

# Gateway

BMED FUND



GATEWAY REGIONAL HEALTH INSURANCE FUND

**AGENDA AND REPORTS**

**AUGUST 30, 2022**

**FRANKLIN LAKES BOROUGH HALL**

**12:00 PM**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**  
**AGENDA MEETING: AUGUST 30, 2022**  
**FRANKLIN LAKES BOROUGH HALL**  
**12:00 PM**

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**MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ**

**PLEDGE OF ALLEGENCE**

**ROLL CALL OF 2022 EXECUTIVE COMMITTEE**

Gregory Hart, Chair  
Richard Kunze, Secretary  
Joseph Catenaro, Executive Committee  
Gregory Franz, Executive Committee  
Donna Gambutti, Executive Committee  
Bob Kakoleski, Executive Committee  
Richard Molinari, Executive Committee  
Anthony Ciannamea, Executive Committee Alternate  
Erin Delaney, Executive Committee Alternate

**APPROVAL OF MINUTES:** June 28, 2022 Open.....Appendix I  
July 21, 2022 Strategic Planning committee.....Appendix II  
August 29, 2022 Finance Committee.....Appendix III

**CORRESPONDENCE - None**

**MONTHLY COMMITTEE REPORTS**

**STRATEGIC PLANNING COMMITTEE - Rich Kunze, Chair**

**FINANCE COMMITTEE - Rich Kunze, Chair**

**WELLNESS COMMITTEE - Robert Kakoleski, Chair**

**SMALL CLAIMS COMMITTEE - Donna Gambutti, Chair**

**NOMINATION COMMITTEE - Joseph Catenaro, Chair**

**EXECUTIVE DIRECTOR - PERMA - Brandon Lodics**

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**TREASURER - Joseph Iannaconi**

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Confirmation of Claims Paid/Certification of Transfers

**CONSENT AGENDA .....Page 23**  
Resolution 21-22: 2023 Budget Introduction.....**Page 24**  
Resolution 22-22: EUS Service Contract Award .....**Page 25**  
Resolution 23-22: Professional Services Contract Award .....**Page 28**  
Resolution 24-22: Authorizing Refund from Closed Year Account.....**Page 30**  
Resolution 25-22: July and August 2022 Bills Lists .....**Page 32**

**OLD BUSINESS**

**NEW BUSINESS**

**PUBLIC COMMENT**

**MEETING ADJOURNED**

**Bergen Municipal Employee Benefits Fund  
Executive Director's Report  
August 30, 2022**

**PRO FORMA REPORTS**

- **Fast Track Financial Reports** as of June 30, 2022 (page 6 )
  - **Historical Income Statement**
  - **Ratios and Indices Report**

**2023 BMED BUDGET - INTRODUCTION**

A 2023 budget presentation has been attached to the agenda, which has also been reviewed by the Finance Committee and being recommended for introduction at this meeting and adoption in September. Resolution: 21-22 is in the Consent Agenda.

**REQUEST FOR PROPOSALS/CONTRACTS**

1. **Professional Services RFPs** - The Committee approved RFPs for the Fund professional services that were due August 11. Responses were received from all incumbents and another competing firm for Auditor and Attorney. The Finance Committee reviewed and evaluated the responses and are recommending the Fund award contracts to all incumbent professionals.

Resolution 22-22 approves these professional service contract awards.

2. **EUS Contracts** - the Aetna contracts were negotiated last year to include flat fees for 2023. The Fund will need to pass Resolution 23-22 to approve the EUS contracts and the certification to be filed with the State.
3. **Metro RFPs** - The Strategic Planning Committee reviewed the RFP responses that were received in mid-July for the Benefits Consultant, Metro Lead Sales Agent and Metro Retention Manager. The Committee is recommending no change to the existing contracts.

**DIVIDEND**

The Finance Committee reviewed the enclosed dividend analysis and is recommending a dividend of 1/3<sup>rd</sup> the available surplus, which is just under \$2 million. Although, the Committee would like to discuss further at the meeting to gain full Executive Committee support.

Resolution 24-22 includes a blank dividend amount and can be filled in at the meeting.

**STRATEGIC PLANNING COMMITTEE - SWOT ANALYSIS**

The Strategic Planning Committee will be reporting on an extension of the Board Advisor's services to include a SWOT (strengths, weaknesses, opportunities and threats) analysis for the Fund. A proposal is included in the agenda.

**MOTION:** Motion to amend the Board Advisor contract to include services to perform a SWOT analysis of the Bergen Municipal Employee Benefits Fund at a cost not to exceed \$2,970.

**INDEMNITY AND TRUST AGREEMENTS**

The following member’s Fund agreements have expired or are expiring at the end of this year. Please include the Resolution to renew on your next local meeting.

**SUB COMMITTEES**

Please note the new Finance Committee meeting and members below. We ask for a simple motion to formalize the new Committee and approve the members.

**Motion:** *Motion to approve the Bergen Munciipal Employee Benefit Fund Sub Committees and members as listed.*

<u>Claims Committee</u>	<u>Wellness Committee</u>	<u>Strategic Planning Committee</u>	<u>Nominations Committee</u>	<u>Finance Committee</u>
Donna Gambutti	Bob Kakoleski, Chair	Rich Kunze, Chair	Joseph Catenaro	Rich Kunze, Chair
Vincent Caruso	Erin Delaney	Greg Franz	Bob Kakoleski	Greg Hart
Bob Kakoleski	Michael Carelli	Durene Ayer	Rich Molinari	Bob Kakoleski
	Tom Padilla	Greg Hart		
	Greg Hart	Anthony Cinnamon		

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
FINANCIAL FAST TRACK REPORT  
AS OF June 30, 2022**

	<i>THIS MONTH</i>	<i>YTD CHANGE</i>	<i>PRIOR YEAR END</i>	<i>FUND BALANCE</i>
1. UNDERWRITING INCOME	6,659,220	39,695,120	680,700,052	720,395,171
2. CLAIM EXPENSES				
Paid Claims	6,471,532	33,985,515	553,734,658	587,720,173
IBNR	(931,302)	191,670	6,730,761	6,922,431
Less Specific Excess	(1,377,599)	(1,595,588)	(13,445,211)	(15,040,799)
Less Aggregate Excess	-	-	(602,911)	(602,911)
<b>TOTAL CLAIMS</b>	<b>4,162,631</b>	<b>32,581,598</b>	<b>546,417,296</b>	<b>578,998,894</b>
3. EXPENSES				
MA & HMO Premiums	483,192	2,879,679	20,899,144	23,778,823
Excess Premiums	167,555	999,833	31,377,814	32,377,647
Administrative	412,236	2,695,802	49,935,482	52,631,284
<b>TOTAL EXPENSES</b>	<b>1,062,983</b>	<b>6,575,315</b>	<b>102,212,440</b>	<b>108,787,754</b>
4. UNDERWRITING PROFIT/(LOSS) (1-2-3)	1,433,605	538,207	32,070,316	32,608,523
5. INVESTMENT INCOME	(13,803)	(146,690)	3,317,030	3,170,340
6. DIVIDEND INCOME	0	0	7,077,243	7,077,243
7. STATUTORY PROFIT/(LOSS) (4+5+6)	<b>1,419,802</b>	<b>391,517</b>	<b>42,464,589</b>	<b>42,856,106</b>
8. DIVIDEND	0	0	25,147,933	25,147,933
9. Transferred Surplus	0	0	0	0
<b>STATUTORY SURPLUS (7-8+9)</b>	<b>1,419,802</b>	<b>391,517</b>	<b>17,316,656</b>	<b>17,708,173</b>

*SURPLUS (DEFICITS) BY FUND YEAR*

Closed	Surplus	(18,014)	(214,002)	13,107,552	12,893,550
	Cash	(31,619)	(583,262)	13,784,452	13,201,190
2021	Surplus	621,373	(59,044)	1,851,451	1,792,407
	Cash	(73,035)	(1,990,193)	2,619,779	629,586
METRO HIF 2021	Surplus	(86,494)	(397,739)	2,357,653	1,959,915
	Cash	(144,724)	(2,789,686)	4,946,029	2,156,343
2022	Surplus	(553,507)	(1,413,433)		(1,413,433)
	Cash	(1,618,258)	(460,041)		(460,041)
METRO HIF 2022	Surplus	1,456,444	2,475,736		2,475,736
	Cash	(227,888)	3,417,755		3,417,755
<b>TOTAL SURPLUS (DEFICITS)</b>		<b>1,419,802</b>	<b>391,517</b>	<b>17,316,656</b>	<b>17,708,174</b>
<b>TOTAL CASH</b>		<b>(2,095,524)</b>	<b>(2,405,427)</b>	<b>21,350,260</b>	<b>18,944,834</b>

*CLAIM ANALYSIS BY FUND YEAR*

TOTAL CLOSED YEAR CLAIMS	11,115	111,483	498,406,670	498,518,153
FUND YEAR 2021				
Paid Claims	249,501	3,899,770	26,100,384	30,000,155
IBNR	(59,825)	(2,782,033)	3,088,000	305,967
Less Specific Excess	(765,937)	(983,926)	(535,529)	(1,519,455)
Less Aggregate Excess	0	0	0	0
<b>TOTAL FY 2021 CLAIMS</b>	<b>(576,261)</b>	<b>133,811</b>	<b>28,652,855</b>	<b>28,786,667</b>
METRO HIF 2021				
Paid Claims	143,522	3,822,460	15,715,010	19,537,470
IBNR	(58,286)	(3,445,981)	3,642,761	196,780
Less Specific Excess	0	0	0	0
Less Aggregate Excess	0	0	0	0
<b>TOTAL METRO HIF 2021 CLAIMS</b>	<b>85,236</b>	<b>376,479</b>	<b>19,357,770</b>	<b>19,734,250</b>
FUND YEAR 2022				
Paid Claims	3,822,388	14,425,770		14,425,770
IBNR	(62,771)	3,244,581		3,244,581
Less Specific Excess	(611,662)	(611,662)		(611,662)
Less Aggregate Excess	0	0		0
<b>TOTAL FY 2022 CLAIMS</b>	<b>3,147,956</b>	<b>17,058,690</b>		<b>17,058,690</b>
METRO HIF 2022				
Paid Claims	2,245,006	11,726,031		11,726,031
IBNR	(750,420)	3,175,103		3,175,103
Less Specific Excess	0	0		0
Less Aggregate Excess	0	0		0
<b>TOTAL METRO HIF 2022 CLAIMS</b>	<b>1,494,586</b>	<b>14,901,135</b>		<b>14,901,135</b>
<b>COMBINED TOTAL CLAIMS</b>	<b>4,162,631</b>	<b>32,581,598</b>	<b>546,417,296</b>	<b>578,998,894</b>

This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND								
RATIOS								
INDICES	2021	FY2022						
		JAN	FEB	MAR	APR	MAY	JUN	JUL
Cash Position	16,404,231	\$ 14,670,994	\$ 14,074,960	\$ 14,072,555	\$ 13,423,370	\$ 15,093,647	\$ 13,370,735	
IBNR	3,088,000	\$ 3,360,289	\$ 3,549,081	\$ 3,626,641	\$ 3,663,351	\$ 3,673,144	\$ 3,550,548	
Assets	19,120,978	\$ 18,892,004	\$ 18,629,342	\$ 17,702,429	\$ 17,404,265	\$ 17,324,279	\$ 17,235,291	
Liabilities	4,161,974	\$ 4,328,777	\$ 4,291,833	\$ 4,328,465	\$ 4,346,462	\$ 4,101,606	\$ 3,962,767	
Surplus	14,959,004	\$ 14,563,226	\$ 14,337,508	\$ 13,373,964	\$ 13,057,804	\$ 13,222,672	\$ 13,272,524	
Claims Paid -- Month	3,290,768	\$ 2,760,526	\$ 2,638,028	\$ 3,457,529	\$ 3,050,700	\$ 2,447,238	\$ 4,083,004	
Claims Budget -- Month	5,322,309	\$ 2,761,232	\$ 2,764,809	\$ 2,765,170	\$ 2,766,213	\$ 2,760,027	\$ 2,758,975	
Claims Paid -- YTD	28,867,485	\$ 2,760,526	\$ 5,398,553	\$ 8,856,082	\$ 11,906,782	\$ 14,354,020	\$ 18,437,024	
Claims Budget -- YTD	34,682,113	\$ 2,761,232	\$ 5,526,042	\$ 8,291,212	\$ 11,057,425	\$ 13,813,357	\$ 16,572,550	
<b>RATIOS</b>								
Cash Position to Claims Paid	4.98	5.31	5.34	4.07	4.4	6.17	3.27	
Claims Paid to Claims Budget -- Month	0.62	1.00	0.95	1.25	1.1	0.89	1.48	
Claims Paid to Claims Budget -- YTD	0.83	1.00	0.98	1.07	1.08	1.04	1.11	
Cash Position to IBNR	5.31	4.37	3.97	3.88	3.66	4.11	3.77	
Assets to Liabilities	4.59	4.36	4.34	4.09	4	4.22	4.35	
Surplus as Months of Claims	2.81	5.27	5.19	4.84	4.72	4.79	4.81	
IBNR to Claims Budget -- Month	0.58	1.22	1.28	1.31	1.32	1.33	1.29	

