



**AGENDA AND REPORTS**  
**FEBRUARY 25, 2025**  
**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: FEBRUARY 25, 2025  
FRANKLIN LAKES BOROUGH HALL  
12:00 PM**

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

**PLEDGE OF ALLEGEANCE**

**ROLL CALL OF 2025 EXECUTIVE COMMITTEE**

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

**APPROVAL OF MINUTES:** *January 28, 2025, Open..... Appendix I*

**CORRESPONDENCE - None**

**MONTHLY COMMITTEE REPORTS**

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

**FINANCE/ADMINISTRATION COMMITTEE - Robert Kakoleski, Chair**  
*February 18, 2025, Meeting Minutes..... Appendix II*

**WELLNESS COMMITTEE - Tom Padilla, Chair**

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

**NOMINATION COMMITTEE - Anthony Ciannamea, Chair**

**NEW MEMBERS COMMITTEE - Gregory Franz, Chair**

**EXECUTIVE DIRECTOR - PERMA - Brandon Lodics**  
Executive Director's Report .....**Page 4**

**BENEFITS CONSULTANT REPORT - Crystal Bailey**

Conner Strong & Buckelew.....Page 12

**ATTORNEY** – William Bailey, Esq.

**TREASURER** – Joseph Iannaconi

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Treasurers Report December 2024.....Page 18

Confirmation of Claims Paid/Certification of Transfers

**BOARD ADVISOR** – Clark LaMendola

**THIRD PARTY ADMINISTRATOR** – Aetna – Jason Silverstein

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**PRESCRIPTION PROVIDER** – Express Scripts – Charles Yuk

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**DENTAL ADMINISTRATOR** – Delta Dental – Kim White

Monthly Report.....Page 29

**CONSENT AGENDA** .....Page 30

Resolution 15-25: February 2025 Bills Lists .....Page 31

**OLD BUSINESS**

**NEW BUSINESS**

**PUBLIC COMMENT**

**RESOLUTION – EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSED  
PERSONNEL – CLAIMS – LITIGATION**

**MEETING ADJOURNED**

**Bergen Municipal Employee Benefits Fund  
Executive Director's Report  
FEBRUARY 25, 2025**

**PRO FORMA REPORTS**

- **Fast Track Financial Reports** as of December 31, 2024 (page 7)
  - **Historical Income Statement**
  - **Ratios and Indices Report**

**QPA RFP**

Last year, the Fund approved a release of quotes for the QPA at the local Fund through the end of 2024. We recommend continuing the services of a QPA for the RFPs to go out this year, particularly for some of the larger contracts. Due to the expected cost of the QPA, we are requesting to go out for quotes for 2025.

**MOTION:**      *Motion to allow PERMA to go out for quotes for QPA services.*

**E-PROCUREMENT RFP RESULTS**

As per the resolution approved at the last meeting, the Fund went out for competitive contract bids for the E-Procurement platform. The 2025 Budget did not include a line for this service as it was not current expense. Therefore, the QPA recommended the rejection of bids based on price. The Funds will not use an online bidding platform going forward and all openings will be live at the Fund office.

**SCHOOL BOARD COVID-19 GRANT AWARD**

On behalf of the HIFs and our School Board members, PERMA has been working with the Zita Group, MRHIF Lobbyist to receive reimbursements for medical claims attributed to Executive Order No. 253 (August 23, 2021), which required routine COVID-19 testing for School Board employees who were unvaccinated. The initiative began in the Summer of 2023.

At the end of October, we were contacted by the Division of Finance and Business Services that the HIFs with School Boards would be receiving a \$1M grant as reimbursement for claims paid in 2021 and 2022. The BMED's share will be \$4,454, which will be used to offset future claims and support surplus.

Appendix III includes a memo from our office with additional detail.

**FINANCE COMMITTEE**

The Finance Committee met on February 18 to review the Year End financial status presented by PERMA. Minutes are included in Appendix II and the presentation is included as an attachment. An executive summary review will be provided at the meeting for the Executive Committee. We will also have a follow-up discussion in executive session.

## **Hi FUND MARKETING UPDATE**

As Executive Director of the MRHIF, PERMA oversees a marketing platform to help educate, promote, and advance the various health insurance funds. To assist in this, several years back *the* MRHIF awarded a contract to Princeton Public Affairs ("Princeton") to develop in a common marketing brand that could help improve marketplace knowledge and familiarity with HIFs. Princeton also does marketing work for the MEL. They created the hi Fund brand as a creative way to help achieve the goal of further education and promotion state-wide. The hi Fund branding has been helpful to centrally deliver the value proposition of the HIFs.

More recently, the office of state comptroller had questions about the hi Fund, what it is and its purpose. We have educated them as best as possible. Furthermore, to ensure there is no ambiguity, we have added the text below to every page at the hi Fund web site, so it is clear what the purpose of the brand is. This is as follows:

*The term "hi Funds" is a branding name that is used to help promote and educate public entities about Health Insurance Funds ("HIFs) which are permitted pursuant to NJ law under 40A:10-36. PERMA is currently the appointed executive director of HIFs that collectively advertise and educate the marketplace under the banner " The hi Funds". The "hi Funds is not a company or an entity and is used merely to help in the promotion, education, and advancement of HIFs in New Jersey. Each HIF maintains a separate web site as required by statute, all of which are available at this site.*

Each Fund's web site is posted on the hi Fund site as well.

We see value in the continuation of the hi Fund branding and wanted you to be fully aware of this. If you have any questions or comments with the use of the hi Fund or would like to discuss, please let us know. Thank you

## **PHARMACY BENEFIT MANAGER (PBM\_ RFP)**

The current Level Care (ESI) Contract is in its final extension through December 31, 2025. In 2021, the statewide Funds collectively issued an RFP through the MRHIF to award this contract. The Health Insurance Pricing System Cooperative has since been set up and approved for PBM procurement on behalf of the local Funds and will begin the initial stages of pre- approval by the OSC. We will continue to update the Co-Op representatives as we move forward and hope to have approval mid-summer for a January 1, 2026, effective date.

## **COOPERATIVE PRICING SYSTEM TPA RFP - LEGAL BILLING**

The Fund Attorney of the SNJHIF, lead agent of the Cooperative Pricing System has submitted bills to the SNJHIF for his contributions and efforts in the Third-Party Administrator RFPs that required Comptroller Review and Approval. The amount of legal work is outside the Fund Attorney scope and would fall under the hourly fee in his contract. The SNJHIF will bill a pro-rated share to the other Fund members. The total invoiced amount was \$1909.00 and the BMED prorated share is \$100.03, based on percentage of statewide medical enrollment.

## **VOUCHERS**

Starting with the April vouchers, PERMA will be sending both vouchers and backup exclusively through DocuSign. Please reach out to [HIFfinance@permainc.com](mailto:HIFfinance@permainc.com) to confirm the current email address that vouchers are sent to can continue to be used to send via DocuSign.

## **GASB 75**

The Fund contracts with an Actuary to provide GASB 75 reports on behalf of its medical members. Please reach out to Jordyn Robinson ([jrobinson@permainc.com](mailto:jrobinson@permainc.com)) if your audit requires a full report or update to last year's report. During its 'busy' season, reports can take up to six weeks to turn around.

## **BROKER RESOLUTIONS**

As a reminder, broker/town resolutions of appointments must be submitted to the Fund. Broker fees will be dependent upon these submissions.

## **2025 MEL, MR HIF & NJCE JIF Educational Seminar:**

The 15th annual seminar will be conducted virtually on 2 half-day sessions: Friday April 25th and Friday May 2nd from 9AM to 12PM.

The seminar qualifies for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees, insurance providers, as well as personnel who work for services companies associated with the Municipal Excess Liability Joint Insurance Fund (MEL JIF), Municipal Reinsurance Health Insurance Fund (MR HIF), and New Jersey Counties Excess Joint Insurance Fund (NJCE JIF).

Please see Appendix IV for more information.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND						
FINANCIAL FAST TRACK REPORT						
		AS OF	December 31, 2024			
		THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE	
1.	UNDERWRITING INCOME	4,754,483	56,061,780	747,914,728	803,976,508	
2.	CLAIM EXPENSES					
	Paid Claims	5,209,152	57,445,587	611,374,596	668,820,183	
	IBNR	(5,233)	967,293	4,336,450	5,303,743	
	Less Specific Excess	(407,005)	(514,820)	(16,263,655)	(16,778,475)	
	Less Aggregate Excess	-	-	(602,911)	(602,911)	
	TOTAL CLAIMS	4,796,914	57,898,061	598,844,480	656,742,541	
3.	EXPENSES					
	MA & HMO Premiums	202,968	2,493,844	29,364,075	31,857,919	
	Excess Premiums	123,582	1,448,683	34,417,793	35,866,476	
	Administrative	263,733	3,134,808	57,893,549	61,028,357	
	TOTAL EXPENSES	590,282	7,077,335	121,675,417	128,752,752	
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)	(632,712)	(8,913,615)	27,394,831	18,481,216	
5.	INVESTMENT INCOME	2,434	333,233	3,686,363	4,019,596	
6.	DIVIDEND INCOME	-	-	7,518,953	7,518,953	
7.	STATUTORY PROFIT/(LOSS) (4+5+6)	(630,278)	(8,580,382)	38,600,147	30,019,765	
8.	DIVIDEND	-	-	29,523,154	29,523,154	
STATUTORY SURPLUS (7-8+9)		(630,278)	(8,580,382)	9,076,993	496,611	
SURPLUS (DEFICITS) BY FUND YEAR						
Closed		Surplus	(3,548)	(119,986)	9,350,153	9,230,167
		Cash	(21,302)	431,845	7,872,931	8,304,776
2023		Surplus	(19,084)	(340,079)	(273,160)	(613,239)
		Cash	(46,994)	(3,188,219)	2,488,509	(699,710)
2024		Surplus	(607,646)	(8,120,317)		(8,120,317)
		Cash	(2,771,507)	(4,191,217)		(4,191,217)
TOTAL SURPLUS (DEFICITS)		(630,278)	(8,580,382)	9,076,993	496,611	
TOTAL CASH		(2,839,803)	(6,947,591)	10,361,440	3,413,849	
CLAIM ANALYSIS BY FUND YEAR						
TOTAL CLOSED YEAR CLAIMS		5,396	302,915	560,330,952	560,633,867	
FUND YEAR 2023						
	Paid Claims	45,500	4,999,523	34,177,078	39,176,601	
	IBNR	(26,019)	(4,336,450)	4,336,450	-	
	Less Specific Excess	(81)	(177,752)	-	(177,752)	
	Less Aggregate Excess	-	-	-	-	
TOTAL FY 2023 CLAIMS		19,400	485,321	38,513,528	38,998,849	
FUND YEAR 2024						
	Paid Claims	5,158,256	52,262,763		52,262,763	
	IBNR	20,786	5,303,743		5,303,743	
	Less Specific Excess	(406,923)	(456,682)		(456,682)	
	Less Aggregate Excess	-	-		-	
TOTAL FY 2024 CLAIMS		4,772,118	57,109,825		57,109,825	
COMBINED TOTAL CLAIMS		4,796,914	57,898,061	598,844,480	656,742,541	
This report is based upon information which has not been audited nor certified by an actuary and as such may not truly represent the condition of the fund.						

