

**SALEM COUNTY INSURANCE FUND COMMISSION
OPEN MINUTES MEETING – AUGUST 6, 2015
104 MARKET STREET
SALEM, NJ 9:00 AM**

Meeting called to order by Chairman Vanderslice. Open Public Meetings notice read into record.

ROLL CALL OF COMMISSIONERS:

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| Robert Vanderslice | Present |
| Kevin Crouch | Present |
| Katie Coleman | Present |

FUND PROFESSIONALS PRESENT:

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

Jessica Foote, Salem County
Michael Mulligan, Salem County
Thomas Narolewski, AJM Insurance Management
Veronica George, Inservco
Ashley Nelms, Inservco
Terry Sheerin, Inservco
Thea Isabella, First MCO
Glenn Prince, JA Montgomery
Danielle Batchelor, Conner Strong & Buckelew
Robyn Walcoff, PERMA
Edward Scioli, Conner Strong & Buckelew

APPROVAL OF MINUTES: OPEN SESSION OF JUNE 4, 2015

MOTION TO APPROVE THE OPEN MINUTES OF JUNE 4, 2015

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| Moved: | Commissioner Crouch |
| Second: | Commissioner Coleman |
| Vote: | Unanimous |

CORRESPONDENCE: None

EXECUTIVE DIRECTOR REPORT:

Revised Risk Management Plan (Appendix II): Executive Director reported included in Appendix II of the agenda is an amended 2015 Risk Management Plan. The applicable pages are included and the changes are highlighted in yellow. Page 8 of the plan was revised along with revisions to Addendum #2 to reflect underinsured motorist coverage in addition to underinsured motorist coverage.

Underwriting Manager Ed Scioli said in the Plan of Risk Management we wanted Zurich to clarify the intent on the named storm deductible regarding an event that may occur at locations with multiple buildings so that that the 1% deductible would apply only to those buildings that were damaged. Mr. Scioli said this has always been our intent but we felt that the wording was not clear enough so Zurich amended the wording to reflect the 1% deductible would only apply to the buildings damaged per occurrence. The 1% time element deductible does not apply to extra expense so we want to clarify that as well. Mr. Scioli said with regard to the uninsured underinsured motorist coverage we added the underinsured wording because that was omitted previously so this has now been cleared up.

MOTION TO APPROVE RESOLUTION #19-15, REVISED RISK MANAGEMENT PLAN

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| Moved: | Commissioner Coleman |
| Second: | Commissioner Crouch |
| Vote: | Unanimous |

Certificate of Insurance Issuance Report: Executive Director reported the Certificate of Insurance Issuance Report was included in the agenda from the CEL listing those certificates issued for the period of May 26, 2015 to July 27, 2015. There were 4 certificates of insurance issued during this period.

MOTION TO APPROVE THE CERTIFICATE OF INSURANCE REPORT

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| Moved: | Commissioner Vanderslice |
| Second: | Commissioner Coleman |
| Vote: | Unanimous |

RFQ For Professional Service: Executive Director reported the Agreement for the Fund's Claims Administrator expires in October. The Fund Office advertised and issued an RFQ with a due date of July 30th. A report was provided at the meeting. Executive Director said three responses were received back from Inservco, Franklin Insurance Adjusters and AmeriHealth Casualty. We received clarification from First MCO which Inservco uses for the managed care and they capped their fees at \$25,000. The totals for TPA and Managed Care Services – Inservco is at a total fee of \$47,700 which includes First MCO, Franklin Adjusters came in at \$58,000 and AmeriHealth was at \$63,000. Executive Director said the incumbent is the lowest responsible bidder and we certainly will recommend Inservco.

MOTION TO RE-APPOINT INSERVCO AS THE FUND'S CLAIMS ADMINISTRATOR

Moved: Commissioner Coleman
Second: Commissioner Crouch
Vote: Unanimous

NJ Excess Counties Insurance Fund (CELJIF) - The CEL held their meeting on June 25, 2015. A summary report of that meeting is included in the agenda on pages 4-6. The next NJCE Fund meeting is scheduled for September 24, 2015 at 1:00 pm. Executive Director said John Kelly from Ocean County was elected as Secretary and the Audit for 2014 was reviewed and approved.

Financial Fast Track – Included on Page 7 & 8 of the agenda are the Financial Fast Tracks for the Salem County Insurance fund Commission for April and May. As of May 31, 2015 the Commission has a deficit of \$383,852 driving this is one claim from 2012 that continues to haunt us. We continue to monitor the claims and we had a good claims review and few months ago and will continue to monitor them and hope they will start to trend favorably for us.

NJ CEL Property & Casualty Financial Fast Track – Executive Director said included in the agenda on Page 9 was the NJ CEL Financial Fast Track Report as of May 31, 2015. The CEL has a surplus of \$5,655,858.

Claims Tracking Report: Executive Director said a new claims tracking report is on page 10 of the agenda. The Claims Activity Report tracks open claims; the Executive Director review the report with the Commission and said there are 20 new claims reported from May to June and 17 of those claims were workers comp. Hopefully they are just report claims and we will be able to close them out but we will have a better picture next month when the report comes out.