Metro

METRO HEALTH INSURANCE FUND								
RATIOS								
INDICES	2021	FY2022						
		JAN	FEB	MAR	APR	MAY	JUN	JUL
Cash Position	4,946,029	\$ 5,654,019	\$ 3,354,080	\$ 5,608,106	\$ 6,265,143	\$ 5,946,710	\$ 5,574,098	
IBNR	3,642,761	\$ 3,865,130	\$ 3,996,348	\$ 4,065,294	\$ 4,141,128	\$ 4,180,589	\$ 3,371,883	
Assets	6,000,414	\$ 6,758,845	\$ 7,227,586	\$ 7,131,446	\$ 7,321,325	\$ 7,246,290	\$ 7,807,533	
Liabilities	3,642,761	\$ 3,865,130	\$ 3,996,348	\$ 4,065,294	\$ 4,141,128	\$ 4,180,589	\$ 3,371,883	
Surplus	2,357,653	\$ 2,893,715	\$ 3,231,237	\$ 3,066,152	\$ 3,180,197	\$ 3,065,701	\$ 4,435,650	
Claims Paid -- Month	2,797,425	\$ 2,072,729	\$ 2,413,711	\$ 2,971,229	\$ 2,746,885	\$ 2,955,409	\$ 2,388,528	
Claims Budget -- Month	2,571,826	\$ 2,775,649	\$ 2,780,300	\$ 2,792,570	\$ 2,822,697	\$ 2,816,778	\$ 2,818,783	
Claims Paid -- YTD	15,715,010	\$ 2,072,729	\$ 4,486,440	\$ 7,457,669	\$ 10,204,554	\$ 13,159,963	\$ 15,548,492	
Claims Budget -- YTD	15,715,010	\$ 2,775,649	\$ 5,555,949	\$ 8,348,519	\$ 11,171,576	\$ 13,982,108	\$ 16,800,993	
<b>RATIOS</b>								
Cash Position to Claims Paid	1.77	2.73	1.39	1.89	2.28	2.01	2.33	
Claims Paid to Claims Budget -- Month	1.09	0.75	0.87	1.06	0.97	1.05	0.85	
Claims Paid to Claims Budget -- YTD	1.00	0.75	0.81	0.89	0.91	0.94	0.93	
Cash Position to IBNR	1.36	1.46	0.84	1.38	1.51	1.42	1.65	
Assets to Liabilities	1.65	1.75	1.81	1.75	1.77	1.73	2.32	
Surplus as Months of Claims	0.92	1.04	1.16	1.1	1.13	1.09	1.57	
IBNR to Claims Budget -- Month	1.42	1.39	1.44	1.46	1.47	1.48	1.2	

**Bergen Municipal Employee Benefits Fund  
2021 Budget Report  
as of June 30, 2022**

	Cumulative	Annualized	Latest filed	Cumulative	\$ Variance	% Variance
<b>Expected Losses</b>				<b>Expensed</b>		
Medical Claims Aetna	30,606,586	61,856,480	60,240,520	28,981,190	1,625,397	5%
Prescription Claims	2,314,510	4,609,742	3,802,286	1,859,898	(239,742)	-15%
Prescription Formulary Rebates	(694,354)	(1,382,926)	(1,140,686)	Included Above in Prescription Claims		
Dental Claims	1,146,799	2,293,308	2,274,112	1,118,737	28,063	2%
<b>Subtotal</b>	<b>33,373,542</b>	<b>67,376,603</b>	<b>65,176,232</b>	<b>31,959,824</b>	<b>1,413,718</b>	<b>4%</b>
HMO/DMO Premiums	24,711	50,110	55,137	19,643	5,067	21%
Medicare Advantage / EGWP	2,897,622	6,417,462	5,778,254	2,860,036	37,586	1%
Reinsurance						
Specific	998,829	1,998,839	1,983,709	999,833	(1,005)	0%
<b>Total Loss Fund</b>	<b>37,294,703</b>	<b>75,843,015</b>	<b>72,993,332</b>	<b>35,839,337</b>	<b>1,455,366</b>	<b>4%</b>
Loss Fund Contingency	0	0	0	0	0	0%
Expenses						
Legal	12,500	25,000	25,000	12,500	-	0%
Treasurer	10,331	20,662	20,662	10,128	203	2%
Administrator	352,952	729,810	1,025,923	353,295	(343)	0%
Risk Management Consultants	857,615	1,753,553	1,692,104	855,769	1,846	0%
Fund CoOrdinator METRO	229,922	482,078	455,004	230,347	(425)	0%
TPA - Claims Agent Aetna	685,126	1,371,063	1,360,685	686,507	(1,381)	0%
Dental TPA	50,940	102,008	99,478	50,950	(9)	0%
Actuary	6,120	12,240	12,240	6,120	-	0%
Auditor	9,435	18,870	18,870	9,437	(2)	0%
Benefits Consultant	258,515	533,535	597,221	261,413	(398)	0%
Board Advisor	9,180	18,360	18,360	9,180	-	0%
<b>Subtotal Expenses</b>	<b>2,482,635</b>	<b>5,067,179</b>	<b>5,325,547</b>	<b>2,485,645</b>	<b>(510)</b>	<b>0%</b>
Miscellaneous and Special Services						
Misc/Cont	5,382	10,765	10,765	22,636	(17,254)	-321%
Wellness, Disease, Case Management	50,000	100,000	100,000	50,000	(0)	0%
Affordable Care Act Taxes	9,088	18,187	18,049	9,088	(0)	0%
A4 Surcharge	222,233	456,261	448,059	210,009	12,224	6%
Plan Documents	2,500	5,000	5,000	Included above in Benefits Consultant		
<b>Subtotal Misc/Sp Svcs</b>	<b>289,204</b>	<b>590,213</b>	<b>581,873</b>	<b>291,733</b>	<b>(5,029)</b>	<b>-2%</b>
<b>Total Expenses</b>	<b>2,771,839</b>	<b>5,657,391</b>	<b>5,907,420</b>	<b>2,777,378</b>	<b>(5,539)</b>	<b>0%</b>
<b>Total Budget</b>	<b>40,066,542</b>	<b>81,500,406</b>	<b>78,900,751</b>	<b>38,616,715</b>	<b>1,449,827</b>	<b>4%</b>



**Bergen Municipal Employee Benefits Fund**  
**2023 Proposed Budget**

Print Date: 8/26/2022 9:29

Census:	Monthly	Annual
<b>Medical Aetna</b>	<b>2,965</b>	<b>35,580</b>
BMED Members	1,288	15,456
METRO Members	1,677	20,124
<b>Rx</b>	<b>835</b>	<b>10,020</b>
<b>Dental</b>	<b>3,822</b>	<b>45,864</b>
BMED Members	2,293	27,516
METRO Members	1,529	18,348
<b>Medicare Advantage - Medical</b>	<b>1,625</b>	<b>19,500</b>
BMED Members	480	5,760
METRO Members	1,145	13,740
<b>Rx No Medical (Incl in Rx above)</b>	<b>117</b>	<b>1,404</b>
<b>Dental Only (Incl in Dental above)</b>	<b>1,610</b>	<b>19,320</b>
BMED Members	1,469	17,628
METRO Members	141	1,692
<b>Medicare Advantage - Only (Incl above)</b>	<b>1,402</b>	<b>16,824</b>
BMED Members	257	3,084
METRO Members	1,145	13,740
<b>DMO Only</b>	<b>43</b>	<b>516</b>

	LINE ITEMS	Annualized Budget FY2022	Proposed Budget FY2023	\$ Change	% Change
1	<b>Medical Claims Aetna</b>	\$ 64,966,051	\$ 67,135,188	\$ 2,169,137	3.34%
	BMED Members	\$ 27,910,975	\$ 30,361,844	\$ 2,450,869	8.78%
	METRO Members	\$ 37,055,076	\$ 36,773,344	\$ (281,732)	-0.76%
2	Prescription Claims	\$ 4,627,325	\$ 4,599,493	\$ (27,832)	-0.60%
3	Prescription Formulary Rebates	\$ (1,388,198)	\$ (1,379,848)	\$ 8,350	-0.60%
4	<b>Dental Claims</b>	<b>\$ 3,054,652</b>	<b>\$ 3,020,226</b>	<b>\$ (34,426)</b>	<b>-1.13%</b>
	BMED Members	\$ 2,073,382	\$ 2,008,967	\$ (64,415)	-3.11%
	METRO Members	\$ 981,270	\$ 980,144	\$ (1,126)	-0.11%
5					
6	<b>Subtotal Claims</b>	<b>71,259,830</b>	<b>73,375,059</b>	<b>\$ 2,115,230</b>	<b>2.97%</b>
7					
8	<b>HMO/DMO Premiums</b>	<b>\$ 50,800</b>	<b>\$ 53,751</b>	<b>\$ 2,952</b>	<b>5.81%</b>
9					
	<b>Medicare Advantage / EGWP</b>	<b>\$ 7,041,449</b>	<b>\$ 7,182,229</b>	<b>\$ 140,780</b>	<b>2.00%</b>
10	BMED Members	\$ 1,641,567	\$ 1,674,372	\$ 32,805	2.00%
11	METRO Members	\$ 5,399,882	\$ 5,507,857	\$ 107,975	2.00%
12					
13	<b>Reinsurance</b>				
14	Specific	\$ 2,102,859	\$ 2,376,365	\$ 273,506	13.01%
15					
16	<b>Total Loss Fund</b>	<b>\$ 80,454,938</b>	<b>\$ 82,987,405</b>	<b>\$ 2,532,468</b>	<b>\$ 0</b>
17					
18	<b>Loss Fund Contingency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
19					
20	<b>Expenses</b>				
21	Legal	\$ 25,000	\$ 25,500	\$ 500	2.0%
22	Treasurer	\$ 20,662	\$ 21,067	\$ 405	2.0%
23	Administrator	\$ 789,478	\$ 804,929	\$ 15,451	2.0%
24	Risk Management Consultants	\$ 1,900,954	\$ 1,938,973	\$ 38,018	2.0%
25	Fund Coordinator METRO	\$ 574,800	\$ 574,800	\$ -	0.0%
26	TPA - Claims Agent Aetna	\$ 1,442,413	\$ 1,442,413	\$ -	0.0%
27	Dental TPA	\$ 143,096	\$ 145,958	\$ 2,862	2.0%
28	Actuary	\$ 12,240	\$ 18,500	\$ 6,260	51.1%
29	Auditor	\$ 18,870	\$ 19,000	\$ 130	0.7%
30	Benefits Consultant	\$ 563,389	\$ 574,681	\$ 11,292	2.0%
31	Board Advisor	\$ 18,360	\$ 18,727	\$ 367	2.0%
32					
33	<b>Subtotal Expenses</b>	<b>\$ 5,509,263</b>	<b>\$ 5,584,547</b>	<b>\$ 75,284</b>	<b>1.37%</b>
34					
35	<b>Miscellaneous and Special Services</b>				
36	Misc/Cont	\$ 10,765	\$ 18,048	\$ 7,283	67.65%
37	Wellness, Disease, Case Management	\$ 100,000	\$ 100,000	\$ -	0.00%
38	Affordable Care Act Taxes	\$ 19,133	\$ 19,133	\$ -	0.00%
39	A4 Surcharge	\$ 472,268	\$ 480,735	\$ 8,467	1.79%
40	Plan Documents	\$ 5,000	\$ 5,000	\$ -	0.00%
41	Claims Audit	\$ -	\$ 40,000	\$ 40,000	
42	<b>Subtotal Misc/Sp Svcs</b>	<b>\$ 607,166</b>	<b>\$ 662,916</b>	<b>\$ 55,750</b>	<b>9.18%</b>
43					
44	<b>Total Expenses</b>	<b>\$ 6,116,428</b>	<b>\$ 6,247,463</b>	<b>\$ 131,034</b>	<b>2.14%</b>
45					
46	<b>Total Budget</b>	<b>\$ 86,571,366</b>	<b>\$ 89,234,868</b>	<b>\$ 2,663,502</b>	<b>3.08%</b>
47	<b>Dividend Application*</b>	<b>\$ 166,968</b>	<b>\$ -</b>	<b>\$ (166,968)</b>	<b>-100.00%</b>
48	<b>Budget Excl Dividend</b>	<b>\$ 86,404,398</b>	<b>\$ 89,234,868</b>	<b>\$ 2,830,470</b>	<b>3.28%</b>
49	<b>Total Billing</b>	<b>\$ 85,518,072</b>	<b>\$ 89,234,868</b>	<b>\$ 3,716,796</b>	<b>4.35%</b>