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND													
RATIOS													
		FY2024											
INDICES	2023	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Cash Position	10,361,441	\$ 10,755,617	\$ 10,233,547	\$ 9,963,433	\$ 10,628,533	\$ 10,869,111	\$ 10,750,697	\$ 10,728,944	\$ 9,992,705	\$ 9,530,286	\$ 8,821,152	\$ 6,253,652	\$ 3,413,849
IBNR	4,336,450	\$ 3,956,447	\$ 3,851,089	\$ 4,438,200	\$ 4,723,942	\$ 4,887,740	\$ 4,989,591	\$ 5,039,632	\$ 5,037,856	\$ 5,043,161	\$ 5,312,578	\$ 5,308,976	\$ 5,303,743
Assets	13,995,967	\$ 13,804,164	\$ 12,890,643	\$ 13,263,500	\$ 12,954,404	\$ 11,881,574	\$ 11,762,204	\$ 11,246,625	\$ 9,975,787	\$ 9,776,338	\$ 8,745,640	\$ 6,775,649	\$ 6,127,004
Liabilities	4,918,973	\$ 4,391,005	\$ 4,274,204	\$ 4,840,541	\$ 5,112,278	\$ 5,250,477	\$ 5,340,350	\$ 5,324,764	\$ 5,308,844	\$ 5,299,962	\$ 5,656,899	\$ 5,648,758	\$ 5,630,392
Surplus	9,076,994	\$ 9,413,159	\$ 8,616,439	\$ 8,422,959	\$ 7,842,127	\$ 6,631,097	\$ 6,421,854	\$ 5,921,861	\$ 4,666,943	\$ 4,476,376	\$ 3,088,742	\$ 1,126,890	\$ 496,612
Claims Paid -- Month	3,980,289	\$ 3,485,651	\$ 4,323,347	\$ 3,726,835	\$ 4,555,147	\$ 5,162,645	\$ 4,628,247	\$ 4,736,109	\$ 5,603,091	\$ 4,468,663	\$ 5,335,940	\$ 6,210,761	\$ 5,209,152
Claims Budget -- Month	3,160,967	\$ 3,375,529	\$ 3,365,898	\$ 4,214,827	\$ 4,224,158	\$ 4,230,490	\$ 4,246,102	\$ 4,254,710	\$ 4,236,087	\$ 4,241,208	\$ 4,255,061	\$ 4,241,455	\$ 4,228,809
Claims Paid -- YTD	38,370,902	\$ 3,485,651	\$ 7,808,998	\$ 11,535,833	\$ 16,090,980	\$ 21,253,625	\$ 25,881,871	\$ 30,617,981	\$ 36,221,071	\$ 40,689,735	\$ 46,025,674	\$ 52,236,436	\$ 57,445,587
Claims Budget -- YTD	37,095,915	\$ 3,375,529	\$ 6,741,428	\$ 10,956,254	\$ 15,180,413	\$ 19,448,044	\$ 23,694,146	\$ 27,943,558	\$ 32,179,646	\$ 36,398,006	\$ 40,625,210	\$ 44,866,665	\$ 49,095,474
RATIOS													
Cash Position to Claims Paid	2.60	3.09	2.37	2.67	2.33	2.11	2.32	2.27	1.78	2.13	1.65	1.01	0.66
Claims Paid to Claims Budget -- Month	1.26	1.03	1.28	0.88	1.08	1.22	1.09	1.11	1.32	1.05	1.25	1.46	1.23
Claims Paid to Claims Budget -- YTD	1.03	1.03	1.16	1.1	1.1	1.1	1.1	1.10	1.13	1.12	1.13	1.16	1.17
Cash Position to IBNR	2.39	2.72	2.66	2.24	2.25	2.22	2.15	2.13	1.98	1.89	1.66	1.18	0.64
Assets to Liabilities	2.85	3.14	3.02	2.74	2.53	2.26	2.2	2.11	1.88	1.84	1.55	1.2	1.09
Surplus as Months of Claims	2.87	2.79	2.56	2	1.86	1.57	1.51	1.39	1.10	1.06	0.73	0.27	0.12
IBNR to Claims Budget -- Month	1.37	1.17	1.14	1.05	1.12	1.16	1.18	1.18	1.19	1.19	1.25	1.25	1.25



**Bergen Municipal Employee Benefits Fund**  
**2024 Budget Report**  
as of December 31, 2024

	Cumulative	Annualized	Latest filed	Cumulative	\$ Variance	% Variance
Expected Losses				Expensed		
Medical Claims Aetna	43,092,112	43,092,112	32,881,902	49,085,796	(5,993,685)	-14%
Prescription Claims	5,553,543	5,553,543	5,957,942	6,005,469	(2,117,988)	-54%
Prescription Formulary Rebates	(1,666,062)	(1,666,062)	(1,787,383)	Included Above in Prescription Claims		
Dental Claims	2,115,882	2,115,882	2,090,604	2,018,559	97,323	5%
Subtotal	49,095,474	49,095,474	39,143,065	57,109,825	(8,014,350)	-16%
HMO/DMO Premiums	30,711	30,711	46,598	26,251	4,461	15%
Medicare Advantage / EGWP	2,467,593	2,467,593	2,162,509	2,467,593	-	0%
Reinsurance						
Specific	1,448,683	1,448,683	1,195,147	1,448,683	-	0%
Total Loss Fund	53,042,461	53,042,461	42,547,319	61,052,351	(8,009,890)	-15%
Loss Fund Contingency	128,942	128,942	128,942	0	128,942	0%
Expenses						
Legal	26,000	26,000	26,000	26,004	(4)	0%
Treasurer	21,488	21,488	21,488	21,480	8	0%
Administrator	464,026	464,026	448,496	464,026	-	0%
Risk Management Consultants	1,111,309	1,111,309	900,459	1,112,186	(877)	0%
TPA - Claims Agent Aetna	800,013	800,013	693,002	802,342	(2,329)	0%
Dental TPA	95,881	95,881	95,190	111,830	(15,949)	-17%
Actuary	18,900	18,900	18,900	18,900	-	0%
Auditor	19,200	19,200	19,200	19,200	-	0%
Benefits Consultant	424,809	424,809	363,502	424,809	-	0%
Board Advisor	19,102	19,102	19,102	16,500	2,602	14%
Subtotal Expenses	3,000,728	3,000,728	2,605,339	3,017,276	(16,548)	-1%
Miscellaneous and Special Services						
Misc/Cont	19,000	19,000	19,000	18,806	194	1%
Wellness, Disease, Case Management	125,000	125,000	125,000	115,583	9,417	8%
Affordable Care Act Taxes	10,880	10,880	8,976	10,884	(3)	0%
A4 Surcharge	32,375	32,375	34,542	32,374	1	0%
Plan Documents	6,500	6,500	6,500	6,500	-	0%
Claims Audit	40,000	40,000	40,000	0	40,000	100%
Subtotal Misc/Sp Svcs	233,755	233,755	234,018	184,147	49,608	21%
Total Expenses	3,234,482	3,234,482	2,839,357	3,201,423	33,060	1%
Total Budget	56,405,886	56,405,886	45,515,618	64,253,774	(7,847,888)	-14%

# Bergen Municipal Employee Benefits Fund

## CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 2024

BY FUND YEAR

	BMED 2024	BMED 2023	CLOSED YEAR	FUND BALANCE
<b>ASSETS</b>				
Cash & Cash Equivalents	(4,191,217)	(699,710)	8,304,776	3,413,849
Assesstments Receivable (Prepaid)	62,954	70,658	-	133,612
Interest Receivable	4,561	3,117	11,273	18,951
Specific Excess Receivable	456,682	12,695	1,102,873	1,572,250
Aggregate Excess Receivable	-	-	-	-
Dividend Receivable	-	-	-	-
Prepaid Admin Fees	-	-	-	-
Other Assets	983,887	-	4,454	988,342
<b>Total Assets</b>	<b>(2,683,133)</b>	<b>(613,240)</b>	<b>9,423,376</b>	<b>6,127,004</b>
<b>LIABILITIES</b>				
Accounts Payable	-	0	-	0
IBNR Reserve	5,303,743	-	-	5,303,743
A4 Retiree Surcharge	16,991	-	-	16,991
Dividends Payable	-	-	131,984	131,984
Retained Dividends	-	-	61,223	61,223
Accrued/Other Liabilities	116,450	(0)	-	116,450
<b>Total Liabilities</b>	<b>5,437,184</b>	<b>0</b>	<b>193,208</b>	<b>5,630,392</b>
<b>EQUITY</b>				
Surplus / (Deficit)	(8,120,317)	(613,240)	9,230,169	496,612
<b>Total Equity</b>	<b>(8,120,317)</b>	<b>(613,240)</b>	<b>9,230,169</b>	<b>496,612</b>
<b>Total Liabilities &amp; Equity</b>	<b>(2,683,133)</b>	<b>(613,240)</b>	<b>9,423,376</b>	<b>6,127,004</b>
<b>BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

REGULATORY

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
YEAR: 2025**

<u>Yearly Items</u>	<u>Filing Status</u>
<input type="checkbox"/> Budget	2025 Filed
<input type="checkbox"/> Assessments	2025 Filed
<input type="checkbox"/> Actuarial Certification	2025 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	9/30/2025 Filed
<input type="checkbox"/> Annual Audit	2023 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"/> OSC Filings	N/A

# Gateway-BMED Health Insurance Fund Benefits Consultant Report

February 2025

Benefits Consultant: Conner Strong & Buckelew

Online Enrollment Training: [aflinn@permainc.com](mailto:aflinn@permainc.com)

Enrollments/Eligibility/Billing: [bmedenrollments@permainc.com](mailto:bmedenrollments@permainc.com)

Brokers: [brokerservice@permainc.com](mailto:brokerservice@permainc.com)

## Operational Updates:

### 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](mailto:BMEDenrollments@permainc.com) or fax to 856-685-2248.

System training (new and refresher) is provided to all contacts with WEX access **every 3<sup>rd</sup> Wednesday at 10AM**. Please contact [HIFtraining@permainc.com](mailto:HIFtraining@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.

### End of Year/Wellness Incentive Program Reporting

End of Year Reporting was sent to all BMED group billing contacts the week of December 30th.

Wellness Incentive Program reports reflecting employees who received a gym reimbursement in 2024 were sent to all groups. 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 2024
  - Aetna - up to \$240 per eligible participant
- Initial report will be for reimbursements issued for the time period of **January 1, 2024 through November 30, 2024**
  - Reports were sent to group billing contacts the week of January 6<sup>th</sup>
- Reporting for **December 2024** was sent in late January
  - 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.

## **Coverage Updates:**

### **Express Scripts:**

#### **2025 Formulary**

Brokers were sent the 2025 Formulary on November 11, 2024. Please note the following:

#### **NPF Listing:**

- NPF Exclusions Listing, please note the following:
  - Humalog - excluded for members with a new prescription as of 1/1/25, members currently taking the drug will be excluded effective 1/1/26
- Members should share the covered preferred alternatives provided in the listing with their providers
  - Humira - excluded for members with a new prescription as of 1/1/25, members currently taking the drug will be excluded effective 7/1/25
- Members should share the covered preferred alternatives provided in the listing with their providers
  - Impacted members will be notified by ESI. The notification will include covered preferred alternatives under the NPF

#### **Encircle Program (GLP-1 Weight Loss)**

##### **Effective September 1, 2024:**

- Members with new prescriptions, including renewal prescriptions for expired prior authorizations (PA), will need to meet the following criteria to be approved for a GLP-1 weight loss medication:
  - BMI  $\geq 32$  OR
  - BMI between  $27 \leq 32$  WITH 2 or more documented comorbidities
- Members with an active approved PA prior to 9/1/2024 will be grandfathered
  - Upon renewal of their PA, members will need to meet the above BMI requirements to be considered for approval

##### **Effective January 1, 2025:**

Members who have an approved PA (active and new) will need to meet the following guidelines:

- Members will receive a welcome kit from Omada free of charge. The kit includes a digital scale and information on downloading the mobile app and/or using the web browser. The scale is programmed to the member's ESI active account prior to delivery. The scale will record each weigh-in and will update the member's file automatically. Members must weigh-in a minimum of 4 times a month

- Members must engage with an assigned online Omada coach via a mobile application or web browser a minimum of 4 times a month

If members do not adhere to both of the requirements outlined above, the following month in which they are non-compliant, they will not be able to refill their weight loss prescription. Members will be required to complete the missing weigh-ins and/or online coaching engagement in order to refill their prescription.

