(87,847)
	TOTAL FY 2014 CLAIMS	0	8,723	2,058,430	2,067,153
FUND YEAR 2015					
	Paid Claims	0	97,809	242,661	340,469
	Case Reserves	5,000	231,006	1,021,082	1,252,087
	IBNR	(5,000)	(523,814)	2,311,258	1,787,443
	Discounted Claim Value	0	31,684	(204,420)	(172,736)
	TOTAL FY 2015 CLAIMS	0	(163,316)	3,370,580	3,207,264
FUND YEAR 2016					
	Paid Claims	0	0	0	0
	Case Reserves	1	250,028	88	250,116
	IBNR	(1)	(539,028)	3,113,912	2,574,884
	Discounted Claim Value	0	33,338	(211,458)	(178,120)
	TOTAL FY 2016 CLAIMS	0	(255,662)	2,902,542	2,646,880
FUND YEAR 2017					
	Paid Claims	24,250	181,477		181,477
	Case Reserves	15,761	214,560		214,560
	IBNR	254,874	2,948,848		2,948,848
	Discounted Claim Value	(14,394)	(176,480)		(176,480)
	TOTAL FY 2017 CLAIMS	280,491	3,168,405	0	3,168,405
	COMBINED TOTAL CLAIMS	280,491	2,724,344	14,205,852	16,930,196

SALEM COUNTY INSURANCE FUND COMMISSION

To: Fund Commissioners
From: Michelle Leighton
Date: December 14, 2017

Re: VERY IMPORTANT – Reporting to “Discovery” or “Claims Made and Reported” Policies Prior to 12/31/17 Expiration Date

As a reminder, the following policies are set to expire on 12/31/17:

Member(s)	Coverage Line	Carrier	Policy No.
Salem County	Public Officials & Employment Practices Liability	Lexington Insurance Company	06-520-84-63
Salem County	Cyber	National Union Fire Insurance Company of Pittsburgh, PA	05-933-10-13
Salem County	Healthcare Professional & General Liability	Lexington Insurance Company	6796617 (Primary)
Salem County	Healthcare Professional & General Liability	Lexington Insurance Company	6796618 (Excess)
Salem County	Crime	National Union Fire Insurance Company of Pittsburgh, PA	04-582-09-11

These policies, or portions of these policies, provide coverage on a “discovery” or “claims-made and reported” basis. ***With these types of coverage, any loss discovered or claim made against you MUST be reported during the same policy year within which you discovered the loss or received the claim.*** Therefore, it is imperative that any claim, potential claim, or facts and circumstances that may give rise to a claim be reported to your insurance company prior to the policy expiration.

You should refer to the terms and conditions in your complete policies for specific reporting requirements and coverage triggers. However, with respect to the Public Officials & Employment Practices Liability Policy and the Employed Lawyers Professional Liability Policy, claims generally involve allegations of a wrongful act committed by an insured. With respect to the Cyber Policy, claims typically involve a security failure or a privacy event. With respect to the Healthcare Professional & General Liability Policy, claims involve allegations of injury/damages caused by a healthcare professional. Finally, with respect to the Crime Policy, claims generally involve theft.

Please conduct a review “sweep” of any Public Officials & Employment Practices Liability, Employed Lawyers Professional Liability, Cyber, Healthcare Professional & General Liability, or Crime claims, suits and/or incidents of which you (or anyone else in your organization) may be aware, which need to be reported to the carrier prior to the expiration date of 12/31/16. Please keep in mind that these policies are “discovery” or “claims made and reported” policies, and failure to timely report a discovered loss or claim (or potential claim of which you are aware) is likely to result in a denial of coverage from the insurance carrier.