	Annualized Assessment FY2022	Proposed Assessment FY2023	Difference \$	Difference %
Group Name	Total	Total	Total	Total
Alpine	\$ 40,380	\$ 40,380	\$ -	0.00%
Carlstadt	\$ 210,504	\$ 210,504	\$ -	0.00%
Carlstadt Board of Education	\$ 71,688	\$ 71,688	\$ -	0.00%
East Rutherford	\$ 117,096	\$ 119,724	\$ 2,628	2.24%
East Rutherford Board of Education	\$ 142,356	\$ 142,356	\$ -	0.00%
Edgewater	\$ 3,424,632	\$ 3,767,304	\$ 342,672	10.01%
Emerson	\$ 84,564	\$ 84,564	\$ -	0.00%
Fairfield	\$ 3,052,968	\$ 3,193,800	\$ 140,832	4.61%
Fairfield BOE	\$ 2,054,568	\$ 2,287,344	\$ 232,776	11.33%
Franklin Lakes	\$ 2,077,560	\$ 2,251,128	\$ 173,568	8.35%
Ft. Lee	\$ 286,278	\$ 286,728	\$ 450	0.16%
City of Garfield	\$ 5,567,124	\$ 6,179,856	\$ 612,732	11.01%
Hillsdale	\$ 44,232	\$ 44,232	\$ -	0.00%
Lodi	\$ 163,164	\$ 163,164	\$ -	0.00%
Maywood Borough	\$ 74,340	\$ 74,340	\$ -	0.00%
Mine Hill	\$ 11,952	\$ 11,952	\$ -	0.00%
Montvale	\$ 749,148	\$ 806,088	\$ 56,940	7.60%
Moonachie	\$ 1,594,752	\$ 1,711,848	\$ 117,096	7.34%
North Arlington	\$ 113,004	\$ 113,004	\$ -	0.00%
Oakland	\$ 2,677,308	\$ 2,811,960	\$ 134,652	5.03%
Park Ridge	\$ 1,999,596	\$ 2,113,356	\$ 113,760	5.69%
Ridgefield Park	\$ 2,497,488	\$ 2,691,396	\$ 193,908	7.76%
Rochelle Park	\$ 61,152	\$ 61,152	\$ -	0.00%
Rutherford	\$ 3,576,324	\$ 3,757,596	\$ 181,272	5.07%
Saddle River	\$ 1,003,524	\$ 1,061,412	\$ 57,888	5.77%
South Hackensack	\$ 1,280,100	\$ 1,425,384	\$ 145,284	11.35%
Verona	\$ 2,605,152	\$ 2,928,732	\$ 323,580	12.42%
Wallington	\$ 1,607,064	\$ 1,680,972	\$ 73,908	4.60%
Wanaque Valley Regional S.A.	\$ 13,272	\$ 13,272	\$ -	0.00%
Westwood	\$ 1,428,300	\$ 1,540,944	\$ 112,644	7.89%
Borough of Woodcliff Lake	\$ 47,400	\$ 47,400	\$ -	0.00%
Wood-Ridge	\$ 76,872	\$ 76,872	\$ -	0.00%
<b>Totals:</b>	\$ 38,753,862	\$ 41,770,452	\$ 3,016,590	7.78%

### METRO SUBGROUP

	Assessment FY2022	Assessment FY2023	Difference \$	Difference %
Group Name	Total	Total	Total	Total
Bloomfield Township	\$ 885,000	\$ 903,000	\$ 18,000	2.03%
East Orange	\$ 1,256,868	\$ 1,282,812	\$ 25,944	2.06%
Irvington	\$ 1,591,380	\$ 1,624,260	\$ 32,880	2.07%
Morristown Town	\$ 463,320	\$ 472,824	\$ 9,504	2.05%
City of Orange Township	\$ 12,875,376	\$ 13,018,992	\$ 143,616	1.12%
Plainfield BOE	\$ 25,531,260	\$ 25,834,128	\$ 302,868	1.19%
West Caldwell	\$ 2,223,420	\$ 2,245,860	\$ 22,440	1.01%
Township of West Orange	\$ 2,042,280	\$ 2,082,540	\$ 40,260	1.97%
<b>Totals:</b>	\$ 46,868,904	\$ 47,464,416	\$ 595,512	1.27%

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
2023 RFQ RESPONSES  
Responses Deadline 3pm, August 11, 2022**

<b>Position</b>	<b>Vendor</b>	<b>Proposed Fees</b>	<b>Notes</b>
<b>Auditor</b>	<b>Lerch Vinci &amp; Bliss LLP</b>	2023:\$19,000 2024: \$19,200 2025: \$19,200	Incumbent; 2% increases
<b>Attorney</b>	<b>Marmero Law LLC</b>	2023: \$150/hour	Coastal Fund Attorney
<b>Actuary</b>	<b>Actuarial Solutions</b>	2023: \$18,500 2024: \$18,900 2025: \$19,300	Includes fee for additional IBNR review
<b>Treasurer</b>	<b>Joe Iannaconi</b>	2023: \$21,067	Incumbent; 2%
<b>Attorney</b>	<b>Huntington &amp; Bailey</b>	2023: \$25,500 2024: \$26,000 2025: \$26,500	Incumbent; 2% increases
<b>Auditor</b>	<b>Holman &amp; Frenia</b>	2023:\$17,500 2024: \$18,375 2025: \$19,300	Auditor for MRHIF

**Committee Rating and Points Assignment – Auditor**

		<b>Lerch Vinci &amp; Bliss, LLP</b>	<b>Holman &amp; Frenia</b>
a.	Organizational Management, Stability and Ownership (10%)	<b>10</b>	<b>10</b>
b.	Expertise as an Auditor (25%)	<b>25</b>	<b>25</b>
c.	Experience in health joint insurance funds with similar services (10%)	<b>10</b>	<b>10</b>
d.	Ability to comply with the required standards of the RFP (15%)	<b>15</b>	<b>15</b>
e.	Results collected from provided references (10%)	<b>10</b>	<b>5</b>
f.	Fee Proposal (30%)	<b>29</b>	<b>30</b>
g.	<b>Total</b>	<b>99</b>	<b>95</b>

**Committee Rating and Points Assignment – Attorney**

		<b>Huntington &amp; Bailey</b>	<b>Marmero Law, LLC</b>
a.	Organizational Management, Stability and Ownership (10%)	<b>10</b>	<b>10</b>
b.	Expertise as an Attorney (25%)	<b>25</b>	<b>25</b>
c.	Experience in health joint insurance funds with similar services (10%)	<b>10</b>	<b>9</b>
d.	Ability to comply with the required standards of the RFP (15%)	<b>15</b>	<b>15</b>
e.	Results collected from provided references (10%)	<b>10</b>	<b>10</b>
f.	Fee Proposal (30%)	<b>30</b>	<b>25</b>
g.	<b>Total</b>	<b>100</b>	<b>94</b>

<b>BMED/Gateway HIF (Excludes METRO Claims &amp; Surplus)</b>	
<b>Surplus Objective</b>	<b>As of 6/30/2022</b>
<b>1. Annual Claims Budget</b>	<b>\$33,107,695</b>
<b>2. Trended for Growth @ 10%</b>	<b>\$36,418,465</b>
<b>3. Surplus Target @ 2.5 Months of Claims</b>	<b>\$7,587,180</b>
<b>4. Surplus as of 6/30/2022</b>	<b>\$13,413,376</b>
<b>Available for Dividend</b>	<b>\$5,826,196</b>
<b>Dividend Illustrated at 1/4 of Available</b>	<b>\$1,456,549</b>
<b>Dividend Illustrated at 1/3 of Available</b>	<b>\$1,942,065</b>
<b>Dividend Illustrated at 1/2 of Available</b>	<b>\$2,913,098</b>

<b>BMED Surplus as of 6/30/2022</b>	<b>\$13,413,376</b>		
<b>Available for Dividend</b>	<b>\$5,826,196</b>		
	<b>1/4 of Available</b>	<b>1/3 of Available</b>	<b>1/2 of Available</b>
Dividend Illustration as of 6/30/2022	<b>\$ 1,456,549.00</b>	<b>\$ 1,942,065.00</b>	<b>\$ 2,913,098.00</b>
Alpine	\$ 1,837.00	\$ 2,450.00	\$ 3,675.00
Carlstadt	\$ 6,164.00	\$ 8,220.00	\$ 12,329.00
Carlstadt Board of Education	\$ 3,080.00	\$ 4,106.00	\$ 6,160.00
East Rutherford	\$ 4,907.00	\$ 6,542.00	\$ 9,813.00
East Rutherford Board of Education	\$ 6,978.00	\$ 9,304.00	\$ 13,956.00
EDGEWATER	\$ 118,887.00	\$ 158,516.00	\$ 237,774.00
Emerson	\$ 4,159.00	\$ 5,545.00	\$ 8,317.00
FAIRFIELD	\$ 126,361.00	\$ 168,482.00	\$ 252,723.00
FAIRFIELD BOE	\$ 75,078.00	\$ 100,104.00	\$ 150,156.00
Fort Lee	\$ 12,784.00	\$ 17,045.00	\$ 25,568.00
Franklin Lakes	\$ 65,528.00	\$ 87,371.00	\$ 131,056.00
Hillsdale	\$ 2,773.00	\$ 3,697.00	\$ 5,545.00
Lodi	\$ 11,696.00	\$ 15,595.00	\$ 23,393.00
Maywood Borough	\$ 3,671.00	\$ 4,894.00	\$ 7,342.00
MINE HILL	\$ 262.00	\$ 349.00	\$ 524.00
Montvale	\$ 48,202.00	\$ 64,269.00	\$ 96,404.00
Moonachie	\$ 71,107.00	\$ 94,810.00	\$ 142,215.00
North Arlington	\$ 4,233.00	\$ 5,644.00	\$ 8,466.00
Oakland	\$ 106,544.00	\$ 142,058.00	\$ 213,087.00
Park Ridge	\$ 85,168.00	\$ 113,558.00	\$ 170,337.00
Ridgefield Park	\$ 126,888.00	\$ 169,183.00	\$ 253,775.00
Rochelle Park	\$ 1,867.00	\$ 2,489.00	\$ 3,734.00
Rutherford	\$ 169,323.00	\$ 225,764.00	\$ 338,645.00
Saddle River	\$ 50,152.00	\$ 66,869.00	\$ 100,304.00
South Hackensack	\$ 74,401.00	\$ 99,202.00	\$ 148,802.00
VERONA	\$ 79,416.00	\$ 105,888.00	\$ 158,831.00
Wallington	\$ 107,574.00	\$ 143,432.00	\$ 215,148.00
Wanaque Valley Regional S.A.	\$ 501.00	\$ 669.00	\$ 1,003.00
Westwood	\$ 82,888.00	\$ 110,517.00	\$ 165,775.00
Wood-Ridge	\$ 3,891.00	\$ 5,188.00	\$ 7,783.00
Borough of Woodcliff Lake	\$ 229.00	\$ 305.00	\$ 458.00
	\$ 1,456,549.00	\$ 1,942,065.00	\$ 2,913,098.00
<b>Remaining Surplus</b>	<b>\$ 11,956,827.00</b>	<b>\$ 11,471,311.00</b>	<b>\$ 10,500,278.00</b>
<b>Months of claims</b>	<b>3.94</b>	<b>3.78</b>	<b>3.46</b>

**SWOT Analysis Proposal**  
**Provided by Board Advisor**

Action Steps	Time Required
Conduct a series of four facilitations with the following groups: <ul style="list-style-type: none"> <li>• Members of the BMED Executive Committee</li> <li>• A group of 5-6 risk managers</li> <li>• The vendors: health network, drug and dental</li> <li>• The BMED management team</li> </ul>	8 hrs
Develop survey emailed to members and review results	8 hrs
Prepare report regarding facilitation input and proposed goals	6 hrs
Review report and facilitate the Strategic Planning Committee	2 hrs
Prepare final report including proposed goals	6 hrs
Present report to the BMED Executive Committee for adoption	2 hr

The components and time estimates are based on my experience. Facilitations could be timed for 1.5 hours thus reducing the required effort. Occasionally preparing the reports takes more time. And time to develop the survey and interpret the results depends on how extensive we make the probe. I am estimating based on a rather short survey distributed to all of the members including the dental.