Based on the above, communications are being updated and will be sent to members once finalized. Sample communications will be sent once finalized.

## **2025 Legislative Review:**

**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 attestation is due annually by December 31<sup>st</sup>. Groups did not need to take any additional action unless they do not have medical or prescription coverage in the BMED Fund.

## **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. **BMED audit began April 22, 2024. This was sent as an attachment with the Agenda.**

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	Reason	Determination	Determination Date
12/30/2024	Aetna/Medical	BMED 2025-01-01	Lab Services	In Review	N/A

### IRO Submissions:

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
12/30/2024	Aetna/Medical	BMED 2025-01-01	Lab Services	In Review	N/A

**BMED Small Claims Committee Appeals: None**

## BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND BILLS LIST

**Resolution No.** \_\_\_\_\_

FEBRUARY 2025

**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 2024**

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
HQSI, INC	REVIEW CASES 11/24	1,250.00
		<b>1,250.00</b>
PERMA	2024 AATRIX 1099 FILING	22.40
		<b>22.40</b>
OAKLAND BOROUGH	2024 WELLNESS REIMBURSEMENT	1,735.00
		<b>1,735.00</b>

**Total Payments FY 2024**

**3,007.40**

**FUND YEAR 2025**

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO OAKLAND 01/25	3.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES-BOR WALLINGTON 01/25	71.07
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-S. HACKENSACK 01/25	15.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO MONTVALE 01/25	105.00
		<b>194.07</b>
PERMA	RETIREE FIRST-GARWOOD 02012025	336.00
PERMA	RETIREE FIRST-OAKLAND 02012025	420.00
PERMA	RETIREE FIRST-MIDLAND PARK 02012025	336.00
PERMA	RETIREE FIRST-FRANKLIN LAKES 02012025	228.00
PERMA	RETIREE FIRST-SADDLE RIVER 02012025	192.00
PERMA	RETIREE FIRST-RUTHERFORD 02012025	900.00
PERMA	RETIREE FIRST-PARK RIDGE 02012025	804.00
PERMA	RETIREE FIRST-RIDGEFIELD PK 02012025	528.00
PERMA	RETIREE FIRST-VERONA 02012025	792.00
PERMA	ADMIN FEES 02/25	39,906.20
PERMA	RETIREE FIRST-WOODCLIFF LAKE 02012025	312.00
PERMA	POSTAGE 01/25	75.72
PERMA	RETIREE FIRST-FANWOOD 02012025	372.00
PERMA	RETIREE FIRST-FAIRFIELD 02012025	780.00
PERMA	RETIREE FIRST-WALLINGTON 02012025	324.00
PERMA	RETIREE FIRST- EDGEWATER 02012025	888.00
		<b>47,193.92</b>
THE CANNING GROUP	QPA SERVICES 02/25	166.67
		<b>166.67</b>
HUNTINGTON BAILEY, LLP	ATTORNEY FEES 02/25	2,210.00
		<b>2,210.00</b>
JOSEPH IANNAONI JR.	TREASURER FEE 02/25	1,826.50
		<b>1,826.50</b>
GANNETT NEW YORK NJ LOCALIQ	A# 1164295 INV 6905656-10913969 1/5/25	59.04
		<b>59.04</b>
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR 01/25	1,500.00
		<b>1,500.00</b>
NJ ADVANCE MEDIA	A# 52759 INV 2832182-AD 10952344 1/5/25	36.98
		<b>36.98</b>



CIVITAS NEW JERSEY, LLC	WELLNESS COORDINATOR 02/25	1,000.00 <b>1,000.00</b>
ACCESS	INV 11368528 DEPT 418 1/31/25 FOR FEB	189.79
ACCESS	INV 11303087 DEPT 418 12/31/24 FOR JAN	213.43 <b>403.22</b>
ACRISURE NJ PARTNERS INS SERVICES LLC	BROKER FEES 02/25	1,118.40 <b>1,118.40</b>
Acrisure NJ Partners Ins. Services, LLC	BROKER FEES 02/25	15,391.05 <b>15,391.05</b>
ACRISURE NJ PARTNERS INS. SERVICES LLC	BROKER FEES 02/25	13,575.85 <b>13,575.85</b>
SADDLE RIVER DELI	LUNCH FOR MEETING 01/25	509.70 <b>509.70</b>
GJEM INSURANCE AGENCY INC	BROKER FEES 02/25	6,031.21 <b>6,031.21</b>
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 02/25	3,948.18 <b>3,948.18</b>
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 02/25	6,837.66 <b>6,837.66</b>
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 02/25	139,963.55 <b>139,963.55</b>
	<b>CHECK TOTALS 24-25</b>	<b>244,973.40</b>
AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 02/25	248,940.25 <b>248,940.25</b>
FLAGSHIP DENTAL PLANS	DENT. PREM. -RUTHERFORD- ID 695 02/25	997.10
FLAGSHIP DENTAL PLANS	E. RUTHER. DENT. PREM.- ID 16 02/25	1,635.03 <b>2,632.13</b>
AETNA	MEDICAL TPA 02/25	69,115.92 <b>69,115.92</b>
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA 02/25	8,116.20 <b>8,116.20</b>
CONNER STRONG & BUCKELEW	BENEFIT CONSULTANT FEES 02/25	37,102.30
CONNER STRONG & BUCKELEW	PLAN DOCS 02/25	541.67 <b>37,643.97</b>
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 02/25	33,611.04 <b>33,611.04</b>
THE VOZZA AGENCY	BROKER FEES 02/25	7,555.50 <b>7,555.50</b>
ALLEN ASSOCIATES	BROKER FEES 02/25	9,933.00 <b>9,933.00</b>
	<b>ACH TOTAL</b>	<b>417,548.01</b>
	<b>Total Payments FY 2025</b>	<b>659,514.01</b>
	<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>662,521.41</b>

\_\_\_\_\_  
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											
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED											
Current Fund Year: 2024 Month Ending: December											
	Medical	Dental	Rx	Vision	Run-In	Reinsurance	RSR	Admin	Dividend Retained	Metro Interfund	TOTAL
OPEN BALANCE	7,929,594.76	269,495.30	(3,806,879.08)	0.00	0.00	39,295.71	158,404.79	1,508,972.31	61,139.78	1,396,817.54	7,556,841.11
RECEIPTS											
Assessments	2,407,360.12	103,525.59	196,133.27	0.00	0.00	76,005.37	6,623.86	148,642.90	0.00	0.00	2,938,291.11
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	(42.61)	(0.74)	0.00	0.00	0.00	(0.15)	(0.44)	(4.39)	(0.17)	0.00	(48.50)
Invest Adj	108.17	1.87	0.00	0.00	0.00	0.38	1.10	11.14	0.43	0.00	123.09
Subtotal Invest	65.56	1.13	0.00	0.00	0.00	0.23	0.66	6.75	0.26	0.00	74.59
Other *	32,477.84	0.00	231,980.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	264,458.53
TOTAL	2,439,903.52	103,526.72	428,113.96	0.00	0.00	76,005.60	6,624.52	148,649.65	0.26	0.00	3,202,824.23
EXPENSES											
Claims Transfers	4,827,010.04	173,600.30	819,863.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,820,473.36
Expenses	200,384.90	2,582.77	0.00	0.00	0.00	123,581.60	0.00	260,938.53	0.00	0.00	587,487.80
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	5,027,394.94	176,183.07	819,863.02	0.00	0.00	123,581.60	0.00	260,938.53	0.00	0.00	6,407,961.16
END BALANCE	5,342,103.34	196,838.95	(4,198,628.14)	0.00	0.00	(8,280.29)	165,029.31	1,396,683.43	61,140.04	1,396,817.54	4,351,704.18

<b>SUMMARY OF CASH AND INVESTMENT INSTRUMENTS</b>						
<b>Bergen Municipal Employee Benefits Fund</b>						
<b>ALL FUND YEARS COMBINED</b>						
<b>CURRENT MONTH</b>	<b>December</b>					
<b>CURRENT FUND YEAR</b>	<b>2024</b>					
<b>Description:</b> <b>CHECKING</b> <b>JCMI</b> <b>CLAIMS</b> <b>UHC CLAIMS</b> <b>TD Invest</b> <b>ID Number:</b> <b>Maturity (Yrs)</b> <b>Purchase Yield:</b>  <b>TOTAL for All</b> <b>Accts &amp; instruments</b>						
<b>Opening Cash &amp; Investment Balance</b>	<b>\$7,556,841.06</b>	<b>1922640.66</b>	<b>2995411.67</b>	<b>0</b>	<b>0</b>	<b>2638788.73</b>
<b>Opening Interest Accrual Balance</b>	<b>\$23,655.46</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23655.46</b>
1 Interest Accrued and/or Interest Cost	\$3,882.66	\$0.00	\$0.00	\$0.00	\$0.00	\$3,882.66
2 Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3 (Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4 Accretion	\$123.10	\$0.00	\$123.10	\$0.00	\$0.00	\$0.00
5 Interest Paid - Cash Instr.s	\$15,709.78	\$3,786.22	\$6,286.85	\$0.00	\$0.00	\$5,636.71
6 Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7 Realized Gain (Loss)	-\$15,758.28	\$0.00	-\$15,812.03	\$0.00	\$0.00	\$53.75
8 Net Investment Income	\$3,957.26	\$3,786.22	-\$9,402.08	\$0.00	\$0.00	\$9,573.12
9 Deposits - Purchases	\$4,202,749.64	\$4,202,749.64	\$0.00	\$0.00	\$0.00	\$0.00
10 (Withdrawals - Sales)	-\$7,407,961.16	-\$6,406,577.50	-\$1,383.66	\$0.00	\$0.00	-\$1,000,000.00
Ending Cash & Investment Balance	\$4,351,704.14	-\$277,400.98	\$2,984,625.93	\$0.00	\$0.00	\$1,644,479.19
Ending Interest Accrual Balance	\$27,538.12	\$0.00	\$0.00	\$0.00	\$0.00	\$27,538.12
Plus Outstanding Checks	\$891,484.07	\$891,484.07	\$0.00	\$0.00	\$0.00	\$0.00
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance per Bank	\$5,243,188.21	\$614,083.09	\$2,984,625.93	\$0.00	\$0.00	\$1,644,479.19

