



AGENDA AND REPORTS
JANUARY 23, 2024
FRANKLIN LAKES BOROUGH HALL
12:00 PM

OPEN PUBLIC MEETINGS ACT - In accordance with the Open Public Meetings Act, notice of this meeting was given by:

- I.** sending sufficient notice to **The Record and The Star Ledger**
- II.** filing advance written notice of this meeting with the Clerk/ Administrator of each member municipality and,
- III.** posting notice on the Public Bulletin Board of all member municipalities.

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
 AGENDA MEETING: JANUARY 23, 2024
 FRANKLIN LAKES BOROUGH HALL
 12:00 PM**

SINE DIE MEETING

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

PLEDGE OF ALLEGENCE

ROLL CALL OF 2023 EXECUTIVE COMMITTEE

Gregory Hart, Chair
 Richard Kunze, Secretary
 Gregory Franz, Executive Committee
 Donna Gambutti, Executive Committee
 Bob Kakoleski, Executive Committee
 Anthony Ciannamea, Executive Committee
 Erin Delaney, Executive Committee Alternate
 James Gasparini, Executive Committee Alternate

APPROVAL OF MINUTES: November 28, 2023 Open..... Appendix I

ADJOURN SINE DIE MEETING - Chairs vacated - Chair asks Executive Director to run meeting.

MEETING OF 2024 FUND COMMISSIONERS CALLED TO ORDER

ROLL CALL OF 2024 FUND COMMISSIONERS

| Member | Fund Commissioner |
|-------------------------------------|--------------------------|
| Alpine* | Paul Tomasko |
| Carlstadt* | Joseph Crifasi |
| Carlstadt Board of Education* | |
| East Rutherford* | Jesse DeRosa |
| East Rutherford Board of Education* | Giovanni Giacapro |
| Edgewater | Gregory Franz |
| Emerson* | Robert Hermansen |
| Fanwood | Colleen Huehn |
| Fairfield | James Gasparini |
| Fairfield BOE | Kathy Morano |
| Franklin Lakes | Gregory Hart |
| Ft. Lee* | Alfred Restaino |
| Garfield City | Erin Delaney |
| Garwood | Kyle Harris |

| | |
|-------------------------------|------------------------|
| Hillsdale* | Christopher Tietjen |
| Lodi* | Marc Shreicks |
| Maywood Borough* | Adrian Febre |
| Midland Park | Wendy Martin |
| Mine Hill* | Katelyn Wild |
| Montvale | Joe Voytus |
| Moonachie | Anthony Ciannamea |
| North Arlington* | Steve Loicano |
| Oakland | Richard Kunze |
| Park Ridge | Magdalena Giandomenico |
| Ridgefield Park | Adam MacNeill |
| Rochelle Park* | Dean Pinto |
| Rutherford | Robert Kakoleski |
| Saddle River | Richard Molinari |
| South Hackensack | Donna Gambutti |
| Verona | Joseph D'Arco |
| Wallington | Hector Olmo |
| Wanaque Valley Regional S.A.* | Frank Covelli |
| Westwood | Durene Ayer |
| Woodcliff Lake | Tom Padilla |
| Wood-Ridge* | Dominick Azzolini |

Recommended Slate

Gregory Hart, Chair
Richard Kunze, Secretary
Gregory Franz, Executive Committee
Donna Gambutti, Executive Committee
Bob Kakoleski, Executive Committee
Anthony Ciannamea, Executive Committee
Erin Delaney, Executive Committee Alternate
James Gasparini, Executive Committee Alternate
Thomas Padilla, Executive Committee Alternate

ELECTION OF OFFICERS, EXECUTIVE COMMITTEE & ALTERNATES

Executive Director asks for Nominations. Attorney swears in officers and Executive Committee.

MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER

ROLL CALL OF 2024 EXECUTIVE COMMITTEE

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 - Robert Kakoleski, Chair

EXECUTIVE DIRECTOR – PERMA – Brandon Lodics

Executive Director's ReportPage 1

BENEFITS CONSULTANT REPORT – Crystal Bailey

Conner Strong & Buckelew.....Page 9

ATTORNEY - Russell Huntington, Esq.

TREASURER – Joseph Iannaconi

Voucher List December 2023 and January 2024.....Page 11

Treasurers Report December 2023.....Page 15

Confirmation of Claims Paid/Certification of Transfers

WELLNESS COORDINATOR – Marianne EskilsonPage 18

BOARD ADVISOR – Clark LaMendola.....Page 20

THIRD PARTY ADMINISTRATOR – Aetna – Jason Silverstein

Monthly ReportPage 23

PRESCRIPTION PROVIDER – Express Scripts – Charles Yuk

Monthly Report.....Page 28

DENTAL ADMINISTRATOR – Delta Dental – Kim White

CONSENT AGENDAPage 31

Resolution 1-24: Awarding Professional Fees for 2024.....Page 32

Resolution 2-24: Designation of Service of Process.....Page 35

Resolution 3-24: Designation of Secretary as Custodian of RecordsPage 36

Resolution 4-24: Designation of Official NewspaperPage 37

Resolution 5-24: Designation of Regular Meeting Times and PlacePage 38

Resolution 6-24: Designation of Bank Depositories & CMPPage 39

Resolution 7-24: Designation of Authorized Signatories.....Page 43

Resolution 8-24: Approval of 2024 Risk Management PlanPage 44

Resolution 9-24: Compensating ProducersPage 53

Resolution 10-24: Appointment of MRHIF CommissionersPage 55

Resolution 11-24: Authorizing Treasurer to Process

Payments and Expenses.....Page 56

Resolution 12-24: Adding additional Coverage - Ft. LeePage 57
Resolution 13-24: Wellness Grant ApprovalsPage 58
Resolution 14-24: MRHIF Indemnity and Trust Agreement.....Page 59
Resolution 15-24: Cash TransferPage 61
Resolution 16-24: Bank Earning Base RatePage 62
Resolution 17-24: December 2023 and January 2024 Bills ListsPage 63

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

MEETING ADJOURNED

**Bergen Municipal Employee Benefits Fund
Executive Director's Report
January 23, 2024**

FINANCE AND OPERATIONS

PRO FORMA REPORTS

- **Fast Track Financial Reports** as of October 31, 2023 (page 4)
 - **Historical Income Statement**
 - **Ratios and Indices Report**

2024 REORGANIZATION

The Reorganization resolutions are included in the consent agenda for approval. Please note the following:

- #1-24 – Most contracts are in a 3 year term. This Resolution approves the 2024 fees. Please note the additional month term for the wellness coordinator.
- #6-24 – This resolution sets the meeting dates for 2024. A physical location and zoom is included in the event that we need to hold it virtually.
- #8-24 – Current Signatories – Gregory Hart, Gregory Franz, Richard Kunze and Fund Treasurer
- #9-24 – RMP – the only changes are the specific excess limit and the approved billing policy
- #11-24 – Current MRHIF representatives are Richard Kunze and Gregory Hart.

METRO BREAKOUT STATUS

The Metro Fund has officially separated from the BMED effective January 1, 2024. The Fund has a conditional approval from the State in November. All conditions have been sent to the State and waiting final approval.

Claim run out is booked on the BMED 2023 budget, therefore all 2023 Metro incurred claims will continue to come out of the BMED claims account. January will have the most claim activity, but will begin to lessen in future months until those years are closed.

There are some minor billing adjustments from 2023 that were separately billed to the Metro group that owed to BMED. We expect these outstanding receivables to be made by the end of January.

In late December, to prepare for the separation of claim funding, a transfer of Metro earned cash was sent from BMED to the new Metro bank account in the amount of \$4,400,000. Metro will continue to grow cash that will eventually be transferred over time when run out has completed. Resolution -24 approves the initial transfer.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND

The MRHIF executive committee met on December 13, 2023.

The 2024 budget and assessments were adopted without amendment. The assessment included in the BMED 2024 budget was unchanged.

The incumbent Benefits Administration system was approved for another one-year contract. A full review of the services promised in the RFP will occur next fall and the Fund will determine whether to extend another year or go back out to RFP.

The MRHIF will have a new member on 1/1/2024 – the Metropolitan Health Insurance Fund.

FORT LEE - NEW MEMBERSHIP

The Finance Committee reviewed the new member proposal for a current dental only member to add medical and prescription in the Fund effective February 1, 2024

The Fund’s Chief Underwriter reviewed the group’s 2-year performance and developed a proposal, which improved the group’s current situation, *Fully Insured through Aetna*. The Fund’s Actuary reviewed the underwriter’s claims budget development and was comfortable with the trend, margin and assumptions that used. Ft. Lee’s proposal is higher than the Fund’s average. Ft. Lee has accepted the proposal, as a dental member and previous medical member, they understand the value proposition of the HIF.

Below is an executive summary of the group. Resolution -24 approves their membership.

Notes:

- 1) Underwriting proposals include appropriate claims development and margin.
- 2) Underwriting has been reviewed and approved by Actuary as appropriate.
- 3) Performance is consistent with the existing BMED population.

| New Member Overview | |
|-------------------------------|--|
| Fund | Bergen Municipal Employee Benefits Fund |
| Entity | Fort Lee |
| County | Bergen |
| Effective Date | 2/1/2024 - 12/31/2024 |
| Lines of Coverage | Medical and Prescription |
| Eligible Enrollees | 330 |
| Retiree Coverage | Pre 65 Only |
| Current Arrangement | Aetna Fully Insured |
| Actuary Certification | Yes: Standard Underwriting Methodology |
| Member approval? | Resolution and I&T Received |
| Per Employee Per Month | \$3,147 (BMED = \$2,480) |
| Additional Notes | <ol style="list-style-type: none"> 1. Existing Dental Member 2. Medicare Advantage will not be joining the Fund. They will be staying in their fully insured model to not disrupt the population. No impact on the underwriting or risk profile. |

2024 COMMITTEE APPOINTMENTS

Below are the standing Committees that were appointed in 2023. If a commissioner is interested in joining a committee, please reach out to Emily Koval and Chair Hart.

WELLNESS GRANT APPROVALS

The Wellness Committee met on January 19 to review the four applications received and are including in the Appendix for your review. Resolution 13-24 includes approval for these grants.

Franklin lakes - \$10,000

Garfield - \$10,000

Oakland - \$10,000

Montvale - \$5,000

STRATEGIC PLANNING COMMITTEE

Over the course of the past year, the Strategic Planning Committee has been working with the Board Advisor on his SWOT analysis. The draft copy is included on page __. We plan to have a discussion with the entire committee.

INDEMNITY AND TRUST AGREEMENTS

Below is a list of members who have renewing agreements due by December 31, 2021 and older. Please reach out to PERMA (jdelorenzo@permainc.com) for a blank form to be executed. The list was last updated on January 19, 2024.

| Member | I&T end date |
|-----------------------|--------------|
| BOROUGH OF HILLSDALE | 12/31/2021 |
| BOROUGH OF EDGEWATER | 12/31/2022 |
| BOROUGH OF WALLINGTON | 12/31/2022 |

| BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND | | | | | | |
|--|---|--------------------|--------------------------|--------------------|--------------------|--|
| FINANCIAL FAST TRACK REPORT | | | | | | |
| | | AS OF | November 30, 2023 | | | |
| | | THIS | YTD | PRIOR | FUND | |
| | | MONTH | CHANGE | YEAR END | BALANCE | |
| 1. | UNDERWRITING INCOME | 3,791,489 | 40,382,323 | 704,147,908 | 744,530,231 | |
| 2. | CLAIM EXPENSES | | | | | |
| | Paid Claims | 4,039,840 | 34,709,235 | 572,685,073 | 607,394,308 | |
| | IBNR | (1,391) | 610,222 | 3,249,899 | 3,860,121 | |
| | Less Specific Excess | 652,127 | (603,603) | (15,746,278) | (16,349,880) | |
| | Less Aggregate Excess | - | - | (602,911) | (602,911) | |
| | TOTAL CLAIMS | 4,690,576 | 34,715,854 | 559,585,783 | 594,301,637 | |
| 3. | EXPENSES | | | | | |
| | MA & HMO Premiums | 181,151 | 1,834,572 | 27,348,987 | 29,183,559 | |
| | Excess Premiums | 84,966 | 913,574 | 33,419,561 | 34,333,135 | |
| | Administrative | 220,251 | 2,378,632 | 55,305,741 | 57,684,372 | |
| | TOTAL EXPENSES | 486,369 | 5,126,777 | 116,074,289 | 121,201,066 | |
| 4. | UNDERWRITING PROFIT/(LOSS) (1-2-3) | (1,385,455) | 539,691 | 28,487,836 | 29,027,527 | |
| 5. | INVESTMENT INCOME | 80,107 | 391,609 | 3,227,439 | 3,619,048 | |
| 6. | DIVIDEND INCOME | 0 | 286,255 | 7,232,698.00 | 7,518,953.00 | |
| 7. | STATUTORY PROFIT/(LOSS) (4+5+6) | (1,305,348) | 1,217,556 | 38,947,973 | 40,165,529 | |
| 8. | DIVIDEND | (6,889) | 2,433,156 | 27,089,998 | 29,523,154 | |
| 9. | Transferred Surplus | 0 | 0 | 0 | 0 | |
| STATUTORY SURPLUS (7-8+9) | | (1,298,459) | (1,215,601) | 11,857,976 | 10,642,375 | |
| SURPLUS (DEFICITS) BY FUND YEAR | | | | | | |
| Closed | Surplus | (724,749) | (3,070,351) | 12,784,602 | 9,714,251 | |
| | Cash | (756,229) | (2,370,004) | 12,430,360 | 10,060,356 | |
| 2022 | Surplus | 142,275 | 523,344 | (926,625) | (403,282) | |
| | Cash | 506,590 | 901,772 | (2,911,760) | (2,009,988) | |
| 2023 | Surplus | (715,985) | 1,300,057 | | 1,300,057 | |
| | Cash | (1,123,818) | 5,527,260 | | 5,527,260 | |
| TOTAL SURPLUS (DEFICITS) | | (1,298,459) | (1,215,601) | 11,857,976 | 10,642,376 | |
| TOTAL CASH | | (1,373,458) | 4,059,028 | 9,518,600 | 13,577,628 | |
| CLAIM ANALYSIS BY FUND YEAR | | | | | | |
| TOTAL CLOSED YEAR CLAIMS | | 774,962 | 1,208,523 | 527,502,666 | 528,711,188 | |
| FUND YEAR 2022 | | | | | | |
| | Paid Claims | 16,840 | 4,040,928 | 30,228,514 | 34,269,442 | |
| | IBNR | (24,374) | (3,230,400) | 3,249,899 | 19,499 | |
| | Less Specific Excess | (130,026) | (1,280,312) | (1,395,297) | (2,675,609) | |
| | Less Aggregate Excess | 0 | 0 | 0 | 0 | |
| TOTAL FY 2022 CLAIMS | | (137,559) | (469,785) | 32,083,116 | 31,613,332 | |
| FUND YEAR 2023 | | | | | | |
| | Paid Claims | 4,030,191 | 30,224,077 | | 30,224,077 | |
| | IBNR | 22,983 | 3,840,622 | | 3,840,622 | |
| | Less Specific Excess | 0 | (87,583) | | (87,583) | |
| | Less Aggregate Excess | 0 | 0 | | 0 | |
| TOTAL FY 2023 CLAIMS | | 4,053,173 | 33,977,116 | | 33,977,116 | |
| COMBINED TOTAL CLAIMS | | 4,690,576 | 34,715,854 | 559,585,782 | 594,301,637 | |

| BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND | | | | | | | | | | | | | |
|---|------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----|
| RATIOS | | | | | | | | | | | | | |
| INDICES | 2022 | FY2023 | | | | | | | | | | | |
| | | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| Cash Position | 9,518,600 | \$ 9,529,499 | \$ 8,343,212 | \$ 9,623,045 | \$ 11,233,054 | \$ 13,599,477 | \$ 11,895,941 | \$ 11,599,115 | \$ 9,076,591 | \$ 13,123,550 | \$ 14,951,086 | \$ 13,577,628 | |
| IBNR | 3,249,899 | \$ 3,155,529 | \$ 3,466,494 | \$ 3,727,303 | \$ 3,628,323 | \$ 3,727,141 | \$ 3,770,836 | \$ 3,838,454 | \$ 3,853,807 | \$ 3,867,514 | \$ 3,861,512 | \$ 3,860,121 | |
| Assets | 15,947,606 | \$ 15,938,627 | \$ 15,991,928 | \$ 16,652,651 | \$ 17,351,858 | \$ 17,895,012 | \$ 17,689,431 | \$ 17,557,443 | \$ 17,340,718 | \$ 17,443,077 | \$ 16,587,464 | \$ 15,272,618 | |
| Liabilities | 4,089,629 | \$ 3,394,943 | \$ 3,692,677 | \$ 4,045,826 | \$ 3,953,643 | \$ 4,056,891 | \$ 4,099,321 | \$ 4,150,553 | \$ 6,564,688 | \$ 6,568,294 | \$ 4,646,629 | \$ 4,630,241 | |
| Surplus | 11,857,977 | \$ 12,543,684 | \$ 12,299,251 | \$ 12,606,825 | \$ 13,398,214 | \$ 13,838,121 | \$ 13,590,110 | \$ 13,406,890 | \$ 10,776,030 | \$ 10,874,784 | \$ 11,940,835 | \$ 10,642,377 | |
| Claims Paid -- Month | 2,734,745 | \$ 2,429,768 | \$ 3,084,213 | \$ 3,610,446 | \$ 2,419,819 | \$ 2,712,376 | \$ 3,919,953 | \$ 3,417,122 | \$ 3,521,863 | \$ 3,084,598 | \$ 2,469,237 | \$ 4,039,840 | |
| Claims Budget -- Month | 2,729,274 | \$ 2,925,178 | \$ 3,014,677 | \$ 3,003,958 | \$ 2,994,269 | \$ 3,078,423 | \$ 3,072,211 | \$ 3,194,200 | \$ 3,165,452 | \$ 3,161,507 | \$ 3,160,923 | \$ 3,153,041 | |
| Claims Paid -- YTD | 34,665,424 | \$ 2,429,768 | \$ 5,513,981 | \$ 9,124,426 | \$ 11,544,246 | \$ 14,256,622 | \$ 18,176,575 | \$ 21,593,697 | \$ 25,115,560 | \$ 28,200,158 | \$ 30,669,395 | \$ 34,709,235 | |
| Claims Budget -- YTD | 32,737,587 | \$ 2,925,178 | \$ 5,939,855 | \$ 8,943,813 | \$ 11,938,082 | \$ 15,016,505 | \$ 18,088,716 | \$ 21,282,338 | \$ 24,455,629 | \$ 27,620,985 | \$ 30,781,907 | \$ 33,934,948 | |
| RATIOS | | | | | | | | | | | | | |
| Cash Position to Claims Paid | 3.48 | 3.92 | 2.71 | 2.67 | 4.64 | 5.01 | 3.03 | 3.39 | 2.58 | 4.25 | 6.05 | 3.36 | |
| Claims Paid to Claims Budget -- Month | 1.00 | 0.83 | 1.02 | 1.2 | 0.81 | 0.88 | 1.28 | 1.07 | 1.11 | 0.98 | 0.78 | 1.28 | |
| Claims Paid to Claims Budget -- YTD | 1.06 | 0.83 | 0.93 | 1.02 | 0.97 | 0.95 | 1.00 | 1.01 | 1.03 | 1.02 | 1 | 1.02 | |
| Cash Position to IBNR | 2.93 | 3.02 | 2.41 | 2.58 | 3.1 | 3.65 | 3.15 | 3.02 | 2.36 | 3.39 | 3.87 | 3.52 | |
| Assets to Liabilities | 3.90 | 4.69 | 4.33 | 4.12 | 4.39 | 4.41 | 4.32 | 4.23 | 2.64 | 2.66 | 3.57 | 3.3 | |
| Surplus as Months of Claims | 4.34 | 4.29 | 4.08 | 4.2 | 4.47 | 4.5 | 4.42 | 4.20 | 3.40 | 3.44 | 3.78 | 3.38 | |
| IBNR to Claims Budget -- Month | 1.19 | 1.08 | 1.15 | 1.24 | 1.21 | 1.21 | 1.23 | 1.20 | 1.22 | 1.22 | 1.22 | 1.22 | |

Bergen Municipal Employee Benefits Fund
2023 Budget Report
as of November 30, 2023

| | Cumulative | Annualized | Latest filed | Cumulative Expensed | \$ Variance | % Variance |
|------------------------------------|-------------|-------------|--------------|---------------------------------------|-------------|------------|
| Expected Losses | | | | | | |
| Medical Claims Aetna | 28,917,242 | 31,612,227 | 67,132,818 | 27,708,670 | 1,208,572 | 4% |
| Prescription Claims | 4,487,667 | 4,909,077 | 4,581,287 | 4,557,473 | (1,416,104) | -45% |
| Prescription Formulary Rebates | (1,346,299) | (1,472,722) | (1,374,386) | Included Above in Prescription Claims | | |
| Dental Claims | 1,876,338 | 2,047,334 | 3,019,001 | 1,798,557 | 77,781 | 4% |
| Subtotal | 33,934,948 | 37,095,915 | 73,358,720 | 34,064,699 | (129,751) | 0% |
| HMO/DMO Premiums | 32,624 | 35,614 | 53,751 | 34,085 | (1,462) | -4% |
| Medicare Advantage / EGWP | 1,800,031 | 1,977,987 | 7,206,560 | 1,800,487 | (456) | 0% |
| Reinsurance | | | | | | |
| Specific | 913,204 | 998,232 | 2,190,656 | 913,574 | (369) | 0% |
| Total Loss Fund | 36,680,807 | 40,107,749 | 82,809,687 | 36,812,845 | (132,038) | 0% |
| Loss Fund Contingency | 15,607 | 17,026 | 34,052 | 0 | 15,607 | 0% |
| Expenses | | | | | | |
| Legal | 11,688 | 12,750 | 25,500 | 15,938 | (4,250) | -36% |
| Treasurer | 9,656 | 10,533 | 21,067 | 13,167 | (3,511) | -36% |
| Administrator | 395,666 | 432,172 | 804,929 | 395,830 | (164) | 0% |
| Risk Management Consultants | 842,825 | 919,261 | 1,938,973 | 842,766 | 59 | 0% |
| Fund Coordinator METRO | | | | 0 | - | |
| TPA - Claims Agent Aetna | 586,457 | 641,062 | 1,442,413 | 588,551 | (2,093) | 0% |
| Dental TPA | 81,775 | 89,263 | 145,958 | 81,877 | (102) | 0% |
| Actuary | 8,479 | 9,250 | 18,500 | 13,875 | (5,396) | -64% |
| Auditor | 8,708 | 9,500 | 19,000 | 8,712 | (4) | 0% |
| Benefits Consultant | 313,974 | 343,555 | 574,681 | 316,610 | (344) | 0% |
| Board Advisor | 8,583 | 9,364 | 18,727 | 15,361 | (6,778) | -79% |
| Subtotal Expenses | 2,267,812 | 2,476,711 | 5,009,747 | 2,292,686 | (22,583) | -1% |
| Miscellaneous and Special Services | | | | | | |
| Misc/Cont | 8,272 | 9,024 | 18,048 | 12,036 | (3,764) | -46% |
| Wellness, Disease, Case Management | 45,833 | 50,000 | 100,000 | 35,417 | 10,417 | 23% |
| Affordable Care Act Taxes | 7,976 | 8,719 | 19,133 | 22,512 | (14,536) | -182% |
| A4 Surcharge | 28,102 | 30,714 | 480,735 | 28,102 | (0) | 0% |
| Plan Documents | 2,292 | 2,500 | 5,000 | Included above in Benefits Consultant | | |
| Claims Audit | 36,667 | 40,000 | 40,000 | 36,665 | 2 | 0% |
| Subtotal Misc/Sp Svcs | 129,142 | 140,956 | 662,916 | 134,732 | (7,882) | -6% |
| Total Expenses | 2,396,953 | 2,617,667 | 5,672,663 | 2,427,418 | (30,465) | -1% |
| Total Budget | 39,093,367 | 42,742,442 | 88,516,402 | 39,240,263 | (146,895) | 0% |

Bergen Municipal Employee Benefits Fund

CONSOLIDATED BALANCE SHEET

AS OF NOVEMBER 30, 2023

BY FUND YEAR

| | BMED 2023 | BMED 2022 | CLOSED YEAR | FUND BALANCE |
|---------------------------------------|------------------|------------------|-------------------|-------------------|
| ASSETS | | | | |
| Cash & Cash Equivalents | 5,527,260 | (2,009,988) | 10,060,356 | 13,577,628 |
| Assesments Receivable (Prepaid) | (762,212) | (2) | 0 | (762,214) |
| Interest Receivable | 6,524 | 787 | 12,801 | 20,112 |
| Spedific Excess Receivable | - | 1,630,421 | 353,585 | 1,984,006 |
| Aggregate Excess Receivable | - | - | - | - |
| Dividend Receivable | - | - | - | - |
| Prepaid Admin Fees | - | - | - | - |
| Other Assets | 453,085 | - | - | 453,085 |
| Total Assets | 5,224,658 | (378,783) | 10,426,743 | 15,272,618 |
| LIABILITIES | | | | |
| Accounts Payable | - | (0) | - | (31,349) |
| IBNR Reserve | 3,840,622 | 19,499 | - | 3,860,121 |
| A4 Retiree Surcharge | 28,102 | - | - | 28,102 |
| Dividends Payable | - | - | 644,600 | 644,600 |
| Retained Dividends | - | - | 67,891 | 67,891 |
| Accrued/Other Liabilities | 55,877 | 5,000 | - | 60,877 |
| Total Liabilities | 3,924,601 | 24,499 | 712,491 | 4,630,241 |
| EQUITY | | | | |
| Surplus / (Deficit) | 1,300,057 | (403,282) | 9,714,252 | 10,642,377 |
| Total Equity | 1,300,057 | (403,282) | 9,714,252 | 10,642,377 |
| Total Liabilities & Equity | 5,224,658 | (378,783) | 10,426,743 | 15,272,618 |
| BALANCE | - | - | - | - |

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.

Fund Year allocation of claims have been estimated.

REGULATORY

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
YEAR: 2024

| <u>Yearly Items</u> | <u>Filing Status</u> |
|--|---------------------------|
| <input type="checkbox"/> Budget | 2024 Filed |
| <input type="checkbox"/> Assessments | 2024 Filed |
| <input type="checkbox"/> Actuarial Certification | 2024 Filed |
| <input type="checkbox"/> Reinsurance Policies | Filed |
| <input type="checkbox"/> Fund Commissioners | To be filed pending reorg |
| <input type="checkbox"/> Fund Officers | To be filed pending reorg |
| <input type="checkbox"/> Renewal Resolutions | To be filed pending reorg |
| <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 | To be filed pending reorg |
| <input type="checkbox"/> Cash Management Plan | To be filed pending reorg |
| <input type="checkbox"/> Unaudited Financials | 9/30/2023 Filed |
| <input type="checkbox"/> Annual Audit | 2022 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 |

**Gateway-BMED Health Insurance Fund
Benefits Consultant Report**

January 2024

Benefits Consultant: Conner Strong & Buckelew

Online Enrollment Training: aflinn@permainc.com

Enrollments/Eligibility/Billing: bmedenrollments@permainc.com

Brokers: brokerservice@permainc.com

ELIGIBILITY/ENROLLMENT:

Please direct any eligibility, enrollment, or system related questions to our dedicated BMED enrollment team. To contact the team, email BMEDenrollments@permainc.com or fax to 856-685-2248.

System training (new and refresher) is provided to all contacts with WEX access every 3rd Wednesday at 10AM. Please contact Austin Flinn, aflinn@permainc.com for additional information or to request an invite.

In the subject line of the email, please include *Training - Fund Name and Client Name*. Please be sure to add the date of the training you would like to attend in your email so an invite can be sent.

COVERAGE UPDATES: None

EXPRESS-SCRIPTS UPDATE: None

OPERATIONAL UPDATES:

End of Year Reporting was sent to all BMED group billing contacts on December 18th.

In addition to the End of Year report, a Wellness Incentive Program report has been provided reflecting employees who received a gym reimbursement in 2023, as this is taxable income. Wellness incentives provided directly to members that do not go towards their health insurance premiums are considered taxable income regardless of the amount. It is the employer's responsibility to report any wellness incentive as income on the employee's W-2 and withhold all appropriate income tax.

Please note the following:

- The report includes the participant's full name and total amount received in 2023
 - Aetna - up to \$240 per eligible participant
- Initial report will be for reimbursements issued for the time period of **January 1, 2023 through November 30, 2023**
 - Reports were sent to group billing contacts December 21st
- An additional report will be provided in late January 2024 for reimbursements issued for submissions in **December 2023**.
 - Employers are responsible for updating an employee's W-2 withholdings once received
- All eligible employees, spouses and dependents (those over age 18) who received a reimbursement will be included in the report separately
 - We recommend groups confirm with their tax advisor if reimbursements for spouses and dependents should be included in the employee's reporting

Please note there is not an option to receive the latter report sooner than late January as the data is not available.

2024 LEGISLATIVE REVIEW:

FREE COVID-19 At-Home Test – Effective November 20, 2023, free COVID-19 at home test kits are available for reorder from the government. Every U.S. household is eligible to order 4 free COVID-19 at home tests. <https://www.covid.gov/tests>

Medical and Rx Reporting: None

No Surprise Billing and Transparency Act- Continued Delays

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

2023 Specialized Audits

As approved through an RFP through the Executive Director's contract, the HIFs has acquired the services of AIM to conduct specialized audits for BMED Fund. AIM will begin to complete audits for the Mental Health Parity and Addiction Equity Act (MHPAEA) and No Surprises Act (NSA) requirements. Aim will review plan language and Aetna's NQTL analysis performed for the BMED to determine compliance with the MHPAEA. Aim will review BMED claims to determine if Aetna is adjudicating claims in accordance with the requirements and mandates of the No Surprises Act.

Later in 2023 Aim will review Gene Therapy cost for the BMED Fund, confirming the claims carrier is administering the necessary care management programs specific to Gene Therapy.