As a measure of cost, my discounted fee is \$135 an hour and on that basis this effort estimated at 32 hours would require a budget of \$4,050.

Because I am on a monthly retainer, I would charge the first eight hours against that retainer which would reduce the estimated net cost for the effort to \$2,970.

REGULATORY

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**

**YEAR: 2022, AS OF August 1, 2022**

<u>Yearly Items</u>	<u>Filing Status</u>
<input type="checkbox"/> Budget	Filed
<input type="checkbox"/> Assessments	Filed
<input type="checkbox"/> Actuarial Certification	Filed
<input type="checkbox"/> Reinsurance Policies	Filed
<input type="checkbox"/> Fund Commissioners	Filed
<input type="checkbox"/> Fund Officers	Filed
<input type="checkbox"/> Renewal Resolutions	Filed
<input type="checkbox"/> Indemnity and Trust	In process
<input type="checkbox"/> New Members (list)	N/A
<input type="checkbox"/> Withdrawals	N/A
<input type="checkbox"/> Risk Management Plan and By Laws	Filed
<input type="checkbox"/> Cash Management Plan	Filed
<input type="checkbox"/> Unaudited Financials	9/30/2021 Filed
<input type="checkbox"/> Annual Audit	2021 Filed
<input type="checkbox"/> Budget Changes	N/A
<input type="checkbox"/> Transfers	N/A
<input type="checkbox"/> Additional Assessments	N/A
<input type="checkbox"/> Professional Changes	N/A
<input type="checkbox"/> Officer Changes	N/A
<input type="checkbox"/> Risk Management Plan Changes	N/A
<input type="checkbox"/> Bylaw Amendments	N/A
<input type="checkbox"/> Benefit Changes (list)	N/A
<input type="checkbox"/> Other	N/A



# BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

## BILLS LIST

Confirmation of Payment

JULY 2022

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

**BE IT RESOLVED** that the Bergen Municipal Employee Benefit Fund's Executive Board, hereby authorizes the Fund 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 Fund.

**FUND YEAR 2021**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004024			
004024	LERCH, VINCI & HIGGINS, C.P.A.	AUDIT 2021 PROGRESS BILLING	7,000.00
			<b>7,000.00</b>
		<b>Total Payments FY 2021</b>	<b>7,000.00</b>

**FUND YEAR 2022**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004025			
004025	AETNA HEALTH MANAGEMENT LLC	MEDICARE ADV 7/22	575,675.34
			<b>575,675.34</b>
004026			
004026	FLAGSHIP HEALTH SYSTEMS	RUTHERFORD 7/22	2,050.11
004026	FLAGSHIP HEALTH SYSTEMS	EAST RUTHERFORD 7/22	2,133.48
			<b>4,183.59</b>
004027			
004027	Deltacare DMO	CITY OF ORANGE 7/22	269.41
			<b>269.41</b>
004028			
004028	DELTA DENTAL OF NEW JERSEY INC	TPA - DENTAL 7/22	8,502.00
			<b>8,502.00</b>
004029			
004029	AETNA LIFE INSURANCE COMPANY	TPA - MEDICAL 7/22	113,633.62
			<b>113,633.62</b>
004030			
004030	PAYFLEX	HSA ACCOUNT FEES THRU 6/22	415.78
			<b>415.78</b>
004031			
004031	PERMA	POSTAGE 6/22	69.12
004031	PERMA	ADMIN FEES 7/22	62,466.62
			<b>62,535.74</b>
004032			
004032	ACTUARIAL SOLUTIONS, LLC	ACTUARY Q3 2022	3,060.00
			<b>3,060.00</b>
004033			
004033	HUNTINGTON BAILEY, LLP	ATTORNEY 7/22	2,083.33
			<b>2,083.33</b>
004034			
004034	EAGLE ROCK MANAGEMENT GROUP, LLC	FUND COORDINATOR FEE 7/22	41,601.00
			<b>41,601.00</b>
004035			
004035	JOSEPH IANNAONI, JR.	TREASURER 7/22	1,688.08
			<b>1,688.08</b>
004036			
004036	LaMendola Associates, Inc.	RETAINER 5/22	1,530.00
004036	LaMendola Associates, Inc.	RETAINER 6/22	1,530.00
			<b>3,060.00</b>
004037			
004037	NORTH JERSEY MEDIA GROUP	AD 6.24.22	22.95
004037	NORTH JERSEY MEDIA GROUP	AD 7.12.22	95.70
			<b>118.65</b>

004038			
004038	WELLNESS COACHES	PLAINFIELD BOE 6/22	7,975.00
			<b>7,975.00</b>
004039			
004039	CIVITAS NEW JERSEY LLC	WELLNESS CONSULTANT 7/22	2,083.33
			<b>2,083.33</b>
004040			
004040	ACCESS	STORAGE FEES MAY & JUNE 2022	283.26
			<b>283.26</b>
004041			
004041	FAIRVIEW INSURANCE	BROKER FEES 7/22	53,272.47
			<b>53,272.47</b>
004042			
004042	ACRISURE LLC d/b/a IMAC INS AGENCY	BROKER FEE 7/22	14,208.20
			<b>14,208.20</b>
004043			
004043	THE VOZZA AGENCY	BROKER FEES 7/22	13,034.32
			<b>13,034.32</b>
004044			
004044	RELIANCE INSURANCE GROUP LLC	BROKER FEES 7/22	31,935.63
			<b>31,935.63</b>
004045			
004045	ALLEN ASSOCIATES	BROKER FEES 7/22	9,271.39
			<b>9,271.39</b>
004046			
004046	BURTON AGENCY INC.	BROKER FEES 7/22	882.19
			<b>882.19</b>
004047			
004047	CONNER STRONG & BUCKELEW	BENEFITS CONSULTANT 7/22	45,854.92
			<b>45,854.92</b>
004048			
004048	SADDLE RIVER DELI	MEETING LUNCH 6/22	424.75
			<b>424.75</b>
004049			
004049	OTTERSTEDT INSURANCE AGENCY	BROKER FEES 7/22	6,214.37
			<b>6,214.37</b>
004050			
004050	WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 7/22	19,070.18
			<b>19,070.18</b>
004051			
004051	MUNICIPAL REINSURANCE H.I.F.	SPEC REINS. 7/22	165,663.73
			<b>165,663.73</b>
W0722			
W0722	DEPARTMENT OF TREASURY	PCORI FEE 7/22	17,279.36
			<b>17,279.36</b>
		<b>Total Payments FY 2022</b>	<b>1,204,279.64</b>
		<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>1,211,279.64</b>

-----  
Chairperson

Attest:

Dated: \_\_\_\_\_

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

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Treasurer

# BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND BILLS LIST

Resolution No. 25-22

AUGUST 2022

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

**BE IT RESOLVED** that the Bergen Municipal Employee Benefit Fund's Executive Board, hereby authorizes the Fund 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 Fund.

**FUND YEAR 2021**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004052			
004052	LERCH, VINCI & HIGGINS, C.P.A.	FINAL BILLING 2021 AUDIT	6,500.00
004052	LERCH, VINCI & HIGGINS, C.P.A.	PROGRESS BILLING 2021 AUDIT	5,000.00
			<b>11,500.00</b>
		<b>Total Payments FY 2021</b>	<b>11,500.00</b>

**FUND YEAR 2022**

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
004015			
004015	ACRISURE LLC d/b/a IMAC INS AGENCY	BROKER FEE 6/22	(14,446.91)
			<b>(14,446.91)</b>
004053			
004053	AETNA HEALTH MANAGEMENT LLC	MEDICARE ADV 1/22 UNDERPAYMENT	48,550.52
004053	AETNA HEALTH MANAGEMENT LLC	MEDICARE ADV 8/22	583,664.91
			<b>632,215.43</b>
004054			
004054	FLAGSHIP HEALTH SYSTEMS	RUTHERFORD 8/22	1,950.35
004054	FLAGSHIP HEALTH SYSTEMS	EAST RUTHERFORD 8/22	2,053.52
			<b>4,003.87</b>
004055			
004055	Deltacare DMO	CITY OF ORANGE 8/22	269.41
			<b>269.41</b>
004056			
004056	DELTA DENTAL OF NEW JERSEY INC	TPA - DENTAL 8/22	8,648.64
			<b>8,648.64</b>
004057			
004057	AETNA LIFE INSURANCE COMPANY	TPA - MEDICAL 8/22	120,930.82
			<b>120,930.82</b>
004058			
004058	PAYFLEX	JULY AND AUGUST 2022 INVOICES	420.82
			<b>420.82</b>
004059			
004059	PERMA	POSTAGE 7/22	67.69
004059	PERMA	ADMIN FEES 8/22	65,168.11
			<b>65,235.80</b>
004060			
004060	HUNTINGTON BAILEY, LLP	ATTORNEY 8/22	2,083.33
			<b>2,083.33</b>
004061			
004061	EAGLE ROCK MANAGEMENT GROUP, LLC	FUND COORDINATOR 8/22	45,094.00
			<b>45,094.00</b>
004062			
004062	JOSEPH IANNAONI, JR.	TREASURER 8/22	1,688.08
			<b>1,688.08</b>

004063			
004063	LaMendola Associates, Inc.	RETAINER 8/22	1,530.00
			<b>1,530.00</b>
004064			
004064	NORTH JERSEY MEDIA GROUP	AD BALANCES 7/22	64.90
			<b>64.90</b>
004065			
004065	NJ ADVANCE MEDIA	AD BALANCES 7/22	435.69
			<b>435.69</b>
004066			
004066	CIVITAS NEW JERSEY LLC	WELLNESS CONSULTANT 8/22	2,083.33
			<b>2,083.33</b>
004067			
004067	ACCESS	ARC SERVICE & STORAGE 5.31.22	143.96
			<b>143.96</b>
004068			
004068	FAIRVIEW INSURANCE	BROKER FEES 8/22	53,937.31
			<b>53,937.31</b>
004069			
004069	ACRISURE LLC d/b/a IMAC INS AGENCY	BROKER FEE 8/22	20,983.10
004069	ACRISURE LLC d/b/a IMAC INS AGENCY	BROKER FEE 6/22	14,446.91
			<b>35,430.01</b>
004070			
004070	THE VOZZA AGENCY	BROKER FEE 8/22	13,112.02
			<b>13,112.02</b>
004071			
004071	RELIANCE INSURANCE GROUP LLC	BROKER FEE 8/22	32,829.34
			<b>32,829.34</b>
004072			
004072	ALLEN ASSOCIATES	BROKER 8/22	9,672.56
			<b>9,672.56</b>
004073			
004073	BURTON AGENCY INC.	BROKER FEE 8/22	1,022.82
			<b>1,022.82</b>
004074			
004074	CONNER STRONG & BUCKELEW	EB CONSULTANT 8/22	47,416.95
			<b>47,416.95</b>
004075			
004075	OTTERSTEDT INSURANCE AGENCY	BROKER FEES 8/22	5,805.53
			<b>5,805.53</b>
004076			
004076	WORLD INSURANCE ASSOCIATES, LLC	BROKER FEE 8/22	19,667.87
			<b>19,667.87</b>
004077			
004077	MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 8/22	176,302.07
			<b>176,302.07</b>
		<b>Total Payments FY 2022</b>	<b>1,280,044.56</b>
		<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>1,277,097.65</b>

