

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 311
June 7, 2016
10:00 A.M.

The Three Hundred Eleventh meeting of the State Insurance and Risk Management Board was held on Tuesday, June 7, 2016 at the Board of Regents for Higher Education, 39 Woodland Street, Hartford, CT.

Acting Chairperson Savitsky presided.

The following members were in attendance:

State Insurance & Risk Management Board

Ms. Linda R. Savitsky, Acting Chairperson
Mr. Richard Boccaccio
Ms. Susan M. Donatelli, via phone
Mr. Stephen Fontana
Mr. Daniel J. Friedman
Mr. Wallace J. Irish
Ms. Marjorie F.B. Lemmon, via phone
Mr. Patrick Mahon
Mr. Michael T. McCormack

Mr. Seth T. Mahler, Vice Chairperson, was unable to attend
Mr. Robert J. Broomall was unable to attend.
Mr. George A. Dagon, Jr. was unable to attend
Ms. Martha Carlson, Deputy Comptroller, was unable to attend.

Department of Administrative Services/Insurance and Risk Management Board

Ms. Daria J. Cirish, Risk Manager
Ms. Eileen G. McNeil

Office of the Agent of Record

Mr. John Byrnes
Mr. Fred Tanguay, Senior Vice President
Ms. Doreen Lessard

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 311
June 7, 2016
Page 2

1. Approval of Minutes of Meeting No. 310 held on March 8, 2016 (Exhibit 1)

It was noted that Patrick Mahon was inadvertently left off as an attendee at the March 8, 2016.

A motion was made by Mr. McCormack, seconded by Mr. Mahon and

VOTED: To approve the minutes of Meeting No. 310 held on March 8, 2016 with the correction noted above.

Ms. Savitsky and Ms. Donatelli abstained from voting.

2. Reconciliation of and Review of Premium Payments, Informal Bids Processed by the Board since the Last Approval (Exhibit 2)

Mr. Tanguay reviewed the Net Payment Analysis advising that the Board is very good shape this fiscal year. The DAS Business Office asked for a list of claims that will potentially settle by September 30, 2016 to see if OPM will let the Board pre-fund them with some of the lapse money.

A motion was made by Mr. Mahon, seconded by Mr. Fontana and unanimously

VOTED: To approve the premium, deductible payments and informal bids processed by the Board since the last Board meeting for F.Y. 2016 totaling \$2,267,499.10.

Mr. Tanguay handed out an exhibit outlining the Board's 2016/17 Appropriation as it stands today, but stated the budget will most likely be cut. Ms. Savitsky noted that the status of pre-funding claims will have a tremendous impact on the 2016/17 budget.

3. Votes

A) UConn – Co-Generation Plant (Exhibit 3A)

Mr. Tanguay explained that there is plant that provides power to the UConn campus in Storrs. He stated there is a lengthy inter-connection agreement between Eversource and the University of Connecticut. The agreement requires specific types of insurance and the rating is based on payroll figures. Since the payroll increased slightly, the premium increased by 3%. UConn reimburses this premium.

A motion was made by Mr. Mahon, seconded by Mr. Fontana and unanimously

VOTED: To place coverage as outlined in Exhibit 3A for a total premium of \$210,901.

Mr. Fontana suggested putting an asterisk and a comment on those exhibits where there is only one market because of specialized coverage.

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 311
June 7, 2016
Page 3

3. B) DESPP – Aircraft/Helicopter (Exhibit 3B)

Mr. Tanguay stated that this policy provides liability and hull coverage on two helicopters and three Cessna's owned and operated by DESPP

Mr. Tanguay explained that QBE is offering a flat renewal.

After reviewing the exhibit, the Board asked Mr. Tanguay and Ms. Cirish to share the premium information with DESPP to see if coverage can be dropped on the Cessnas since they are rarely used.

A motion was made by Mr. Mahon, seconded by Mr. Fontana and unanimously

VOTED: To place coverage as outlined in Exhibit 3B, for a total premium of \$72,340.

4. Committee Reports

A) Claims Committee

Mr. Mahon explained that the committee met in April to review 14 claims and gave the TPA settlement authority on six claims. These claims have since been settled.

Ms. Cirish discussed committee membership and noted that the Claims Committee is the only active committee.

5. TPA and AOR Contracts

Ms. Savitsky advised the Board that the Commissioner of DAS called a meeting to discuss potential budget savings. She and Ms. Cirish met with the Commissioner and Deputy Commissioner who said they were asking all Divisions within DAS to go to their vendors and ask them to reduce their fees. Ms. Savitsky explained that Ms. Cirish contacted People's United Insurance Agency and Constitution State Services (CSS) to ask them for a reduction. Both People's and CSS offered a fee reduction for the remaining of FY 16 as well as the next two fiscal years.

Ms. Savitsky stated she and Ms. Cirish have been called to two subsequent meetings to discuss other potential cost saving measures.

After much discussion, some members asked Ms. Savitsky to advise the Board of future meetings with the Commissioner so that they are aware of them prior to the Board meetings.

6. Any Other Matters to Properly Come Before the Board

Mr. McCormack requested a spreadsheet listing all the policies, limits, and dates of coverage.

Mr. Boccaccio noted that he received the contract for UConn Health Center BioScience OCIP Project, but would like all the members to get a copy.

STATE INSURANCE & RISK MANAGEMENT BOARD
Minutes of Meeting No. 311
June 7, 2016
Page 4

7. Date and Location of Next Meeting

The next Board meeting will be held on September 13, 2016. The meeting is scheduled to be held at the Board of Regents for Higher Education, however, Ms. Savitsky noted that the Board of Regents for Higher Education is moving to 61 Woodland Street. The Department of Higher Education will be moving to the current location. Ms. McNeil will check to see if the Board will still be able to meet at 39 Woodland Street.

8. Motion to Adjourn

It was moved by Mr. McCormack seconded by Mr. Fontana and unanimously

VOTED: The meeting be adjourned. The meeting adjourned at 11:37 A.M.

DRAFT