Given that the above-referenced policies expire during a holiday time period, please follow your usual claim reporting procedures, and provide notice to your Risk Manager, AJM Insurance Management, no later than **Monday, 12/18/17** for reporting to **Conner Strong & Buckelew** no later than **Thursday, 12/21/17.**

Any claims matters emailed to Conner Strong should be emailed to ClaimsTeamC@connerstrong.com, with a copy to Michelle Leighton at mleighton@connerstrong.com or fax to 856-685-2221. Please contact Michelle Leighton if you have any questions or concerns, including whether a claim or incident should be reported. Michelle can be reached by email at mleighton@connerstrong.com or telephone at 856-552-4842.

RESOLUTION NO. 19-17

**SALEM COUNTY INSURANCE FUND COMMISSION
BILLS LIST**

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the Salem County Insurance Fund Commission, hereby authorizes the Commission Treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Commission.

FUND YEAR 2016

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000202			
000202	BOWMAN & COMPANY LLP	BALANCE AUDITOR FEE 10/16/2017 - FY'16	4,959.00
			4,959.00
TOTAL PAYMENTS FY 2016			4,959.00

FUND YEAR 2017

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
000203			
000203	INSERVCO INSURANCE SERVICE INC	CLAIMS ADMIN - NOV - DEC 2017	3,783.32
			3,783.32
000204			
000204	PERMA RISK MANAGEMENT SERVS	POSTAGE FEE 09/2017	1.61
			1.61
TOTAL PAYMENTS FY 2017			3,784.93

TOTAL PAYMENTS ALL FUND YEARS \$ 8,743.93

Chairperson

Attest:

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer

**SALEM COUNTY INSURANCE COMMISSION
SAFETY DIRECTOR'S REPORT**

TO: Fund Commissioners
FROM: J.A. Montgomery Risk Control, Safety Director
DATE: December 11, 2017

**October - December 2017
RISK CONTROL ACTIVITIES**

David McHale, Public Sector Director dmchale@jamontgomery.com Office: 732-736-5213 Cell: 732-673-4802	Glenn Prince, Associate Public Sector Director gprince@jamontgomery.com Office: 856-552-4744 Cell: 609-238-3949	Natalie Dougherty, Executive Assistant ndougherty@jamontgomery.com Office: 856-552-4738
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MEETINGS ATTENDED / LOSS CONTROL VISITS AND TRAINING CONDUCTED

- **October 5:** Attended the SCIC Meeting in Salem.
- **October 17:** Attended the SCIC Claims Committee Meeting via conference call.
- **October 21:** Attended the SCIC Claims Committee Meeting via conference call.
- **November 21:** Attended the SCIC Claims Committee Meeting via conference call.
- **December 7:** One session of Chain Saw Chipper Safety and one session of Snow Plow/Snow Removal Safety training was conducted for SCIC.

UPCOMING MEETINGS / LOSS CONTROL VISITS PLANNED

- **December 14:** Plan to attend the SCIC Meeting in Salem.
- **December 19:** Plan to attend the SCIC Claims Committee Meeting via conference call.

CEL VIDEO LIBRARY USAGE

- No videos utilized in 2017.

SAFETY DIRECTOR BULLETINS

- October is Fire Prevention Month – October 9.

- Disposal of Improperly Discarded Syringes – December 1.

October is Fire Prevention Month

National Fire Protection Association has declared the 2017 theme to be, “*Every Second Counts: Plan 2 Ways Out!*”. In a fire, seconds count. Seconds can mean the difference between residents of our community escaping safety from a fire or having their lives end in tragedy.

Here is a short fire safety quiz to test your knowledge of fire prevention, fire protection, and fire safety:

1. How often should an ABC fire extinguisher in your home be replaced?

- a. 10 - 12 years
- b. 20 - 25 years
- c. Never, if not used

10 – 12 years

2. Why is Fire Prevention Week always the week of October 9th?

- a. To commemorate the Great Chicago Fire
- b. To commemorate the Great Roman Fire
- c. To commemorate the Triangle Shirtwaist Fire

Great Chicago Fire

3. How often should smoke detectors be replaced?

- a. After a fire
- b. Every 5 years
- c. Every 10 years

Every 10 years

4. Most fire deaths occur where?

- a. In motor vehicles
- b. In the home
- c. In the workplace
- d. In a place of assembly, restaurant, theater, casino, etc.