-----  
Chairperson

Attest:

Dated: \_\_\_\_\_

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

-----  
Treasurer

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES									
Bergen Municipal Employee Benefits Fund									
Month		June							
Current Fund Year		2022							
Policy Year	Coverage	1. Calc. Net Paid Thru Last Month	2. Monthly Net Paid June	3. Monthly Recoveries June	4. Calc. Net Paid Thru June	5. TPA Net Paid Thru June	6. Variance To Be Reconciled	7. Delinquent Unreconciled Variance From	8. Change This Month
2022	Medical	8,393,610.15	3,339,639.85	0.00	11,733,250.00	0.00	11,733,250.00	8,393,610.15	3,339,639.85
	Dental	747,984.08	119,789.02	0.00	867,773.10	0.00	867,773.10	747,984.08	119,789.02
	Rx	2,040,944.13	478,157.24	0.00	2,519,101.37	0.00	2,519,101.37	2,040,944.13	478,157.24
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>11,182,538.36</b>	<b>3,937,586.11</b>	<b>0.00</b>	<b>15,120,124.47</b>	<b>0.00</b>	<b>15,120,124.47</b>	<b>11,182,538.36</b>	<b>3,937,586.11</b>

Bergen Municipal Employee Benefits Fund											
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED											
Current Fund Year: 2022 Month Ending: June		Medical	Dental	Rx	Vision	Run-In	Reinsurance	Medicare Advantage	RSR	Admin	TOTAL
OPEN BALANCE		11,600,791.04	701,165.66	(362,456.55)	0.00	0.00	(75,383.50)	9,367,176.78	252,534.27	(443,471.75)	21,040,355.95
RECEIPTS											
Assessments		4,107,629.27	149,171.23	212,786.21	0.00	0.00	133,934.47	301,152.94	0.00	397,150.24	5,301,824.36
Refunds		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts		(7,006.98)	(663.91)	(224.18)	0.00	0.00	0.00	(4,180.72)	(112.71)	(874.33)	(13,062.83)
Invest Adj		(65.53)	(6.21)	(2.10)	0.00	0.00	0.00	(39.11)	(1.05)	(8.18)	(122.18)
Subtotal Invest		(7,072.51)	(670.12)	(226.28)	0.00	0.00	0.00	(4,219.83)	(113.76)	(882.51)	(13,185.01)
Other *		234,059.20	0.00	46,715.00	0.00	0.00	0.00	0.00	0.00	0.00	280,774.20
<b>TOTAL</b>		<b>4,334,615.96</b>	<b>148,501.11</b>	<b>259,274.93</b>	<b>0.00</b>	<b>0.00</b>	<b>133,934.47</b>	<b>296,933.11</b>	<b>(113.76)</b>	<b>396,267.73</b>	<b>5,569,413.55</b>
EXPENSES											
Claims Transfers		5,968,106.95	140,392.70	478,230.68	0.00	0.00	0.00	0.00	0.00	0.00	6,586,730.33
Expenses		0.00	0.00	0.00	0.00	0.00	167,554.95	0.00	0.00	896,434.42	1,063,989.37
Other *		13,914.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	303.56	14,217.56
<b>TOTAL</b>		<b>5,982,020.95</b>	<b>140,392.70</b>	<b>478,230.68</b>	<b>0.00</b>	<b>0.00</b>	<b>167,554.95</b>	<b>0.00</b>	<b>0.00</b>	<b>896,737.98</b>	<b>7,664,937.26</b>
<b>END BALANCE</b>		<b>9,953,386.05</b>	<b>709,274.07</b>	<b>(581,412.30)</b>	<b>0.00</b>	<b>0.00</b>	<b>(109,003.98)</b>	<b>9,664,109.89</b>	<b>252,420.51</b>	<b>(943,942.00)</b>	<b>18,944,832.24</b>

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS							
Bergen Municipal Employee Benefits Fund							
ALL FUND YEARS COMBINED							
CURRENT MONTH	June						
CURRENT FUND YEAR	2022						
	Description:	CHECKING	JCMI	CLAIMS	UHC CLAIMS	TD Invest	Investors
	ID Number:						
	Maturity (Yrs)						
	Purchase Yield:						
	TOTAL for All						
	Accts & instruments						
Opening Cash & Investment Balance	\$21,040,356.04	7,748,532.77	2,820,400.24	-	-	4,250,179.21	6,221,243.82
Opening Interest Accrual Balance	\$2,471.69	-	-	-	-	2,471.69	-
1	Interest Accrued and/or Interest Cost	-\$618.25	\$0.00	\$0.00	\$0.00	\$0.00	-\$618.25
2	Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	(Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	Accretion	-\$122.16	\$0.00	-\$122.16	\$0.00	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$8,539.58	\$473.68	\$3,118.83	\$0.00	\$0.00	\$2,134.21
6	Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7	Realized Gain (Loss)	-\$21,602.42	\$0.00	-\$21,198.42	\$0.00	\$0.00	-\$404.00
8	Net Investment Income	-\$13,803.25	\$473.68	-\$18,201.75	\$0.00	\$0.00	\$1,111.96
9	Deposits - Purchases	\$12,158,578.31	\$5,572,151.54	-\$303.56	\$6,586,730.33	\$0.00	\$0.00
10	(Withdrawals - Sales)	-\$14,240,917.03	-\$7,654,186.70	\$0.00	-\$6,586,730.33	\$0.00	\$0.00
	Ending Cash & Investment Balance	\$18,944,832.32	\$5,666,971.29	\$2,801,894.93	\$0.00	\$0.00	\$4,251,909.42
	Ending Interest Accrual Balance	\$1,853.44	\$0.00	\$0.00	\$0.00	\$0.00	\$1,853.44
	Plus Outstanding Checks	\$1,375,685.19	\$1,375,685.19	\$0.00	\$0.00	\$0.00	\$0.00
	(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Balance per Bank	\$20,320,517.51	\$7,042,656.48	\$2,801,894.93	\$0.00	\$0.00	\$4,251,909.42

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
CONSENT AGENDA  
August 30, 2022**

The following Resolutions listed on the Consent Agenda will be enacted in one motion. Copies of all Resolutions are available to any person upon request. Any Commissioner wishing to remove any Resolution(s) to be voted upon, may do so at this time, and said Resolution(s) will be moved and voted separately.

**Resolutions**

**Subject Matter**

**Motion** \_\_\_\_\_ **Second** \_\_\_\_\_

Resolution 21-22: 2023 Budget Introduction.....Page 24  
Resolution 22-22: EUS Service Contract Award .....Page 25  
Resolution 23-22: Professional Services Contract Award .....Page 28  
Resolution 24-22: Authorizing Refund from Closed Year Account.....Page 30  
Resolution 25-22: July and August 2022 Bills Lists .....Page 32

**RESOLUTION NO. 21-22**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
INTRODUCTION OF THE 2023 PROPOSED BUDGET**

**WHEREAS**, The Bergen Municipal Employee Benefits Fund is required under State regulation to adopt an annual budget in accordance with the Fiscal Affairs Law; and

**WHEREAS**, a quorum of the Executive Committee met on August 30, 2022 in Public Session to introduce the proposed budget for the 2023 Fund Year; and

**BE IT FURTHER RESOLVED** that a hearing on the 2023 budget in the amount of \$89,234,868 shall be held at the Fund's regularly scheduled and advertised meeting of September 27, 2022 at the Franklin Lakes Boro Hall. The 2023 budget shall be considered for adoption at a second reading at that time and after the completion of a public hearing.

**BE IT FURTHER RESOLVED** that copies of this resolution shall be sent to each Commissioner, Risk Manager, and Governing Body, the New Jersey Department of Banking and Insurance, and the New Jersey Department of Community Affairs.

**ADOPTED: August 30, 2022**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**



**RESOLUTION NO. 22-22**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
RESOLUTION AWARD OF CONTRACT  
EXTRAORDINARY, UNSPECIFIABLE SERVICES**

**WHEREAS**, the Bergen Municipal Employee Benefits Fund (hereinafter “the Fund”) is duly constituted as an insurance Fund and is subject to certain requirements of the Local Public Contracts Law; and;

**WHEREAS**, the Executive Committee of the Fund has deemed it necessary and appropriate to obtain certain extraordinary and unspecifiable services; and

**WHEREAS**, the Executive Committee resolves to award a contract for certain Fund services in accordance with N.J.S.A 40A:11-5(l)(m), and has received a certification from the Administrator for the Fund on the nature of such services and the due diligence efforts that were made to obtain quotes for the coverages described herein;

**NOW, THEREFORE, BE IT RESOLVED** that the following insurance contracts be awarded for the periods of January 1, 2023 through December 31, 2023:

- Medical Third Party Administrator – Aetna at \$40.54 pepm (approx. \$1,442,413 annually)
- Dental Third Party Administrator – Delta Dental at \$3.18 pepm (approx. \$145,958 annually)
- Medicare Advantage and Employer Group Waiver Program Provider – Aetna (approx. \$7,182,229 annually)

**BE IT FURTHER RESOLVED** that contracts providing the specified services will be on file in the Fund’s office, located at 9 Campus Drive – Suite 216, Parsippany, NJ 07054; and

**BE IT FURTHER RESOLVED** that notice of this action shall be advertised in the Fund’s official newspapers in accordance with law and notice of this action along with completed contracts shall be filed with the New Jersey Department of Banking and Insurance, the New Jersey Department of Community Affairs, and the New Jersey Office of the Comptroller.

**ADOPTED: August 30, 2022**

**BY:** \_\_\_\_\_  
**CHAIR**

**ATTEST:** \_\_\_\_\_  
**SECRETARY**

**STANDARD CERTIFICATION DECLARATION FOR  
AN EXTRAORDINARY UNSPECIFIABLE SERVICE**

TO: Members of the Bergen Municipal Employee Benefits Fund  
FROM: Brandon Lodics, PERMA Risk Management Services  
DATE: August 30, 2022  
SUBJECT: This is a contract for selection of a Medicare Advantage and Employer Group Waiver Program Provider

---

This is to request your approval of a resolution authorizing a contract to be executed as follows:

Firms: Aetna Medicare Advantage, Aetna, Delta Dental  
Cost: Not to exceed the budgeted amount based on the exposure as of the date the budget was prepare/adopted  
Duration: One Year (N.J.S.A. 40A:11-15(1)(6))  
Purpose: Provide Medical and Prescription Medicare provider services for the Bergen Municipal Employee Benefits Fund

This is to request an award of a contract without the receipt of formal bids as an Extraordinary Unspecifiable Service [N.J.S.A. 18A:18A-5(a)(ii) and N.J.A.C. 5:34-2.3(b)]. I do hereby certify to the following:

**1. Provide a clear description of the nature of the work to be done.**

For Aetna, and Delta Dental:

The contractor will provide the day to day claims adjudication and management in accordance to member plan documents and Fund rules and regulations. This vendor was selected based upon cost and other factors, including but not limited to, the ability to provide coverage levels that meets or exceeds the current health care coverage.

For Medicare Advantage for Aetna

The contractor will provide the day to day claims adjudication and management between the plan documents and Medicare rules. The coverage will be fully insured through Aetna where a premium is paid by the Fund for the service. This vendor was selected based upon cost and other factors, including but not limited to, the ability to provide coverage levels that meets or exceeds the current health care coverage.

**2. Describe in detail why the contract meets the provisions of the statute and rules:**

N.J.S.A. 40A:11-5(1)(m).

**3. The service(s) is of such a specialized and qualitative nature that the performance of the service(s) cannot be reasonably described by written specifications because:**

Not applicable.

**4. Describe the informal solicitation of quotations:**

The Contracts Committee reviewed the current contracts and through the guidance of the Fund Administrator and Program Manager, the Committee determined that the Fund's best option would be to negotiate a new one-year contract in lieu of an RFP process.