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES									
Bergen Municipal Employee Benefits Fund									
Month		December							
Current Fund Year		2024							
Policy Year	Coverage	1. Calc. Net Paid Thru Last Month	2. Monthly Net Paid December	3. Monthly Recoveries December	4. Calc. Net Paid Thru December	5. TPA Net Paid Thru December	6. Variance To Be Reconciled	7. Delinquent Unreconciled Variance From	8. Change This Month
2024	Medical	40,123,287.85	4,410,768.57	0.00	44,534,056.42	0.00	44,534,056.42	40,123,287.85	4,410,768.57
	Dental	1,730,074.32	173,583.10	0.00	1,903,657.42	0.00	1,903,657.42	1,730,074.32	173,583.10
	Rx	7,752,219.48	819,863.02	0.00	8,572,082.50	0.00	8,572,082.50	7,752,219.48	819,863.02
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>49,605,581.65</b>	<b>5,404,214.69</b>	<b>0.00</b>	<b>55,009,796.34</b>	<b>0.00</b>	<b>55,009,796.34</b>	<b>49,605,581.65</b>	<b>5,404,214.69</b>
2023	Medical	38,295,247.42	45,483.11	0.00	38,340,730.53	0.00	38,340,730.53	38,295,247.42	45,483.11
	Dental	1,986,818.89	17.20	0.00	1,986,836.09	0.00	1,986,836.09	1,986,818.89	17.20
	Rx	7,150,525.36	0.00	0.00	7,150,525.36	0.00	7,150,525.36	7,150,525.36	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>47,432,591.67</b>	<b>45,500.31</b>	<b>0.00</b>	<b>47,478,091.98</b>	<b>0.00</b>	<b>47,478,091.98</b>	<b>47,432,591.67</b>	<b>45,500.31</b>
2022	Medical	3,937,862.57	0.00	0.00	3,937,862.57	0.00	3,937,862.57	3,937,862.57	0.00
	Dental	99,631.56	0.00	0.00	99,631.56	0.00	99,631.56	99,631.56	0.00
	Rx	166,527.52	0.00	0.00	166,527.52	0.00	166,527.52	166,527.52	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>4,204,021.65</b>	<b>0.00</b>	<b>0.00</b>	<b>4,204,021.65</b>	<b>0.00</b>	<b>4,204,021.65</b>	<b>4,204,021.65</b>	<b>0.00</b>
Closed Year	Medical	500,728.16	5,395.53	0.00	506,123.69	0.00	506,123.69	500,728.16	5,395.53
	Dental	1,393.21	0.00	0.00	1,393.21	0.00	1,393.21	1,393.21	0.00
	Rx	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>502,121.37</b>	<b>5,395.53</b>	<b>0.00</b>	<b>507,516.90</b>	<b>0.00</b>	<b>507,516.90</b>	<b>502,121.37</b>	<b>5,395.53</b>
Metro 2023	Medical	30,528,486.42	350,636.16	0.00	30,879,122.58	0.00	30,879,122.58	30,528,486.42	350,636.16
	Dental	449,538.53	0.00	0.00	449,538.53	0.00	449,538.53	449,538.53	0.00
	Rx	394,254.07	0.00	0.00	394,254.07	0.00	394,254.07	394,254.07	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>31,372,279.02</b>	<b>350,636.16</b>	<b>0.00</b>	<b>31,722,915.18</b>	<b>0.00</b>	<b>31,722,915.18</b>	<b>31,372,279.02</b>	<b>350,636.16</b>
Metro 2022	Medical	(793,714.35)	0.00	0.00	(793,714.35)	0.00	(793,714.35)	(793,714.35)	0.00
	Dental	2,727.45	0.00	0.00	2,727.45	0.00	2,727.45	2,727.45	0.00
	Rx	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>(790,986.90)</b>	<b>0.00</b>	<b>0.00</b>	<b>(790,986.90)</b>	<b>0.00</b>	<b>(790,986.90)</b>	<b>(790,986.90)</b>	<b>0.00</b>
Metro Closed	Medical	136,094.58	14,726.67	0.00	150,821.25	0.00	150,821.25	136,094.58	14,726.67
	Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Rx	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>136,094.58</b>	<b>14,726.67</b>	<b>0.00</b>	<b>150,821.25</b>	<b>0.00</b>	<b>150,821.25</b>	<b>136,094.58</b>	<b>14,726.67</b>
0	Medical	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Rx	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
0	Medical	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Rx	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL</b>		<b>132,461,703.04</b>	<b>5,820,473.36</b>	<b>0.00</b>	<b>138,282,176.40</b>	<b>0.00</b>	<b>138,282,176.40</b>	<b>132,461,703.04</b>	<b>5,820,473.36</b>



**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**

**Monthly Claim Activity Report**

***FEBRUARY 25, 2025***



## BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

	<b>MEDICAL CLAIMS PAID 2023</b>	<b># OF EES</b>	<b>PER EE</b>	<b>MEDICAL CLAIMS PAID 2024</b>	<b># OF EES</b>	<b>PER EE</b>
JANUARY	\$ 2,471,010	1,287	\$ 1,920	\$ 3,482,808	1,435	\$ 2,427
FEBRUARY	\$ 1,815,151	1,338	\$ 1,357	\$ 2,807,632	1,438	\$ 1,952
MARCH	\$ 2,146,796	1,317	\$ 1,630	\$ 3,552,020	1,738	\$ 2,044
APRIL	\$ 1,983,801	1,313	\$ 1,511	\$ 4,109,194	1,733	\$ 2,371
MAY	\$ 2,885,649	1,346	\$ 2,144	\$ 3,986,669	1,734	\$ 2,299
JUNE	\$ 2,581,178	1,339	\$ 1,928	\$ 3,857,794	1,742	\$ 2,215
JULY	\$ 2,438,426	1,398	\$ 1,744	\$ 4,593,550	1,740	\$ 2,640
AUGUST	\$ 3,262,140	1,383	\$ 2,359	\$ 4,505,579	1,737	\$ 2,594
SEPTEMBER	\$ 2,276,634	1,382	\$ 1,647	\$ 3,700,390	1,738	\$ 2,129
OCTOBER	\$ 3,163,584	1,382	\$ 2,289	\$ 4,683,654	1,746	\$ 2,683
NOVEMBER	\$ 2,649,809	1,381	\$ 1,919	\$ 5,554,685	1,752	\$ 3,170
DECEMBER	\$ 3,149,926	1,389	\$ 2,268	\$ 4,989,355	1,748	\$ 2,854
<b>TOTALS</b>	<b>\$30,824,102</b>					
				<b>2024 Average</b>	<b>1,690</b>	<b>\$ 2,448</b>
				<b>2023 Average</b>	<b>1,355</b>	<b>\$ 1,893</b>

## Large Claimant Report (Drilldown) - Claims Over \$100000

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

**Paid Dates:** 12/01/2024 - 12/31/2024  
**Service Dates:** 1/01/2011 - 12/31/2024  
**Line of Business:** All

	Paid Amt	Diagnosis/Treatment
	\$146,848.69	SPINAL STENOSIS, CERVICAL REGION
	\$137,689.62	NON-ST ELEVATION (NSTEMI) MYOCARDIAL INFARCTION
	\$105,108.51	MALIGNANT NEOPLASM OF TONGUE, UNSPECIFIED
	\$100,481.72	MULTIPLE SCLEROSIS
<b>Total:</b>	<b>\$490,128.54</b>	



## Bergen Municipal Employee Benefit Fund

1/1/2024 thru 12/31/24 (unless otherwise noted)

## Dashboard

### Medical Claims Paid:

January 2024 – December 2024

Total Medical Paid per EE: **\$2,448**

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

### Network Discounts

Inpatient: **60.6%**  
Ambulatory: **66.3%**  
Physician/Other: **66.2%**  
**TOTAL: 64.9%**

### Provider Network

% Admissions In-Network: **96.4%**  
% Physician Office: **85.2%**

**Aetna Book of Business:**  
Admissions 98.1%; Physician 91.3%

### Top Facilities Utilized (by total Medical Spend)

- Hackensack University
- Valley Hospital
- Englewood Hospital
- MSK
- Morristown Medical Center

### Catastrophic Claim Impact

January 2024- December 2024

Number of Claims Over \$50,000: **194**  
Claimants per 1000 members: **48.0**  
Avg. Paid per Claimant: **\$143,784**  
Percent of Total Paid: **50.9%**

- Aetna BOB- HCC account for an average of 46.1% of total Medical Cost

### Aetna One Flex Member Outreach: Through December 2024

Total Members Identified: **1,080**  
Members Targeted for 1:1 Nurse Support : **295**  
Members Targeted for Digital Activity: **785**  
Member 1:1 outreach completed: **284**  
Member 1:1 Outreach in Progress: **11**

### Teladoc Activity

January 2024 – December 2024

(\*BMED/Metro)

Total Registrations: **129**  
Total Online Visits: **223**  
Total Net Claims Savings: **\$109,089**  
Total Visits w/ Rx: **176**

Mental Health Visits: **40**  
Dermatology Visits: **18**

### Service Center Performance Goal Metrics YTD 2024

#### Customer Service Performance

1<sup>st</sup> Call Resolution: **93.68%**  
Abandonment Rate: **0.80%**  
Avg. Speed of Answer: **26.1 sec**

#### Claims Performance

Financial Accuracy: **98.68%\***  
\*Q2 2024

90% processed w/in: **6.3 days**  
95% processed w/in: **11.7 days**  
\*\*\*\*\*

#### Claims Performance (Monthly) (November 2024)

90% processed w/in: **6.2 days**  
95% processed w/in: **10.8 days**  
(Note: This is not a PG metric)  
\*\*\*\*\*

#### Performance Goals

1<sup>st</sup> 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®**

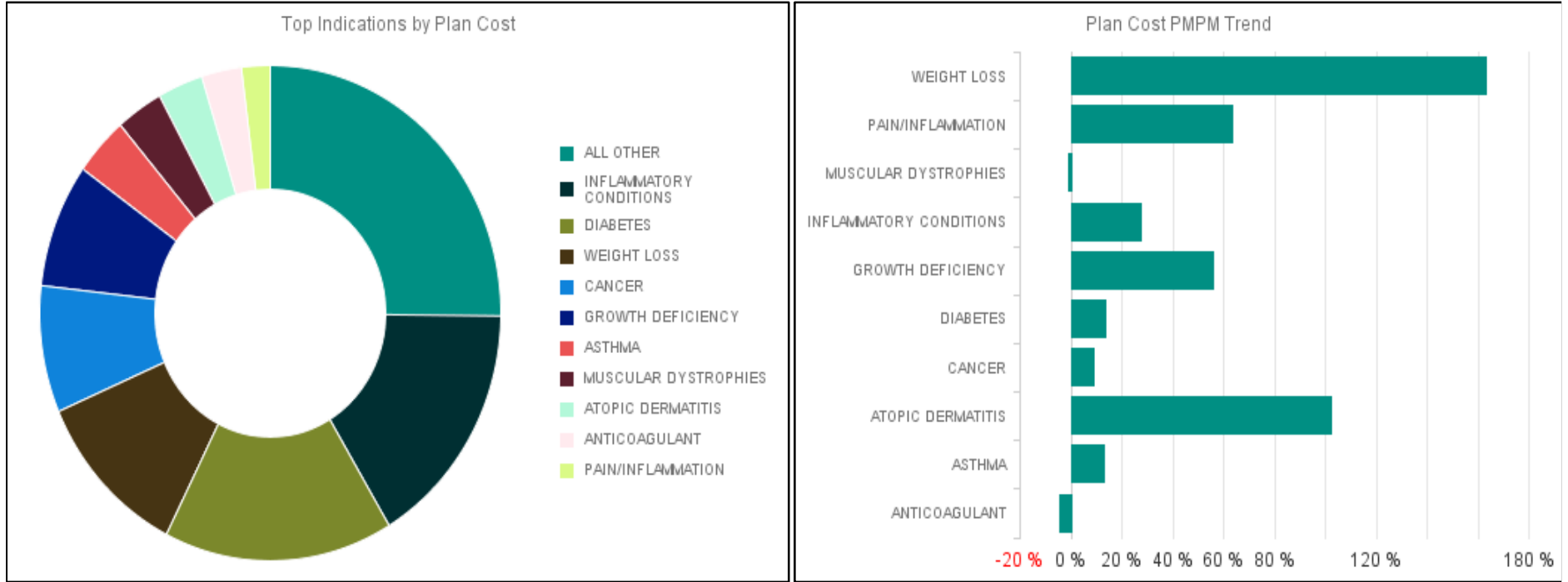
**Bergen Municipal Employee Benefits Fund - Monthly Utilization Tracking Report**