Appeals

Carrier Appeals: None

IRO Submissions: None

BMED Small Claims Committee Appeals: None

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
DIVIDEND BILLS LIST**

DECEMBER 2023

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 CLOSED

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------|--------------------------------------|----------------------|
| W1223B | | | |
| W1223B | WALLINGTON BOROUGH | 2023 DIVIDEND DISBURSEMENT | 170,475.07 |
| | | | 170,475.07 |
| | | Total Payments FY CLOSED | 170,475.07 |
| | | TOTAL PAYMENTS ALL FUND YEARS | 170,475.07 |

Chairperson

Attest:

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

Treasurer

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

BILLS LIST

DECEMBER 2023

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

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

FUND YEAR 2023

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--|-------------------------|----------------------|
| 004451 | | | |
| 004451 | PERMA | POSTAGE 11/23 | 27.84 |
| 004451 | PERMA | ADMIN FEE 12/23 | 36,342.25 |
| | | | 36,370.09 |
| 004452 | | | |
| 004452 | HUNTINGTON BAILEY, LLP | ATTORNEY FEES 12/23 | 1,062.50 |
| | | | 1,062.50 |
| 004453 | | | |
| 004453 | JOSEPH IANNAONI JR. | TREASURER FEE 12/23 | 877.79 |
| | | | 877.79 |
| 004454 | | | |
| 004454 | LAMENDOLA ASSOCIATES, INC. | MONTHLY RETAINER 1 | 1,530.00 |
| 004454 | LAMENDOLA ASSOCIATES, INC. | STRATEGIC PLANNING | 2,970.00 |
| | | | 4,500.00 |
| 004455 | | | |
| 004455 | NJ ADVANCE MEDIA | ACCT 100934603 11/2/23 | 132.68 |
| 004455 | NJ ADVANCE MEDIA | ACCT 100934603 11/2/23 | 121.50 |
| 004455 | NJ ADVANCE MEDIA | ACCT 100934603 11/07/23 | 41.83 |
| | | | 296.01 |
| 004456 | | | |
| 004456 | CIVITAS NEW JERSEY, LLC | WELLNESS CONSULTAN | 2,083.33 |
| | | | 2,083.33 |
| 004457 | | | |
| 004457 | ACCESS | DEPT 418 INV 10543128 1 | 165.59 |
| 004457 | ACCESS | DEPT 418 INV 10628525 1 | 170.93 |
| | | | 336.52 |
| 004458 | | | |
| 004458 | EBIX, INC. | HEALTH NEWSLETTER | 5,400.00 |
| | | | 5,400.00 |
| 004459 | | | |
| 004459 | ACRISURE LLC d/b/a IMAC INSURANCE AGENCY | BROKER FEES 12/23 | 14,320.97 |
| | | | 14,320.97 |
| 004460 | | | |
| 004460 | EIFERT, FRENCH & COMPANY | RMC FEE 2023 | 285.15 |
| | | | 285.15 |
| 004461 | | | |
| 004461 | BURTON AGENCY INC. | RMC FEE 2023- | 334.53 |
| | | | 334.53 |

| | | | |
|--------|--------------------------------------|-----------------------|-------------------|
| 004462 | | | |
| 004462 | SADDLE RIVER DELI | LUNCH FOR MEETING 1 | 424.75 |
| | | | 424.75 |
| 004463 | | | |
| 004463 | OTTERSTEDT INSURANCE AGENCY | BROKER FEES 12/23 | 5,963.34 |
| | | | 5,963.34 |
| 004464 | | | |
| 004464 | COMPETITIVE ADVANTAGE BENEFITS LLC | BROKER FEES 12/23 | 3,465.00 |
| | | | 3,465.00 |
| 004465 | | | |
| 004465 | WORLD INSURANCE ASSOCIATES, LLC | BROKER FEES 12/23 | 17,743.84 |
| | | | 17,743.84 |
| 004466 | | | |
| 004466 | MUNICIPAL REINSURANCE H.I.F. | SPECIFIC REINSURANCE | 84,658.56 |
| | | | 84,658.56 |
| | | TOTAL CHECKS | 178,122.38 |
| W12230 | | | |
| W12230 | AETNA HEALTH MANAGMENT, LLC | MEDICARE ADVANTAG | 177,500.85 |
| | | | 177,500.85 |
| W12231 | | | |
| W12231 | FLAGSHIP DENTAL PLANS | EAST RUTHERFORD DE | 1,570.33 |
| W12231 | FLAGSHIP DENTAL PLANS | RUTHERFORD DENTAL | 1,444.48 |
| | | | 3,014.81 |
| W12232 | | | |
| W12232 | CONNER STRONG & BUCKELEW | HEALTH CARE REFORM | 208.33 |
| W12232 | CONNER STRONG & BUCKELEW | BENEFIT CONSULTANT | 29,445.00 |
| | | | 29,653.33 |
| W12233 | | | |
| W12233 | FAIRVIEW INSURANCE AGENCY ASSOCIATES | BROKER FEES 12/23 | 4,231.80 |
| | | | 4,231.80 |
| W12235 | | | |
| W12235 | RELIANCE INSURANCE GROUP, LLC | BROKER FEES 12/23 | 7,054.28 |
| | | | 7,054.28 |
| W12236 | | | |
| W12236 | ACRISURE | BROKER FEES 12/23 | 1,088.06 |
| | | | 1,088.06 |
| W12237 | | | |
| W12237 | ALLEN ASSOCIATES | BROKER FEES 12/23 | 9,411.36 |
| | | | 9,411.36 |
| W12238 | | | |
| W12238 | AETNA | MEDICAL TPA FEE 12/23 | 54,367.50 |
| | | | 54,367.50 |

| | | | |
|--------|---------------------------------|-------------------------------|-------------------|
| W12239 | | | |
| W12239 | DELTA DENTAL OF NEW JERSEY INC. | DENTAL TPA 12/23 | 7,386.35 |
| | | | 7,386.35 |
| W1223A | | | |
| W1223A | THE VOZZA AGENCY | RMC FEES 12/23 | 13,773.43 |
| | | | 13,773.43 |
| W1223C | | | |
| W1223C | PAYFLEX | HSA FEE BORO OF OAK | 3.00 |
| W1223C | PAYFLEX | HSA FEE WALLINGTON | 61.80 |
| W1223C | PAYFLEX | HSA FEE MONTVALE 12 | 102.00 |
| W1223C | PAYFLEX | HSA FEE BORO OF MON | 102.00 |
| W1223C | PAYFLEX | HSA FEE BORO OF WAL | 61.80 |
| W1223C | PAYFLEX | HSA FEE BORO OF OAK | 3.00 |
| W1223C | PAYFLEX | HSA FEE SOUTH HACKE | 15.00 |
| W1223C | PAYFLEX | HSA FEE SOUTH HACKE | 15.00 |
| | | | 363.60 |
| | | TOTAL WIRES | 307,845.37 |
| | | Total Payments FY 2023 | 485,967.75 |
| | | TOTAL PAYMENTS ALL FUN | 485,967.75 |

Chairperson

Attest:

Dated:

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

Treasurer

Bergen Municipal Employee Benefits Fund

SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED

| Current Fund Year: 2023 | | | | | | | | | | |
|--------------------------------|----------------------|-------------------|-----------------------|---------------|---------------|---------------------|------------------|---------------------|--------------------------|----------------------|
| Month Ending: November | | | | | | | | | | |
| | Medical | Dental | Rx | Vision | Run-In | Reinsurance | RSR | Admin | Dividend Retained | TO TAL |
| OPEN BALANCE | 17,421,287.63 | 269,077.46 | (2,418,912.42) | 0.00 | 0.00 | (229,585.73) | 28,165.10 | 5,677,404.56 | 67,596.65 | 20,815,033.25 |
| RECEIPTS | | | | | | | | | | |
| Assessments | 5,309,718.58 | 196,138.63 | 388,773.45 | 0.00 | 0.00 | 315,724.40 | 1,997.78 | 419,253.94 | 0.00 | 6,631,606.78 |
| Refunds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Invest Pymnts | 72,692.77 | 3,868.39 | 0.00 | 0.00 | 0.00 | 52.57 | 105.76 | 21,327.27 | 253.81 | 98,300.57 |
| Invest Adj | 189.05 | 10.06 | 0.00 | 0.00 | 0.00 | 0.14 | 0.27 | 55.46 | 0.66 | 255.64 |
| Subtotal Invest | 72,881.82 | 3,878.45 | 0.00 | 0.00 | 0.00 | 52.71 | 106.03 | 21,382.73 | 254.47 | 98,556.21 |
| Other * | 522,924.34 | 1,328.00 | 211,956.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 736,208.34 |
| TOTAL | 5,905,524.74 | 201,345.08 | 600,729.45 | 0.00 | 0.00 | 315,777.11 | 2,103.81 | 440,636.67 | 254.47 | 7,466,371.33 |
| EXPENSES | | | | | | | | | | |
| Claims Transfers | 9,683,311.53 | 210,329.17 | 829,010.33 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10,722,651.03 |
| Expenses | 355,561.58 | 3,050.45 | 0.00 | 0.00 | 0.00 | 234,211.84 | 0.00 | 1,158,421.60 | 0.00 | 1,751,245.47 |
| Other * | 21,987.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 307.98 | 0.00 | 22,295.28 |
| TOTAL | 10,060,860.41 | 213,379.62 | 829,010.33 | 0.00 | 0.00 | 234,211.84 | 0.00 | 1,158,729.58 | 0.00 | 12,496,191.78 |
| END BALANCE | 13,265,951.96 | 257,042.92 | (2,647,193.30) | 0.00 | 0.00 | (148,020.46) | 30,268.91 | 4,959,311.65 | 67,851.12 | 15,785,212.80 |

| SUMMARY OF CASH AND INVESTMENT INSTRUMENTS | | | | | | | | |
|--|---------------------------------------|------------------|------------------|----------------|------------|--------------|----------------|----------------|
| Bergen Municipal Employee Benefits Fund | | | | | | | | |
| ALL FUND YEARS COMBINED | | | | | | | | |
| CURRENT MONTH | | November | | | | | | |
| CURRENT FUND YEAR | | 2023 | | | | | | |
| | Description: | CHECKING | JCMI | CLAIMS | UHC CLAIMS | ID Invest | Investors | |
| | ID Number: | | | | | | | |
| | Maturity (Yrs) | | | | | | | |
| | Purchase Yield: | | | | | | | |
| | TOTAL for All | | | | | | | |
| | Accts & instruments | | | | | | | |
| Opening Cash & Investment Balance | \$20,815,032.62 | 9,153,150.25 | 2,794,669.04 | - | - | 4,422,993.99 | 4,444,219.34 | |
| Opening Interest Accrual Balance | \$19,646.55 | - | - | - | - | 19,646.55 | - | |
| 1 | Interest Accrued and/or Interest Cost | \$6,961.47 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$6,961.47 | \$0.00 |
| 2 | Interest Accrued - discounted Instr.s | \$0.00 | \$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 | \$0.00 |
| 4 | Accretion | \$255.65 | \$0.00 | \$255.65 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 5 | Interest Paid - Cash Instr.s | \$47,534.24 | \$19,478.79 | \$5,279.50 | \$0.00 | \$0.00 | \$6,703.71 | \$16,072.24 |
| 6 | Interest Paid - Term Instr.s | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 7 | Realized Gain (Loss) | \$50,766.32 | \$0.00 | \$42,646.32 | \$0.00 | \$0.00 | \$8,120.00 | \$0.00 |
| 8 | Net Investment Income | \$105,517.68 | \$19,478.79 | \$48,181.47 | \$0.00 | \$0.00 | \$21,785.18 | \$16,072.24 |
| 9 | Deposits - Purchases | \$7,345,827.82 | \$7,345,827.82 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 10 | (Withdrawals - Sales) | -\$12,474,204.48 | -\$12,473,896.50 | -\$307.98 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | Ending Cash & Investment Balance | \$15,785,212.17 | \$4,044,560.36 | \$2,842,542.53 | \$0.00 | \$0.00 | \$4,437,817.70 | \$4,460,291.58 |
| | Ending Interest Accrual Balance | \$26,608.02 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$26,608.02 | \$0.00 |
| | Plus Outstanding Checks | \$931,097.39 | \$931,097.39 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | (Less Deposits in Transit) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | Balance per Bank | \$16,716,309.56 | \$4,975,657.75 | \$2,842,542.53 | \$0.00 | \$0.00 | \$4,437,817.70 | \$4,460,291.58 |

| CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES | | | | | | | | | |
|--|--------------|--------------------------------|---------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------|
| Bergen Municipal Employee Benefits Fund | | | | | | | | | |
| Month | | November | | | | | | | |
| Current Fund Year | | 2023 | | | | | | | |
| | | 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. |
| Policy Year | Coverage | Calc. Net Paid Thru Last Month | Monthly Net Paid November | Monthly Recoveries November | Calc. Net Paid Thru November | TPA Net Paid Thru November | Variance To Be Reconciled | Delinquent Unreconciled Variance From | Change This Month |
| 2023 | Medical | 20,803,516.04 | 3,339,471.94 | 0.00 | 24,142,987.98 | 0.00 | 24,142,987.98 | 20,803,516.04 | 3,339,471.94 |
| | Dental | 1,529,378.54 | 141,327.13 | 0.00 | 1,670,705.67 | 0.00 | 1,670,705.67 | 1,529,378.54 | 141,327.13 |
| | Rx | 5,390,823.56 | 774,094.83 | 0.00 | 6,164,918.39 | 0.00 | 6,164,918.39 | 5,390,823.56 | 774,094.83 |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 27,723,718.14 | 4,254,893.90 | 0.00 | 31,978,612.04 | 0.00 | 31,978,612.04 | 27,723,718.14 | 4,254,893.90 |



CIVITAS

COMMUNITY • WELLNESS • LIFE-COACHING • COLLABORATION

NEW JERSEY

TO: Gateway-BMED Executive Committee and Commissioners

FROM: Marianne Eskilson, VP Civitas NJ; Gateway-BMED Wellness Consultant

DATE: January 12, 2024

RE: Report of Activity and Progress

STATUS UPDATE

1. **RFP (Request for Proposal) Development:** The Wellness Committee and Fund professionals continue to work to solicit proposals from viable candidates. In the meantime, we have offered the Fund the opportunity to extend our contractual arrangement to continue to provide services through April 30, 2024, rather than March 31, 2024, if that would be advantageous to the BMED. The Wellness Committee Chairman will provide more extensive information and recommendations within his Committee report at the meeting.
2. **Education:** Educational webinars have become a strong element of the BMED Wellness Program. In 2023 webinars provided through the program were viewed 289 times. Valley Health Services provided a total of 22 live webinars with an on-demand option after they were aired. Attached are an assortment of comments collected relative to the webinars provided. During the fall months, we worked closely with Valley to develop the 2024 calendar of webinars. A catalog of the proposed 2024 webinar offerings is attached. The line -up is diverse and interesting. A complete list of all of the webinars offered in 2023 is also attached. 2023 webinars will continue to be accessible to our membership for 180 days.
3. **Newsletter:** A renewal contract has been secured with the vendor who provides the newsletter for 2024, where pricing will remain at 2023 levels. The monthly newsletter continues to be sent to all local wellness program ambassadors monthly for distribution to their entire full-time employee population. We continue to seek guidance from non-participating fund agencies as to whom they would like monthly links to educational programming and newsletters to be sent so that they can be distributed to their full-time employee population. The newsletter is available in both an interactive digital version, as

well as a static pdf. Our office creates a specialized article for the Fund that can be found on the right-hand column of the first page of each edition.

4. **Wrapping Up 2023 and Ramping Up into 2024:**
 - a. **Grant Reimbursement Requests:** Grant reimbursement report trackers have been provided to all participating program agencies. Based on the policy adopted by the Fund, completed tracker forms need to be submitted to the Wellness Coordinator by January 30, 2024 so that the Wellness Committee can review all requests for 2023 grant reimbursement requests prior to the February 2024 fund meeting. It is the directive of the Fund's policy that all grant reimbursement requests will be reviewed for payment approval at the February Fund meeting.
 - b. **Grant Applications for 2024:** Completed 2024 grant program applications have been submitted to the Wellness Committee by participating agencies for review and were discussed at the meeting of the Committee earlier in the month. The Chairman can provide comment regarding recommendations relative to 2024 applications that require formal approval of the Fund Executive Committee during his committee report.
5. **Eye Towards Data and Information Transfer to New Wellness Coordinator:** We are continuing to put together a comprehensive package of documents and files for the new wellness coordinator's use, once the "baton" has been passed on either April 1 or May 1 2023., which will officially be on either April 1, 2024 or May 1, 2024.

MEMORANDUM

TO: BMED Executive Committee

FROM: Richard Kunze, Chair, Strategic Planning Committee

SUBJECT: Overview of the BMED Strategic Planning Process Findings

The Strategic Planning Committee met on Tuesday, September 26 to review the responses to the strategic planning survey and the facilitations with key constituents that were conducted.