**5. I have reviewed the rules of the Division of Local Government Services pursuant to N.J.A.C. 5:34-2.1 et seq. and certify that the proposed contract may be considered an extraordinary unspecifiable service in accordance with the requirements thereof.**

Respectfully,

Name \_\_\_\_\_ (Signature)

Title \_\_\_\_\_

**RESOLUTION 23-22**

**RESOLUTION AUTHORIZING PROFESSIONAL SERVICES FOR ACTUARY, AUDITOR,  
ATTORNEY, AND TREASURER**

**WHEREAS**, the Bergen Municipal Employee Benefits Fund (hereinafter the Fund) is duly constituted as a joint insurance fund and is subject to certain requirements of the Local Public Contracts Law; and;

**WHEREAS**, the Board of Fund Commissioners has deemed it necessary and appropriate to obtain professional Actuary, Auditor, Attorney, and Treasurer services; and

**WHEREAS**, on July 11, 2022 the Fund released RFPs for the above mentioned professional services for a one year contract with two optional, one year contract extensions.

**WHEREAS**, the Fund received Requests for Proposal responses on August 11, 2022 which were publicly opened at PERMA Risk Management Services, 9 Campus Drive, Suite 216, Parsippany, NJ;

**WHEREAS**, the Fund received responses from Actuarial Services (Actuary), Huntington & Bailey (Attorney), Marmero Law (Attorney), Lerch, Vinci and Bliss, LLC (Auditor), Holman & Frenia (Auditor), Joseph Iannaconi (Treasurer)

**WHEREAS**, the Executive Committee resolved to extend the current contracts with Actuarial Solutions (Actuary), Huntington Bailey (Attorney), Lerch, Vinci and Bliss, LLC (auditor), Joseph Iannaconi (Treasurer) for 1 contract terms commencing January 1, 2023 to December 31, 2023; and

**WHEREAS**, Actuarial Solutions is willing and able to provide said services for a term of one year at the annual rate of \$18,500 for 2023; and

**WHEREAS**, Huntington & Bailey is willing and able to provide said services for a term of one year at the annual rate of \$25,500 for 2023; and

**WHEREAS**, Lerch, Vinci & Bliss LLC is willing and able to provide said services for a term of one year at the annual rate of \$19,000 for 2023; and

**WHEREAS**, Joseph Iannaconi is willing and able to provide said services for a term of one year at the annual rate of \$21,067 for 2023; and

**WHEREAS**, funding for this purpose will be made available and within future budgets established by the Fund for this purpose; and

**WHEREAS**, these professional services are authorized pursuant to the Local Public Contracts Law, N.J.S.A. 40A:11-5(1)(a)(i); now, therefore

**BE IT RESOLVED** by the Bergen Municipal Employee Benefits Fund that, contingent upon the funding as described herein, the proper Fund officials be and are hereby authorized to execute all documents necessary to affect an agreement with the above mentioned professionals.

**BE IT FURTHER RESOLVED** that notice of this action shall be advertised in the Fund's official newspapers in accordance with law and that notice of this action along with a completed contract shall be filed with the New Jersey Department of Banking and Insurance and the New Jersey Department of Community Affairs.

**ADOPTED: August 30, 2022**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**  
\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 24-22**

**RESOLUTION AUTHORIZING REFUND FROM  
CLOSED YEARS ACCOUNT**

**WHEREAS**, N.J.A.C. 11:15-2.21 provides that a FUND may seek approval from the Commissioner of Insurance for a refund of excess monies from any FUND year upon compliance with certain requirements; and

**WHEREAS**, the FUND has obtained a calculation from its Actuary and Executive Director as to the amount of money which is available for distribution consistent with the aforementioned regulations, and the financial integrity of the FUND; and

**WHEREAS**, the Fund Commissioners have determined that it would be in the best interest of the FUND and its member municipalities and school boards to make certain refunds to be used towards the Fund Year 2023 Budget;

**NOW, THEREFORE, BE IT RESOLVED** by the Fund Commissioners of the Bergen Municipal Employee Benefits Fund, as follows:

1. The Fund Commissioners have balanced the interests of the member municipalities/school boards in obtaining the benefit of such monies as are available for refund against the need for the FUND to protect and preserve its financial integrity.
2. As of June 30, 2022 all years combined, the Fund has a surplus balance of \$13,413,376. Of that, the Fund Commissioners declare a dividend of \$\_\_\_\_\_ to members included in the Fund at that time.
3. The dividend will be released as an option to the Fund members as a check, invoice credit or retain with the Fund for future distribution.
4. The Executive Director is, therefore, authorized and directed to submit such documents as the regulations require to the Department of Insurance and the Department of Community Affairs.
5. The FUND Treasurer is authorized to prepare and execute checks for the pro-rated amount of the aforementioned refunds due to each former member municipality and school board for the year in question, provided, however, the FUND Treasurer shall deduct any outstanding assessment receivable balances without regard for Fund year, upon receipt of written documentation of approval or acquiescence of these refunds from the Department of Insurance and the Department of Community Affairs. Said refunds shall be made to the municipalities/school boards which were members of the FUND for the years in question in the same ratio as said municipalities/school boards were assessed for the years in question.

**NOW, THEREFORE, BE IT RESOLVED**, that the Executive Committee hereby states that they have complied with N.J.A.C. 11:15-2.21 and does hereby submit a certified copy of this resolution to said Board to show evidence of said compliance.

**ADOPTED: AUGUST 30, 2022**

**BY: \_\_\_\_\_**  
**Chairperson**

**ATTEST: \_\_\_\_\_**  
**Secretary**

**RESOLUTION NO. 25-22**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
APPROVAL OF THE JULY AND AUGUST 2022 BILLS LISTS**

**WHEREAS**, the **Bergen Municipal Employee Benefits Fund** held a Public Meeting on **August 30, 2022** for the purposes of conducting the official business of the Fund; and

**WHEREAS**, The Treasurer for the Fund presented bills lists to satisfy outstanding costs incurred for operating the Fund during the months of July and August 2022 for consideration and approval of the Executive Committee; and

**WHEREAS**, a quorum of the Executive Committee was present thereby conforming with the By-laws of the Fund to conduct official business of the Fund,

**NOW THEREFORE BE IT RESOLVED** the Commissioners of the Executive Committee of the **Bergen Municipal Employee Benefits Fund** hereby approve the treasurer's reports for July 2022 prepared by the Treasurer of the Fund and duly authorize and concur said bills to be paid expeditiously, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

**ADOPTED: August 30, 2022**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**  
\_\_\_\_\_  
**SECRETARY**



# APPENDIX I

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**

**OPEN MEETING: June 23, 2022  
FRANKLIN LAKES BOROUGH  
12:00 P.M.**

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Meeting called to order by Chairman Hart. The Open Public Meeting Notice was read into the record.

**ROLL CALL OF 2022 EXECUTIVE COMMITTEE:**

Gregory Hart, Chair	Present
Richard Kunze, Secretary	Present
Joseph Catenaro, Executive Committee	Present
Gregory Franz, Executive Committee	Present
Donna Gambutti, Executive Committee	Absent
Bob Kakoleski, Executive Committee	Present * Arrived 12:10
Richard Molinari, Executive Committee	Present
Anthony Ciannamea, Executive Committee Alternate	Present
Erin Delaney, Executive Committee Alternate	Absent

**APPOINTED OFFICIALS PRESENT:**

Executive Director/ Administrator	<b>PERMA Risk Management Services</b>	Brandon Lodics, Executive Director Emily Koval, Account Manager
Attorney	<b>Huntington Bailey, LLP</b>	Russ Huntington Bill Bailey
Treasurer	<b>Joseph Iannaconi</b>	Joseph Iannaconi
Third Party Administrator	<b>Aetna</b>	Jason Silverstein
Dental Claims Administrator	<b>Delta Dental of NJ, Inc.</b>	Kim White
Auditor	<b>Lerch, Vinci &amp; Higgins</b>	Elizabeth Schick
Actuary	<b>John Vataha</b>	Absent
Independent Consultant	<b>LaMendola Associates</b>	Clark LaMendola
Benefits Consultant	<b>Conner Strong</b>	Crystal Bailey
RX Administrator	<b>Express Scripts</b>	Charles Yuk
Wellness Coordinator	<b>Civitas</b>	Marianne Eskilson*

**OTHERS PRESENT:**

Joe DiVincenzo, Eagle Rock  
Matt McArow, Otterstedt  
Lisa Sabato, PIA  
Brittany Vozza, Vozza Agency  
Dave Vozza, Vozza Agency  
Bernadette Finelli, Borough of Rutherford  
Maureen Fennell, Scirocco Group

## APPROVAL OF MINUTES:

### MOTION TO APPROVE THE PRESENTED OPEN MINUTES OF April 2022:

<b>MOTION:</b>	Commissioner Kunze
<b>SECOND:</b>	Commissioner Kakoleski
<b>ROLL CALL VOTE:</b>	7 Ayes, 0 Nays

**CORRESPONDENCE** - None.

### COMMITTEE REPORTS:

**Strategic Planning Committee** - Committee Chair Kunze said there will be a new member to approve and the RFPs will be addressed. Will be having one after this meeting to discuss the intent of the strategic planning committee. He said with an objective, we will have a more productive meeting in the future.

**Wellness Committee** - Chair Kakoleski was not in attendance at the time. Chair Hart said that the Wellness Coordinator will handle in her report.

**Small Claims Committee** - No report

**Nominations Committee** - No report.

### EXECUTIVE DIRECTORS REPORT

#### PRO FORMA REPORTS

- **Fast Track Financial Reports** as of January 31, 2022 (page 6)
  - **Historical Income Statement**
  - **Ratios and Indices Report**

Executive Director reviewed the financial fast track through April 2022. He said that 2021 claims were about 4.5% of the paid claims in April, but at this time last year, the prior year claims made up about 2% of the paid claims. In response to Chair Hart, Executive Director said that the Metro Subgroup cash and surplus position were strong and compared to the current position of the BMED.

**AUDITOR AND ACTUARY YEAR-END REPORTS (TBD)** - A copy of the Annual Financial Audit for the period ending December 31, 2021 is included with the agenda. Ms. Schick from Lerch and Vinci presented the report, as was done for the Strategic Planning Committee. Chair Hart said there was additional information requested regarding the separation of the metro financials which were appreciated.

The Affidavit of Certification was signed by the present Commissioners and Resolution 18-22 approving the 2021 Audit was approved in consent.

**NEW MEMBER – WEST CALDWELL** - The Strategic Planning Committee has reviewed the new member details for West Caldwell and is recommending membership offering. West Caldwell will be a Metro member effective August 1, 2022. Commissioner Kunze said the Committee was in favor of this membership. Resolution 19-22 approves membership and was approved in consent.

**DENTAL ELIGIBILITY UPDATE- FAIRFIELD BOARD OF EDUCATION (BOE)** - As part of their new collective bargaining agreement, on March 1, 2022, Full Time employees are eligible for dental coverage following 60 days of employment (matching medical and prescription). Prior to the new agreement full time employees were eligible for dental after 3 years of employment.

As the 2022 SPDs are being worked on, we've supplied the BOE with a letter confirming the update has been made in our eligibility system.

**MOTION TO APPROVE SUMMARY PLAN DOCUMENT LANGUAGE TO INCLUDE THE DENTAL ELIGIBILITY CHANGE FOR FAIRFIELD BOARD OF EDUCATION**

<b>MOTION:</b>	Commissioner Kunze
<b>SECOND:</b>	Commissioner Kakoleski
<b>ROLL CALL VOTE:</b>	7 Ayes, 0 Nays

**MRHIF MEETING** - Ms. Koval said the The MRHIF met on June 9 primarily to approve the 2021 Fund Audit. There were no findings or recommendations, and the audit will be filed with the State on time. In addition, the Committee approved a contract to Northshore for the Excess Claims Management and a random claim sampling of our Delta Dental experience. We expect this audit to be complete by the end of the year.

Lastly, RFPs were released for a QPA to handle Requests for Proposals for all Funds, a data warehouse provider, and the Fund Professional Service Contracts. A report will be provided after the results are reviewed in September.

**RETAINED DIVIDENDS**

A few members retain past dividends with Fund for future release. The list is included in Appendix II. These dividends are available to the members at any time via a retained dividend form. Ms. Koval explained that these funds are dividends that were released at one time but not taken by the member. The money is gaining interest and available to the owner at any time.

**NO SURPRISES ACT (NSA)**

The No Surprises Act requires certain involuntary out of network providers/claims be processed and paid at a "qualified payment amount" (QPA). The QPA is the average in network contracted amount for the provided service(s) in the provider's geographical region. Aetna has provided an impact report showing the BMED/Gateway's last 3 years of NSA eligible Out of Network claims.