In the home

5. What age group has the greatest chance of dying in a fire in the home?

- a. Infants
- b. Pre-teen age children
- c. Young adults
- d. Adults
- e. Senior citizens

By far, the two age groups who are most likely to die in a fire at home are:
 Infants & Senior citizens

Fire safety is not just for the workplace. Homes – where are children and perhaps elderly parents are – represent a significant fire hazard to what and who we hold dear. Protect them by going home and doing these things tonight:

- Test your smoke detector by pushing the button. Check the date of manufacture. Replace if over 10 years old.
- Check your fire extinguisher’s date of manufacture. Replace if over 10 years old.
- Hold a fire drill with your family. Know two ways out. Know to call 9-1-1 from OUTSIDE the house.

This bulletin is intended for general information purposes only. It should not be construed as legal advice or legal opinion regarding any specific or factual situation. Always follow your organization’s policies and procedures as presented by your manager or supervisor. For further information regarding this bulletin, contact your Safety Director at 877.398.3046.



EVERY SECOND COUNTS

PLAN **2** WAYS OUT!™



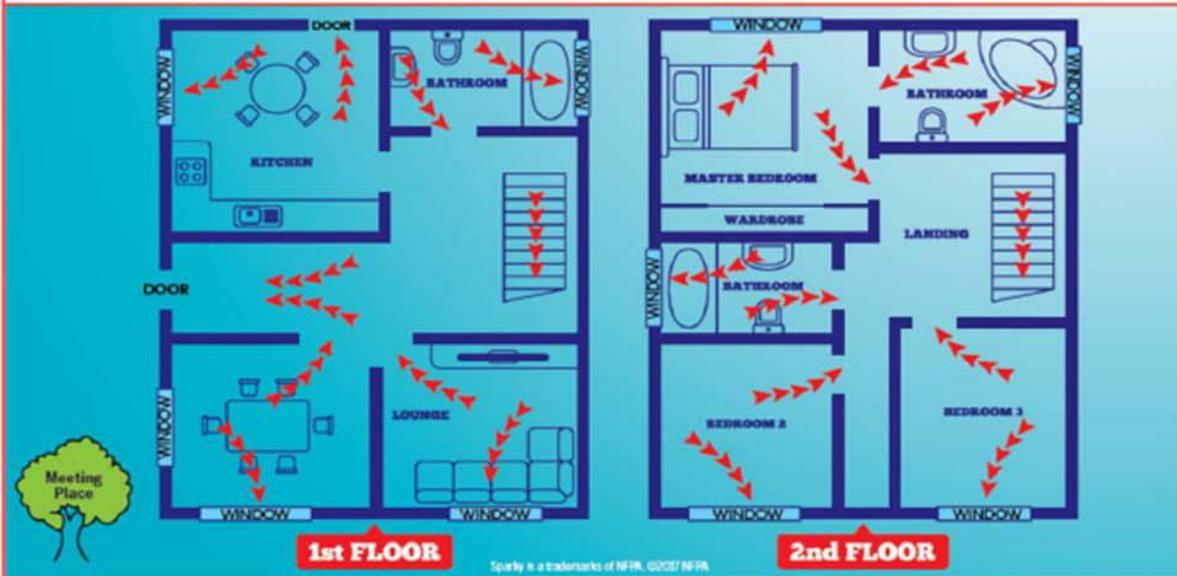
FIRE PREVENTION WEEK

OCTOBER 8–14, 2017

firepreventionweek.org

©NFPA 2017. Sparky™ is a trademark of the NFPA.