Total Component/Date of Service (Month)	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	3,459	3,458	3,264
Total Days	119,700	118,151	129,496	367,347	123,253	134,202	132,963	390,418	136,929	134,887	125,048	396,864	138,050	132,455	133,680	404,185	1,558,814
Total Patients	1,213	1,227	1,318	1,879	1,262	1,314	1,284	1,952	1,347	1,341	1,315	2,057	1,389	1,417	1,416	2,134	2,782
Total Plan Cost	\$564,288	\$481,739	\$600,198	\$1,646,225	\$632,375	\$629,648	\$569,637	\$1,831,659	\$760,914	\$747,948	\$702,026	\$2,210,889	\$842,205	\$659,151	\$746,328	\$2,247,683	\$7,936,456
Generic Fill Rate (GFR) - Total	83.4%	84.9%	84.3%	84.2%	86.5%	85.6%	85.8%	86.0%	86.3%	85.6%	82.3%	84.8%	80.2%	84.4%	84.1%	82.9%	84.4%
<b>Plan Cost PMPM</b>	<b>\$194.65</b>	<b>\$160.79</b>	<b>\$200.40</b>	<b>\$185.18</b>	<b>\$211.57</b>	<b>\$203.05</b>	<b>\$170.04</b>	<b>\$194.03</b>	<b>\$217.47</b>	<b>\$214.74</b>	<b>\$201.33</b>	<b>\$211.18</b>	<b>\$243.20</b>	<b>\$191.00</b>	<b>\$215.76</b>	<b>\$216.69</b>	<b>\$202.61</b>
Total Specialty Plan Cost	\$275,695	\$186,987	\$248,667	\$711,349	\$336,037	\$269,636	\$196,609	\$802,282	\$425,645	\$372,854	\$327,019	\$1,125,518	\$442,447	\$284,828	\$341,545	\$1,068,820	\$3,707,969
Specialty % of Total Specialty Plan Cost	48.9%	38.8%	41.4%	43.2%	53.1%	42.8%	34.5%	43.8%	55.9%	49.9%	46.6%	50.9%	52.5%	43.2%	45.8%	47.6%	46.7%

Total Component/Date of Service (Month)	2024 01	2024 02	2024 03	2024 Q1	2024 04	2024 05	2024 06	2024 Q2	2024 07	2024 08	2024 09	2024 Q3	2024 10	2024 11	2024 12	2024 Q4	2024 YTD
Membership	2,842	2,836	2,826	2,835	2,835	2,833	2,839	2,836	2,838	2,824	2,826	2,829	2,846	2,837	2,806	2,830	2,832
Total Days	116,407	100,707	111,469	328,583	112,096	109,271	107,376	328,743	115,479	109,504	107,955	332,938	116,419	105,362	116,018	337,799	1,328,063
Total Patients	1,201	1,157	1,174	1,804	1,160	1,145	1,123	1,742	1,167	1,130	1,155	1,707	1,197	1,140	1,196	1,784	2,410
Total Plan Cost	\$629,751	\$657,588	\$563,768	\$1,851,107	\$852,206	\$671,429	\$698,012	\$2,221,647	\$714,545	\$681,505	\$700,409	\$2,096,459	\$738,406	\$807,888	\$757,745	\$2,304,040	\$8,473,253
Generic Fill Rate (GFR) - Total	86.8%	85.8%	87.0%	86.6%	84.9%	85.5%	85.7%	85.4%	84.6%	84.7%	81.3%	83.6%	80.8%	81.5%	84.5%	82.3%	84.4%
<b>Plan Cost PMPM</b>	<b>\$221.59</b>	<b>\$231.87</b>	<b>\$199.49</b>	<b>\$217.67</b>	<b>\$300.60</b>	<b>\$237.00</b>	<b>\$245.87</b>	<b>\$261.16</b>	<b>\$251.78</b>	<b>\$241.33</b>	<b>\$247.84</b>	<b>\$246.99</b>	<b>\$259.45</b>	<b>\$284.77</b>	<b>\$270.04</b>	<b>\$271.41</b>	<b>\$249.30</b>
<b>% Change Plan Cost PMPM</b>	<b>13.9%</b>	<b>44.2%</b>	<b>-0.5%</b>	<b>17.6%</b>	<b>42.1%</b>	<b>16.7%</b>	<b>44.6%</b>	<b>34.6%</b>	<b>15.8%</b>	<b>12.4%</b>	<b>23.0%</b>	<b>16.9%</b>	<b>6.5%</b>	<b>48.9%</b>	<b>25.1%</b>	<b>25.1%</b>	<b>23.0%</b>
Total Specialty Plan Cost	\$325,080	\$342,746	\$251,147	\$918,973	\$498,617	\$274,672	\$333,084	\$1,106,373	\$301,800	\$297,919	\$294,745	\$894,465	\$334,020	\$407,131	\$320,718	\$1,061,869	\$3,981,680
Specialty % of Total Specialty Plan Cost	51.6%	52.1%	44.5%	49.6%	58.5%	40.9%	47.7%	49.8%	42.2%	43.7%	42.1%	42.7%	45.2%	50.4%	42.3%	46.1%	47.0%

## Top Indications

BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2024 - 12/2024 vs. Previous Period 01/2023 - 12/2023) Peer = Government - National Preferred Formulary



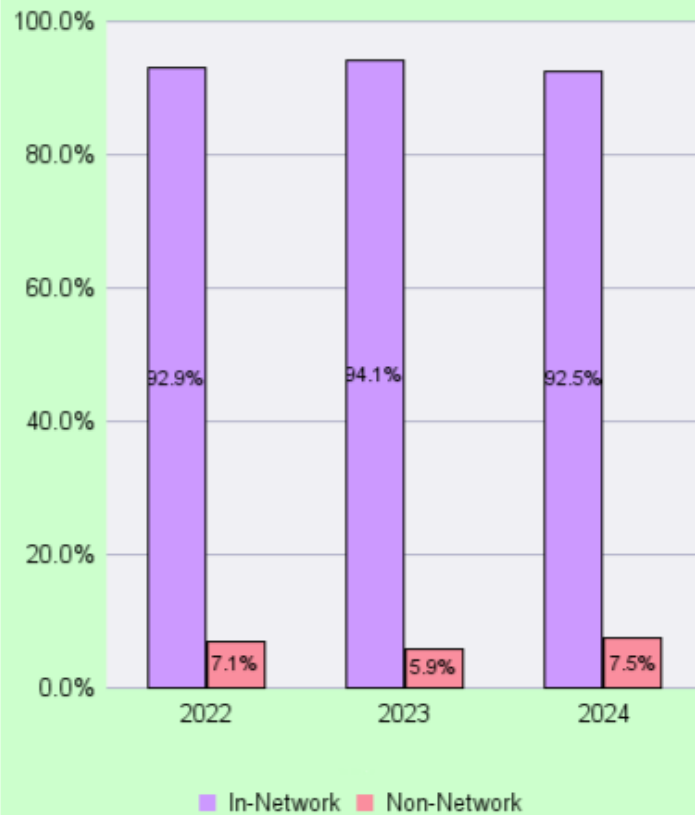
			Current Period							Previous Period						Trend
Rank	Peer Rank	Indication	Market Share	Adjusted Rxs	Plan Cost	Plan Cost PMPM	GFR	Peer GFR	Market Share	Adjusted Rxs	Plan Cost	Plan Cost PMPM	GFR	Peer GFR	Plan Cost PMPM	
1	2	INFLAMMATORY CONDITIONS	21.6 %	342	\$1,371,987	\$40.37	40.4 %	32.6 %	22.6 %	437	\$1,242,332	\$31.71	51.9 %	38.9 %	27.3 %	
2	1	DIABETES	21.4 %	3,696	\$1,359,332	\$39.99	30.0 %	25.5 %	25.1 %	4,304	\$1,378,422	\$35.19	33.6 %	27.9 %	13.7 %	
3	4	WEIGHT LOSS	14.8 %	884	\$938,068	\$27.60	4.0 %	4.7 %	7.5 %	377	\$410,531	\$10.48	8.2 %	10.9 %	163.4 %	
4	3	CANCER	11.1 %	209	\$700,569	\$20.61	81.3 %	75.8 %	13.5 %	267	\$740,860	\$18.91	77.5 %	77.5 %	9.0 %	
5	8	GROWTH DEFICIENCY	10.8 %	86	\$685,902	\$20.18	0.0 %	0.0 %	9.2 %	84	\$506,916	\$12.94	0.0 %	0.0 %	55.9 %	
6	6	ASTHMA	5.1 %	1,712	\$325,672	\$9.58	80.0 %	88.1 %	6.0 %	2,285	\$331,230	\$8.46	75.5 %	79.7 %	13.3 %	
7	10	MUSCULAR DYSTROPHIES	4.4 %	18	\$278,974	\$8.21	55.6 %	42.5 %	5.9 %	19	\$324,295	\$8.28	0.0 %	1.3 %	-0.9 %	
8	5	ATOPIC DERMATITIS	4.2 %	550	\$268,659	\$7.90	84.0 %	83.6 %	2.8 %	570	\$152,967	\$3.91	90.4 %	87.8 %	102.4 %	
9	7	ANTICOAGULANT	3.8 %	525	\$237,710	\$6.99	14.9 %	18.7 %	5.2 %	674	\$286,235	\$7.31	15.1 %	21.3 %	-4.3 %	
10	9	PAIN/INFLAMMATION	2.7 %	2,341	\$170,465	\$5.02	98.2 %	99.1 %	2.2 %	2,694	\$120,106	\$3.07	97.5 %	98.9 %	63.6 %	
Total Top 10				10,363	\$6,337,338	\$186.46	54.7 %	61.7 %		11,711	\$5,493,894	\$140.25	58.7 %	63.7 %	32.9 %	

## Top Drugs

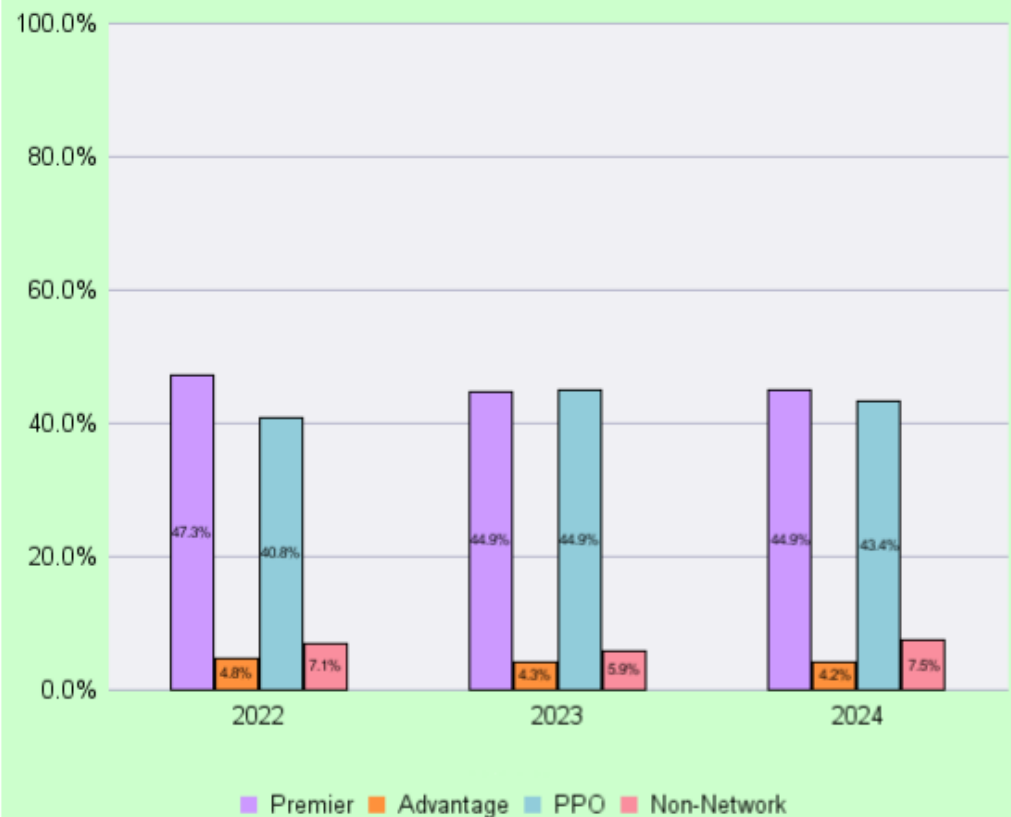
BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2024 - 12/2024 vs. Previous Period 01/2023 - 12/2023) Peer = Government - National Preferred Formulary