Based on the Strategic Planning Committee review of the responses identifying suggested improvements, opportunities identified in the facilitations, and priorities for additional services, the following actions are suggested for consideration in future BMED work plans:

| Proposed Improvements | Suggested Approaches |
|---|---|
| Strengthen communications | <ul style="list-style-type: none"> • Distribute Executive Committee agenda and attachments to all member representatives in advance of sessions • Invite member representatives to attend Executive Committee work sessions • Recruit BMED member commissioners to serve on BMED subcommittees • Ensure that complete benefit information is distributed to all members in a timely manner • Provide updated plan documents for all plans each year • Provide reports to Executive Committee with sufficient time for committee review and consideration • Conduct an annual retreat to review programs and work plans with member representatives and seek feedback |
| Simplify Rx prescription approval processes; review formulary to ensure fit with member needs | Request PERMA Benefits Consultant to conduct review of processes and formulary with Express Scripts and submit findings to the Strategic Planning Committee to develop recommendations for Executive Committee action. |
| Improve administrative systems | Request PERMA Executive Director to review and develop plan for upgrading current administrative systems and submit findings to the Finance Committee to develop recommendations for Executive Committee action. |
| Address Provider related improvements | Request PERMA to review suggested improvements and submit recommendations to Executive Committee for |

| | |
|--|--|
| | <p>approval.</p> <ul style="list-style-type: none"> • Simplifying Delta Dental online information • Shortening Aetna claims appeal time frame • Review of concerns regarding accuracy of information from Aetna customer service • Request providers to add more wellness related information |
| Modify existing value added programs | Conduct a brainstorming session to identify potential earn back options and incentives to Wellness Program |
| Program Opportunities | |
| <ul style="list-style-type: none"> • Develop high deductible plan option • Incentivize new member acquisition • Identify additional network options • Develop provider/risk manager joint effort to strengthen member awareness of services • Place greater emphasis on services that strengthen prevention, emotional wellbeing, and wellness • Develop predictive modeling and warehousing tools | <p>Assign the Strategic Planning Committee in collaboration with the Finance Committee supported by PERMA to develop a recommendations regarding the implementation of these programs</p> <p>In regard to predictive modeling, request a report from MRHIF regarding the status of their effort to develop these tools and potential impact on BMED operations</p> |
| Service Additions | |
| <ul style="list-style-type: none"> • Orthodontics • EAP • Wellness Coaches • Vision • Member education | Assign the Strategic Planning Committee to conduct an analysis of the proposed additions with technical support provided by PERMA and develop recommendations for Executive Committee consideration regarding their potential implementation. |

Overall, the facilitations characterized BMED as a strong, responsive organization, with its major strengths being stability, leadership, positive relationships with providers and constituents, regional structure, and market positioning. High quality customer service and low cost were deemed the most important benefits generated by BMED.

- Market shifts, local political threats and some competitor practices were identified as the most significant challenges facing BMED.
- Opportunities included development of a high deductible plan, addition of more network options, and efforts to improve the administrative infrastructure and member communications.

For those responding to the survey, BMED strengths were its cost, premium stability and plan design. These strengths were identified as most important factors in the decision to participate. Satisfaction with these services

matched their importance rating with the exception of cost which was 12% lower than the score placed on its importance. Satisfaction with providers was consistently high, and satisfaction with BMED itself was at the highest score level.

Services deemed important that need improvement focused on the need to simplify or otherwise improve administrative functions and communications with members regarding access to services or processes required to receive them.

Responses suggest that members consider the importance of maintaining the current services at their high quality level rather than adding additional services, although the following services were identified as possibilities for consideration:

- Orthodontics coverage
- EAP services
- Expansion of the Wellness program
- Vision coverage

Opportunities to improve administrative support and communications with members appeared to be of more importance than the addition of new programs, and should be considered in the development of BMED work plans.

The Committee noted that surveys were sent to the Fund commissioners in 36 member communities and twelve were returned. Although the response is marginally sufficient for analysis purposes, it was noted that the responses were from fund commissioners who are active in BMED deliberations and thus can be considered knowledgeable. The Committee also noted that the lack of a broader response may reflect a broad satisfaction with BMED operations as well as a possible symptom of the need to develop a deeper channel of ongoing communication with the member representatives.



BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

Monthly Claim Activity Report

January 23, 2024



BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

| | <u>MEDICAL CLAIMS PAID 2021</u> | <u># OF EES</u> | <u>PER EE</u> | <u>MEDICAL CLAIMS PAID 2022</u> | <u># OF EES</u> | <u>PER EE</u> |
|---------------|-------------------------------------|-----------------|---------------|-------------------------------------|-----------------|-----------------|
| JANUARY | \$1,416,393 | 1,078 | \$ 1,314 | \$4,213,352 | 2,808 | \$ 1,500 |
| FEBRUARY | \$1,703,277 | 1,669 | \$ 1,021 | \$4,762,650 | 2,818 | \$ 1,690 |
| MARCH | \$2,706,809 | 1,879 | \$ 1,441 | \$5,875,114 | 2,812 | \$ 2,089 |
| APRIL | \$2,299,418 | 1,888 | \$ 1,218 | \$5,161,530 | 2,813 | \$ 1,835 |
| MAY | \$2,865,797 | 1,876 | \$ 1,528 | \$5,562,448 | 2,825 | \$ 1,969 |
| JUNE | \$3,386,738 | 1,877 | \$ 1,804 | \$5,349,272 | 2,823 | \$ 1,895 |
| JULY | \$2,346,596 | 2,810 | \$ 835 | \$4,530,835 | 2,830 | \$ 1,601 |
| AUGUST | \$3,900,320 | 2,791 | \$ 1,397 | \$6,034,516 | 2,965 | \$ 2,035 |
| SEPTEMBER | \$4,723,951 | 2,743 | \$ 1,722 | \$5,190,025 | 2,930 | \$ 1,771 |
| OCTOBER | \$4,341,944 | 2,775 | \$ 1,565 | \$4,485,728 | 2,979 | \$ 1,506 |
| NOVEMBER | \$4,578,836 | 2,790 | \$ 1,641 | \$5,216,216 | 2,985 | \$ 1,747 |
| DECEMBER | \$5,375,389 | 2,795 | \$ 1,923 | | | |
| TOTALS | \$39,645,470 | | | \$56,381,686 | | |
| | | | | 2022 Average | 2,872 | \$ 1,785 |
| | | | | 2021 Average | 1,056 | \$ 1,473 |

Large Claimant Report (Drilldown) - Claims Over \$50000

Plan Sponsor Unique ID : All
Customer: BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
Group / Control: 00866353,00880725,SI283129

Paid Dates: 10/01/2023 - 10/31/2023
Service Dates: 01/01/2011 - 10/31/2023
Line of Business: All

| | Billed Amt | Paid Amt |
|---------------|-----------------------|---------------------|
| | \$327,089.57 | \$126,556.81 |
| | \$195,210.99 | \$69,223.16 |
| | \$184,003.42 | \$65,188.21 |
| | \$92,028.99 | \$64,292.00 |
| | \$152,703.57 | \$54,600.34 |
| | \$246,233.19 | \$50,240.01 |
| Total: | \$1,197,269.73 | \$430,100.53 |

Large Claimant Report (Drilldown) - Claims Over \$50000

Plan Sponsor Unique ID : All
Customer: BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
Group / Control: 00866353,00880725,SI283129

Paid Dates: 11/01/2023 - 11/30/2023
Service Dates: 01/01/2011 - 11/30/2023
Line of Business: All

| | Billed Amt | Paid Amt |
|---------------|---------------------|---------------------|
| | \$65,235.10 | \$73,213.08 |
| | \$166,183.88 | \$68,764.68 |
| | \$85,738.00 | \$64,734.69 |
| | \$329,218.00 | \$56,067.10 |
| Total: | \$646,374.98 | \$262,779.55 |



**Medical Claims Paid:
January 2023 – November 2023**
Total Medical Paid per EE: **\$1,859**

*NOTE: **Report no longer includes Metro unless otherwise noted***

Network Discounts

| | |
|------------------|--------------|
| Inpatient: | 59.0% |
| Ambulatory: | 64.3% |
| Physician/Other: | 66.1% |
| TOTAL: | 64.3% |

Provider Network

| | |
|--------------------------|--------------|
| % Admissions In-Network: | 97.2% |
| % Physician Office: | 87.3% |

Aetna Book of Business:
Admissions 98.2%; Physician 91.2%

Top Facilities Utilized (by total Medical Spend)

- Hackensack University
- Valley Hospital
- Holly Name Medical Center
- Morristown Medical Center
- Englewood Hospital

**Catastrophic Claim Impact
January 2023- November 2023**

Number of Claims Over \$50,000: **76**
Claimants per 1000 members: **23.2**
Avg. Paid per Claimant: **\$118,061**
Percent of Total Paid: **35.5%**

- Aetna BOB- HCC account for an average of 44.8% of total Medical Cost

**Aetna One Flex Member Outreach:
Through November 2023**

Total Members Identified: **925**
Members Targeted for 1:1 Nurse Support : **212**
Members Targeted for Digital Activity: **713**
Member 1:1 outreach completed: **202**
Member 1:1 Outreach in Progress: **10**

**Teladoc Activity
January 2023 – November 2023
(*BMED/Metro)**

Total Registrations: **157**
Total Online Visits: **417**
Total Net Claims Savings: **\$217,419**
Total Visits w/ Rx: **300**

Mental Health Visits: **170**
Dermatology Visits: **32**

**Allentown Service Center
Performance Goal Metrics YTD 2023**

Customer Service Performance

| | |
|----------------------------------|-----------------|
| 1 st Call Resolution: | 94.03% |
| Abandonment Rate: | 0.61% |
| Avg. Speed of Answer: | 18.0 sec |

Claims Performance

| | |
|---------------------|------------------|
| Financial Accuracy: | 98.25% |
| 90% processed w/in: | 7.8 days |
| 95% processed w/in: | 15.1 days |

**Claims Performance (Monthly)
(November 2023)**

| | |
|---------------------|------------------|
| 90% processed w/in: | 5.8 days |
| 95% processed w/in: | 10.5 days |

(Note: This is not a PG metric)

Performance Goals

| | |
|----------------------------------|---------------|
| 1 st Call Resolution: | 90% |
| Abandonment Rate less than: | 3.0% |
| Average Speed of Answer: | 30 sec |

Financial Accuracy: **99%**

Turnaround Time

| | |
|---------------------|----------------|
| 90% processed w/in: | 14 days |
| 95% processed w/in: | 30 days |



EXPRESS SCRIPTS®

Bergen Municipal Employee Benefits Fund - Monthly Utilization Tracking Report

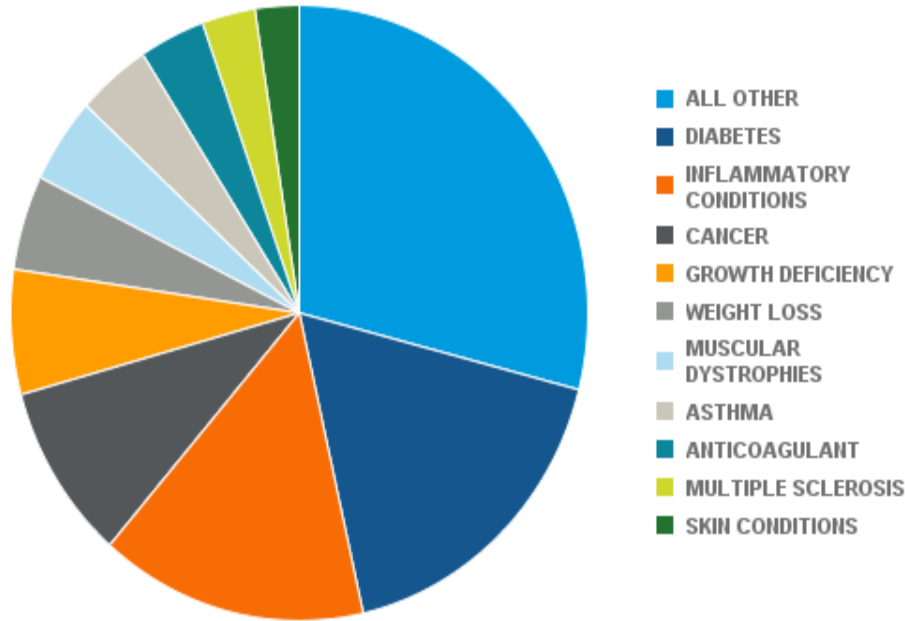
| Total Component/ Date of Service (Month) | 2022 01 | 2022 02 | 2022 03 | 2022 Q1 | 2022 04 | 2022 05 | 2022 06 | 2022 Q2 | 2022 07 | 2022 08 | 2022 09 | 2022 Q3 | 2022 10 | 2022 11 | 2022 12 | 2022 Q4 | 2022 YTD |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Membership | 2,519 | 2,513 | 2,517 | 2,516 | 2,531 | 2,536 | 2,531 | 2,533 | 2,534 | 2,541 | 2,545 | 2,540 | 2,563 | 2,560 | 2,572 | 2,565 | 2,539 |
| Total Days | 102,796 | 94,485 | 106,472 | 303,753 | 103,831 | 105,901 | 106,363 | 316,095 | 105,040 | 106,090 | 104,425 | 315,555 | 102,642 | 107,763 | 110,270 | 320,810 | 1,257,113 |
| Total Patients | 994 | 943 | 1,023 | 1,449 | 1,038 | 1,051 | 1,014 | 1,527 | 1,034 | 1,032 | 996 | 1,518 | 1,091 | 1,119 | 1,118 | 1,663 | 2,089 |
| Total Plan Cost | \$397,226 | \$400,750 | \$439,519 | \$1,237,496 | \$441,324 | \$398,692 | \$521,683 | \$1,361,699 | \$504,418 | \$440,690 | \$459,415 | \$1,404,523 | \$533,965 | \$466,038 | \$437,946 | \$1,478,209 | \$5,481,965 |
| Generic Fill Rate (GFR) - Total | 86.1% | 84.5% | 85.9% | 85.6% | 86.6% | 85.2% | 83.8% | 85.2% | 84.4% | 84.4% | 84.1% | 84.3% | 78.3% | 81.4% | 82.7% | 80.7% | 83.9% |
| Plan Cost PMPM | \$157.69 | \$159.47 | \$174.62 | \$163.93 | \$174.37 | \$157.21 | \$206.12 | \$179.22 | \$199.06 | \$173.43 | \$180.52 | \$184.32 | \$208.34 | \$182.05 | \$170.27 | \$192.10 | \$179.96 |
| Total Specialty Plan Cost | \$169,658 | \$189,993 | \$134,131 | \$493,782 | \$198,287 | \$133,936 | \$217,540 | \$549,762 | \$233,034 | \$158,007 | \$176,221 | \$567,262 | \$280,566 | \$173,046 | \$150,526 | \$642,303 | \$2,253,109 |
| Specialty % of Total Specialty Plan Cost | 42.7% | 47.4% | 30.5% | 39.9% | 44.9% | 33.6% | 41.7% | 40.4% | 46.2% | 35.9% | 38.4% | 40.4% | 52.5% | 37.1% | 34.4% | 43.5% | 41.1% |

| Total Component/ Date of Service (Month) | 2023 01 | 2023 02 | 2023 03 | 2023 Q1 | 2023 04 | 2023 05 | 2023 06 | 2023 Q2 | 2023 07 | 2023 08 | 2023 09 | 2023 Q3 | 2023 10 | 2023 11 | 2023 12 | 2023 Q4 | 2023 YTD |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------|---------|----------|
| Membership | 2,899 | 2,996 | 2,995 | 2,963 | 2,989 | 3,101 | 3,350 | 3,147 | 3,499 | 3,483 | 3,487 | 3,490 | 3,463 | 3,451 | | | |
| Total Days | 119,700 | 118,122 | 129,332 | 367,154 | 123,054 | 133,994 | 132,808 | 389,826 | 136,735 | 134,887 | 124,818 | 396,744 | 138,050 | 132,895 | | | |
| Total Patients | 1,212 | 1,225 | 1,317 | 1,877 | 1,261 | 1,311 | 1,283 | 1,951 | 1,345 | 1,341 | 1,313 | 2,056 | 1,389 | 1,416 | | | |
| Total Plan Cost | \$565,259 | \$481,655 | \$600,154 | \$1,647,069 | \$632,330 | \$629,723 | \$572,569 | \$1,831,738 | \$760,898 | \$747,948 | \$701,892 | \$2,210,785 | \$842,205 | \$655,443 | | | |
| Generic Fill Rate (GFR) - Total | 83.3% | 84.9% | 84.3% | 84.2% | 86.5% | 85.6% | 85.8% | 85.9% | 86.3% | 85.6% | 82.3% | 84.8% | 80.2% | 84.4% | | | |
| Plan Cost PMPM | \$194.98 | \$160.77 | \$200.39 | \$185.27 | \$211.55 | \$203.07 | \$170.92 | \$194.04 | \$217.46 | \$214.74 | \$201.29 | \$211.17 | \$243.20 | \$189.93 | | | |
| % Change Plan Cost PMPM | 23.6% | 0.8% | 14.8% | 13.0% | 21.3% | 29.2% | -17.0% | 8.3% | 9.2% | 23.8% | 5.9% | 12.6% | 16.7% | -3.8% | | | |
| Total Specialty Plan Cost | \$275,695 | \$186,987 | \$248,667 | \$711,349 | \$336,037 | \$269,636 | \$199,584 | \$802,282 | \$425,645 | \$372,854 | \$327,019 | \$1,125,518 | \$442,447 | \$278,327 | | | |
| Specialty % of Total Specialty Plan Cost | 48.8% | 38.8% | 41.4% | 43.2% | 53.1% | 42.8% | 34.9% | 43.8% | 55.9% | 49.9% | 46.6% | 50.9% | 52.5% | 42.5% | | | |

