

**CAMDEN COUNTY MUNICIPAL JOINT INSURANCE FUND
OPEN MINUTES
MEETING – MARCH 22, 2021
MEETING HELD ELECTRONICALLY AT 5:15 PM**

Meeting of Executive Committee called to order by Chairman Mevoli. Open Public Meetings notice read into record.

**PLEDGE OF ALLEGIANCE
MOMENT OF SILENCE OBSERVED**

ROLL CALL OF 2021 EXECUTIVE COMMITTEE:

Michael Mevoli, Chairman	Borough of Brooklawn	Present
M. James Maley, Secretary	Borough of Collingswood	Absent
Louis DiAngelo	Borough of Bellmawr	Present
Terry Shannon	Borough of Barrington	Present
Joseph Wolk	Borough of Mount Ephraim	Present
M. Neal Rochford	Borough of Haddonfield	Present
Joseph Gallagher	Winslow Township	Present

EXECUTIVE COMMITTEE ALTERNATES:

David Taraschi	Borough of Audubon	Present
Sharon Eggleston	City of Camden	Present
Gary Passanante	Borough of Somerdale	Present

APPOINTED OFFICIALS PRESENT:

Executive Director/Administrator	PERMA, Risk Management Services Joseph Hrubash Karen A. Read
Attorney	Brown & Connery Joseph Nardi, Esquire
Claims Service	CompServices Denise Hall, Cheryl Little
Safety Director	J.A. Montgomery Risk Control Keith Hummel, John Saville, Harry Earle
Treasurer	Elizabeth Pigliacelli
Managed Care	Consolidated Services Group Jennifer Goldstein
Underwriting Manager	Conner Strong & Buckelew Ed Cooney

FUND COMMISSIONERS PRESENT:

Ari Messinger, Cherry Hill Alternate
Lorraine Azzarano, Winslow Fire District
Dawn Amadio, Pine Valley
Jason Asuncion, Camden City
Ken Cheeseman, Laurel Springs
John Foley, Cherry Hill Fire District
Edward Hill, Lawnside
Bonnie Taft, Oaklyn Borough
Eleanor Kelly, Runnemede
Mark Godfrey, Magnolia
Patrick Keating, Gloucester City

FUND PROFESSIONALS RISK MANAGEMENT CONSULTANTS PRESENT:

Mark von der Tann	Edgewood Associates
Michael Avalone	Conner Strong & Buckelew
Roger Leonard	Leonard O'Neill Insurance Group
Rick Bean	Henry D. Bean & Sons Insurance
Walt Eife	Waypoint Insurance
Peter DiGambattista	Associated Insurance Partners
Danielle Colaianni	Hardenbergh Insurance
John McCrudden	Hardenbergh Insurance
Terry Mason	M&C Insurance
Emily Koval	PERMA
Karen Kamprath	PERMA
Robyn Walcoff	PERMA

APPROVAL OF MINUTES: OPEN SESSION OF FEBRUARY 22, 2021

MOTION TO APPROVE THE OPEN MINUTES OF FEBRUARY 22, 2021

Motion:	Commissioner Wolk
Second:	Commissioner DiAngelo
Vote:	Unanimous

CORRESPONDENCE: NONE

2021-2022 Insurance Crisis and Accidental Disability Pensions: Attached are two memorandums prepared by David Grubb, MEL Executive Director, concerning emerging issues that will increase insurance costs. The MEL has begun working with various professionals in an effort to control the impact. **(Pages 3-8)**

The Executive Director advised included in the agenda were two memorandums prepared by David Grubb, MEL Executive Director, concerning emerging issues that will increase insurance costs. The MEL has begun working with various professionals in an effort to control the impact.

Executive Director Hrubash advised Senate Bill S3375 which will have a major effect on the cost of insuring workers compensation. Mr. Grubb's memorandum summarizes some of the issues including how nurse case management, which definitely helps the fund keep their cost down, could be heavily affected by this new bill. One of the great things about workers compensation in New

Jersey is that the employer directs medical care throughout the process and this bill reduces the Fund's ability to just the initial assignments. Additionally, the legal costs have always been capped and this new legislation would change that creating a fee shifting situation as we experience with EPL.

Mr. Grubb and Mr. Hrubash had a meeting with the bill sponsor's office and it was well received. The main objective is to defeat the bill, to which there appears to be a lot of opposition. Unlike the sexual molestation and fire fighter cancer legislation, bills that were being fast tracked, the strategy was to negotiate a compromise to lessen the impact on workers compensation for public entities. Mr. Hrubash suggested the intent of Mr. Grubb's letter was to expect a major increase at the MEL level next year due to these changing conditions and advised he would keep the Commissioners informed as things develop.