					Current Period				Previous Period				Trend
Rank	Peer Rank	Brand Name	Indication	Specialty Drug	Adjusted Rxs	Patients	Plan Cost	Plan Cost PMPM	Adjusted Rxs	Patients	Plan Cost	Plan Cost PMPM	Plan Cost PMPM
1	11	WEGOVY	WEIGHT LOSS	N	443	72	\$549,765	\$16.18	296	51	\$364,293	\$9.30	73.9 %
2	3	OZEMPIC	DIABETES	N	541	60	\$467,437	\$13.75	431	55	\$367,727	\$9.39	46.5 %
3	13	ZEPBOUND	WEIGHT LOSS	N	390	69	\$378,496	\$11.14	6	4	\$4,742	\$0.12	9099.3 %
4	1	MOUNJARO	DIABETES	N	334	40	\$328,702	\$9.67	157	26	\$147,870	\$3.77	156.2 %
5	7	STELARA	INFLAMMATORY CONDITIONS	Y	24	2	\$313,282	\$9.22	24	2	\$271,952	\$6.94	32.8 %
6	23	ENBREL SURECLICK	INFLAMMATORY CONDITIONS	Y	35	3	\$223,394	\$6.57	22	2	\$124,581	\$3.18	106.7 %
7	16	TREMFYA	INFLAMMATORY CONDITIONS	Y	38	3	\$218,166	\$6.42	14	3	\$82,155	\$2.10	206.1 %
8	96	POMALYST	CANCER	Y	9	1	\$201,228	\$5.92	12	1	\$250,024	\$6.38	-7.2 %
9	161	OMNITROPE	GROWTH DEFICIENCY	Y	29	3	\$198,996	\$5.85	20	3	\$143,494	\$3.66	59.8 %
10	83	GENOTROPIN	GROWTH DEFICIENCY	Y	31	3	\$193,515	\$5.69	38	4	\$218,732	\$5.58	2.0 %
11	360	EMFLAZA	MUSCULAR DYSTROPHIES	Y	10	1	\$169,567	\$4.99	19	1	\$324,295	\$8.28	-39.7 %
12	12	DUPIXENT PEN	ATOPIC DERMATITIS	Y	39	4	\$162,469	\$4.78	32	5	\$89,834	\$2.29	108.4 %
13	220	MEKINIST	CANCER	Y	12	1	\$157,291	\$4.63	12	1	\$154,207	\$3.94	17.6 %
14	604	SOGROYA	GROWTH DEFICIENCY	Y	11	1	\$149,583	\$4.40	NA	NA	NA	NA	NA
15	105	NGENLA	GROWTH DEFICIENCY	Y	15	1	\$143,808	\$4.23	NA	NA	NA	NA	NA
16	110	NUCALA	ASTHMA	Y	20	2	\$136,765	\$4.02	25	2	\$118,297	\$3.02	33.2 %
17	10	JARDIANCE	DIABETES	N	214	22	\$117,632	\$3.46	233	24	\$125,358	\$3.20	8.1 %
18	42	XARELTO	ANTICOAGULANT	N	231	22	\$117,620	\$3.46	269	30	\$129,509	\$3.31	4.7 %
19	26	ELIQUIS	ANTICOAGULANT	N	216	35	\$115,586	\$3.40	303	41	\$152,903	\$3.90	-12.9 %
20	357	DEFLAZACORT	MUSCULAR DYSTROPHIES	Y	8	1	\$109,407	\$3.22	NA	NA	NA	NA	NA
21	28	TALTZ AUTOINJECTOR	INFLAMMATORY CONDITIONS	Y	19	2	\$105,118	\$3.09	17	2	\$98,812	\$2.52	22.6 %
22	239	TAFINLAR	CANCER	Y	9	1	\$102,262	\$3.01	12	1	\$134,140	\$3.42	-12.1 %
23	63	SKYRIZI	INFLAMMATORY CONDITIONS	Y	15	1	\$97,497	\$2.87	7	2	\$41,692	\$1.06	169.5 %
24	61	HUMIRA(CF)	INFLAMMATORY CONDITIONS	Y	15	1	\$93,997	\$2.77	12	1	\$67,998	\$1.74	59.3 %
25	14	SKYRIZI PEN	INFLAMMATORY CONDITIONS	Y	13	2	\$90,388	\$2.66	15	2	\$79,860	\$2.04	30.4 %
Total Top 25					2,721		\$4,941,971	\$145.40	1,976		\$3,492,475	\$89.16	63.1 %

## Network Utilization For Paid Claims



## Utilization for Paid Claims by Network



**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
CONSENT AGENDA  
FEBRUARY 25, 2025**

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.

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

<b>Resolutions</b>	<b>Subject Matter</b>
--------------------	-----------------------

Resolution 15-25: February 2025 Bills Lists .....**Page 69**

**RESOLUTION NO. 15-25**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
APPROVAL OF THE FEBRUARY 2025 BILLS LISTS**

**WHEREAS**, the **Bergen Municipal Employee Benefits Fund** held a Public Meeting on **FEBRUARY 25, 2025** 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 February 2025 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 February 2025 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: FEBRUARY 25, 2025**

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

**ATTEST:**

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

# APPENDIX I



**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**

**OPEN MEETING: January 28, 2025**

**FRANKLIN LAKES BOROUGH**

**12:00 P.M.**

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

**ROLL CALL OF 2024 EXECUTIVE COMMITTEE:**

Gregory Hart, Chair	Present
Richard Kunze, Secretary	Present
Gregory Franz, Executive Committee	Present
Donna Gambutti, Executive Committee	Present
Bob Kakoleski, Executive Committee	Present
Anthony Ciannanea, Executive Committee	Present
James Gasparini, Executive Committee	Present
Erin Delaney, Executive Committee Alternate	Absent
Thomas Padilla, Executive Committee Alternate	Present
Joe Voytus, Executive Committee Alternate	Present

**APPOINTED OFFICIALS PRESENT:**

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

**OTHERS PRESENT:**

Renee Gear  
Maureen Fennell  
Matt McArow  
Lisa Cinnamea

**APPROVAL OF MINUTES:** October 22, 2025

**MOTION:** Commissioner Gambutti

**SECOND:** Commissioner Kunz

**ROLL CALL VOTE:** All in favor

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

**MEETING OF 2025 FUND COMMISSIONERS CALLED TO ORDER**

**ROLL CALL OF 2025 FUND COMMISSIONERS**

<b>Member</b>	<b>Fund Commissioner</b>	<b>Attendance</b>
Alpine	Paul Tomasko	Absent
Carlstadt	Joseph Crifasi	Present
Carlstadt Board of Education*	Paul Roth	Absent
East Rutherford*	Jesse DeRosa	Absent
East Rutherford Board of Education*	Alessandro Verace	Absent
Edgewater	Gregory Franz	Present
Emerson*	Robert Hermansen	Present
Fanwood	Colleen Huehn	Absent
Fairfield	James Gasparini	Present
Fairfield BOE	Wally Lindsley	Present
Franklin Lakes	Gregory Hart	Present
Ft. Lee*	Alfred Restaino	Present
Garfield City	Erin Delaney	Alt Present - Nick Prochilo
Garwood	Kyle Harris	Absent
Hillsdale*	Christopher Tietjen	Absent
Lodi*	Marc Shreicks	Absent
Maywood Borough*	Adrian Febre	Absent
Midland Park	Wendy Martin	Absent
Mine Hill*	Katelyn Wild	Absent
Montvale	Joe Voytus	Present
Moonachie	Anthony Ciannanea	Present
North Arlington*	Steve Loicano	Absent
Oakland	Richard Kunze	Present
Park Ridge	Magdalena Giandomenico	Absent
Ridgefield Park	Wanda Portorreal	Absent
Rochelle Park*	Dean Pinto	Absent
Rutherford	Robert Kakoleski	Present
Saddle River	Richard Molinari	Absent

South Hackensack	Donna Gambutti	Present
Verona	Joseph D'Arco	Absent
Wallington		
Wanaque Valley Regional S.A.*	Frank Covelli	Present
Westwood	Durene Ayer	Present
Woodcliff Lake	Thomas Padilla	Present
Wood-Ridge	Dominick Azzolini	Absent

**MOTION TO OPEN THE FLOOR FOR NOMINATIONS FOR THE 2025 EXECUTIVE COMMITTEE SLATE:**

<b>MOTION:</b>	Commissioner Kakoleski
<b>SECOND:</b>	Commissioner Gambutti
<b>ROLL CALL VOTE:</b>	All in favor

**Recommended Slate**

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

**MOTION TO APPROVE THE 2025 RECOMMENDED SLATE AS PRESENTED:**

<b>MOTION:</b>	Commissioner Ciannamea
<b>SECOND:</b>	Commissioner Kakoleski
<b>ROLL CALL VOTE:</b>	16 Ayes, 0 Nays

**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 2025 EXECUTIVE COMMITTEE**

Gregory Hart, Chair	Present
Richard Kunze, Secretary	Present
Gregory Franz, Executive Committee	Present
Donna Gambutti, Executive Committee	Present
Bob Kakoleski, Executive Committee	Present
Anthony Ciannamea, Executive Committee	Present

James Gasparini, Executive Committee	Present
Erin Delaney, Executive Committee Alternate	Absent
Thomas Padilla, Executive Committee Alternate	Present
Joe Voytus, Executive Committee Alternate	Present
Durene Ayer, Executive Committee Alternate	Present

**CORRESPONDENCE** – Ms. Koval reviewed the correspondence included in the agenda, highlighting that the New Jersey Department of Banking and Insurance reached out with questions regarding the Fund's financial position for 2023 during the audit review. She noted that much of the impact was due to the METRO Fund, and responses to these inquiries are included in the correspondence. Additionally, she mentioned that a few HIFs and JIFs were also contacted and wanted this documented for the record.

## **COMMITTEE REPORTS:**

**Strategic Planning** – Commissioner Kunze stated that while there is no formal report, the Fund will face significant challenges this year. As a result, the Strategic Planning Committee will be actively engaged in developing strategic solutions.

**Administration and Finance Committee** – Commissioner Kakoleski agreed with Commissioner Kunze that 2024 has been a challenging year. He noted that the November Fast Track report reflects these challenges. A meeting is scheduled for February to analyze the data, identify cost drivers, and discuss strategies for 2025.

**Wellness Committee** – Commissioner Padilla reported that the committee has met with its consultant to review the current structure and explore potential improvements for the Fund. He noted that there are possible candidates for proactive strategies, including the Concierge RFP that was recently issued.

**Small Claims Committee** – No Report

**Nominations Committee** – No Report.

**New Members Committee** – No Report.

## **EXECUTIVE DIRECTOR'S REPORT**

**FAST TRACK FINANCIAL REPORT** – Ms. Koval reviewed the Financial Fast Track report for November, reinforcing the challenges highlighted by Commissioners Kunze and Kakoleski. The report continues to reflect a surplus deficit, driven by high utilization and out-of-network claims. Conversations with Aetna are ongoing to explore strategies for 2025. She also noted that several claims fall below the stop-loss reimbursement threshold, meaning no reimbursements are expected for these November claims.

**2025 REORGANIZATION** – Ms. Koval presented the eleven resolutions related to the Fund's 2025 reorganization. She reviewed the 2025 contracts, except for the Wellness Coordinator contract, which Chair Hart requested be separated from Resolution 1-25 and addressed as a standalone resolution.

The Fund Attorney confirmed that this contract would be designated as Resolution 14-25. Additionally, she noted that the MRHIF representatives remain unchanged from 2024.