Top Indications

BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2023 - 11/2023 vs. Previous Period 11/2022 - 11/2022) Peer = Commercial

Top Indications by Plan Cost



Plan Cost PMPM % Change (Trend)



| | | | Current Period | | | | | | Previous Period | | | | | | Trend |
|---------------------|-----------|-------------------------|----------------|--------------|--------------------|-----------------|--------------|--------------|-----------------|--------------|------------------|-----------------|--------------|--------------|----------------|
| Rank | Peer Rank | Indication | Market Share | Adjusted Rxs | Plan Cost | Plan Cost PMPM | GFR | Peer GFR | Market Share | Adjusted Rxs | Plan Cost | Plan Cost PMPM | GFR | Peer GFR | Plan Cost PMPM |
| 1 | 2 | DIABETES | 24.54% | 3,947 | \$1,252,080 | \$35.06 | 33.8% | 34.8% | 28.88% | 285 | \$84,338 | \$32.94 | 32.6% | 37.5% | 6.4% |
| 2 | 1 | INFLAMMATORY CONDITIONS | 21.08% | 393 | \$1,075,236 | \$30.11 | 52.9% | 40.1% | 18.48% | 24 | \$53,968 | \$2108 | 45.8% | 40.8% | 42.8% |
| 3 | 3 | CANCER | 13.13% | 243 | \$669,878 | \$18.76 | 77.8% | 75.1% | 0.88% | 20 | \$2,563 | \$100 | 85.0% | 75.0% | 1773.4% |
| 4 | 9 | GROWTH DEFICIENCY | 9.23% | 79 | \$470,674 | \$13.18 | 0.0% | 0.0% | 13.01% | 5 | \$37,992 | \$14.84 | 0.0% | 0.0% | -112% |
| 5 | 4 | WEIGHT LOSS | 7.02% | 328 | \$357,926 | \$10.02 | 8.2% | 9.5% | 6.21% | 18 | \$18,141 | \$7.09 | 16.7% | 22.1% | 414% |
| 6 | 10 | MUSCULAR DYSTROPHIES | 6.36% | 19 | \$324,295 | \$9.08 | 0.0% | 0.3% | 9.20% | 2 | \$26,862 | \$10.49 | 0.0% | 0.0% | -13.5% |
| 7 | 7 | ASTHMA | 5.78% | 2,039 | \$294,623 | \$8.25 | 75.6% | 77.0% | 9.20% | 174 | \$26,869 | \$10.50 | 72.4% | 77.3% | -214% |
| 8 | 6 | ANTICOAGULANT | 5.19% | 625 | \$264,547 | \$7.41 | 15.4% | 20.1% | 5.36% | 48 | \$15,657 | \$6.12 | 37.5% | 21.7% | 211% |
| 9 | 8 | MULTIPLE SCLEROSIS | 4.20% | 40 | \$214,285 | \$6.00 | 40.0% | 42.1% | | | | | NA | 37.9% | NA |
| 10 | 5 | SKIN CONDITIONS | 3.48% | 699 | \$177,733 | \$4.98 | 85.3% | 88.4% | 8.78% | 49 | \$25,631 | \$10.01 | 75.5% | 88.4% | -50.3% |
| Total Top 10 | | | | 8,412 | \$5,101,277 | \$142.84 | 47.7% | 49.8% | | 625 | \$292,022 | \$114.07 | 48.8% | 53.3% | 25.2% |

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
JANUARY 23, 2024**

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

Resolution 1-24: Awarding Professional Fees for 2024.....Page 32
Resolution 2-24: Designation of Service of Process.....Page 35
Resolution 3-24: Designation of Secretary as Custodian of RecordsPage 36
Resolution 4-24: Designation of Official NewspaperPage 37
Resolution 5-24: Designation of Regular Meeting Times and PlacePage 38
Resolution 6-24: Designation of Bank Depositories & CMPPage 39
Resolution 7-24: Designation of Authorized Signatories.....Page 43
Resolution 8-24: Approval of 2024 Risk Management PlanPage 44
Resolution 9-24: Compensating ProducersPage 53
Resolution 10-24: Appointment of MRHIF CommissionersPage 55
Resolution 11-24: Authorizing Treasurer to Process
Payments and Expenses.....Page 56
Resolution 12-24: Adding additional Coverage - Ft. LeePage 57
Resolution 13-24: Wellness Grant ApprovalsPage 58
Resolution 14-24: MRHIF Indemnity and Trust Agreement.....Page 59
Resolution 15-24: Cash TransferPage 61
Resolution 16-24: Bank Earning Base RatePage 62
Resolution 17-24: December 2023 and January 2024 Bills ListsPage 63

Motion _____

Second _____

RESOLUTION NO. 1--24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPOINTING PROFESSIONALS AND AWARDED CONTRACTS
FOR FUND YEAR 2024**

WHEREAS, the Bergen Municipal Employee Benefits Fund is duly constituted as a Health Benefits Joint Insurance Fund and is subject to certain requirements of the Local Public Contracts Law and the Local Unit Pay-to-Play Law; and;

WHEREAS, Each of the business entities identified below with an contract value of \$17,500 per annum or more have submitted a Business Entity Disclosure Certification which certifies that they have not made reportable contributions to a political or candidate committee for the members of the Fund in the previous one year; and the contracts awarded herewith will contain a clause preventing such reportable contributions during the term of the contract;

WHEREAS, the Executive Committee of the Bergen Municipal Employee Benefits Fund has deemed it necessary and appropriate to obtain certain professional and other extraordinary and unspicifiable services and, therefore, to make certain appointments and to authorize certain contracts for Extraordinary and Unspicifiable Services so that the work of the FUND may continue;

NOW THEREFORE BE IT RESOLVED by the Executive Committee that the following professional service appointments and contract awards be and are hereby made for 2024:

- I. **Actuarial Solutions LLC (John Vataha)** is hereby appointed to serve as the FUND's **Fund Actuary**. The annual amount of \$18,900 has been appropriated in the **Actuary** Line Item of the 2024 budget.
- II. **Huntington & Bailey** is hereby appointed to serve as the FUND's **Attorney**. The annual amount of \$26,000 has been appropriated in the Attorney Line Item of the 2024 budget. In addition Fund Attorney will be paid \$175/hourly for services outside of the scope of the retainer.
- III. **Lerch, Vinci, and Bliss** is hereby appointed to serve as the FUND's **Auditor**. The annual amount of \$19,200 has been appropriated in the Auditor Line Item of the 2024 budget.
- IV. **Joseph Iannaconi** is hereby appointed to serve as the FUND's **Treasurer**. The annual amount of \$21,488 has been appropriated in the Treasurer Line Item of the 2024 budget.

NOW THEREFORE BE IT RESOLVED by the Executive Committee authorize certain contracts for Extraordinary and Unspicifiable Services (insurance) and are hereby made for 2024:

- V. **PERMA Risk Management Services** as **Administrator**, is hereby appointed as **Executive Director** and as **agent for process of service**. \$11.14 per employee, per month

will be expended to the Administrator. The estimated annual amount of \$448,496 has been appropriated in the Administrator Line Item of the 2024 budget.

- VI. **Conner Strong and Buckelew** is hereby appointed as **Benefits Consultant**. \$15.40 per employee, per month will be expended to the **Benefits Consultant**. In addition, the **Benefits Consultant** will be paid \$6,500 for plan documents. The estimated annual amount of \$370,002 has been appropriated in the **Benefits Consultant** Line Item of the 2024 budget.
- VII. **Aetna** is hereby appointed to serve as the FUND's **Medical Claims Administrator**. \$39.54 per employee, per month will be expended to the Administrator. The estimated annual amount of \$693,002 has been appropriated in the **Medical TPA** Line Item of the 2024 budget.
- VIII. **Delta Dental** is hereby appointed to serve as the FUND's **Dental Claims Administrator**. \$3.34 per medical employee, per month will be expended to the TPA. The estimated annual amount of \$95,190 has been appropriated in the Dental TPA Line Item of the 2024 budget.
- IX. **Aetna Medicare Advantage** is hereby appointed to serve as a Medicare Advantage service provider at the following per member, per month fee:

| PlanName | Monthly MA Premium2 |
|--|---------------------|
| Aetna Medicare Advantage w/ 10% Rx - MAPDP (Borough of Moonachie) | \$ 356.23 |
| Aetna Medicare Advantage w/ 10 Rx - MAPDP (Borough of Park Ridge) | \$ 382.38 |
| Aetna Medicare Advantage (Village of Ridgefield Park) | \$ 137.57 |
| Aetna Medicare Advantage w/ 10% Rx -MAPDP (Village of Ridgefield Park) | \$ 356.23 |
| Aetna Medicare Advantage - (Borough of Rutherford) | \$ 137.57 |
| Aetna Medicare Advantage \$0 w/ \$1/\$1 Rx (Borough of Rutherford) | \$ 343.01 |
| Aetna Medicare Advantage \$0 w/ \$6/\$12/\$24 Rx (Borough of Rutherford) | \$ 394.91 |
| Aetna Medicare Advantage w/ 10% Rx - MAPDP (Borough of Saddle River) | \$ 356.23 |
| Aetna Medicare Advantage w/ \$1/\$1 Rx - MAPDP (Borough of Wallington) | \$ 343.01 |
| Aetna Medicare Advantage (Borough of Oakland) | \$ 137.57 |
| Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Borough of Oakland) | \$ 299.80 |
| Aetna Medicare Advantage \$0 w/ \$5/\$5 Rx (Borough of Franklin Lakes) | \$ 327.87 |
| Aetna Medicare Advantage w/ \$5/\$5 Rx - MAPDP (Township of Fairfield) | \$ 327.87 |
| Aetna Medicare Advantage w/ 10% Rx - MAPDP (Borough of Edgewater) | \$ 356.23 |
| Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Township of Verona) | \$ 299.80 |
| Aetna Medicare Advantage \$0 w \$6/\$12/\$324 Rx (Borough of Woodcliff Lake) | \$ 394.91 |
| Aetna Medicare Advantage \$10 w/ Rx (Borough of Fanwood) | \$ 394.91 |
| Aetna Medicare Advantage \$10 w/\$6/\$12/\$24 Rx (Borough of Garwood) | \$ 394.91 |
| Aetna Medicare Advantage \$0 w/ \$6/\$12/\$24 Rx (Borough of Midland Park) | \$ 394.91 |

The annual amount of \$2,561,080 has been appropriated for this Line Item of the 2024 budget.

- X. **Civitas (Marianne Smith)**, is hereby appointed to serve as the FUND's Wellness Coordinator from January 1, 2024 through April 30, 2024 at an amount of \$2,083 per month. This amount has been appropriated in the Wellness Expense line item of the 2024 Budget.

NOW THEREFORE BE IT RESOLVED by the Executive Committee authorize certain contracts through competitive contracting and are hereby made for 2024:

- XI. **Clark LaMendola** is hereby appointed to serve as the FUND's **Board Advisor**. The annual amount of \$19,102 has been appropriated in the Board Advisor Line Item of the 2024 budget.

BE IT FURTHER RESOLVED that each of the above shall serve pursuant to a Professional Service Contract, which will be entered into and a copy of which will be on file in the Fund's office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054 ;

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 2-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPOINTING
PERMA RISK MANAGEMENT SERVICES
AS AGENT FOR THE FUND
FOR PROCESS OF SERVICE FOR THE YEAR 2024**

BE IT RESOLVED by the Executive Committee of the Bergen Municipal Employee Benefits Fund that PERMA Risk Management Services is hereby appointed as agent for process of service upon the Fund, at its office located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054, for the year 2024 or until its successor has be appointed and qualified.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 3-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
DESIGNATING CUSTODIAN OF FUND RECORDS**

BE IT RESOLVED that Richard Kunze, the Secretary of the Bergen Municipal Employee Benefits Fund is hereby designated as the custodian of the Fund records which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 4-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
DESIGNATING
THE RECORD & STAR LEDGER
THE OFFICIAL NEWSPAPER FOR THE FUND YEAR 2024**

BE IT RESOLVED by the Executive Committee of the Bergen Municipal Employee Benefits Fund that The Record is hereby designated as the official newspaper for the Bergen Municipal Employee Benefits Fund for the year 2024 and that all official notices required to be published shall be published in The Record and The Star Ledger.

BE IT FURTHER RESOLVED that in the case of special meetings or emergency meetings, the Secretary of the Bergen Municipal Employee Benefits Fund shall give notice of said meetings to The Record and The Star Ledger.

BE IT FURTHER RESOLVED that the Bergen Municipal Employee Benefits Fund website be designated as the official electronic media site for the Bergen Municipal Employee Benefits Fund at www.bmedhif.com.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 5-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
FIXING PUBLIC MEETING DATES
FOR THE YEAR 2024**

WHEREAS, under the Open Public Meetings Act of New Jersey, each public entity is required to publish the date and place for its public meetings;

by the Executive Committee of the Bergen Municipal Employee Benefits Fund that the Fund shall hold public meetings during the year 2024 on the Fourth Tuesday of every other month, except otherwise noted at 12:00 P.M.: Meetings will be held at Franklin Lakes Borough unless otherwise noted:

| Date | Location | Time |
|--------------------|------------------------|-------------|
| February 27, 2024 | Franklin Lakes Borough | 12:00pm |
| April 23, 2024 | Franklin Lakes Borough | 12:00pm |
| June 25, 2024 | Franklin Lakes Borough | 12:00pm |
| August 27, 2024 | Franklin Lakes Borough | 12:00pm |
| September 24, 2024 | Franklin Lakes Borough | 12:00pm |
| October 22, 2024 | Franklin Lakes Borough | 12:00pm |
| January 28, 2025 | Franklin Lakes Borough | 12:00pm |

BE IT FURTHER RESOLVED that the Secretary of the Fund is hereby directed to publish a copy of this Resolution in the Record and listed on the Fund Website (www.bmedhif.com)

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 6-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS
AND ESTABLISHING CASH MANAGEMENT PLAN FOR 2024**

1.) *Cash Management and Investment Objectives*

The Bergen Municipal Employee Benefits Fund (hereinafter referred to as the FUND) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.

2.) *Permissible Investments*

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or

- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than ten (10) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent with the Division's own investment guidelines, and providing that the investment is a fixed rate of interest not dependent on any index or external factors.
- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the N.J. Department of Community Affairs.