Included in the analysis is a \$50 per claim processing charge for Aetna. Overall, if the QPA amount is accepted by the out of network providers, the Fund would be saving money.

The analysis was included on page 9 of the agenda and was reviewed with the Strategic Planning Committee.

Executive Director explained further saying that the legislation states that out of network non voluntary, emergent provider that are balance billed be reprocessed at a qualified amount – which is a contracted average amount in Aetna’s standard. That payment is sent, although, the provider does not have to accept, which would initiate an arbitration with Aetna. The illustration shows what that would have impacted the fund in the past few months and the net result, 2/3 years would have seen a savings. One year we would not. There is a fee of \$50 per claim for this reprocessing. But, these claims will not be going through the NAP, national advantage program which is a network for out of networks in the same way of which Aetna takes a percentage of savings. They won’t receive that in this case. There are arbitration costs that are not reflected.

In response to Commissioner Kakoleski, Executive Director said the Fund would be responsible for the arbitration. Mr. Silverstien said that could be \$200+\$600 for legal cost, plus the net result. He said the Fund will likely see a savings but Aetna is not expected to profit in this situation. OF the 1.3% of claims where this is, less than 1% of that will go to arbitration. Aetna predicts 5-15% savings. In response to Commissioner Catenaro, Executive Director said that there is ownness on the providers in this law to provide the cost.

## **REQUEST FOR PROPOSALS**

At the previous meeting, the Executive Committee requested RFPs for the Metro sales lead/retention manager, which also impacted the services and fees for the Benefits Consultant. The Strategic Planning Committee reviewed and approved the RFPs, which are attached. These 3 RFPs will be released right after the meeting for a July 13<sup>th</sup> deadline.

In addition, the Fund Professional Service contracts expire at the end of the year and will need to be RFP’d. The following services will be RFP’d for a 1 year contract, with 2 year optional extensions: Actuary, Auditor, Attorney, Treasurer and Board Advisor. The deadline for these proposals will be early August for the budget development.

## **MOTION TO RELEASED RFPs FOR FUND PROFESSIONAL SERVICES**

<b>MOTION:</b>	Commissioner Kunze
<b>SECOND:</b>	Commissioner Catenaro
<b>ROLL CALL VOTE:</b>	7 Ayes, 0 Nays

**PCORI FEE** - The Fund will continue to pay this fee on behalf of the members in July.

## Benefits Consultant Report

Ms. Bailey reviewed the following items.

### COVERAGE UPDATES:

#### Covid-19 Oral Prescriptions:

The Food & Drug Administration has approved 2 oral antiviral medications for Emergency Use Authorizations (EUA). With a EUA certification, plan sponsors are expected to cover the medications with a \$0 copay. The Government will be purchasing the medications and distributing to local pharmacies for adjudication through Pharmacy plans (Express Scripts). The approved functions of these medications are to assist in reducing the severity of complications as a result of COVID-19 in individuals who test positive with present symptoms. As of today, the medications will require a prescription from a physician for access.

- 1- Pfizer- Paxlovid
- 2- Merck- Molnupiravir

Express Scripts has proactively begun updating their adjudication systems to ensure plans meet the expectations of the Federal Government:

- Associated Costs:
  - o Plan - \$0 Ingredient cost during the period that the medications are purchased by the Federal Government
  - o Member - \$0 copay
  - o Program Fee- \$2.50 per prescription
  - o Dispensing Fee- TBD; additional legislative guidance is needed for local pharmacies
- Plan Impact
  - o Addition of medications to covered Formulary
  - o Member educational pieces (included in agenda)
  - o Quantity Limit - 1 course of treatment every 180 days

#### Covid-19 Oral Prescriptions UPDATE:

Funding from the government for COVID-19 oral medications may end in July. ESI plans to provide groups with a 30-day notice when they receive notice of the funding ending. Currently, members who fill one of the prescriptions through ESI are charged a copay. The HIFs has not opted in to change the member cost share to \$0 as there is minimal overall usage of the drug. Since January 2022 when the drugs became available, BMED had no members fill a script.

Once the government funding has ended the plan cost will apply when a prescription is filled:

- Up to \$12 dispensing fee per prescription; plan pays the balance after member's responsibility
- If member is in a Long-Term Care (LTC) facility, plan pays \$2.40 (\$12 dispensing fee/5 days) per day per prescription.

## **EXPRESS-SCRIPTS UPDATE**

Effective July 1, 2022, ESI will begin to cover Dengvaxia vaccine for children ages 9-17 years of age. The vaccine is to prevent Dengue (virus transmitted through the bite of infected mosquitoes). The cost is \$0 to members. The vaccine cannot be administered at a provider's office, it must be administered at a participating pharmacy. The vaccine is not covered through the HIFs medical plans.

CMS Annual Open Enrollment period for the 2023 plan year is October 15 – December 7. ESI has begun gathering information needed for their annual mailing campaign for the 2023 Notice of Creditable Coverage (NOCC). To meet the CMS requirement, Express Scripts will mail the NOCC letters the week of September 19<sup>th</sup> and September 26<sup>th</sup> to those age 65 and older enrolled in ESI coverage through the HIFs. The Program Manager team has provided ESI with an updated letter template for the new plan year for each HIF in preparation of the mailing.

## **OPERATIONAL UPDATES:**

### **2021 PCORI Fees – Due August 1, 2022**

**Form 720 Reporting** – Plan sponsors of applicable self-insured health plans are responsible for reporting and paying the PCORI annual fee by filing Form 720, Quarterly Federal Excise Tax Return. The Form 720 will be due on July 31 of the year following the last day of the plan year.

The HIFs will handle the submission of the form and payment for all groups with medical coverage in the HIFs.

## **2022 LEGISLATIVE REVIEW**

### **COVID -19**

1. National Emergency Declaration- Extended through April 15, 2022
  - Qualified Beneficiaries may wait one year to elect COBRA but must then start to make premium payments
  - Individual has a maximum of one year from date of payment originally would have due, including any applicable grace period
  - Under special transition rule- certain premium payments are not required to be made before 11/1/21.
2. At Home COVID-19 Testing- On January 10<sup>th</sup>, the Biden Administration issued a mandate that takes effects on January 15, 2022, requiring the coverage of At Home/Over the Counter COVID-19 test kits by Employer sponsored health plans. As outlined in the communication

sent on January 14, 2022, the HIF will cover the kits under the pharmacy plan (ESI). For groups contracted outside of the HIF for their pharmacy benefit, the group should contact their PBM or broker to implement a coverage solution.

Coverage Highlights:

- Date- Starting on January 15, 2022, going forward
- Network – the legislation encourages healthcare insurers to develop a network of locations at which the tests can be purchased with \$0 member cost share at point of service
- Dollar Limit- Up to \$12 per test
- Quantity Limit- Up to 8 tests per individual per 30 days

FREE Tests from the Government

Starting Tuesday, January 19<sup>th</sup>, anyone can go to the web site and arrange to have four (4) kits mailed to their home at no cost. The web site is <https://www.COVIDTests.gov>. For those that may not have internet access, there is a toll-free number available to request tests, 800-232-0233 (TTY 888-720- 7489). The White House says tests will begin to get shipped within seven days from ordering. Access to free tests should help relieve employers and plan sponsors from absorbing these additional testing costs.

The 3<sup>rd</sup> round of free at-home tests are now available, each household is eligible to receive 8 tests which will come in 2 separate packages (4 tests in each package).

ESI Highlights:

- Point of service option is now available for members to get tests at the pharmacy counter.
- Mail order options is also available through ESI.
  - Ordering for more than one participant must be done separately.
- ESI will allow up to 8 tests per covered individual per 30 days, regardless of the source used to obtain the kits.

ESI Highlights (cont'd):

- Communication update was sent on February 11, 2022, outlining the retail and mail order process through ESI. Member communications were included for distribution.
3. Vaccine Mandates – November 4, 2021, OSHA released the *Emergency Temporary Standard*. Which implemented a “vaccine or test,” requirement for Employers over 100 Employees. The Mandate is still not in effect as it has gone through multiple State and Federal Court appeals. Most recently, on January 13, 2022, the US Supreme Court blocked the enforcement of vaccine or testing mandate for businesses with at least 100 employees.

As a reminder testing as an occupational requirement are not covered under Employer Health Plans.

**Mental Health Parity and Addiction Equity Act (MHPAEA)**



In December of 2020 Congress passed in to Law the Consolidated Appropriateness Act. The Law addresses how the DOL, HHS and IRS will assess how well plan sponsors and insured plans are keeping up with compliance requirements under MHPAE (passed in 2008).

Plans and plans sponsors will be required to complete a detailed analysis of the plan, confirming compliance.

On behalf of all self-insured groups, Conner Strong & Buckelew, is working with our TPA and PBM partners to request assistance for our clients in providing the analysis. We will continue to keep you updated on the progress and efforts on the Fund's next steps.

<https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/mental-health-parity/self-compliance-tool.pdf>

### **No Surprise Billing and Transparency Act- Continued Delays**

Medical carriers will provide the HIF with a unique URL/hyperlink to post to the HIF's main public website. The URL/hyperlink is required to be posted by July 1, 2022. The link will automatically refresh each month with any updated information. The Program Manager recommends all groups link their website to the HIF's public website, <https://hifundnj.com/>, there will not be a link sent to the groups. By doing so, this will satisfy the group's obligation for this requirement. The Program Manager sent communication on June 14<sup>th</sup> to all brokers to share with their groups.

### **Aetna:**

To comply with the No Surprise Billing and Transparency Act requirement as it relates to carrier ID cards. Aetna ID cards are being updated for the HIFs and notices are beginning to go out to members advising them they can get a new digital ID card with the updated information. This does not impact their current card and/or their ID number, current plan or benefits. There will not be a mass release of new ID cards. Once a group is updated any new members and/or members with changes that warrant a new ID card; adding of spouse/dependent etc., will receive a new ID card with the updated required information sent to their home.

Aetna is expected to have all HIF groups completed by the end of June. Once a group has been updated in Aetna's system the below notification will be sent to members. The Program Manager team sent notifications to broker to share with their groups on June 3, 2022, including a sample email to members.

### **\*\*Please note this requirement only applies to Commercial medical plans not Medicare Advantage.**

The Health Insurance Funds, including Gateway-BMED protect plan members from surprise billing with involuntary out of network balance bills with a hold harmless clause:

- Example: an in-network surgeon contracts with an out of network anesthesiologist. Should the out of network anesthesiologist balance bill the patient, the Funds would hold the

member harmless, paying up to the invoiced amount.

The law also imposes certain requirements on the Carriers, PBMs and healthcare providers. Many of these requirements continue to be delayed, but we will continue to work with the insurance providers to assure the Gateway-BMED HIF remains compliant.

- Issuing updated ID Cards with additional out of pocket information
- Providing transparency in coverage machine-readable files
- Providing price comparison tools
- Healthcare providers should work with insurance carriers to provide potential patients with good faith estimates of costs

## Appeals

### Carrier Appeals:

Submission Date	Appeal Type /Carrier	Appeal Number	Reason	Determination	Determination Date
05/26/2022	Medical/Aetna	BMED-2022-05-01	Benefit Application	Denial Upheld	06/13/2022
05/27/2022	Medical/Aetna	BMED-2022-05-02	Medical Necessity	Denial Upheld	06/13/2022

### IRO Submissions:

Submission Date	Appeal Type /Carrier	Appeal Number	Reason	Determination	Determination Date
05/27/2022	Medical/Aetna	BMED-2022-05-02	Medical Necessity	Denial Upheld	06/13/2022

### BMED Small Claims Committee Appeals:

Submission Date	Appeal Type /Carrier	Appeal Number	Reason	Determination	Determination Date
02/01/2021	Medical/Aetna	BMED-2021-02-01	Medical Necessity	Overtaken	06/15/2022

**ATTORNEY** – No report

**TREASURER** – Fund Treasurer said the report is included in the agenda.

**WELLNESS COORDINATOR** – Ms. Eskelson reviewed the report included in the agenda. She introduced Lori Rushman from Valley Health who reviewed the education programs provided to the membership and future possibilities. She said that these programs are available to non participating groups to bmed, not to metro yet. She reviewed what the Valley health and wellness center in Mahwah does for members. There are members that have been given wellness screens which is encouraging. Physisan at valley who works specific with Long Haul Covid. Ms. Ekelson encouraged non participating members to provide an email contact for those who would be best to speak to.