Executive Director Hrubash advised the excess insurer insures just about most of the public entities in the country and they have a lot of hospital clients as well and they are absolutely terrified right now of all the claims and how they are going to be handled. There is a challenge over whether the communicable disease endorsement is going to be interpreted. The MEL looks at it as all these claims should be one occurrence which would put less stress on the membership but despite that the MEL is going to honor that one occurrence and absorb whatever we end up agreeing with the carrier. The carrier's opinion right now is it may not be one occurrence and the MEL is trying to work through that. The Department of Labor also eliminated the pension offset for accidental disability claims, and making workers compensation the sole remedy. Mr. Grubb and Mr. Hrubash are scheduling a meeting with the Insurance Commissioner to address this and Senate Bill 3375. When all these issues comes together it is kind of a serious situations, but the good thing is, is that the MEL is very strong financially and we will come up with a strategy to get through this. Mr. Hrubash asked if there were any questions.

In response to Commissioner Shannon's question on pending legislation and nurse case managers, Executive Director Hrubash said there is a single sponsor in the Senate whom is Senator Singleton of Burlington County. Mr. Grubb and Mr. Hrubash have talked with him in the past, on firefighter cancer. This bill started involving a consortium of attorneys, in which they had bad experiences on two or three claims, which really should not dictate how workers comp should be handled. Mr. Hrubash said it is legal fee based and when it is broken down it not in the benefit of the employer or the Joint Insurance Funds. Commissioner Passanante said he would be happy to take this information up through the channels of the League of Municipalities and the Conference of Mayors Legislative Committees. Mr. Hrubash thanked Commissioner Passanante for offering the assistance, and will send documentation to forward to both committees.

In response to Commissioner DiAngelo regarding Senate Bill 3375, Executive Director said the cap on the attorney fees are 20% and that is if a claim contested they would get up to 20% of the total claim where right now they are limited to approximately \$20,000.

Cannabis Legalization. As a result of the recent adoption of the cannabis legislation in New Jersey, a number of critical issues and questions have, and will continue to, arise. The MEL Attorney is finalizing a bulletin with a list of issues which each respective member should address and confer with its legal counsel.

The Executive Director reported the MEL Fund Attorney is finalizing a bulletin and a sample Ordinance for membership to consider in collaboration with their legal counsel. The bulletin outlines the various area of concerns stemming from this new legislation.

2021 MEL/RCF/EJIF March 26th Virtual Meeting & Retreat: The MEL, RCF and EJIF will hold their March meetings in conjunction with the MEL Annual Retreat. This year's retreat will be held on March 26th via Zoom. The purpose of the retreat is provide the sub-committees of the MEL an expanded opportunity to report directly to the Boards of the MEL, RCF and EJIF. Please visit the MEL webpage – njmel.org - just prior to the meeting for the information on how to participate virtually.

MEL, MR HIF & NJCE Educational Seminar. The 10th annual seminar will be conducted virtually on 2 half day sessions: Friday, May 14th and Friday, May 21 from 9 am to 12 noon. The seminar qualifies for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents.

Attached on **Page 9** is the agenda; this is also be the topic of the MEL's "Power of Collaboration" Ad in the League of Municipalities magazine (**Page 10**). A Zoom Invite with registration instructions will be emailed to members shortly.

Employment Practices Compliance Program. Please visit the MEL webpage to review all the elements of the MEL's EPL Compliance Program; the deadline for updates and training has been extended to November 1, 2021.

Link to outline of the program and model documents: <https://njmel.org/insurance/public-officials/risk-management-program/>

2020/2021 Elected Officials Seminar: The MEL's Annual Elected Officials Seminar is available through the MEL Safety Institute. Enclosed on **Page 11** is another copy of the directions to take the course. The MEL will provide a credit of \$250 against each member's assessment for each municipal elected official and authority commissioner who completes the course by May 1, 2021.

The credit will continue to be extended to the member's municipal manager/administrator or authority executive director. The maximum credit is 5% of the member's assessment.

MEL Cyber Task Force: The MEL's Cyber Task Force is proud to present Version 2 of its Cyber Risk Management Program. Enclosed on **Page 12** is a copy of the most notable changes. Information on the program will be sent out shortly.

Executive Director Hrubash said the MEL Underwriting Manager Edward Cooney will spend a few minutes reviewing Version 2 of the Cyber Risk Management program. Mr. Cooney said the MEL Cyber Task Force has finally released Version 2 of the Cyber Risk Program. A lot of the changes are cosmetics some better clarification for certain items. Being mindful, not to completely disrupt the hard work everyone's done members who are in compliance with Tiers 1 and 2 already, are grandfathered in until January 1, 2022 for the new requirements. The new program now has a Tier 3, which can get the member deductible down to zero dollars. He advised the new Cyber Risk Management Program documents can be found on the njmel.org website. He

added that the MEL was ahead of the game with respect to other public entities but also in general for organizations across the country about cyber security. It took until last month for insurance companies to start asking the questions that MEL Underwriting has been asking for the past four or five years. He asked if there were any questions and then concluded his report.

2021 Financial Disclosures - Fund Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of the MEL/EJIF/RCF Commissioner and any municipal related positions that require filing. We have been asked by the Division of Local Government Services to update the 2021 Fund Commissioner roster and expect a notice to be issued shortly. The deadline for submission is April 1st.

Ms. Read reported that the 2021 Rosters will be updated and once the filing notice is received. Once 2021 Roster is updated all Fund Commissioners will receive an email with their log in information and pin number. Last year due to the pandemic the deadline for filing was extended to April 30th and it is anticipated that will be the case again in 2021.