3.) *Authorized Depositories*

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

TD Bank
Citizens Bank

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) *Authority for Investment Management*

The Treasurer is authorized and directed to manage the FUND's cash and investments in a manner consistent with this plan and all appropriate regulatory constraints. The Treasurer is also authorized to invest in fixed income securities through the asset management department of Wilmington Trust.

5.) *Preservation of Capital*

Securities shall be purchased with the ability to hold until maturity.

6.) *Safekeeping*

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) *Selection of Custodial and Operating Banks*

Custodial and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

The Treasurer shall report to the Executive Board at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors prepared by the FUND's Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banking fees and compensating balances shall be documented to the Executive Board at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims imprest accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such

procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

The rate of interest on delinquent assessments shall be 10% per annum from the due date for any such assessment.

BE IT FURTHER RESOLVED that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 7-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
RESOLUTION DESIGNATING
AUTHORIZED SIGNATURES FOR FUND BANK ACCOUNTS**

BE IT RESOLVED by the Bergen Municipal Employee Benefits Fund that all funds of the Bergen Municipal Employee Benefits Fund shall be withdrawn from the official named depositories by check, which shall bear the signatures of at least two (2) of the following persons who are duly authorized pursuant to this Resolution.

| | |
|----------------------|-------------|
| <u>Gregory Hart</u> | - Chairman |
| <u>Richard Kunze</u> | - Secretary |
| Gregory Franz | - Alternate |
| Joseph Iannaconi | - Treasurer |

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 8-24

BERGEN MUNICIPAL EMPLOYEES BENEFITS FUND

RISK MANAGEMENT PLAN

Effective: JANUARY 1, 2024

Adopted: JANUARY 23, 2024

**BERGEN MUNICIPAL EMPLOYEES BENEFITS FUND
2024 RISK MANAGEMENT PLAN**

BE IT RESOLVED that the following shall be the Fund’s Risk Management Plan for the 2024 Fund year:

1.) COVERAGE OFFERED

- Medical

The Fund offers a “point of services” and “open access” plan designs. These plans have both in network and out of network benefit. The Fund can offer other plans as may meet the needs of the members. Starting in 2012, the Fund also offered “low cost plans” to allow members options to comply with contribution requirements under Chapter 78 and for those covered under Chapter 44. Included as options are a health savings account-consumer directed health plan, a core PPO program, a buy up PPO program, an HMO plan and the plans for those covered under Chapter 44. The Fund also offers Medicare Advantage plans for Medicare eligible retirees.

- Dental

The Fund offers customized dental plans as required by the members.

- Prescription

The Fund offers customized prescription plans as required by the members, including plans that are coordinated with the low cost medical plan options. The Fund also offers “Employer Group Waiver Plans” for Medicare eligible retirees.

- Vision

The Fund offers customized vision plans as required by the members.

2.) LIMITS OF COVERAGE

Limits of coverage vary by member plan design.

3.) RISK RETAINED BY THE FUND

The Fund takes no risk on Medicare Advantage and Employer Group Waiver Plan fully-insured policies purchased for Medicare retirees.

Pre-Medicare retirees and active employees and their dependents are covered by self-insured plans. Risk retained by the Fund for these plans is summarized as follows:

Medical and Prescription:

- **Specific Coverage:** The Fund self-insures for the first \$400,000 per person per agreement year and obtains reinsurance through its membership in the Municipal Reinsurance Health Insurance Fund “MRHIF” for claims in excess of its self-Insured Retention “SIR” to an unlimited maximum per person per contract period (incurred in 12 months paid in 24 months).

- Specific Limit Unlimited

- Basis: Incurred 12 months, paid 24 months.

Extra contractual claims are excluded from reinsurance coverage.

4.) ASSUMPTIONS AND METHODOLOGY TO CALCULATE CLAIM RESERVES.

The Fund complies with statutory accounting standards and establishes reserves on the probable total claim costs at conclusion. Each month, the accrual in the general ledger for claim reserves, including IBNR, is adjusted based on earned underwriting income and the number of months since the inception of the Fund year. This accrual is the adjusted at the end of each quarter in accordance with the actuary’s projections.

5.) METHODS OF ASSESSING CONTRIBUTIONS TO MEMBERS

At least one month before the end of the year, the Fund adopts a budget for the upcoming year based on the most recent census. Per employee rates are computed for each line of coverage for each Fund member, and are approved by the Fund as a part of the budget adoption and rate certification process. These rates are used to compute the members’ monthly assessment based on the updated census, and are mailed to the members approximately 15 days before the beginning of the month. The billing also includes the member’s updated census for verification each month by the local entity. Retroactive adjustments for enrollment changes are limited to 2 months. Former participants (COBRA, Conversion and some retirees) and, in some cases, Dependents under age 31, are billed directly by the Fund.

6.) COVERAGE PURCHASED FROM INSURERS AND PARTICIPATION IN THE MUNICIPAL REINSURANCE HEALTH INSURANCE FUND (MRHIF)

The Fund provides coverage on a self-insured basis, and secures excess insurance to cap the Funds’ specific (i.e. per covered person per policy year) retention. The Fund is a member of the Municipal Reinsurance Health Insurance Fund (MRHIF). The MRHIF retains claims above the Fund’s local specific retention and purchases an excess insurance policy that is filed with the Department of Banking and Insurance in accordance with the applicable regulations.

7.) THE INITIAL AND RENEWAL RATING METHODOLOGIES

Upon application to the Fund, the prospective member's benefit program is reviewed by the actuary to determine its projected claim cost. In this evaluation, the actuary takes into consideration:

- a.) age/sex factor as compared to the average for the existing Fund membership;
- b.) the plan of benefits for the prospective member; and
- c.) loss data if available.

The actuary then recommends a relativity factor to the Fund's base rates. This recommendation requires Fund approval before the prospective member is admitted to the Fund.

Rates for all members are adjusted at the beginning of each Fund year to reflect the new budget. The Fund may also adopt mid Fund year rate changes to reflect changes in plan design, participation in lines of coverage, or a budget amendment. Additionally, if a member terminates a line of coverage but continues membership for other lines of coverage, the rates for the remaining lines of coverage may be adjusted and the entity shall not be eligible for membership in the dropped line of coverage for a three year period.

Loss experience used by the Fund to determine loss ratio adjustments will be made available twice per year to members at no additional cost. For entities with loss ratios of 100% or greater, rate adjustments of up to +2.5% may be considered. For entities with loss ratios below 100%, rate reductions of up to -2.5%. Additional adjustments can be considered for plans lacking standard utilization management features.

"Loss experience data" is defined as monthly claims and assessments for a three year period including de-identified specific claims at 50% of the Fund's self-insured retention. Requests for additional claims data can be considered based upon the availability of data, the feasibility of extracting the data, and the reimbursement to the Fund or its vendors of data extraction and formatting costs.

8.) RATING PERIODS

All rating periods for municipal members coincide with the Fund year while rating periods for school members can coincide with their fiscal year (July 1 to June 30).

9.) FACTORS IF RATES FOR MEMBERS JOINING THE FUND DURING A FUND YEAR ARE TO BE ADJUSTED.

Unless otherwise authorized as part of the offer of membership, where a member joins during a Fund year, the member's initial rates are only valid through the end of that Fund year or, for schools, fiscal year, at which time the rates are adjusted for all members to reflect the new budget.

10.) PROVISION FOR PPOs, etc.

The Fund offers employees the option of selecting various plans depending upon member bargaining agreements. Generally, it is the policy of the Fund to encourage selection of lower cost plan designs as opposed to traditional indemnity plans, and the Fund provides promotional material to assist members in employee communication programs concerning optional plan designs.

11.) OPEN ENROLLMENT PROCEDURES

Open enrollment periods shall be scheduled by the Fund at least yearly for each member and as is otherwise required to comply with plan document requirements and to effectuate plan design, network changes, and plan migrations that may take place.

12.) COBRA AND CONVERSION OPTIONS

The Fund provides COBRA coverage at a rate equal to the member's current rate and benefit plan design, plus the appropriate administrative charge. The Fund has arranged for a COBRA administrator to enroll eligible participants and to collect the premium. Where provided for in a member's plan document, the Fund provides a conversion option at rates established by the Fund. Unless otherwise specified in the member's plan document, the conversion option duplicates the conversion option offered by the SHBC. The Fund's coverage for individuals covered under COBRA or conversion options shall terminate effective the date the member withdraws from the Fund, or otherwise ceases to be a member of the Fund.

13.) DISCLOSURE OF BENEFIT LIMITS

The Fund discloses benefit limits in plan booklets provided to all covered employees.

14.) PARTICIPATION RULES WHEN ALL OR PART OF THE PREMIUM IS DERIVED FROM EMPLOYEE CONTRIBUTIONS

All assessments, including additional assessments and dividends, are the responsibility of the member, not the employee or former employee. Employee contributions, if any, are solely an internal policy of the member which shall not impact on the member's obligations to the Fund or confer any additional rights to the employees. Where the Fund directly bills an employee, (i.e. COBRA, etc.), this shall be considered as a service to reduce the member's administrative burden, and the member shall be responsible in the event of non-payment.

15.) RETIREES

The Fund duplicates coverage for eligible retirees. The Fund's coverage of a retiree shall terminate effective the date the member local unit withdraws from the Fund, or otherwise ceases to be a member of the Fund.

16.) NEWBORN CHILDREN

All plan documents will have the following language:

“You may remove family members from the policy at any time, but you may only add members within sixty (60) days of the change in family status (marriage, birth of a child, etc.). It is your responsibility to notify your employer of needed changes. If family members cease to be eligible, claims will not be paid. The actual change in coverage (and the corresponding change in premium) will not take place until you have formally requested that change. Newborn children, but not grandchildren of an eligible employee, shall be automatically covered from birth for sixty (60) days, even if not enrolled within the required sixty (60) days. In the event of an eligible dependent giving birth to a child, (a grandchild) benefits for any hospital length of stay in connection with childbirth for the mother or newborn grandchild will apply for up to 48 hours following a vaginal delivery, or 96 hours following a cesarean section. However, the mother's or newborn grandchild's attending provider, after consulting with the mother, may discharge the mother or her newborn grandchild earlier than 48 hours (or 96 hours as applicable). Pursuant to N.J.A.C. 11:15-3.6 (d) 17, automatic coverage of a newborn child or an adopted child is provided for a period of 60 days from the date of birth or the date of adoption.”

17.) PLAN DOCUMENT

The Fund prepares a detailed plan document for each member local unit (or each employee bargaining group within a member local unit as the case may be), and an employee handbook provides a summary of the coverage provided by the plan. Each booklet (or certificate) shall contain at least the following information and be provided to all covered employees within thirty (30) days of coverage being effective.

A.) General Information

- Enrollment procedures and eligibility.
- Dependent eligibility.
- When coverage begins.
- When can coverage be changed.
- When does coverage end.
- COBRA provisions.
- Conversion privilege.

B.) Benefits

- Definitions.
- Description of benefits.

Eligible services and supplies.

Deductibles and co-payments.

Examples as needed.

Exclusions.

Retiree coverage, before age 65 or after (if any).

C.) Claims Procedures

- Submission of claim.
- Proof of loss.
- Appeal procedures.

D.) Cost Containment Programs

- Pre-admission.
- Second surgical opinion.
- Other cost containment programs.
- Application and level of employee penalties.

18.) PROCEDURES FOR THE CLOSURE OF FUND YEARS

Approximately every six months after the end of a Fund year, the Fund evaluates the results to determine if dividends or additional assessments are warranted. Most claims are paid within twelve months of year end, and at that time the Fund begins to consider closing the year, unless excess insurance recoveries are pending or litigation is likely.

Fully insured plans are not considered in surplus retention. Entities with only Medicare Advantage/Employer Group Waiver Programs are not included in closed year balance shares.

When the Fund determines that a Fund year should be closed:

- A reserve is established by the actuary to cover any unpaid claims or IBNR
- The Fund decides on the final dividend or supplemental assessment.
- A closure resolution is adopted transferring all remaining assets and liabilities of that Fund year to the "Closed Fund Year/Contingency Account".
- Each member's pro rata share of the residual assets are computed and added to its existing balance in the Closed fund Year/Contingency Account. Any member who has withdrawn from the Fund shall receive its remaining share of the Closed fund Year/Contingency Account six years after the date of its withdrawal.

19.) "RUN-IN" or "RUN-OUT" LIABILITY

The Fund covers the "run-out" liability of all members - i.e., liability for claims incurred but not reported by a former Fund member during the period it was a member. Upon approval of the Executive Committee, the Fund may also cover the run-in liability of a prospective member (i.e., the liability for claims incurred but not reported by a prospective member in connection with the provision of health benefits during the period prior to joining the Fund). When the Fund covers run-in liability, the prospective member shall be assessed the expected ultimate cost of run-in

claims, as certified by the Fund's actuary and approved by the Executive Committee. The assessment shall be paid entirely within the Fund year the member joined the Fund.

20.) CLAIMS AND OPERATIONS AUDITS

The Fund retains a claim auditory experienced in auditing self-insured claims and operations. Annual claims and/or operational audits will be performed annually specific to the needs of the Fund and other variables impacting the health insurance market.

21.) CLAIM APPEALS

Claim appeals shall be processed in accordance with the Fund by-laws. In addition, there is hereby established a Small Claims Committee that shall handle claims where the dollar amount is not greater than \$1,000.00 or likely not to exceed a total of \$2,500 in one rolling 12 month cycle, where the treatment or therapy in question is of a continuing nature. This responsibility will extend to out of network payments, within the above thresholds, that may be above standard schedules that may be justified or appealed due to continuity of care considerations.

The Small Claims Committee shall consist of the following persons:

- A. Representative from the T.P.A.
- B. Three fund commissioners as designated by the Fund chairman.

The Small Claims Committee shall report on all claims approved, in accordance with a reporting form approved by Resolution of the Executive Committee, at the first meeting following any such determination unless made within ten (10) days of a scheduled meeting in which case it will be the subsequent meeting. No person whose claim has been reviewed by the Small Claims Committee will be deprived of their opportunity to have their claim appeal adjudicated by the entire Executive Committee if they choose to do so.

All Small Claims Committee decisions to pay claims shall be unanimous (except in the case of unavailability of a member of the Committee) in which case it will be required that the remaining members be unanimous and that no less than 3 people on the Committee have reviewed the claim.

Claims appealed beyond the executive committee shall be processed by Independent Appeal organizations designated by the Fund.

22.) ENROLLMENTS AND TERMINATIONS PAST 60 DAYS

Enrollments and terminations can be processed up to 60 days in the past. Should there be a need to enroll or terminate an employee past 60 days due to a missed open enrollment period or a qualified life event, the member must submit this request in writing. The Fund Small Claims

Committee will anonymously review each request, including the financial impact to the Fund. The Committee will approve/deny the request within 45 days.

23.) PARTIAL MONTH ENROLLMENTS

When processing enrollments and terminations, the Fund will charge a member for a full month rate for an employee that is enrolled between the 1st and the 15th of the month, but will charge the member in the following month if an enrollment occurred between the 16th and the 31st of the month. If a member should term between the 1st and the 15th of the month, the Fund will not charge the member a rate for the enrollment, but will charge a full month rate if a member terms between the 16th and the 31st of the month.