2016 Renewal: The NJCE FY 2016 Renewal Data Schedules were sent out to the County's Risk Manager's office. The updated documents should be returned by e-mail to the Fund Office no later than Friday, August 14, 2015. The CEL Underwriting Manager has sent out renewal applications for completion as respects to the ancillary lines of insurance. Executive Director said we received all of the information back with a thank you to Jessica Foote for getting this information to us quickly and timely.

OPRA Form (Page 11): The Fund Office has revised the OPRA form used for all of the County Insurance Commissions. Attached on page 14 is a copy of the first page of the form which amends the contact person, e-mail address and fax number.

New Jersey Counties Excess Joint Insurance Fund – Joint Insurance Claims Committees Best Practices Workshop: Executive Director said Michelle Leighton is coordinating a joint meeting of the Member Insurance Commissions of the CELJIF. The tentative date is scheduled for October 6, 2015. A planning committee will be formulated to discuss the agenda, format and location of the meeting. Ms. Leighton will reach out to last year's committee members to participate in the

planning. Please hold the date of October 6th open for the workshop. Danielle Batchelor said the planning committee conference call will be on August 27th and if anyone is interested in attending please let us know. The Workshop will be held in our Marlton office and is a good opportunity to meet with other Commission members.

Zurich Environmental Emergency Response (Pages 12-13) – Zurich has made Environmental Emergency Response available at no additional cost to member entities who purchase Pollution Liability Insurance through the NJCEL’s ancillary insurance program. Zurich Environmental Emergency Response gives you direct access to a dedicated team of professionals experienced in the areas of environmental emergency response, investigation and remediation of accidental releases of hazmat and other regulated materials. In the event of a spill: (1) please login to the site at <http://www.spillcenter.com/zurich> and (2) choose “Report a Pollution Event” from the menu or call 888 SPILLHELP (888-774-5543). (3) User Name: Mleighton Password: _____. A separate claim report must be made in addition to the call fro spill help that can be made by calling Zurich’s claim reporting facility at 1-800-987-3373. Fax 1-866-255-2962 or email at [USZ Zurich Environmental@zurichna.com](mailto:USZ_Zurich_Environmental@zurichna.com) and claimsteamc@connerstrong.com. Please note that all Environmental claims must be reported immediately. Below is the pertinent policy information for the Pollution Liability Insurance.

New Jersey Counties Excess Joint Insurance Fund
Line of Coverage: Pollution Liability
Policy Number: ZRE554295500, Policy Period 1/1/2013 – 1/1/2016

SAFETY COMMITTEE REPORT

Glenn Prince reported the Safety Committee meeting this month was canceled due to several conflicts we are awaiting a new date to be selected by Mr. DiGregorio and when that date is chosen we will send a notice of the new date.

CLAIM COMMITTEE REPORT

Claims Manager Danielle Batchelor reported the Claims Committee did not meet this month since there were no new claims to review this month but we do have a SAR for presentation in closed session that was presented in a prior claims meeting.

TREASURER

REPORT: Treasurer Katie Coleman reviewed the bills list Resolution 17-15 which was included in the agenda on page 10. A motion would be in order to approve the bills list.

MOTION TO APPROVE RESOLUTION 20-15 PAYMENT OF BILLS IN THE AMOUNT OF \$18,656.60.

Moved: Commissioner Coleman
Second: Commissioner Crouch
Vote: 3 Ayes, 0 Nays

CEL SAFETY DIRECTOR REPORT

Safety Director reviewed the report included in the agenda. Mr. Prince said a Safety Director's bulletin was included in the agenda on Preventing Heat-Related Illnesses with the ten plus 90 degree days across the state. In response to Chairman Vanderslice, Mr. Prince said the recommendation for staying hydrated is carry a water bottle or thermos and drink often. They also have the igloo coolers that can be mounted to the trucks and filled with ice and large volume of water for the crews.

CLAIMS SERVICE:

Ms. George reviewed the First MCO report and provided a summary of savings report and the PPO Penetration rate.

Executive Director said included in the agenda is Resolution 21-15 Authorizing Disclosure of Claims Check Register. The Liability Claim Payments report is included in the agenda for the time period of 5/1/15 through 5/31/2015.

MOTION TO APPROVE RESOLUTION 21-15 AUTHORIZING DISCLOUSE OF CLAIM CHECK REGISTER

Moved: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO GO INTO CLOSED SESSION

Moved: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MOTION TO GO INTO OPEN SESSION

Moved: Commissioner Coleman
Second: Commissioner Vanderslice
Vote: Unanimous

MOTION TO APPROVE THE SETTLEMENT AUTHORIZATION REQUESTS

Moved: Commissioner Vanderslice
Second: Commissioner Coleman
Vote: 2 Ayes, 0 Nays, 1 Abstain – Commissioner Crouch

OLD BUSINESS: Attorney Mulligan requested a motion to advertise RFQ for legal defense panel

MOTION TO ADVERTISE RFQ FOR DEFENSE PANEL

Moved: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

NEW BUSINESS: None

PUBLIC COMMENT: None

MOTION TO ADJOURN:

Motion: Commissioner Crouch
Second: Commissioner Coleman
Vote: Unanimous

MEETING ADJOURNED: 9:40AM

NEXT MEETING WILL BE THURSDAY, October 1, 2015 at 9:00 AM

Minutes prepared by: Karen A. Read, Assisting Secretary