- Draw a map of your home. Show all doors and windows.
- Visit each room. Find two ways out.
- All windows and doors should open easily. You should be able to use them to get outside.
- Make sure your home has smoke alarms. Push the test button to make sure each alarm is working.
- Pick a meeting place outside. It should be in front of your home. Everyone will meet at the meeting place.
- Make sure your house or building number can be seen from the street.
- Talk about your plan with everyone in your home.
- Learn the emergency phone number for your fire department.
- Practice your home fire drill!
- Make your own home fire escape plan using the grid provided on page 2.



Disposal of Improperly Discarded Syringes

Depending on your department policies, select the option below that best reflects how employees should respond when they discover an improperly discarded syringe. Amend your BBP Exposure Control Plan to reflect these procedures.

OPTION – Do not touch the syringe, but instead notify the proper agency to collect the syringe

There is a possibility that in the course of cleaning our parks, playgrounds, restrooms, and other places around town, that you may discover a syringe that was left there by someone. The syringe could be used for a lawful purpose, such as by a person with diabetes who was careless, or it could have been dropped by a user of illegal drugs. There is no way of telling which, and either way, it does not matter. ALL syringes and other contaminated sharps will be treated as follows:

1. DO NOT HANDLE OR PICK UP THE SYRINGE.
2. Secure the area so that no one intentionally or accidentally come in contact with the syringe. This can mean standing there, placing a cone over it, or by some other means. You can imagine a child in the park, investigating what you were doing and the potentially disastrous outcome if they find the syringe.
3. Call WHO [Identify the department your agency will notify to come and properly pick-up and dispose of the syringe and provide the phone number. Also give after- hours or emergency contact numbers.]
4. Notify your supervisor and continue to maintain control of the area until the syringe is removed.

OPTION – Pick-up the syringe and dispose of it properly

There is a possibility that in the course of cleaning our parks, playgrounds, restrooms, and other places around town, that you may discover a syringe that was left there by someone. The syringe could be used for a lawful purpose, such as by a person with diabetes who was careless, or it could have been dropped by a user of illegal drugs. There is no way of telling which, and in the end, it does not matter. ALL syringes and other contaminated sharps will be handled in this manner:

1. NEVER INTENTIONALLY HANDLE A SYRINGE WITH YOUR HANDS, EVEN IF WEARING GLOVES. You must use a tool, such as pliers or a piece of paper / cardboard to pick up a syringe. [Demonstrate sliding paper / cardboard under a syringe.]
2. After picking up the syringe with a tool, drop it into a puncture-resistant container such as a soda or ice-tea bottle with a wide mouth and screw-on cap. [Departments may consider providing proper sharps containers, such as a plastic or cardboard sharp shuttle for employees.]
3. If you are using a make-shift container, place a label on it. [Departments should have a supply of red biohazard labels. HOLD UP A SAMPLE LABEL.]
4. Tape the lid or cap in place and you can then throw the bottle in a normal trash container – not a recycling container.
5. Notify your supervisor of the incident.

If you do stick yourself with the syringe, immediately report it to your supervisor

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F I R S T
MCO
First Managed Care Option

2740 Route 10,, Suite 304, Morris Plains, NJ 07950
Tel: (973)257-5200 Fax: (973)257-2288

October 02, 2017

Staci Ulp

Inservco
3150 Brunswick Pike

LAWRENCEVILLE, NJ 08648

Re: Monthly Reports

Dear Staci Ulp:

Enclosed please find the monthly reports for SALEM COUNTY INS FUND, which include the following:

- Savings Report for September, 2017

There were no appeals processed during the month of September

If you have any questions, or if I can be of additional assistance, please contact me at 973-257-5267.

Sincerely,

Bruce Nash
President

Enclosure

CC : Veronica George, Inservco

Roby Walcoff, SALEM COUNTY INS FUND

Nancy Fowlkes, Inservco

Karen Read, SALEM COUNTY INS FUND



First Managed Care Option, Inc.