24.) MEDICARE ADVANTAGE/EGWP ONLY

The Fund may offer retiree coverage with a fully insured Medicare Advantage and/or Employer Group Waiver Program membership to an entity that does not have its active members in the Fund. The carrier will provide the Fund with a per employee, per month cost for a plan that matches equal to, or better to the current retiree plan. The Fund may add additional expenses to the price per employee. The entity would be required to sign an Indemnity and Trust agreement.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 9-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
ESTABLISHING PLAN FOR COMPENSATING PRODUCERS LICENSED PURSUANT TO
N.J.S.A. 17:22A-1 ET SEQ AND REPRESENTING MEMBER ENTITIES**

WHEREAS, The Bergen Municipal Employee Benefits Fund permits member entities that designate a producer or risk manager to represent them in dealings with the Fund; and

WHEREAS, Pursuant to N.J.A.C. 11:15-3.6 (e) 15, producer arrangements must be formally determined by the Fund and filed with the Department of Banking and Insurance; and

NOW THEREFORE BE IT RESOLVED, that the Bergen Municipal Employee Benefits Fund establishes the following producer plan for 2024;

1. The Fund will include producer compensation in each entity’s assessments using the compensation levels as disclosed to and approved by the member entity.
2. The following sub-producers with the designated compensation levels are approved for 2024:

| Group Name | Broker Name | Broker Rate PEPM | PEPM Rate Dental |
|------------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Carlstadt | World Insurance Associates LLC | \$ 3.55 | \$ - |
| Carlstadt Board of Education | World Insurance Associates LLC | \$ 3.23 | \$ - |
| East Rutherford | World Insurance Associates LLC | \$ 2.87 | \$ - |
| East Rutherford Board of Education | World Insurance Associates LLC | \$ 3.08 | \$ - |
| Edgewater | Reliance Insurance Group | \$ 39.97 | \$ - |
| Fairfield | IMAC | \$ 65.90 | \$ - |
| Fairfield BOE | IMAC | \$ 62.09 | \$ - |
| Fanwood Township | Fairview Insurance | \$ 41.65 | \$ - |
| Ft. Lee | Vozza | \$ 4.82 | \$ - |
| Garfield City | Allen Associates | \$ 46.37 | \$ - |
| Garwood | Competitive Advantage Companies | \$ 56.10 | \$ - |
| Lodi | World Insurance Associates LLC | \$ 2.87 | \$ - |
| Maywood Borough | World Insurance Associates LLC | \$ 3.65 | \$ - |
| Mine Hill | Fairview Insurance | \$ 2.93 | \$ - |
| Moonachie | World Insurance Associates LLC | \$ 22.26 | \$ - |
| North Arlington | World Insurance Associates LLC | \$ 2.87 | \$ - |
| Oakland | Vozza | \$ 41.63 | \$ 5.27 |
| Park Ridge | Vozza | \$ 38.00 | \$ 5.27 |
| Ridgefield Park | Otterstedt | \$ 42.54 | \$ - |
| Rochelle Park | World Insurance Associates LLC | \$ 2.87 | \$ - |
| Rutherford | World Insurance Associates LLC | \$ 35.96 | \$ - |

| | | | |
|------------------|--------------------------------|----------|------|
| Saddle River | World Insurance Associates LLC | \$ 17.23 | \$ - |
| South Hackensack | World Insurance Associates LLC | \$ 22.89 | \$ - |
| Verona | Reliance Insurance Group | \$ 7.00 | \$ - |
| Wallington | acisure | \$ 13.70 | \$ - |
| Westwood | World Insurance Associates LLC | \$ 13.30 | \$ - |
| Wood-Ridge | World Insurance Associates LLC | \$ 2.16 | \$ - |

3.This schedule may be amended upon written notification of each listed member entity.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 10-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPOINTING OF FUND COMMISSIONER, AND ALTERNATE FUND COMMISSIONER TO
THE MUNICIPAL REINSURANCE HEALTH INSURANCE FUND**

WHEREAS, The Bergen Municipal Employee Benefits Fund has agreed to join the Municipal Reinsurance Health Insurance Fund; and

WHEREAS, by virtue of the conditions of membership contained in the by-laws of the fund, the Bergen Municipal Employee Benefits Fund must appoint a Fund Commissioner and an Alternate Fund Commissioner;

NOW THEREFORE BE IT RESOLVED, that the appointments be as follows:

1. That _____ is hereby appointed as Fund Commissioner.

2. That _____ is hereby appointed as Alternate Fund Commissioner.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 11-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
AUTHORIZING COMMISSION TREASURER TO PROCESS
CONTRACTED PAYMENTS AND EXPENSES**

WHEREAS, the Executive Committee has deemed it necessary and appropriate to provide authorization to the Fund Treasurer to pay certain Fund contracted payments and expenses during the month(s) when the Commission does not meet; and

WHEREAS, payment by the Fund Treasurer of contracted payments and expenses for the month(s) in which the Fund does not meet shall be ratified by the Fund at its next regularly scheduled meeting; now, therefore,

BE IT RESOLVED by the Executive Committee of the Bergen Municipal Employee Benefits Fund that the Fund Treasurer is hereby authorized to process the contracted payments and Fund expenses for all months in which the Fund does not meet during the year 2024.

BE IT FURTHER RESOLVED that the Executive Committee of the Bergen Municipal Employee Benefits Fund shall ratify the contracted payments and Fund expenses so paid by the Fund Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 12-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
RESOLUTION TO OFFER MEMBERSHIP
FT. LEE**

WHEREAS, a number of municipalities in the state of New Jersey have joined together to form a Joint Insurance Fund, under the name of the Bergen Municipal Employee Benefits Fund (the "Fund"), as permitted by law; and

WHEREAS, the Fund held a Public Meeting on **January 23, 2024** for the purposes of conducting the official business of the Fund; and

WHEREAS, the Executive Director, Benefits Consultant and the Fund Actuary has reviewed the risk, underwriting detail and expenses to the Fund and recommends an annual total assessment as presented in detail; and

WHEREAS, the Finance Committee has reviewed a submission from the Borough of Ft. Lee to add medical and prescription coverage and recommended approval to join the Bergen Municipal Employee Benefits Fund effective February 1, 2024;

BE IT RESOLVED, it has been determined that the admission to membership in the Fund of the above mentioned entity would be in the best interests of the Fund and the inclusion of the entity in the Fund is consistent with the Fund's By-laws;

BE IT RESOLVED, that the Bergen Municipal Employee Benefits Fund hereby approved the additional lines of coverage for the Borough of Ft. Lee medical and prescription coverage to the Bergen Municipal Employee Benefits Fund contingent upon receipt of the Fund's authorizing resolution to join the Fund and its executed Indemnity and Trust agreement.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 13-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
ADOPTING 2024 WELLNESS GRANT PROGRAMS AND POLICY CHANGE**

WHEREAS, the Bergen Municipal Employee Benefits Fund is duly constituted as a Health Benefits Joint Insurance Fund and is subject to certain requirements of the Local Public Finance Law; and;

WHEREAS, the Executive Committee set forth a budget for the Fund year of January 1, 2024 through December 31, 2024. This budget includes \$50,000 for individual member wellness grants;

WHEREAS, the following members submitted an application for a wellness grant through the Bergen Municipal Employee Benefits Fund which was presented and approved by the Wellness Committee

WHEREAS, the projected program and requested funds in the amount listed below were deemed appropriate for the objectives of the Fund wellness grant program:

- Franklin Lakes - \$10,000
- Oakland - \$10,000
- Montvale - \$5,000

WHEREAS, the Wellness Committee deemed appropriate to revise the calendar policy for members of the Wellness Program which was distributed to the membership and approved by the Executive Committee;

NOW THEREFORE BE IT RESOLVED, on January 23, 2024 the Executive Committee of the Bergen Municipal Employee Benefits Fund approved Wellness Grant awards for the above mentioned members which will be reimbursed upon the receipt of services and change the calendar policy for members of the Wellness Program.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 14-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
MUNICIPAL REINSURANCE HEALTH INSURANCE FUND
INDEMNITY AND TRUST AGREEMENT**

THIS AGREEMENT made this 23th day of January, 2024, by and between the Municipal Reinsurance Health Insurance Fund, hereinafter referred to as the "REINSURANCE FUND", and the Bergen Municipal Employee Benefits Fund, hereinafter referred to as the "FUND".

WITNESSETH:

WHEREAS, several local governmental units are desirous of forming a Reinsurance claims joint insurance fund as authorized and described in N.J.S.A. 40A:10-36 et seq., and the administrative regulations promulgated pursuant thereto; and,

WHEREAS, the FUND has agreed to become a member of the REINSURANCE FUND and to share in the obligations and benefits flowing from such membership with other members of the REINSURANCE FUND in accordance with and to the extent provided for in the Bylaws of the REINSURANCE FUND, and in consideration of such obligations and benefits to be shared by the membership of the REINSURANCE FUND.

NOW, THEREFORE, be it agreed as follows:

- 1.) The FUND accepts the REINSURANCE FUND's Bylaws as approved and adopted and agrees to be bound by and to comply with each and every provision of the said Bylaws, the pertinent statutes and administrative regulations pertaining to same and as set forth in the Risk Management Plan.
- 2.) The FUND agrees to participate in the REINSURANCE FUND with respect to the types of insurance listed in the FUND's Resolution to Join.
- 3.) The FUND agrees to become a member of the REINSURANCE FUND for an initial period not to exceed three (3) years, the commencement of which shall commence effective January 1, 2024.
- 4.) The FUND certifies that it has not defaulted on any claims if self-insured and has not been cancelled for non-payment of insurance premiums for a period of at least two (2) years prior to the date hereof.
- 5.) In consideration of membership in the REINSURANCE FUND, the FUND agrees that it shall jointly and severally assume and discharge the liability of each and every member of the REINSURANCE FUND, all of whom as a condition of membership in the REINSURANCE FUND shall execute a verbatim counterpart of this agreement, and by execution hereof the full faith and credit of the FUND is pledged to the punctual payment of any sum which shall become due to the REINSURANCE FUND in accordance with the Bylaws thereof, this agreement, the REINSURANCE FUND's Risk Management Plan, or any applicable statute.

- 6.) If the REINSURANCE FUND in the enforcement of any part of this agreement shall incur necessary expense, or become obligated to pay attorney's fees and/or court costs, the FUND agrees to reimburse the REINSURANCE FUND for all such reasonable expenses, fees, and costs on demand.
- 7.) The FUND and the REINSURANCE FUND agree that the REINSURANCE FUND shall hold all monies paid by the FUND to the REINSURANCE FUND as fiduciaries for the benefit of REINSURANCE FUND claimants, all in accordance with administrative regulations.
- 8.) The REINSURANCE FUND shall establish a Trust Account entitled "Claims or Loss Retention Fund". The REINSURANCE FUND shall maintain the Trust Account in accordance with N.J.S.A. 40A:10-36 et seq., N.J.S.A. 40A:5-1, and such other regulations or statutes as may be applicable. More specifically, the Trust Account shall be utilized solely for the payment of claims, allocated claim expense, and excess insurance or reinsurance premiums for such risk or liability or as "surplus" as such term is defined by the administrative regulations.
- 9.) Each FUND who shall become a member of the REINSURANCE FUND shall be obligated to execute this agreement.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: JANUARY 23, 2024

Chairman

Attest:

Secretary

Resolution 15-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CASH FINANCIAL TRANSFERS RESOLUTION**

WHEREAS, the Bergen Municipal Employee Benefits Fund (“Fund”) is separating into 2 distinct health joint insurance funds on January 1, 2024 and each distinct fund will carry its share of assets, liabilities and surplus/(deficit) to the new operation; and

WHEREAS, as of October 30, 2023, the BMED and Metro Operating and Claims account held a total of \$20,815,034 in available cash;

WHEREAS, as the Metropolitan Health Insurance Fund members owned \$5,863,949 of the cash balance.

NOW, THEREFORE BE IT RESOLVED the following transactions have occurred:

1. The Fund Treasurer transfer \$4,400,000 of cash from the Bergen Municipal Employee Benefits Fund operating account to the Metropolitan Health Insurance Fund claims account through Citizens Bank.
2. The above transaction was implemented by the Executive Director’s office no later than with the closing of the December 31, 2023 general ledger accounts.
3. The transfer payment is to be confirmed on the bills list for the Fund for January 2024, and that these confirmations are to be recorded in the minutes of this Fund and the Metropolitan Health Insurance Fund (January 18, 2024)
4. This transfer is be subject to subsequent audit, reconciliation, and adjustment to reflect any contingent and unknown liabilities that impact the respective closed years.

BE IT FURTHER RESOLVED that a certified copy of this Resolution, duly executed and be retained with the Fund Treasurers of the Fund and Metropolitan Health Insurance Fund

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 16-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
AMENDING BANKING EARNINGS BASE RATE**

WHEREAS, the Bergen Municipal Employee Benefits Fund (hereinafter the Fund), finds it necessary for the proper conduct and order of business that official depositories for the Fund be designated and named; and

WHEREAS Citizens Bank (formerly Investors Bank) for Banking services - at an earnings rate based on a combined average balance of \$20,000,000 of participating joint insurance funds which will earn base of 4.20% as of 7/1/2023 plus 80% beta on Federal Fund Target Rate increase / decrease when utilizing the fully (FDIC) insured sweep product for the funds - is hereby proposed by the Board of Fund Commissioners as the official designated depository in accord with N.J.S.A. 40A:11-5-15.1(f)

NOW, THEREFORE, BE IT RESOLVED, by the _____ Joint Insurance Fund, that Citizens Bank (formerly Investors Bank) for Banking services - at an earnings rate based on a combined average balance of \$20,000,000 of participating joint insurance funds which will earn base of 4.20% as of 7/1/2023 plus 80% beta on Federal Fund Target Rate increase / decrease when utilizing the fully (FDIC) insured sweep product for the funds-is hereby approved by the Board of Fund Commissioners as the official designated depository in accord with N.J.S.A. 40A:11-5-15.1(f) and that sums so deposited may be withdrawn upon a check, draft or order of the Board of Fund Commissioners; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution, duly executed, be delivered to the proper officers of Citizens Bank.

ADOPTED: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 17-24

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE DECEMBER 2023 AND JANUARY 2024 BILLS LISTS**

WHEREAS, the **Bergen Municipal Employee Benefits Fund** held a Public Meeting on **January 23, 2024** 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 December 2023 and January 2024 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 Bills List for December 2023 and January 2024 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: January 23, 2024

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: NOVEMBER 28, 2023
FRANKLIN LAKES BOROUGH
12:00 P.M.**

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

ROLL CALL OF 2023 EXECUTIVE COMMITTEE:

| | |
|--|-------------------------|
| Gregory Hart, Chair | Present |
| Richard Kunze, Secretary | Present |
| Gregory Franz, Executive Committee | Present |
| Donna Gambutti, Executive Committee | Present (arrived 12:15) |
| Bob Kakoleski, Executive Committee | Present |
| Anthony Ciannamea, Executive Committee | Present |
| Erin Delaney, Executive Committee Alternate | Absent |
| James Gasparini, Executive Committee Alternate | Absent |

APPOINTED OFFICIALS PRESENT:

| | | |
|--------------------------------------|---------------------------------------|--|
| Executive Director/ Administrator | PERMA Risk Management Services | Brandon Lodics, Executive Director Emily Koval, Account Manager |
| Attorney | Huntington Bailey, LLP | Bill Bailey |
| Treasurer | Joseph Iannaconi | Present |
| Third Party Administrator | Aetna | Jason Silverstein |
| Dental Claims Administrator | Delta Dental of NJ, Inc. | Absent |
| Auditor | Lerch, Vinci & Higgins | Absent |
| Actuary | John Vataha | Absent |
| Independent Consultant | LaMendola Associates | Clark LaMendola |
| Benefits Consultant | Conner Strong | Crystal Bailey |
| RX Administrator | Express Scripts | Charles Yuk |
| Wellness Coordinator | Civitas | Marianne Eskilson - present via phone |

OTHERS PRESENT:

| | |
|---|---------------------------|
| Kathleen Marano, Fairfield BOE | Joseph Voytus, Montvale |
| Matt McArow, Ottersted | Maureen Fennell, Acrisure |
| Julie Servidio, IMAC | Durene Ayers, Westwood |
| Thomas Padilla, Woodcliff Lake | |
| Dave Voza, The Voza Agency | Anders Hasseler, Garfield |
| Frank Covelli, World Insurance Associates | |

APPROVAL OF MINUTES: October 24, 2023

| | |
|------------------------|------------------------|
| MOTION: | Commissioner Ciannamea |
| SECOND: | Commissioner Kakoleski |
| ROLL CALL VOTE: | All in Favor |

CORRESPONDENCE - None.