#### **MOTION TO APPROVE THE 2025 REORGANIZATION RESOLUTIONS 1-25 TO 11-25**

<b>MOTION:</b>	Commissioner Kakoleski
<b>SECOND:</b>	Commissioner Franz
<b>ROLL CALL:</b>	All in favor

#### **MOTION TO APPROVE THE 2025 REORGANIZATION RESOLUTIONS 14-25**

<b>MOTION:</b>	Commissioner Gasparini
<b>SECOND:</b>	Commissioner Padilla
<b>ROLL CALL:</b>	10 Ayes, 1 Nay

**2025 COMMITTEE APPOINTMENTS** - Ms. Koval reviewed the 2025 Committee appointments that were updated last year, noting they are all filled but any Fund Commissioner that is not on the Executive Committee is welcome to join a committee. If interested, reach out to Chair Hart.

**2025 CONTRACTS and PROFESSIONAL APPOINTMENTS** - Ms. Koval noted that the Medicare Advantage, Executive Director, and Benefits Consultant contracts were discussed when reviewing Resolution 1-25, stating that the fees are listed based on the RFP responses. Ms. Koval stated that the Onsite Concierge Provider RFP was released and there was one response that was reviewed by Ms. Koval and the board advisor. A Strategic Planning Committee and Wellness Committee meeting will be set up to review and discuss the response.

**2025 TPA FEES** - Ms. Koval mentioned the TPA fees in the 2025 budget adoption projected with an increase but noted that due to the extension of the contract, there will be an additional savings that will be collected into contingency.

**AETNA NATIONAL ADVANTAGE PROGRAM (NAP)** - Ms. Koval reviewed Aetna's National Advantage Program (NAP), which addresses out-of-network billing. The program allows Aetna to negotiate large out-of-network claims, with 60% of the savings returning to the Fund and 40% retained by Aetna. The updated agreement introduces enhanced savings, a concession on fees, a claim fee cap increase, and an enrollee PEPM cap.

In response to Commissioner Franz's inquiry, Mr. Lodics noted that certain providers continue to target public entities. Ongoing discussions suggest that there may be an opportunity to exclude specific providers. However, this option is still in the early stages, pending NDA review and further clarification on liability concerns. Given the Fund's challenges with out-of-network utilization, once more details are available, the Strategic Planning Committee will review this approach. Commissioner Franz emphasized the persistence of these providers, often politically driven, and reminded Fund Commissioners to remain vigilant. Ms. Koval added that additional communication on this issue could be provided if necessary.

**E-PROCUREMENT SOFTWARE VENDOR** – The QPA recommended issuing an RFP for an E-Procurement software vendor as a best practice. While Bidnet is the current provider, other platforms will be considered to determine the best fit for the Fund. Resolution 12-25 reflects this initiative.

**WEX 2025 COUPON UPDATE** – Ms. Koval reported that WEX has begun processing 2025 direct bill coupons, with a projected release by the end of the month.

**2025 PERMA MANAGEMENT TEAM UPDATES** – Ms. Koval reported that Ms. Diane Peterson retired at the end of 2024 and welcomed the two newest additions to the PERMA team. Mr. John Lajewski has been appointed as the HIF Consulting Business Leader. Mr. Matt Rudman, an actuary, has been appointed as the HIF Chief Data Leader to assist in the data and the trends of the Fund.

**BENEFIT CONSULTANTS REPORT:** Mr. Lodics reviewed the following report items covered in the agenda on behalf of Ms. Bailey’s absence.

### **Operational Updates:**

#### **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](mailto:BMEDenrollments@permainc.com) or fax to 856-685-2248.

System training (new and refresher) is provided to all contacts with WEX access **every 3<sup>rd</sup> Wednesday at 10AM**. Please contact [HIFtraining@permainc.com](mailto:HIFtraining@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**

#### **CVS Health Virtual Care – Effective 1/1/25 - Aetna covered members**

Beginning January 1, 2025, CVS Health Virtual Care replaced Teladoc for all Aetna covered members. Members will receive:

- On-Demand Care – Access to 24/7 quick care for minor illnesses and injuries
- Mental Health Services – counseling for conditions such as anxiety and stress, plus psychiatry services for medication management
- Referred to in-person care when needed at nearby MinuteClinic locations or in-network provider clinic.

Please reference the CVS Health Virtual Care flyer included in the Appendix for additional information including instructions for to activate the benefit and create an account.

**\*\*Members received new ID cards with CVS Health Virtual Care information, replacing Teladoc**

## **Express Scripts:**

### **2025 Formulary and SaveOn Listing**

Brokers were sent the 2025 Formulary and SaveOn listings on November 11<sup>th</sup>. Please reference the appendix for the listings. Please note the following:

#### **NPF Listing:**

- NPF Exclusions Listing, please note the following:
  - Humalog - excluded for members with a new prescription as of 1/1/25, members currently taking the drug will be excluded effective 1/1/26
    - Members should share the covered preferred alternatives provided in the listing with their providers
  - Humira - excluded for members with a new prescription as of 1/1/25, members currently taking the drug will be excluded effective 7/1/25
    - Members should share the covered preferred alternatives provided in the listing with their providers
  - Impacted members will be notified by ESI. The notification will include covered preferred alternatives under the NPF

#### **SaveOn Listing:**

- Green highlighted drugs – newly added effective 1/1/25
  - Please share the attached member communication to ensure members using the newly added drugs are aware of the Saveon program
- Red highlighted drugs – being removed effective 1/1/25
  - There were no MRHIF members impacted by the drugs that were removed from the listing

### **3Q2024 SaveOn Savings (1/1/2024 through 9/24/24)**

In 3Q2024, BMED has saved \$177,199 for members enrolled in SaveOn, an additional \$11,931 in savings from 2Q2024. There are currently 36 participants in the program, an increase of 5 members compared to 2Q2024. In 2024, BMED members who used SaveOn saved a total of \$547 in copays. The average savings per prescription to date is \$1,122. See Appendix for full report.

#### **Top 5 Therapeutic Categories:**

- Inflammatory Conditions
  - 17 members, totaling \$80,727 in savings
- Asthma & Allergy
  - 10 members, totaling \$50,699 in savings
- Cancer
  - 2 members, totaling \$31,900 in savings
- Cystic Fibrosis
  - 1 member, totaling \$7,664

- Multiple Sclerosis
  - 1 member, totaling \$558

## **Encircle Program (GLP-1 Weight Loss)**

### **Effective September 1, 2024:**

- Members with new prescriptions, including renewal prescriptions for expired prior authorizations (PA), will need to meet the following criteria to be approved for a GLP-1 weight loss medication:
  - BMI  $\geq$  32 OR
  - BMI between  $27 \leq 32$  WITH 2 or more documented comorbidities
- Members with an active approved PA prior to 9/1/2024 will be grandfathered
  - Upon renewal of their PA, members will need to meet the above BMI requirements to be considered for approval

### **Effective January 1, 2025:**

Members who have an approved PA (active and new) will need to meet the following guidelines:

- Members will receive a welcome kit from Omada free of charge. The kit includes a digital scale and information on downloading the mobile app and/or using the web browser. The scale is programmed to the member's ESI active account prior to delivery. The scale will record each weigh-in and will update the member's file automatically. Members must weigh-in a minimum of 4 times a month
- Members must engage with an assigned online Omada coach via a mobile application or web browser a minimum of 4 times a month

If members do not adhere to both of the requirements outlined above, the following month in which they are non-compliant, they will not be able to refill their weight loss prescription. Members will be required to complete the missing weigh-ins and/or online coaching engagement in order to refill their prescription.

Based on the above, communications are being updated and will be sent to members once finalized. Sample communications will be sent once finalized.

## **2025 Legislative Review:**

**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 attestation is due annually by December 31<sup>st</sup>. Groups did not need to take any additional action unless they do not have medical or prescription coverage in the BMED Fund.



## 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. **BMED audit began April 22, 2024. See Appendix.**

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	Reason	Determination	Determination Date
11/7/2024	Aetna/Medical	BMED 2024-11-01	Anesthesia	Overtured	11/25/2024
10/2/2024	Aetna/Medical	BMED 2024-11-02	Therapy	Upheld	10/8/2024

### IRO Submissions:

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
11/15/2024	Aetna/Medical	BMED 2024-11-02	Therapy	Overturned	11/22/2024

### **BMED Small Claims Committee Appeals: None**

**FUND ATTORNEY** – Fund Attorney thanked the Contracts Committee and Fund QPA, Sean Canning, for their efforts at evaluating the proposals for Executive Director and Benefits Consultants. Additionally, he thanked the Fund Commissioners for reappointment.

**TREASURER** – Report included in the agenda, reviewing the November 2024, December 2024 and January 2025 bills list. Additionally, he noted that all of 2024 assessments have been paid and a little over 50% of the January assessments have been paid.

**BOARD ADVISOR**- Mr. LaMendola complimented the PERMA team for their constant efforts of examining providers who are violating public trust by using political mechanisms to attempt to sale their services as well as billing for services provided. Additionally, he commented on the Onsite Concierge response and encourages full participation by the Strategic Planning Committee and the Finance Committee to review the information carefully.

In response Commissioner Gambutti, the concept of the Onsite Concierge is where an individual or family will make a relationship with a provider to have immediate access and priority in regard to the services they receive. Often, this type of approach provides 24-hour access to a representative as part of the continuum of care. Mr. LaMendola mentioned the proposal lays out dynamics and components as it relates to individuals instead of the entire Fund. Ms. Koval commented that it will be a voluntary service for individuals.

In response to Commissioner Kakoleski, Mr. Lodics noted the service could potentially replace a primary care provider.

**AETNA** – Mr. Silverstein congratulated the 2025 Executive Committee for their reappointments. He provided a review of claims through November, noting two high-cost claims during September and October and nine high-cost claims during November. He reported that dashboard metrics continue to perform well. Additionally, he commented that there have been several positive meetings with PERMA to discuss the 2024 Fund plan performance, where some recommendations were provided. He provided a quick network update, stating Aetna is in negotiations with Atlantic Healthcare, with a potential term as of March 1, 2025, and RWJ Barnabas, which more information will be provided later.

In response to Mr. Lodics, Mr. Silverstein noted the utilization for both are not in the top five.

**EXPRESS SCRIPTS** – Mr. Yuk reviewed the report included the agenda, highlighting diabetes as the top indication and the four out of the top five drugs are for weight loss and diabetes. He reviewed

the EncircleRX Dashboard, highlighting the reject percentage and the savings since the program started in September 2024.

In response to Commissioner Kakoleski, Mr. Yuk described the two types of rejects which is neither enrolling in the Omada program or there is no prior authorization.

**DELTA DENTAL – No Report.**

**CONSENT AGENDA:**

**MOTION TO APPROVE CONSENT AGENDA INCLUDING THE FOLLOWING RESOLUTIONS:**

**Resolution 12-25: E-Procurement**

**Resolution 13-25: November 2024, December 2024, and January 2025 Bills List**

<b>MOTION:</b>	Commissioner Kunz
<b>SECOND:</b>	Commissioner Gasparini
<b>VOTE:</b>	All in Favor

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:** Mr. Covelli thanked PERMA, Conner Strong, Mr. Jason Silverstein, Ms. Tammy Brown, Mr. Brandon Lodics, and Ms. Emily Koval for their assistance with a serious situation with a vendor to help get things up and running for members who moved to the HDHP plan. He noted it was critical to have infrastructure in place which could not have been completed without the help of those mentioned above.