First MCO Bill Review Services

SALEM COUNTY INS FUND

Medical Savings by Month

NJ

Month of Reprice Service	Provider Billed Amount	First MCO Repriced	U & C / Fee Schedule	Savings	% of Savings	# of Bills	In Network	Out Of Network	% PPO Penetration	# of Appeals	FMCO Fee
Total 2013	\$358,432	\$148,272	\$244,402	\$210,160	59%	238	188	50	79%	0	\$42,032
Total 2014	\$559,839	\$242,972	\$459,691	\$316,867	57%	279	226	53	81%	0	\$62,318
Total 2015	\$291,510	\$166,300	\$324,272	\$125,210	43%	209	163	46	78%	1	\$25,490
Total 2016	\$509,117	\$213,989	\$421,284	\$295,128	58%	161	136	25	84%	4	\$53,332
Jan-17	\$8,783	\$5,843	\$9,665	\$2,940	33%	11	5	6	45%	0	\$351
Feb-17	\$28,469	\$17,670	\$24,614	\$10,799	38%	16	13	3	81%	0	\$2,130
Mar-17	\$2,166	\$1,322	\$3,544	\$844	39%	7	6	1	86%	0	\$169
Apr-17	\$9,794	\$4,804	\$8,242	\$4,990	51%	5	5	0	100%	0	\$855
May-17	\$589	\$315	\$507	\$274	46%	3	2	1	67%	0	\$55
Jun-17	\$14,817	\$9,255	\$16,407	\$5,562	38%	19	18	1	95%	0	\$854
Jul-17	\$74,664	\$36,352	\$58,064	\$38,311	51%	26	25	1	96%	1	\$7,766
Aug-17	\$5,096	\$2,842	\$5,607	\$2,254	44%	6	5	1	83%	0	\$451
Sep-17	\$1,943	\$1,175	\$1,943	\$768	40%	6	6	0	100%	0	\$140
Total 2017	\$146,321	\$79,579	\$128,594	\$66,742	46%	99	85	14	86%	1	\$12,770
Total to Date	\$1,865,219	\$851,112	\$1,578,243	\$1,014,107	54%	986	798	188	81%	6	\$195,941

F I R S T

MCO

First Managed Care Option

SALEM COUNTY INS FUND / Inservco

Savings Report for NJ

For the Period of: 09/01/2017 to 09/30/2017

Patient Name	Account Claim #	Provider Name	DOS Period	Invoice / EOR Number	Inv./ EOR Date	No Of Lines	Provider Charge	Provider Allowance	U & C Fee	Network Savings	FMCO Fee
Employer Name: SALEM COUNTY INSURANCE FUND COMMISSION											
EFELIS, NICHOLAS	3780000414	US Regional II	09/07/2017	2368114300	09/29/2017	1	\$287.00	\$210.28	\$360.89	\$76.72	\$15.34
PEREZ, ERIC	3780000413	US Regional II	09/01/2017	2366058000	09/21/2017	1	\$287.00	\$210.28	\$360.89	\$76.72	\$15.34
SMITH, JOHN	3780000378	US Regional II	02/06/2017	2363794400	09/11/2017	1	\$157.00	\$136.10	\$222.93	\$20.90	\$4.18
Zane, Lucy	3780000410	Premier Orthopaedic Associates of Southern New Jersey	08/10/2017	2365906100	09/21/2017	1	\$630.00	\$300.00	\$420.08	\$330.00	\$66.00
Zane, Lucy	3780000410	Synergy Joint & Spine LLC	08/07/2017	2361964300	09/01/2017	1	\$241.26	\$28.86	\$241.26	\$212.40	\$28.86
Zane, Lucy	3780000410	Synergy Joint & Spine LLC	08/07/2017	2362101100	09/01/2017	1	\$341.00	\$289.38	\$361.47	\$51.62	\$10.32
Employer Totals:						6	\$1,943.26	\$1,174.80	\$1,987.62	\$788.38	\$140.04
NJ Jurisdiction Totals:						6	\$1,943.26	\$1,174.80	\$1,987.62	\$788.38	\$140.04