DUE DILIGENCE REPORTS – Included in the agenda were due diligence reports as follows: The Financial Fast Track, Pure Loss Ratio Report, Claims Analysis by Fund Year, Claims Activity Report, Lost Time Frequency Report, Interest Rate Summary Comparison Report, and Regulatory Compliance Report.

Executive Director reported the Financial Fast Track as December 31, 2020 stands at \$8.1 million which is a great start. Also reflected is the year to date change which majority of that was the dividend released this past year. Financially the Camden JIF is doing well. On page 14 is the Expected Loss Ratio Analysis and this report that compares where you are versus where they actuary targeted. Executive Director said this is a glowing report, which is a compliment not only to the Commissioners, the safety program, in claims and the administrator as well. On page 15 was the Lost Time Accident Frequency the February 2021 report shows the Camden JIF at 0.53 which is fantastic. Executive Director mentioned the report does not include Covid-19 claims.

Executive Director's Report Made Part of Minutes.

TREASURER: Treasurer Pigliacelli reviewed the reports included in the agenda.

Approving Payment of Resolution 21-14 March 2021 Vouchers

Closed	\$16,958.00
TOTAL 2020	\$56,900.00
TOTAL 2021	\$177,623.55
TOTAL	\$251,481.55

Confirmation of February 2021 Claims Payments/Certification of Claims Transfers:

Closed	4,566.00
2017	56,496.64
2018	70,235.62
2019	28,090.03
2020	476,961.49

2021	24,375.72
TOTAL	660,725.50

MOTION TO APPROVE THE MARCH 2021 VOUCHERS RESOLUTION 21-14

Motion: Commissioner Gallagher
 Second: Commissioner Shannon
 Roll Call Vote: 9 Ayes - 0 Nays

MOTION TO RATIFY & APPROVE CERTIFICATION OF CLAIMS/CONFIRMATION OF CLAIM PAYMENTS FOR THE MONTH OF FEBRUARY 2021 AS PRESENTED AND APPROVE THE TREASURER'S REPORT:

Motion: Commissioner Gallagher
 Second: Commissioner Wolk
 Vote: Unanimous

Treasurer's Report Made Part of Minutes.

ATTORNEY: Fund Attorney highlighted the employee manuals, handbook and risk management training. Attorney Nardi said this is probably the most extensive review and change in program since it was first instituted, and for those that were around at that time, it really took some time for all members to get on board. Attorney Nardi suggested that in light of the changes that have been made, the new laws we are facing, and the fact that we are in the middle of a pandemic November 1 is a real deadline, and it is important for members to be engaged. There are ordinances that are required and in order to meet the November deadline members should have the ordinances for the first reading in September. Attorney Nardi discussed the cannabis legislation and the vaccination issues of whether or not vaccinations should be mandatory and what the exceptions are. Everyone should be well versed in all of them and in many of these employment cases they are very fact sensitive. Member towns should know which questions they can ask and which questions they cannot ask. Member towns should be ready to seek counsel and to make sure that they are following the right protocols.

Defense Panel Attached & Report made Part of Minutes

SAFETY DIRECTOR:

Safety Director thanked the Committee for the reappointment of JA Montgomery as Safety Director. Mr. Saville reviewed the monthly reports. Mr. Saville reminded members to please send in their Safety contracts and the list of their safety meetings.

Monthly Activity Report/Agenda Made Part of Minutes.

UNDERWRITING MANAGER:

The Certificate Report for the period 01/22/21 to 02/22/21 was included in the agenda on pages 35 – 37. Underwriting Manager Edward Cooney said there was a notice released a week or two ago that Microsoft Exchange had a major vulnerability. Microsoft released information on how to patch that

so make sure you address that right away. Many members could currently have malicious packages on their systems right now.

List of Certificates Made Part of Minutes.

MANAGED CARE: Managed Care Provider Jennifer Goldstein reviewed the enclosed reports for February 2021 where there was a savings of 45.0% for February. Ms. Goldstein reported 14 new Covid claims since last reported which brings the JIF total to 444 Covid claims since the beginning of the pandemic.

Monthly Activity Report Part of Minutes.

CLAIMS ADMINISTRATOR: Chairman Mevoli said the Claims Committee held a meeting on Friday where all claims were reviewed and discussed. All members of the Committee received the PARs and Minutes that would normally be reviewed in Executive Session. A motion was requested to accept the committee's recommendation on the claims as discussed and reviewed.

MOTION TO APPROVE CLAIMS AS DISCUSSED IN EXECUTIVE SESSION:

Motion:	Commissioner Gallagher
Second:	Commissioner Shannon
Roll Call Vote:	9 Ayes – 0 Nays

OLD BUSINESS: NONE

NEW BUSINESS: NONE

PUBLIC COMMENT: NONE

MOTION TO ADJOURN:

Motion:	Commissioner Taraschi
Second:	Commissioner Shannon
Vote:	Unanimous

MEETING ADJOURNED: 5:54 PM

Karen A. Read, Assisting Secretary for
M. JAMES MALEY, SECRETARY