<b>MOTION TO ADJORN:</b>	
<b>MOTION:</b>	Commissioner Gambutti
<b>SECOND:</b>	Commissioner Padilla
<b>VOTE:</b>	<b>Unanimous</b>

**MEETING ADJOURNED:** 1:07 pm

**NEXT MEETING: FEBURARY 25, 2025**

Caitlin Perkins, Account Manager

# APPENDIX II

BMED Finance Meeting  
February 18, 2025 – 10:00AM  
Teams Meeting

*Bob Kakoleski, Chair*

*Greg Hart, Executive Committee*

*Rich Kunze, Executive Committee*

Brandon Lodics, Executive Director

John Lajewski, HIF Consulting Business Leader

Matt Rudman, HIF Chief Actuary

Crystal Bailey, Benefits Consultant

Caitlin Perkins, Account Manager

Mr. Lodics opened the meeting by introducing John Lajewski and Matt Rudman as new members of the HIF team. He explained that John, a seasoned senior consultant, joined after Diane's retirement, while Matt, an actuary, was brought on to analyze market trends and provide more detailed insights into HIF data. Brandon highlighted that the primary concern for 2024 is the loss of surplus and the high volume of claims, which have exceeded thresholds seen in previous years.

Mr. Lodics then outlined the purpose of the meeting, emphasizing that the 2024 budget was insufficient due to unexpected developments in the latter half of the year. He stressed the importance of exploring strategies to avoid supplemental assessments, which are considered a last resort. He provided an overview of the 2025 budget, noting it reflects one of the highest increases in the past decade, largely due to rising medical utilization, increased demand for GLP-1s, and a shift from outpatient chemotherapy to prescription drug treatments. He also reviewed November and December's financials, which showed marginal losses, and discussed the Fund's current challenges, including escalating pharmacy costs, financial strain, decreasing surplus, and ongoing hospital contract negotiations. He pointed out cost-control efforts like the Omada program and noted that the Hackensack Meridian contract renewal could lead to higher claims. Reviewing the financial report, Mr. Lodics mentioned the METRO impact and continued surplus deficit, noting the absence of stop loss reimbursements. He also broke down financial performance by location, highlighting an increasing number of entities with loss ratios above 110%, indicating higher-than-expected utilization. Additionally, he observed that while claims have improved, expected stop loss reimbursements are decreasing due to high-cost claims not exceeding stop loss thresholds.

Mr. Rudman discussed emerging trends, starting with medical expenses, which are approaching at 20%, driven largely by out-of-network (OON) costs for services like physical therapy, chiropractic care, and acupuncture. Rising in-network facility costs are also influencing trends and are expected to impact medical claims in early 2025. He highlighted inpatient mental health and substance abuse claims as significant cost drivers. Mr. Lodics noted issues with a varicose vein provider marketing directly to public sector unions but expressed optimism that a recently implemented cap would help control costs. Regarding pharmacy trends, Mr. Rudman noted a nearly 20% increase, driven largely by GLP-1 drugs, including Zepbound, which was introduced in late 2023. He explained that GLP-1s account for 94% of the pharmacy trend and are nearly doubling year over year, with weight-loss-related GLP-1s making up over 10% of the Fund's total drug claims before rebates. This trend is expected to continue into 2025.

Mr. Lajewski then presented strategic recommendations, beginning with an overview of high-cost claimants who fall below reimbursement thresholds. He emphasized the importance of using this data to develop strategies in coordination with the plan administrator. Notably, four of the top

five high-cost claimants are cancer-related, requiring ongoing monitoring. He highlighted several upcoming initiatives, including ongoing cash flow monitoring, a Q1 2025 review to assess Fund performance after finalizing 2024 stop loss claims, and multiple cost-containment strategies. He also discussed the implementation of a data warehouse to enhance financial and clinical data analysis, which Mr. Rudman commented the rollout should occur in late 2025. Other strategic initiatives included developing an underwriting field manual for centralized solutions, monitoring outlier providers with embedded triggers for proactive identification, and holding utilization review meetings with Aetna and ESI to address performance variations. He suggested potential solutions such as reducing out-of-network utilization, introducing Hinge Health, enhancing oncology management programs, maximizing network discounts with Aetna Whole Health, and continuing initiatives like the Omada program to address GLP-1 utilization. He also noted that eliminating GLP-1s altogether could save the Fund nearly \$800,000, though this would be a last resort due to collective bargaining challenges.

Mr. Lodics acknowledged the complexity of the information presented and emphasized the importance of actionable steps. He noted challenges related to collective bargaining but suggested reviewing prior authorizations, out-of-network fee schedules, and other utilization management tools for potential impact on the Fund. He highlighted the challenge of addressing GLP-1 costs, given that most plans cover FDA-approved medications. He concluded by asking if sufficient information had been provided for next steps.

Commissioner Kakoleski thanked PERMA for the presentation and asked if the Fund was experiencing a “perfect storm” of cost drivers, including multiple cancer cases, rising medical contract costs, and increased GLP-1 usage without yet realizing any health savings. Mr. Lodics agreed, noting that inpatient costs – particularly from Hackensack Meridian, which accounts for over 50% of inpatient exposure – remain the largest cost driver. He also mentioned that these challenges are not unique to the BMED Fund. When asked about the cost difference between in-network and out-of-network services, Mr. Rudman explained that for chiropractic care, OON costs \$300 per employee per month (PEPM), accounting for 60% of OON expenses, whereas in-network costs \$400 PEPM but only make up 25% of in-network spending. Mr. Lodics pointed out that the generosity of the out-of-network benefits complicates cost containment because providers often don’t enforce deductibles or coinsurance, making OON benefits more attractive.

Commissioner Kunze noted that public sector targeting by providers continues and thanked the team for their analysis. He inquired about the next meeting to explore these issues in greater detail. Commissioner Hart suggested deciding whether the strategic or finance committee should lead these discussions or possibly combining the two, which Mr. Lodics noted may create a quorum issue.

Commissioner Hart emphasized a multi-pronged approach, advocating for aggressive action on non-collective bargaining issues while strategizing for those that do involve collective bargaining. He mentioned that the underwriting field manual could support meaningful discussions on collective bargaining strategies. He also suggested tailoring approaches based on existing contracts and upcoming contract expirations.

Mr. Lodics concluded by thanking the committee for their time and support, indicating that another review would occur in mid-March as more data on 2025 performance becomes available.

# APPENDIX III

## MEMO:

To: Health Insurance Fund Commissioners  
From: PERMA LLC, Executive Director  
CC: Zita Group, MRHIF Lobbyist  
Date: December 2, 2024  
Re: HIF School Board Employee Required Covid Testing Reimbursement

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**Background: New Jersey COVID Protocols / Surveillance Testing**

On March 9, 2020, Executive Order No. 103 declared the existence of a Public Health Emergency in New Jersey ("PHE"). During the PHE there were more than a dozen Executive Orders that addressed best practices in response to the pandemic, including the implementation of surveillance testing.<sup>1</sup> Surveillance testing was to be conducted by unvaccinated employees on a routine basis (weekly or semi-weekly). New Jersey School Board sponsored health plans including the HIFs were directly impacted by these Executive Orders.

Executive Order No. 253 issued on August 23, 2021, required school programs to maintain a policy that required all employees to provide proof of vaccination or submit COVID-19 testing at a minimum of one to two times per week starting October 18, 2021. Employer surveillance testing such as this is not a covered service to be billed through employer health insurance plans. Due to the vagueness of the codes submitted and the availability of testing at retail pharmacies and other over the counter options, there was no way for insurance Carriers and/or Third-Party Administrators (TPAs) to determine what was employer required testing and what was medically necessary.

It is estimated for the end of 2021 and all of 2022, Health Insurance Funds paid \$2.5M attributed to COVID surveillance testing for compliance with Executive Order No. 253.

The New Jersey Department of Health received a federal award of \$267 million to provide COVID-19 screening testing resources supporting school districts. To comply with the state rules related to surveillance testing, COVID-19 testing was provided to school district employees by a state-run program which reimbursed the school districts via an application for reimbursement if the district opted into the program. Alternatively, districts could also contract with third-party testing vendors and the vendors were reimbursed from federal resources until such funding paused in April 2022. Finally, employees could obtain COVID-19 testing without any cost sharing through various providers, who billed the member health insurance for the cost of the test.

**Action:**

Beginning in the summer of 2023, PERMA partnered with the Zita Group, the MRHIF's Lobbyist, to put forth a position paper to New Jersey Legislators seeking reimbursement for some of these misappropriated medical claim dollars.

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Throughout the past year, PERMA, the Zita Group and HIF leaders met with Legislators, Government agencies, and the office of the Governor to put forth our position.

There were many different approaches and avenues explored to seek reimbursement for our members. The 2024 proposed Governor's budget included a line item attributed to COVID testing reimbursement for the HIFs. Unfortunately, that line was stricken at the last minute. We continued to work with the Zita group to advocate our case with the support of many legislators who represent Counties where our School Board members are located.

In June 2024, budget resolution # 4693 was passed authorizing \$1 million to be appropriated for Health Insurance Fund Covid-19 reimbursements. The resolution had 2 primary sponsors and 9 co-sponsors including Senators and Assemblymembers. The monies would be issued as a Grant from the Department of Education.

#### **Reimbursement and Allocation**

On October 29<sup>th</sup> we were contacted by the Division of Finance and Business Services to notify us of the \$1M Grant award and begin the process. On behalf of the Funds and their School Board membership, the Grant agreement was executed and banking information for the MRHIF was provided. The MRHIF will be the initial recipient of the grant monies and disperse it to the Local HIFs based on their prorate share of the surveillance claims spend.

<b>FUND</b>	<b>BOE Surveillance Testing Claims</b>	<b>Grant Share</b>
BMED/Gateway	\$11,423	\$4,454
CJHIF	\$2,486	\$969
Southern Coastal	\$306,049	\$119,343
METRO	\$88,084	\$34,348
SHIF	\$2,148,498	\$837,800
SKYLANDS	\$7,913	\$3,086
<b>Total</b>	<b>\$2,564,453</b>	<b>\$1,000,000</b>

For the impacted Funds, we will provide updates on the grant receipt and expected date of deposit at the meetings of Executive Committees/ Board of Trustees. Upon receipt monies will be utilized to offset paid claims and support surplus.

#### **Recognition:**

Results such as these would not be possible without the support of the Fund Commissioners.

This was a lengthy undertaking. Senior Leaders from PERMA, LLC, the Zita Group and Fund Chairs contributed to the success.

- PERMA, LLC:
  - o Diane Peterson, Sr. Partner – *Lead*
  - o Tammy Brown, Executive Partner
- Zita Group:
  - o Beth Dohm, Executive Vice President
  - o Christopher Hughes, Senior Vice President
- Fund Chairs:
  - o Joseph Collins, SHIF
  - o Greg Hart, BMED/Gateway

# APPENDIX IV



# 15TH ANNUAL MEL, MRHIF & NJCE EDUCATIONAL SEMINAR

## SAVE THE DATES

FRIDAY, APRIL 25 ▶ 9:00 AM – NOON

FRIDAY, MAY 2 ▶ 9:00 AM – NOON

## Available Online at No Cost to Members

Designed specifically for elected officials, commissioners, municipal, county and authority personnel, risk managers and related professionals.

The seminar is pending approval for the following continuing education credits:

- CFO/CMFO Public Works and Clerks
- Insurance Producers
- Accountants (CPA) and Lawyers (CLE)
- Water Supply and Wastewater Licensed Operators (Total Contract Hours)
- Registered Public Purchasing Officials (RPPO)
- Qualified Purchasing Agents (QPA)

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Visit [njmel.org](http://njmel.org) or email Jaine Testa at [jainet@permainc.com](mailto:jainet@permainc.com)

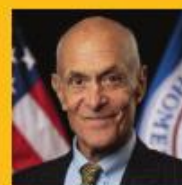
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## AGENDA



### KEYNOTE SPEAKER

**Michael Chertoff** served as United States Secretary of Homeland Security. His distinguished legal career includes service as a circuit judge of the United States Court of Appeals for the Third Circuit, and as Assistant U.S. Attorney General.

### FRIDAY, APRIL 25

- Keynote Address
- Ethics
- Benefits Issues

### FRIDAY, MAY 2

- 1st Amendment Claims Against Local Government
- 1st Amendment Audits
- Emerging Claims Issues

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