F I R S T

MCO

First Managed Care Option

SALEM COUNTY INS FUND / Inservco
Account Savings Summary

For the Period of: 09/01/2017 to 09/30/2017

Lines Processed	Provider Charge	Provider Allowance	U & C Fee	Network Savings	Total Reduction Amount	FMCO Fee
<u>6</u>	<u>\$1,943.26</u>	<u>\$1,174.90</u>	<u>\$1,987.52</u>	<u>\$768.36</u>	<u>\$768.36</u>	<u>\$140.04</u>

F I R S T
MCO
First Managed Care Option

2740 Route 10,, Suite 304, Morris Plains, NJ 07950
Tel: (973)257-5200 Fax: (973)257-2288

November 01, 2017

Staci Ulp

Inservco
3150 Brunswick Pike

LAWRENCEVILLE, NJ 08648

Re: Monthly Reports

Dear Staci Ulp:

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- Savings Report for October, 2017

There were no appeals processed during the month of October

If you have any questions, or if I can be of additional assistance, please contact me at 973-257-5267.

Sincerely,

Bruce Nash
President

Enclosure

CC : Veronica George, Inservco

Roby Walcoff, SALEM COUNTY INS FUND

Nancy Fowlkes, Inservco

Karen Read, SALEM COUNTY INS FUND

F I R S T
MCO
First Managed Care Option

SALEM COUNTY INS FUND / Inservco

Savings Report for NJ

For the Period of: 10/01/2017 to 10/31/2017

Patient Name	Account Claim #	Provider Name	DOS Period	Invoice Number	Inv./ EOR Date	No Of Lines	Provider Charge	Provider Allowance	U & C Fee	Network Savings	P / NP	FMCO Fee
Employer Name: SALEM COUNTY INSURANCE FUND COMMISSION												
DACCIAIO, ROXIE	3780000399	US Regional II	09/29/2017	2374532800	10/30/2017	5	\$328.54	\$283.42	\$609.80	\$45.12	P	\$9.02
MCINTOSH, FRITZ	3780000358	Premier Orthopaedic Associates of Southern New Jersey	09/06/2017	2374113100	10/27/2017	1	\$350.00	\$135.00	\$223.04	\$215.00	P	\$43.00
MCINTOSH, FRITZ	3780000358	Terence W. Murphy MD PA	11/18/2016	2369877400	10/06/2017	1	\$4,500.00	\$1,800.00	\$4,500.00	\$2,700.00	P	\$540.00
SHAHER, SHARON	3780000418	US Regional II	09/22/2017	2369072300	10/05/2017	2	\$461.00	\$273.29	\$544.83	\$187.71	P	\$37.54
SHAHER, SHARON	3780000418	US Regional II	09/27/2017	2371854000	10/17/2017	1	\$157.00	\$136.10	\$222.93	\$20.90	P	\$4.18
SMITH, JOHN	3780000378	Kinematic Consultants, Inc.	08/29/2017	2369791100	10/06/2017	1	\$900.00	\$725.00	\$1,116.48	\$175.00	P	\$35.00
SMITH, JOHN	3780000378	Premier Orthopaedic Associates of Southern New Jersey	09/18/2017	2374581600	10/30/2017	1	\$350.00	\$135.00	\$223.04	\$215.00	P	\$43.00
Employer Totals:						12	\$7,046.54	\$3,487.81	\$7,440.12	\$3,668.73		\$711.74
NJ Jurisdiction Totals:						12	\$7,046.54	\$3,487.81	\$7,440.12	\$3,668.73		\$711.74

F I R S T

MCO

First Managed Care Option

SALEM COUNTY INS FUND / Inservco

Account Savings Summary

For the Period of: 10/01/2017 to 10/31/2017

Lines Processed	Provider Charge	Provider Allowance	U & C Fee	Network Savings	Total Reduction Amount	FMCO Fee
<u>12</u>	<u>\$7,046.54</u>	<u>\$3,487.81</u>	<u>\$7,440.12</u>	<u>\$3,558.73</u>	<u>\$3,558.73</u>	<u>\$711.74</u>