Trails Conference – Ms. Eskelson reviewed the program which draws awareness to movement, walking, etc.

In addition, Ms. Eskelson said that Funds are celebrating 30<sup>th</sup> anniversary, collaboration with marketing consultant to market and include wellness which is a great opportunity to focusing on what separates the Funds to the State health.

She said there is an ambassador meeting happening today which hope to have a few times a year to present which each group doing.

Ms. Eskelson reviewed the tracking process of these educational seminars and reception is very good.

Chair Hart summarized the report stating that the participation is so good because of the quality of the education seminars.

**BOARD ADVISOR** – Board Advisor said he recognized the extensiveness and quality of the wellness program and hopefully benefit the BMED long term. He said the Valley facility is excellent and there is a 40% discount to the gym. Focus on disease management to get a better snapshot of what is incurring in each town so they can focus directly to the major town disease states. Ms. Ekelson said that diabetes is one to focus on, which we will have a education in the fall on.

**AETNA** – Mr. Silverstien reviewed the reports included in the agenda. He stated that the Aetna report now pulls the Metro high claimants out in its own report. Year to date PGs are not quite met for customer service, which we are improving.

In response to Commissioner Kunze, the claims catch up in march and April is causing an increase. We are seeing increase utilization and high cost claimants that are attributing to this. We are seeing May's numbers come down.

**PHARMACY NETWORK (Express Scripts)** – Mr. Yuk reviewed the report. Claims for 2022 for Q1 has not changed much. He said there is a 23% increase on specialty drugs.

**DELTA DENTAL** – Kim reviewed the report. Board Advisor requested newer data. Chair Hart said these reports are typically annual

**CONSENT AGENDA:** The Committee approved the consent agenda, as presented.

**MOTION TO APPROVE THE CONSENT AGENDA:** RESOLUTION 18-22: APPROVING THE 2021 AUDIT, RESOLUTION 19-22: OFFERING NEW MEMBERSHIP – WEST CALDWELL, RESOLUTION 20-22: MAY AND JUNE 2022 BILLS LISTS.

<b>MOTION:</b>	Commissioner Catenaro
<b>SECOND:</b>	Commissioner Kakoleski
<b>VOTE:</b>	7 Ayes, 0 Nays

**OLD BUSINESS:** none

**NEW BUSINESS:** none

**PUBLIC COMMENT:** None

**MOTION TO ADJOURN:**

<b>MOTION:</b>	Commissioner Franz
<b>SECOND:</b>	Commissioner Kakoleski
<b>VOTE:</b>	Unanimous

**MEETING ADJOURNED:** 12:49 pm

**NEXT MEETING:** June 28, 2022 12:00 PM

Emily Koval, Account Manager

# APPENDIX II

Strategic planning Committee

July 21, 2022

Franklin Lakes Borough

**Attendees**

Brandon Lodics, PERMA

Emily Koval, PERMA

Greg Hart, Fund Chair, Franklin Lakes

Greg Franz, Borough of Rutherford

Rich Kunze, Oakland Borough

Frank Covelli, PIA

Dave Voza, Voza Agency

Clark LaMendola, Board Advisor \*telephonic

**State Health Renewal** – Mr. Lodics reviewed the unofficial State renewal. He said Monday’s meeting will likely be postponed, but overall is going to be high double digits. The State used a lot of savings in prior budgets for programs that may not have produced any ROI to validate that savings. Added margin to make this up. This could be the year to have some new members. One consideration is a deferral consideration for those groups that have that currently at the SHBP. The Fund could consider allowing them any of these groups to hold this payable. He said there is not a big cash flow consideration because its not needed immediate. Mr. Kunze suggested only putting this change in the RMP if it’s a Fund policy, which covers us from being discriminative. Mr. Lodics said that some of these groups may have enough savings coming to the fund to pay one of those months of deferral.

Rich said this is a good time to get the marketing at the MRHIF level started. Ms. Koval said it has started.

Mr. Covelli said the State has not had an increase at this magnitude in many years. .

**Board Advisor Proposal** – Rich said that the idea was to do strategic planning SWOT analysis offered by the Board Advisor to facilitate the process, including a survey, preparation of a report, take goals and use these to guide the future of the Fund. The net cost would be a little over \$2000. Mr. Hart said he is a fan of these types of reports and the cost is very reasonable. To approve this at the September meeting out of the 2022 budget but to include additional funds for 2023 if this report causes additional long time strategic work. We are to include an hourly rate in the RFP for ad hoc projects.

**RFP** – Ms. Koval reviewed the METRO RFPs received mid July for sales and retention and the Benefits Consultant. The Committee ultimately agreed to keep the current contract and arrangement with the Metro Fund Coordinator as is and the split of roles and firms can occur if the Metro Fund splits. Therefore, the Benefits Consultant RFP is tabled and the current contract will remain in place.

**Metro Subgroup** – Mr. Kunze said the intention was to allow these large, metropolitan groups to come into the sub group through the BMED Fund. In response to Mr. Kunze, Ms. Koval said a January 2024 start date is not unreasonable. The Committee said there is discomfort with the current territory being changed. Mr. Hart said there should be some restriction on the recruiting and believe we still should have control. He said the Metro Fund was approved to be

subgroup to grow but should not be competing within its own Fund. Mr. Covelli agreed stating that the BMED is a difficult area to market overall. Mr. Kunze said the focus of the Subgroup was initiated for large sized groups in Essex area.

Clark called into the meeting 2:26

Board Advisor said he agreed with tabling the RFP discussion.

**Discussion about committees** – Mr. Hart said that the Strategic planning committee has taken most items now that may not have been intended for that committee. He said a Finance Committee should be developed. The August will meeting will be a budget workshop with only the Budget as a topic.

**HDHP incentives plans** – Mr. Hart reviewed the plan design which has been discussed at prior meetings. Board Advisor had the consideration that there could be deferred or refused services because of the cost which could make an unhealthy population. Mr. Vozza said he feels that the savings can sometimes be as much as the deductible. If you finance it, consumerism goes away and there is more utilization and the savings is untrue. The group is spending just as much and losing the Chapter 78 cost. Then if there is no savings from claims because utilization hasn't changed, the cost is the same or more to both of the group and the Fund.

Mr. Covelli reviewed the difference between the HRA and HSA. The HRA will work better for a small group, which an HSA is better. HSA is owned by the employee and can pre-taxed ded and co-insurance. There HDHP plans that are currently in the BMED are becoming popular. Mr. Vozza said that the Actuary must price this right and consider the employer contribution. Mr. Lodics said it is not unpopular to fund some of the HSA. He said the problem is to get the high utilizers in this plan as opposed to the healthy younger population where the savings is obtainable.

Mr. Hart said that HDHP can provide tremendous savings to the employer, but convincing employees is difficult. He reviewed his current structure with Franklin Lake's HDHP plan. He said it is a consumer driven concept. Dave said the condition is the actuary needs to know the extent of the employer funding.

# APPENDIX III



## Finance Committee Meeting

August 29, 2022

10:00am – Zoom

Greg Hart  
Richard Kunze  
Bob Kakoleski  
Brandon Lodics  
Emily Koval  
Crystal Bailey  
Jordyn DeLorenzo

### Financial Fast Track

Mr. Lodics' started off the meeting by discussing the Financial Fast Track thru June 30, 2022. He stated that the Fund continues to be in very good financial position. Although, in 2021, the original BMED members were at a loss, the METRO Fund earned surplus. So far, the 2022 Fund year is earning a moderate surplus. He said that, as Aetna promised, the claims slow down did catch up and an IBNR adjustment was made which helped the overall financials for the first half of the year.

### 2023 Proposed Budget Review

Mr. Lodics reviewed the Budget Introduction Power Point Presentation that was shown which included the 2023 Budget overview, member assessments, billing assessments, development of the 2023 budget, medical claims, reinsurance, and expenses.

He stated that the Medical Claims are increasing by 8.78%, the Rx Claims are decreasing slightly at .76% and the Dental Claims are decreasing 3.11%. When looking at the Metro Subgroup, their medical and dental claims are both decreasing. Two of the items that are shared items in the budget between the BMED only members and metro are the MRHIF Reinsurance which is projected to increase by 13%. That number can change once the MRHIF adopts their 2023 budget. The other item is the Expenses which is increasing by 2.14%. Overall, the budget is increasing 3.08% from last year.

Mr. Lodics reviewed the Member assessments showing that the change in line of coverage for BMED as well as the metro subgroup is increasing. Mr. Lodics stated that the 5-year average budget renewal is at 1.49% which is great for the fund considering the increase for 2023.

Mr. Lodics stated that when developing the 2023 budget, the actuary had to take into consideration of the ongoing impact of COVID-19. Medical utilization increased because of post-covid rebound specifically in the 2<sup>nd</sup> half of 2021. He stated that 5% of paid claims in 2021 were unanticipated COVID expenses which includes vaccinations, testing and inpatient stays. Mr. Hart requested including the 2018 and 2019 data to show a real comparison on the impact COVID had on the Fund over the past 2 years.

Mr. Lodics reviewed the reinsurance portion of the presentation stating that there is a 13% placeholder included in the budget because the MRHIF is waiting for the US Fire reinsurance renewal to determine the overall increase. There are two new services in 2023. He stated and RFP has been released to add a data warehouse system to analyze trends and gaps in care. The Fund is also hiring a QPA for all funds RFPs and filings with the comptroller's office.

Mr. Lodics stated that the total expenses are increasing by 2.14%. The Professional services will increase an average of 2% in line with the RFP responses. There will be no change in the Claims administrators from 2022 because we are still in a negotiated 3-year deal. He stated that they are adding a Medical Claims Audit to verify that the claims administrators are performing at the highest level and completing their duties properly. With the IBNR increase from the medical claims

slowdown with Aetna, this will be to prevent that same error from happening again or to catch it early enough where there won't be such a big financial impact. In the budget you will see the added line for medical claims audit which will be these extra IBNR Audit Reports.

Mr. Hart asked if we are we utilizing any of the surplus in the operating budget. Mr. Lodics said that they don't use it to reduce the budget but the dividend application does help the members with their rates. Mr. Lodics stated that he would not recommend using their surplus to lower the budget. He stated that there are ways to keep the rates where the average is which would be to apply their dividend to their rates. Mrs. Koval stated that this was a discussion last year as well and stating that they previously agreed to declare a dividend and it would be a member by member choice on what they would want to do with it.

Mr. Hart asked if we should hold off on introducing the budget until we see where the state plan comes in. The Committee agreed to introduce the budget at the next meeting.

Mr. Hart feels that we should continue to offer the dividends to be used for a rate change. He stated that the towns in the state plan are looking at a 24% and the BMED only has an 8% increase and that automatically looks better than the State Health Benefits Plan. Our average budget renewal over 5 years is still way lower than the SHBP will be which looks very good for our fund.

Mr. Kakoleski agrees that we have a strong marketing standpoint because we already look good with the comparison between our 8% increase vs the 24% SHBP increase.

### **2023 Professional RFP Awards**

Mr. Lodics reviewed the RFQ responses that were submitted to the Executive Director's office. The Committee rated the 2 Auditor responses as well as the 2 Attorney responses and chose to stay with the incumbent; Lerch Vinci & Bliss LLP and Huntington & Bailey, LLP based on fees and experience with the BMED. Mrs. Koval also stated that the Actuary got one response which is Actuarial Solutions. The deputy Treasurer also received one response being the incumbent, Joseph Iannaconi. The committee agreed to award the contracts to the mentioned.

### **Dividend Consideration**

Mr. Lodics stated that we do have an opportunity to declare a dividend this year. We are about double our surplus target as of June 30, 2022 at a little above \$13million. He showed the committee the dividend illustration. Mr. Hart stated that he would agree with declaring the smaller dividend do that we can keep some in our surplus for the following year. Mr. Kunze also agreed that it may be better to take the smaller dividend this year to be a bit more conservative. The committee agree that they would like to include the rest of the Executive Committee to make this decision and see what they would like to do with this. Mrs. Koval stated that they will include a resolution in the monthly meeting agenda and keep it open for the final decision on how much of a dividend they would like to award.