COMMITTEE REPORTS:

Strategic Planning - Commissioner Kunze said the Committee is reviewing the final version of the Board Advisor's SWOT analysis and would like the stakeholders to review it at the January meeting. Board advisors said he has a good sense for the future of the Fund, which is not different from the direction it is going now. He said growth and renewing group is important. He said the report will be sent prior to the next meeting.

Finance Committee - Commissioner Kunze said there is one action item for the board to approve the Board Advisor's RFP and contract renewal. He said it is appreciated that the Advisor keep his fees consistent for the past 10 years.

Wellness Committee - Mr. Kakoleski stated that the Committee met a couple times and the minutes are included in the agenda. He said the main purpose was to develop an RFP for the wellness coordinator position. The scope of services is included in the agenda and will likely be procured through the non fair process. He will ask for the brokers to get the word out to people within the industry.

Small Claims Committee - Benefits Consultant said that there was a recent claim that was upheld to deny by Aetna. The request was to change the out of network payment.

Nominations Committee - Commissioner Kakoleski asked for any new Commissioners to the board to reach out to him or PERMA.

EXECUTIVE DIRECTOR'S REPORT

FAST TRACK FINANCIAL REPORT - Executive Director said September appears to be another positive month for the Fund, earning about \$100,000 in surplus. The dividend of \$2.4 million was booked this month, which makes it look like a loss, but operationally, the Fund is doing well in 2023. The surplus is strong and within the retention policy.

Chair Hart said that this proves that the Fund was able to regenerate the dividend from this year, which is not necessarily important because of the retention policy, but important to point out. Executive Director said a 3.5 month claims spend retention is very good. Ideally, an operation working at 98% is good to satisfy claims and expenses. Chair Hart said its not necessarily good to hold onto too much surplus. Executive Director said that we are ware of a new high claimant which is bringing in a reimbursement.

2024 BUDGET CERTIFICATION - Mr. Lodics said the Actuary has reviewed and certified the 2024 adopted budget as appropriate. A copy of his certification is included in the Appendix for your reference.

2024 METRO Budget - ADOPTION - Executive Director said that on behalf of the Metropolitan HIF Subgroup (Metro), the BMED Executive Committee may consider adopting the 2024 Metro budget in a public hearing. There have been no changes since the introduction on October 24, 2023. Draft rates have been sent to the Metro entities and may be considered final following adoption. Executive Director said that this is strictly profanatory for the Metro Fund that is not a State approved Fund.

MOTION TO OPEN THE PUBLIC HEARING ON THE 2024 METROPOLITAN HIF BUDGET

MOTION: Commissioner Franze
SECOND: Commissioner Kakoleski
ROLL CALL VOTE: Unanimous

Discussion of Budget and Assessments

MOTION TO CLOSE THE PUBLIC HEARING

MOTION: Commissioner Kakoleski
SECOND: Commissioner Ciannamea
ROLL CALL VOTE: Unanimous

MOTION TO ADOPT RESOLUTION 44-23 AND APPROVE THE 2024 METROPOLITAN HEALTH INSURANCE FUND IN THE AMOUNT OF \$73,353,528.

MOTION: Commissioner Gambutti
SECOND: Commissioner Kakoleski
ROLL CALL VOTE: 6 ayes, 0 Nays

MEDICAL TPA RFP RECOMMENDATION MEMO - At the October meeting, we referenced a recommendation memo that was shared with the Operations Committee. That memo was erroneously left out of the agenda. It was sent to the Executive Committee electronically and is included in the appendix of this agenda.

NEW MEMBER APPROVAL - MIDLAND PARK BOROUGH - The Executive Director said that the finance committee reviewed the application below and is recommending approval to Midland Park for membership (Medical & Rx), effective January 1, 2024.

Notes:

- 1) Underwriting proposals include appropriate claims development and margin.
- 2) Underwriting has been reviewed and approved by Actuary as appropriate.
- 3) Performance is consistent with the existing BMED population.

| New Member Overview | |
|-------------------------------|---|
| Fund | Bergen Municipal Employee Benefits Fund |
| Entity | Midland Park |
| County | Bergen |
| Effective Date | 1/1/2024 - 12/31/2024 |
| Lines of Coverage | Medical and Prescription |
| Eligible Enrollees | 45 |
| Retiree Coverage | Pre and Post 65 Retirees |
| Current Arrangement | State Health Benefits Plan |
| Actuary Certification | Yes: Standard Underwriting Methodology |
| Member approval? | Resolution and I&T Received |
| Per Employee Per Month | \$2159 (BMED = \$2,478) |

Resolution 45-23 was in consent.

LEVEL Rx MARKET CHECK - On behalf of the Local Funds, Executive Director said and the result of an RFP, the MRHIF entered the Level Rx coalition, administered by Express Scripts, at the end of 2021. As of November 2023, Level Rx represents 800,000 prescription lives (subscribers + dependents).

One of the contract terms requires an annual Market Check, in which the Coalition on behalf of its members negotiates with Express Scripts to get the best in market pricing available or will be required to go out to RFP for administrator. The 2024 market check has just completed, and the Coalition was successful in improving pricing for its membership. The Level Rx program continues to perform very well and continues to delivery year over year improved pricing and increased dividends.

Milliman, Level Rx's Actuary estimates the overall contract improvement to be -2.4%. This is made up of increased prescription discount costs and increased rebates.

METRO HIF Bylaws- Amendment - At the instruction of the NJ Department of Banking and Insurance (NJDOB), the Metropolitan HIF bylaws have been amended to include the below.

Local units are required to specify by written resolution, that the local unit has and will pay all assessments levied by and due to any other joint insurance fund, including supplemental assessments levied after leaving a fund. To the extent a local unit fails or has failed to pay any assessments levied by and due to any other joint insurance fund established pursuant to NJSA 40A:10-36, the local unit will not be permitted to join the fund or maintain/renew its membership in the fund until it satisfies its obligations to such other fund(s).

MOTION TO ACCEPT THE AMENDMENT TO THE METROPOLITAN HIF BYLAWS TO INCLUDE THE ABOVE LANGUAGE AS INSTRUCTED BY NJDOBI.

MOTION: Commissioner Kunze
SECOND: Commissioner Kakoleski

ROLL CALL VOTE: Unanimous

WELLNESS - COORDINATOR - The Wellness Committee met last week to review the RFP for a wellness coordinator. Since the position is well below the LPCL threshold, it is being recommended to solicit the position and award through the non-fair process. The service listing has been developed by the Wellness Coordinator and Committee and included in the agenda under the wellness report for Executive review.

MOTION TO SOLICIT CANDIDATES FOR A WELLNESS COORDINATOR TO COMMENCE ON/AROUND APRIL 1, 2024.

MOTION: Commissioner Gambutti
SECOND: Commissioner Kakoleski
ROLL CALL VOTE: Unanimous

FUND ATTORNEY - Fund Attorney said in light of many cyber incidents in the State hospitals and medical facilities, he reminds our members to take the training provided by the JIFs. He said there are best practices available and should be included in our RFPs and contracts.

PROGRAM MANAGER REPORT: Ms. Bailey reviewed the following report items covered in the agenda.

ELIGIBILITY/ENROLLMENT: Please direct any eligibility, enrollment, or system related questions to our dedicated BMED enrollment team. To contact the team, email BMEDenrollments@permainc.com or fax to 856-685-2248.

System training (new and refresher) is provided to all contacts with WEX access every 3rd Wednesday at 10AM. Please contact Austin Flinn, aflinn@permainc.com for additional information or to request an invite.

In the subject line of the email, please include *Training - Fund Name and Client Name*. Please be sure to add the date of the training you would like to attend in your email so an invite can be sent.

COVERAGE UPDATES:

Aetna Medicare Advantage - Effective January 1, 2024, Aetna Medicare Advantage PPO plans will transition to a new CMS contract. Retirees will automatically be moved to the new contract, there is nothing employers needs to do for the transition. As a result, retirees will receive new ID cards prior to January 1, 2024. Aetna ID numbers and the service center information currently listed on retiree ID cards will not change. The only change to the ID card will be the contract number, located under the ID number. All age ins for December 2023 will receive the new ID card. Aetna will send notification to retirees the 1st week of December 2023. The Benefit Consultant sent all brokers information which included the letter that will be sent to all retirees enrolled in the Medicare Advantage PPO plan on August 18th.

Aetna/South Jersey Radiology Negotiations - Aetna and South Jersey Radiology have finalized their negotiations and have reached an agreement effective December 1, 2023. South Jersey Radiology will

remain a participating provider for Aetna. Aetna will mail rescind letters to members who received notification of the pending termination.

EXPRESS-SCRIPTS UPDATE - CMS Annual Open Enrollment period for the 2024 plan year is October 15 – December 7. ESI has begun gathering information needed for their annual mailing campaign for the 2024 Notice of Creditable Coverage (NOCC). To meet the CMS requirement, Express Scripts will mail the NOCC letters the week of September 18th to those age 65 and older enrolled in ESI coverage through the HIFs. The Benefits Consultant team has provided ESI with an updated letter template for the new plan year in preparation of the mailing.

OPERATIONAL UPDATES: None

2023 LEGISLATIVE REVIEW:

FREE COVID-19 At-HomeTest – Effective November 20, 2023, free COVID-19 at home test kits are available for reorder from the government. Every U.S. household is eligible to order 4 free COVID-19 at home tests. <https://www.covid.gov/tests>

Gag Clause Prohibition Compliance Attestation – Beginning December 2023, health insurance issuers and self-funded (ASO) or partially self-funded group health plans are required to submit an annual Gag Clause Prohibition Compliance Attestation (GCPCA) per the requirements established by the 2021 Consolidated Appropriations Act (CAA 2021). A gag clause is a “contractual term that directly or indirectly restricts specific data and information that a plan or issuer can make available to another party.” The CAA 2021 prohibits “gag clauses” under group health plan (GHP) agreements. The first attestation is due by December 31, 2023. The submission covers the period beginning December 27, 2020 through the date of the attestation, September 21, 2023. Subsequent attestations are due each December 31. The attestation was submitted by the Benefits Consultant on September 21, 2023, for all groups with medical and/or prescription coverage in the SHIF. Groups do not need to take any additional action unless they do not have medical or prescription coverage in the SHIF.

Medical and Rx Reporting: None

No Surprise Billing and Transparency Act- Continued Delays

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

2023 Specialized Audits

As approved through an RFP through the Executive Director’s contract, the HIFs has acquired the services of AIM to conduct specialized audits for BMED Fund. AIM will begin to complete audits for the Mental Health Parity and Addiction Equity Act (MHPAEA) and No Surprises Act (NSA) requirements. Aim will review plan language and Aetna’s NQTL analysis performed for the BMED to determine compliance with the MHPAEA. Aim will review BMED claims to determine if Aetna is adjudicating claims in accordance with the requirements and mandates of the No Surprises Act.

Later in 2023 Aim will review Gene Therapy cost for the BMED Fund, confirming the claims carrier is administering the necessary care management programs specific to Gene Therapy.

Appeals

Carrier Appeals:

| Submission Date | Appeal Type | Appeal Number | Type of Service | Determination | Determination Date |
|-----------------|---------------|-----------------|-----------------------------------|---------------|--------------------|
| 10/26/2023 | Medical/Aetna | BMED 2023-10-04 | Investigational Chiropractic Care | Under Review | N/A |

IRO Submissions: None

BMED Small Claims Committee Appeals:

| Submission Date | Appeal Type | Appeal Number | Type of Service | Determination | Determination Date |
|-----------------|---------------|-----------------|--|---------------|--------------------|
| 10/24/2023 | Medical/Aetna | BMED 2023-10-03 | Request to pay OON claim at a different schedule than plan of benefits | Upheld | 11/8/2023 |

IRO Submissions: None

BMED Small Claims Committee Appeals: None

TREASURER – Fund Treasurer said the bills lists was included in the agenda .

WELLNESS COORDINATOR – Chair Hart said we were unable to get the coordinator on the phone but her report is in the agenda and she is available for questions.

BOARD ADVISOR- No additional comments

AETNA – Ms. Koval said the Aetna was not present today but reviewed the reports included in the agenda. .

EXPRESS SCRIPTS – Charles Yuk said at the last meeting there was an inconsistency with the report that did not include all the available data in September and apologized for the incomplete report. He said there was nothing new on the top indications or drug spend.

DELTA DENTAL – No report

CONSENT AGENDA:

MOTION TO APPROVE CONSENT AGENDA, AS AMENDED, INCLUDING THE FOLLOWING RESOLUTIONS:

RESOLUTION 44-23: ADOPTION OF THE METRO HIF 2024 BUDGET

RESOLUTION 45-23: APPROVAL TO OFFER NEW MEMBERSHIP

RESOLUTION 46-23: NOVEMBER 2023 BILLS LISTS

| | |
|----------------|-----------------------|
| MOTION: | Commissioner Gambutti |
| SECOND: | Commissioner Kunze |
| VOTE: | 6 Ayes, 0 Nays |

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: None.

MOTION TO ADJOURN:

| | |
|----------------|------------------------|
| MOTION: | Commissioner Kakoleski |
| SECOND: | Commissioner Kunze |
| VOTE: | Unanimous |

MEETING ADJOURNED: 12:35 pm

NEXT MEETING: JANUARY 23, 2024

Jordyn DeLorenzo, Assistant Account Manager

APPENDIX II

Gateway Fund - Bergen

2023 Operations Review and Medical Claims Audit

A health care claims audit is designed to assess whether claims are being adjudicated correctly, in accordance with the provisions of the plan of benefits, and paid only on behalf of eligible participants as determined by the provisions of the plan. Best practice is to look beyond just the claims and to identify operational or administrative issues that may lead to broader claims processing and service issues, allowing for real-world recommendations for resolution.

AIM will perform an Operations Review of Aetna, which is an in-depth evaluation of the controls employed by the administrator to ensure quality administration. In conjunction with the Operations Review, a medical claims audit will also be conducted on the administration by Aetna for the HIF employee medical plan. The 2023 audits will include claims adjudication for both Bergen and Metro as claims are being processed under the same HIF but under different funding. A division of the two funds will occur January 1, 2024.

For the Operations Review (OR), a comprehensive Request for Information (RFI) is prepared and sent to Aetna in advance of the scheduled OR meeting.

- During the OR, interviews are conducted with key management and operations personnel to review Aetna's responses, procedures and methodologies.
- The OR encompasses such areas as system capabilities, staffing levels and turnover, performance standards, quality assurance for claim processing and customer service, Aetna's actual performance vs. client-specific and/or industry standards for accuracy, timeliness of claims adjudication, reporting capabilities, coordination with other administrative areas/vendors, and cost-management activities such as overpayment recovery, pricing controls and TPL investigations.
- Findings are compared to industry best practices.
- An OR can identify weaknesses in administrative controls that lead to poor performance.

The medical claims audit will be conducted on a sample of claims finalized during the identified audit period. The audit will assess whether claims are being adjudicated correctly, in accordance with the provisions of the HIF plan of benefits and paid on behalf of eligible participants as determined by the provisions of the plan.

The purpose of the audit is to provide an assessment of Aetna's overall claims processing and financial accuracy performance during the audit period versus industry standards and applicable contractual standards.

Claim Audit Methodology - The principal objective of the claims audit will be to determine Aetna's claim processing accuracy and financial accuracy on medical claims. The financial accuracy calculation will identify the financial impact (and potential recoveries) for payment errors. In addition, a critical component of the audit process will be to identify the causes of errors. AIM's audit findings and recommendations will specifically identify these causes and recommend solutions that can help Aetna improve its claims administration and eliminate the kinds of errors identified through the audit process.