APPENDIX I – MEETING MINUTES

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – OCTOBER 5, 2017
104 MARKET STREET
SALEM, NJ 9:00 AM**

Meeting called to order and Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

Robert Vanderslice	Absent
Katie Coleman	Present
Jessica Bishop	Present

FUND PROFESSIONALS PRESENT:

Executive Director	PERMA Risk Management Services Bradford Stokes Karen A. Read
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ALSO PRESENT:

Thomas Narolewski, AJM Insurance Management
Michael Mulligan, Salem County
Amy Zieders, Inservco
Keith Platt, Inservco
Nancy Fowlkes, Inservco
Glenn Prince, JA Montgomery
Michelle Leighton, Conner Strong & Buckelew
Edward Cooney, Conner Strong & Buckelew
Jessica Alters, First MCO
James Miles, Bowman & Company
Dennis Skalkowski, Bowman & Company

APPROVAL OF MINUTES: OPEN SESSION OF AUGUST 3, 2017

MOTION TO APPROVE THE OPEN MINUTES OF AUGUST 3, 2017

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

2016 Audit Report – (Pages 3-5) The Auditor’s Report as of December 31, 2016 has been sent under separate cover to Fund Commissioners. Mr. Jim Miles and Dennis Skalkowski from Bowman & Company will give a report at the meeting and following that, the Board will be asked to formally adopt Resolution 17-17 approving year end financials along with the Group Affidavit. Mr. Skalkowski reviewed the 2016 Audit Report and said it was a clean opinion with no findings or recommendations. The Report on Internal Controls was a clean opinion as well. The total assets increased by \$331,000 to \$735,000. Total Liabilities increased by \$622,000 to \$1.7 million which brought a net deficit of \$966,000 which is roughly \$300,000 over the prior year.

Executive Director said with no questions being heard a motion would be in order to approve the year end financials.

MOTION TO APPROVE YEAR END FINANCIALS AS OF DECEMBER 31, 2016 AS PRESENTED, ADOPT RESOLUTION 17-17 AND EXECUTE THE GROUP AFFIDAVIT.

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: Unanimous

Certificate of Insurance Issuance Report: Attached on Pages 6 & & are the Certificate of Insurance Reports from the CEL listing those certificates issued for the period of July 1, 2017 to August 31, 2017. There were 3 certificate of insurance issued for that period.

MOTION TO APPROVE THE CERTIFICATE OF ISSUANCE REPORTS

Moved: Commissioner Bishop
Second: Commissioner Coleman
Vote: Unanimous

NJ Excess Counties Insurance Fund (CELJIF) - The CELJIF met on September 28, 2017. The next meeting of the Fund is scheduled for October 26, 2017. The CEL will introduce the 2018 budget on October 26, 2017 and the Budget Adoption is scheduled for November 16, 2017.

Financial Fast Track – Included on Pages 8 & 9 of the agenda is the Financial Fast Track for the Salem County Insurance Fund Commission as of June 30, 2017 and July 31, 2017. The Commission shows a significant deficit as of July 31st of \$887,441. Executive Director said 2016 has trended well and in the positive at \$428,000 as is 2017. Executive Director said the Commission is up by \$80,000 as opposed to this time last year showing some improvement. Executive Director said we will keep an eye on the prior years and hopefully be able to lower some of the reserves on those year as well.

NJ CEL Property & Casualty Financial Fast Track – Executive Director said included in the agenda on Page 10 is a copy the NJ CEL Financial Fast Track Report as of July 31, 2017. The report indicates the CEL has a surplus of \$7,595,743.

Claims Tracking Report (Page 11) - The claims tracking report is on page 11 of the agenda. The Claims Activity Report tracks open claims; the Executive Director will review the report with the Commission. Executive Director said the net change in claims is down by one claim from 54 to 53.

2018 Renewal Application and Updated Exposure Information– The 2018 property and casualty budget is reliant on a number of factors including updated renewal applications and exposure date. We want to thank everyone involved for their efforts with this project and submitting the information.

NJ CEL Underwriting Manager (Pages 12-18) - Included in the agenda on page 12 is CEL Bulletin 17-02, Contributing to Disaster Relief.

Also including are two Memorandums from the Underwriting Manager regarding the 2018 Property Insurance Renewal and the 2018 Cyber Insurance Renewal.

The Underwriting Manager is requesting a review of property values to ensure accurate and full reporting including COPE (Construction, occupancy, protection and exposure) information on locations over \$20 million.

The Underwriting Manager is requesting the members to re-evaluate their cyber limits. Quotes will be provided for each entity of the CEL at \$1M, \$2M, \$5M and \$10M. It is encouraged that all members bind coverage at the \$5M or \$10M limit level. Currently, the County has limits of \$1M.

Underwriting Manager Edward Cooney reviewed the cyber limits. Cyber issues will be discussed at the next CEL Best Practices Workshop on November 1st so you will have a better understanding of what is truly out there and what your exposures are with that. The other items regarding the property insurance is we are trying to gather good information about your buildings to see if it is a good structure or a poor structure and better modeling throughout the CEL portfolio of properties. This way we can better predict and obtain limits for your and also have a better renewal from the insurance companies. Results are looking positive on the renewal for 2018.

New Jersey Counties Excess Joint Insurance Fund Claims Committee's Best Practices Workshop - The sixth annual Joint Insurance Claims Committee's Best Practices Workshop is scheduled for Wednesday, November 1, 2017 at the Conner Strong & Buckelew office in Marlton, NJ. This year the focus will be Cyber Liability including Coverage, Risk Management and Available Resources. We ask that you hold the date for the Workshop and watch for the e-mail invitation. In response to Commissioner Bishop, Claims Manager said the invitation will be sent shortly and we strongly encourage you to pass the invite along to your IT folks.

SAFETY COMMITTEE REPORT

Glenn Prince reviewed the Safety Committee Report. Mr. Prince said the last Safety Committee Meeting was held on August 16th. Mr. Prince said he was not able to attend but did receive the minutes from the meeting. The BRIT Team online training platform was discussed 97% of the employees that were required to take the Blood Borne Pathogens training were reported to have

done so which is a significant improvement. Commissioner Bishop said the Fire Prevention and the Right to Know has gone out to the employees as well. Risk Manager Tom Narolewski said PEOSHA showed up at the Emergency Management and they were able to print out all of the training lists and that was a huge help.

CLAIM COMMITTEE REPORT

Claims Manager Michelle Leighton said the claims Committee last met on September 19th and there is one claim to discuss in closed session today.

TREASURER

REPORT: Executive Director reviewed the October Bill List totaling \$13,980.27.

MOTION TO APPROVE RESOLUTION 18-17 PAYMENT OF BILLS AS AMENDED IN THE AMOUNT OF \$13,980.27.

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	2 Ayes, 0 Nays

CEL SAFETY DIRECTOR REPORT

Safety Director reviewed the report included in the agenda. Mr. Prince said three Safety Director's Bulletins were included in the agenda packet on Ticks & Tick-borne Diseases and September is National Preparedness Month.

CLAIMS SERVICE:

Ms. Alters reviewed the First MCO Report for July and August.

MOTION TO GO INTO CLOSED SESSION

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

MOTION TO GO INTO OPEN SESSION

Moved:	Commissioner Coleman
Second:	Commissioner Bishop
Vote:	Unanimous

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion:	Commissioner Bishop
Second:	Commissioner Coleman
Vote:	Unanimous

MEETING ADJOURNED: 9:35 AM

NEXT MEETING WILL BE THURSDAY, December 14, 2017 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary