



AGENDA AND REPORTS

AUGUST 26, 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: AUGUST 26, 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
Tomas Padilla, Executive Committee Alternate
Joe Voytus, Executive Committee Alternate
Durene Ayer, Executive Committee Alternate

APPROVAL OF MINUTES: *June 24, 2025, Open Appendix I*

CORRESPONDENCE - None

MONTHLY COMMITTEE REPORTS

STRATEGIC PLANNING COMMITTEE - Rich Kunze, Chair

FINANCE/ADMINISTRATION COMMITTEE - Robert Kakoleski, Chair

WELLNESS COMMITTEE - Tom Padilla, Chair
July 1, 2025 - Appendix II

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**
Resolution 29-25: Approval to go into Closed Session.....**Page 13**

BENEFITS CONSULTANT REPORT - Crystal Bailey

Conner Strong & Buckelew.....Page 14

ATTORNEY – William Bailey, Esq.

TREASURER – Joseph Iannaconi & Matt Palmer

Voucher List July and August 2025.....Page 17

Treasurers Report June 2025.....Page 21

Confirmation of Claims Paid/Certification of Transfers

BOARD ADVISOR – Clark LaMendola

THIRD PARTY ADMINISTRATOR – Aetna – Jason Silverstein

Monthly ReportPage 23

PRESCRIPTION PROVIDER – Express Scripts – Charles Yuk

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DENTAL ADMINISTRATOR – Delta Dental – Kim White

Monthly Report.....Page 31

CONSENT AGENDAPage 33

REVISED Resolution 23-25: Adoption of Supplement Assessments.....Page 34

Resolution 30-25: QPA Threshold.....Page 36

Resolution 31-25: July and August 2025 Bills List.....Page 37

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

MEETING ADJOURNED

NEXT MEETING: October 1, 2026

**Bergen Municipal Employee Benefits Fund
Executive Director's Report
AUGUST 26, 2025**

PRO FORMA REPORTS

- **Fast Track Financial Reports** as of May 31, 2025 & June 30, 2025 (page 7)
 - **Historical Income Statement**
 - **Ratios and Indices Report**

2026 BUDGET UPDATE

The Actuary has received and provided an initial projection for the 2026 budget and a Finance & Administration Committee meeting will be scheduled very soon.

The Committee will be reviewing the impact that the following items will have on the Budget:

1. No Surprise Act Claims
2. GLP1s and other specialty medications
3. Hospital Negotiations
4. Out of Network utilization
5. Overall Utilization

We anticipate introduction to occur on **October 1, 2025** and adoption **October 29, 2025**.

NO SURPRISES ACT LEGISLATION CLAIMS

At the last meeting, the impact of the No Surprises Act Legislation was discussed at length. Since then, Aetna provided the financial impact through June 10, 2025 which is below.

Row Labels	Sum of Arb Fee	Sum of Admin Fee	Sum of Arb Decision Amount	Count of Arb Decision/Result
Closed by IDRE Due to Incorrect Batching				4
Dismissed	\$11,243.00	\$6,465.00	\$0.00	80
Loss	\$91,791.00	\$17,005.00	\$4,263,407.13	174
Rebutted	\$22,344.00	\$4,995.00	\$13,360.00	48
Resubmission Required	\$395.00	\$115.00		1
Summary Judgment	\$13,110.00	\$3,210.00	\$921,958.65	29
Win	\$13,933.00	\$4,525.00	\$0.00	32
Withdrawn	\$5,471.00	\$1,655.00	\$0.00	13
(blank)	\$35,773.00	\$8,225.00		
Grand Total	\$194,060.00	\$46,195.00	\$5,198,725.78	381

The BMED Executive Committee members were instrumental in issuing a letter to the NJ Congress. Conner Strong and our MRHIF Lobbyist worked with all the Fund Chairs to develop the enclosed letter to help bring attention to this matter and how it is impacting self insured plans and ultimately, taxpayer dollars. Secretary Kunze, as the MRHIF Chair signed the letter on behalf of BMED which was sent last week. Shortly, there will also be an individual letter sent by the Chairs to local constituents.

Legislation appears to be the best route to put capitations on the claims – please feel free to contact PERMA with any additional suggestions or assistance.

MARKET/LEGISLATIVE UPDATES

Jim Rhodes, Vice President, HIF Fund Governance will provide updates and overview on the following topics at the meeting:

- 1) *No Surprises Act*
- 2) *NJ-59-03*
- 3) *State and Labor SHBP Savings Proposals*

METRO RUN OUT BALANCE

At the last meeting, the Fund was advised that the Fund is holding a balance for run out and other expenses incurred during their incubation with the Fund. The cash balance as of June 30, 2025 was \$365,950.37. We are recommending the transfer through the bills list, Resolution 31-25.

SUPPLEMENTAL ASSESSMENT - REVISED RESOLUTION

The Supplement Assessment Resolution 23-25 included an error. The Fund Year that the assessment should be issued is 2024, not 2025. Revised resolution 23-25 is included in the agenda. The Fund Attorney reviewed and believes this does not need to be done in a public hearing setting as it is a clerical error.

2025 WELLNESS

The Wellness Committee is hosted a meeting for the Risk Managers to discuss the program and its future. A verbal report will be provided by the Wellness Committee.

BAKER HEALTH

Representatives from Baker Health will be attendance to introduce their practice and provide flyers to be made available to employees. Appendix IV includes additional information, including the availability of wellness funds for the membership fee.

QPA THRESHOLD

The State Treasurer recently increased the minimum bid threshold to \$53,000 for bids using a QPA. The Fund QPA recommended **Resolution 30-25** for action to recognize this change.

MRHIF UPDATE

The MRHIF met twice since the last meeting.

The following action items were taken:

1. Final Audit was approved and filed with the State. There were no comments or recommendations
2. An almost \$7M dividend was released. The BMED's share of the dividend is \$725,095 and has already been received

The September MRHIF meeting will be rescheduled to allow for additional time to develop the budget with the local Fund SIR levels.

BROKER RESOLUTIONS AND INDEMNITY AND TRUST AGREEMENTS

As a reminder, Broker/Town Resolutions of Appointment and Indemnity & Trust (I&T) Agreements must be submitted to the Fund. Broker fees are based on the resolutions provided. We will be reaching out to those entities where we do not have a current Broker Resolution or I&T Agreement on file.

PROCUREMENT DISCUSSION

Resolution 29-25 is on page 13 to go into closed session is included to discuss procurements and contracts.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND						
FINANCIAL FAST TRACK REPORT						
			AS OF	May 31, 2025		
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		5,616,038	27,415,341	805,323,238	832,738,579
2.	CLAIM EXPENSES					
	Paid Claims		5,756,487	26,539,125	668,908,171	695,447,296
	IBNR		295,179	49,003	7,293,000	7,342,003
	Less Specific Excess		(147,452)	(1,112,528)	(16,761,228)	(17,873,756)
	Less Aggregate Excess		-	-	(602,911)	(602,911)
	TOTAL CLAIMS		5,904,214	25,475,599	658,837,033	684,312,632
3.	EXPENSES					
	MA & HMO Premiums		254,954	1,273,493	31,857,919	33,131,412
	Excess Premiums		139,883	700,378	35,866,476	36,566,854
	Administrative		269,617	1,424,064	61,010,959	62,435,023
	TOTAL EXPENSES		664,455	3,397,935	128,735,353	132,133,289
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)		(952,631)	(1,458,194)	17,750,852	16,292,658
5.	INVESTMENT INCOME		7,739	55,599	4,019,596	4,075,195
6.	DIVIDEND INCOME		-	-	7,518,953	7,518,953
7.	STATUTORY PROFIT/(LOSS) (4+5+6)		(944,892)	(1,402,595)	29,289,401	27,886,806
8.	DIVIDEND		-	-	29,523,154	29,523,154
9.	Transferred Surplus IN		-	-	-	-
10.	Transferred Surplus OUT		-	-	-	-
	STATUTORY SURPLUS (7-8+9)		(944,892)	(1,402,595)	(233,753)	(1,636,348)
SURPLUS (DEFICITS) BY FUND YEAR						
	Closed	Surplus	4,749	55,378	9,230,129	9,285,507
		Cash	3,017	1,161,622	8,304,776	9,466,398
	2023	Surplus	(123,344)	(453,442)	(581,337)	(1,034,779)
		Cash	(79,741)	(453,958)	(699,710)	(1,153,668)
	2024	Surplus	(368,285)	3,039,220	(8,882,544)	(5,843,324)
		Cash	(586,308)	(3,497,674)	(4,191,217)	(7,688,891)
	2025	Surplus	(458,012)	(4,043,752)		(4,043,752)
		Cash	2,496,321	3,333,849		3,333,849
	TOTAL SURPLUS (DEFICITS)		(944,892)	(1,402,595)	(233,753)	(1,636,348)
	TOTAL CASH		1,833,290	543,839	3,413,849	3,957,688
CLAIM ANALYSIS BY FUND YEAR						
	TOTAL CLOSED YEAR CLAIMS		767	(13,340)	560,633,906	560,620,566
	FUND YEAR 2023					
	Paid Claims		124,176	508,512	39,144,698	39,653,210
	IBNR		-	-	-	-
	Less Specific Excess		-	(48,567)	(177,752)	(226,319)
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2023 CLAIMS		124,176	459,945	38,966,946	39,426,891
	FUND YEAR 2024					
	Paid Claims		707,490	4,778,676	52,382,647	57,161,323
	IBNR		(182,325)	(6,746,025)	7,293,000	546,975
	Less Specific Excess		(147,452)	(1,063,962)	(439,467)	(1,503,429)
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2024 CLAIMS		377,714	(3,031,311)	59,236,180	56,204,869
	FUND YEAR 2025					
	Paid Claims		4,924,054	21,265,277		21,265,277
	IBNR		477,504	6,795,028		6,795,028
	Less Specific Excess		-	-		-
	Less Aggregate Excess		-	-		-
	TOTAL FY 2025 CLAIMS		5,401,558	28,060,305		28,060,305
	COMBINED TOTAL CLAIMS		5,904,214	25,475,599	658,837,033	684,312,632

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						
FINANCIAL FAST TRACK REPORT						
			AS OF	June 30, 2025		
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		11,072,901	38,488,241	805,323,238	843,811,480
2.	CLAIM EXPENSES					
	Paid Claims		5,245,777	31,784,902	668,908,171	700,693,074
	IBNR		229,568	278,571	7,293,000	7,571,571
	Less Specific Excess		(375,422)	(1,487,950)	(16,761,228)	(18,249,178)
	Less Aggregate Excess		-	-	(602,911)	(602,911)
	TOTAL CLAIMS		5,099,923	30,575,523	658,837,033	689,412,556
3.	EXPENSES					
	MA & HMO Premiums		255,395	1,528,888	31,857,919	33,386,807
	Excess Premiums		567,828	1,268,206	35,866,476	37,134,682
	Administrative		286,246	1,710,309	61,010,959	62,721,268
	TOTAL EXPENSES		1,109,468	4,507,403	128,735,353	133,242,757
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)		4,863,509	3,405,315	17,750,852	21,156,167
5.	INVESTMENT INCOME		14,710	70,309	4,019,596	4,089,906
6.	DIVIDEND INCOME		-	-	7,518,953	7,518,953
7.	STATUTORY PROFIT/(LOSS) (4+5+6)		4,878,220	3,475,625	29,289,401	32,765,026
8.	DIVIDEND		3,177,254	3,177,254	29,523,154	32,700,408
9.	Transferred Surplus IN		-	-	-	-
10.	Transferred Surplus OUT		-	-	-	-
	STATUTORY SURPLUS (7-8+9)		1,700,965	298,370	(233,753)	64,618
SURPLUS (DEFICITS) BY FUND YEAR						
	Closed	Surplus	(3,152,711)	(3,097,333)	9,230,129	6,132,796
		Cash	(3,154,275)	(1,992,652)	8,304,776	6,312,123
	2023	Surplus	(53,279)	(506,721)	(581,337)	(1,088,058)
		Cash	(67,594)	(521,552)	(699,710)	(1,221,262)
	2024	Surplus	1,814,131	4,853,352	(8,882,544)	(4,029,193)
		Cash	(497,338)	(3,995,012)	(4,191,217)	(8,186,229)
	2025	Surplus	3,092,824	(950,927)		(950,927)
		Cash	5,586,081	8,919,930		8,919,930
	TOTAL SURPLUS (DEFICITS)		1,700,965	298,370	(233,753)	64,618
	TOTAL CASH		1,866,874	2,410,714	3,413,849	5,824,563
CLAIM ANALYSIS BY FUND YEAR						
	TOTAL CLOSED YEAR CLAIMS		(15,643)	(28,982)	560,633,906	560,604,924
	FUND YEAR 2023					
	Paid Claims		68,947	577,458	39,144,698	39,722,156
	IBNR		-	-	-	-
	Less Specific Excess		(14,325)	(62,892)	(177,752)	(240,644)
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2023 CLAIMS		54,622	514,567	38,966,946	39,481,513
	FUND YEAR 2024					
	Paid Claims		3,669,987	8,448,663	52,382,647	60,831,310
	IBNR		(127,628)	(6,873,653)	7,293,000	419,347
	Less Specific Excess		(361,097)	(1,425,059)	(439,467)	(1,864,526)
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2024 CLAIMS		3,181,262	149,951	59,236,180	59,386,131
	FUND YEAR 2025					
	Paid Claims		1,522,487	22,787,764		22,787,764
	IBNR		357,196	7,152,224		7,152,224
	Less Specific Excess		-	-		-
	Less Aggregate Excess		-	-		-
	TOTAL FY 2025 CLAIMS		1,879,683	29,939,988		29,939,988
	COMBINED TOTAL CLAIMS		5,099,923	30,575,523	658,837,033	689,412,555

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								
		FY2025						
INDICES	2024	JAN	FEB	MAR	APR	MAY	JUN	JUL
Cash Position	3,413,849	\$ 4,612,075	\$ 5,343,845	\$ 5,674,528	\$ 2,124,399	\$ 3,957,688	\$ 5,824,563	
IBNR	7,293,000	\$ 6,847,866	\$ 6,783,395	\$ 6,902,395	\$ 7,046,824	\$ 7,342,003	\$ 7,571,571	
Assets	7,388,961	\$ 6,998,857	\$ 7,403,671	\$ 6,967,993	\$ 6,726,999	\$ 6,076,667	\$ 8,445,737	
Liabilities	7,622,713	\$ 7,187,842	\$ 7,134,145	\$ 7,265,213	\$ 7,418,453	\$ 7,713,014	\$ 8,381,118	
Surplus	(233,752)	\$ (188,984)	\$ 269,525	\$ (297,220)	\$ (691,455)	\$ (1,636,347)	\$ 64,619	
Claims Paid -- Month	5,297,140	\$ 5,217,738	\$ 4,613,900	\$ 5,251,346	\$ 5,699,654	\$ 5,756,487	\$ 5,245,777	
Claims Budget -- Month	4,202,262	\$ 4,769,000	\$ 4,756,989	\$ 4,753,162	\$ 4,758,109	\$ 4,896,423	\$ 4,903,366	
Claims Paid -- YTD	57,475,987	\$ 5,217,738	\$ 9,831,639	\$ 15,082,985	\$ 20,782,638	\$ 26,539,125	\$ 31,784,902	
Claims Budget -- YTD	48,782,475	\$ 4,769,000	\$ 9,520,328	\$ 14,273,610	\$ 19,031,719	\$ 23,924,559	\$ 28,827,925	
RATIOS								
Cash Position to Claims Paid	0.64	0.88	1.16	1.08	0.37	0.69	1.11	
Claims Paid to Claims Budget -- Month	1.26	1.09	0.97	1.1	1.2	1.18	1.07	
Claims Paid to Claims Budget -- YTD	1.18	1.09	1.03	1.1	1.1	1.1	1.1	
Cash Position to IBNR	0.47	0.67	0.79	0.82	0.3	0.54	0.77	
Assets to Liabilities	0.97	0.97	1.04	0.96	0.91	0.79	1.01	
Surplus as Months of Claims	(0.06)	(0.04)	0.06	-0.06	-0.15	-0.33	0.01	
IBNR to Claims Budget -- Month	1.74	1.44	1.43	1.45	1.48	1.5	1.54	

**2025 Budget Report
as of June 30, 2025**

	Cumulative	Annualized	Latest filed	Cumulative	\$ Variance	% Variance
Expected Losses				Expensed		
Medical Claims Aetna	25,371,768	51,425,474	51,400,571	25,746,033	(374,265)	-1%
Prescription Claims	3,396,951	6,816,547	7,049,884	3,110,693	(732,828)	-31%
Prescription Formulary Rebates	(1,019,086)	(2,044,965)	(2,114,965)	Included Above in Prescription Claims		
Dental Claims	1,078,291	2,158,597	2,169,015	1,083,261	(4,970)	0%
Subtotal	28,827,925	58,355,653	58,504,505	29,939,988	(1,112,063)	-4%
HMO/DMO Premiums	14,446	28,854	30,381	14,508	(62)	0%
Medicare Advantage / EGWP	1,516,901	3,059,396	3,110,050	1,514,380	2,521	0%
Reinsurance						
Specific	1,267,843	2,536,049	1,682,445	1,268,206	(362)	0%
Total Loss Fund	31,627,115	63,979,953	63,327,381	32,737,082	(1,109,967)	-4%
Loss Fund Contingency	125,746	251,492	220,516	0	125,746	0%
Expenses						
Legal	13,260	26,520	26,520	14,038	(778)	-6%
Treasurer	10,959	21,918	21,918	10,959	0	0%
Administrator	238,676	478,158	477,783	246,017	(7,341)	-3%
Risk Management Consultants	599,010	1,199,220	1,183,821	599,010	-	0%
				43,248	(43,248)	-100%
				1,083	(1,083)	-100%
TPA - Claims Agent Aetna	415,091	830,300	872,355	416,442	(1,351)	0%
Dental TPA	48,226	96,640	96,593	48,186	40	0%
Actuary	9,639	19,278	19,278	9,640	(1)	0%
Auditor	9,792	19,584	19,584	8,160	1,632	17%
Benefits Consultant	222,724	446,626	446,547	222,645	79	0%
Board Advisor	9,742	19,484	19,484	7,500	2,242	23%
Subtotal Expenses	1,577,119	3,157,728	3,183,883	1,626,928	(49,809)	-3%
Miscellaneous and Special Services						
Misc/Cont	9,500	19,000	19,000	10,707	(1,207)	-13%
Wellness, Disease, Case Management	50,000	100,000	100,000	4,868	45,132	90%
Affordable Care Act Taxes	5,645	11,292	11,299	0	5,645	100%
A4 Surcharge	46,749	94,618	98,913	46,741	8	0%
Plan Documents	3,250	6,500	6,500	3,250	-	0%
Claims Audit	20,000	40,000	40,000	19,998	2	0%
Subtotal Misc/Sp Svcs	135,144	271,411	275,712	85,564	49,580	37%
Total Expenses	1,712,263	3,429,139	3,459,595	1,712,492	(229)	0%
Total Budget	33,465,123	67,660,583	67,007,492	34,449,574	(984,450)	-3%

Bergen Municipal Employee Benefits Fund
CONSOLIDATED BALANCE SHEET
as of June 30, 2025
BY FUND YEAR

	BMED 2025	BMED 2024	BMED 2,023	CLOSED YEAR	FUND BALANCE
ASSETS					
Cash & Cash Equivalents	8,919,930	(8,186,229)	(1,221,262)	6,312,123	5,824,563
Assessments Receivable (Prepaid)	(3,042,044)	3,145,967	70,658	-	174,581
Interest Receivable	594	(161)	(1,326)	4,129	3,237
Specific Excess Receivable	-	1,407,585	31,970	-	1,439,555
Aggregate Excess Receivable	-	-	-	-	-
Dividend Receivable	-	-	-	-	-
Prepaid Admin Fees	0	-	-	-	0
Other Assets	823,467	148,432	31,902	-	1,003,801
Total Assets	6,701,947	(3,484,405)	(1,088,058)	6,316,253	8,445,737
LIABILITIES					
Accounts Payable	427,384	-	-	-	427,384
IBNR Reserve	7,152,224	419,347	-	-	7,571,571
A4 Retiree Surcharge	46,741	16,991	-	-	63,732
Dividends Payable	-	-	-	131,984	131,984
Retained Dividends	-	-	-	51,471	51,471
Accrued/Other Liabilities	26,526	108,450	-	-	134,976
Total Liabilities	7,652,874	544,788	-	183,456	8,381,118
EQUITY					
Surplus / (Deficit)	(950,927)	(4,029,193)	(1,088,058)	6,132,797	64,619
Total Equity	(950,927)	(4,029,193)	(1,088,058)	6,132,797	64,619
Total Liabilities & Equity	6,701,947	(3,484,405)	(1,088,058)	6,316,253	8,445,737
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: 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	2025 Filed
<input type="checkbox"/> Fund Officers	2025 Filed
<input type="checkbox"/> Renewal Resolutions	2025 Filed
<input type="checkbox"/> Indemnity and Trust	In process
<input type="checkbox"/> New Members (list)	N/A
<input type="checkbox"/> Withdrawals	N/A
<input type="checkbox"/> Risk Management Plan and By Laws	2025 Filed
<input type="checkbox"/> Cash Management Plan	2025 Filed
<input type="checkbox"/> Unaudited Financials	9/30/2025 Filed
<input type="checkbox"/> Annual Audit	2024 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

RESOLUTION NO. 29-25

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
(THE "FUND") RESOLUTION TO ENTER INTO CLOSED SESSION**

BE IT RESOLVED by the Executive Committee of the Bergen Municipal Employee Benefits Fund, pursuant to the provisions of the Open Public Meetings Act, that it meet in closed session to discuss the following subject matter:

- Procurement
- Contracts

AND BE IT FURTHER RESOLVED that, as precisely as can be determined at this time, the discussion conducted in the said closed session can be disclosed to the public upon taking final action thereon, provided disclosure shall not violate the attorney-client privilege or constitute an undue invasion of privacy; and

BE IT FURTHER RESOLVED that, the Executive Committee will return to open session after this meeting and may take formal action.

ADOPTED: AUGUST 26, 2025

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

Gateway-BMED Health Insurance Fund

Benefits Consultant Report

August 2025

Benefits Consultant: Conner Strong & Buckelew

Online Enrollment Training: aflinn@permainc.com

Enrollments/Eligibility/Billing/Brokers:

- Alexander Koch, akoch@permainc.com, 856-552-4778
- Victoria Friday, vfriday@permainc.com, 856-552-4748

Operational Updates:

Eligibility/Enrollment:

Please direct any eligibility, enrollment, or system related questions to your dedicated Client Service team.

System training (new and refresher) is provided to all contacts with WEX access **every 3rd Wednesday at 10AM**. Please contact 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:

Express Scripts:

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**
 - Impacted members should share the covered preferred alternatives provided in the listing with their providers

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 ≥ 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:

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
06/04/2025	Aetna/Medical	BMED 2025-06-02	In-Patient Rehab	Upheld	08/18/2025

06/04/2025	Aetna/Medical	BMED 2025-07-01	Anesthesia	Upheld	08/18/2025
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IRO Submissions:

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
06/13/2025	Aetna/Medical	BMED 2025-04-01	Surgery	Upheld	06/18/2025
08/18/2025	Aetna/Medical	BMED 2025-06-02	In-Patient Rehab	Under Review	

BMED Small Claims Committee Appeals: None

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

BILLS LIST

JULY 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>
STATE OF NJ HEALTH BENEFITS FUND	2024 ACTUAL STATE SURCHARGE	21,656.00
		21,656.00
LERCH,VINCI & BLISS, LLP	2024 Y/E AUDIT PREP INV 42529	11,380.00
		11,380.00
	Total Payments FY 2024	33,036.00
	TOTAL CHECKS-2024	33,036.00

FUND YEAR 2025

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
STATE OF NJ HEALTH BENEFITS FUND	2025 ESTIMATES SURCHARGE 07/25	20,130.00
		20,130.00
HQSI, INC	REVIEW CASE 4338412 6/18/2025	500.00
		500.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO OAKLAND 6/10/25	3.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES- WALLINGTON 06/10/25	64.89
INSPIRA FINANCIAL HEALTH, INC	HSA - S. HACKENSACK 06/10/25	15.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO MONTVALE 6/10/25	105.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BOROUGH RUTHERFORD 06/10/25	9.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES- BOR. WESTWOOD 06/10/25	132.00
		328.89
PERMA	RETIREE FIRST INV 08012025	7,284.00
PERMA	ADMIN FEES 07/25	40,065.28
PERMA	POSTAGE 06/25	99.98
		47,449.26
ACTUARIAL SOLUTIONS, LLC	ACTUARY FEES Q3 2025	4,820.00
		4,820.00
THE CANNING GROUP LLC	QPA INV BMED 2025-07 07/25	250.00
		250.00
HUNTINGTON BAILEY, LLP	ATTORNEY FEES FOR 07/25	2,210.00
		2,210.00
SOUTHERN NJ REGL EMPLOYEE BENEFIT	REIMB 6/25 LEGAL BILL-OSC REVIEW RFP'S	288.55
		288.55
JOSEPH IANNAONI JR.	TREASURER FEES 07/25	1,826.50
		1,826.50
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR FOR 06/25	1,500.00
		1,500.00

ACCESS	INV 11573861 DEPT 418 5/31/25	233.54 233.54
ACRISURE NJ PARTNERS INS SERVICES LLC	BROKER FEES 07/25	1,118.40 1,118.40
Acrisure NJ Partners Ins. Services, LLC	BROKER FEES 07/25	15,469.94 15,469.94
ACRISURE NJ PARTNERS INS. SERVICES LLC	BROKER FEES 07/25	13,669.26 13,669.26
CONNER STRONG & BUCKELEW	SELECTIVE BOND RENEWAL 5/25-5/26	2,183.00 2,183.00
SADDLE RIVER DELI	LUNCH FOR 6/24/25 MEETING	509.70 509.70
GJEM INSURANCE AGENCY INC	BROKER FEES 07/25	6,161.38 6,161.38
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 07/25	3,890.96 3,890.96
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 07/25	6,929.38 6,929.38
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 07/25	139,483.14 139,483.14
	TOTAL CHECKS 2025	268,951.90
AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 07/25	261,875.46 261,875.46
FLAGSHIP DENTAL PLANS	E. RUTHER. DENTAL A# 03604.- ID 16 07/25	1,622.88
FLAGSHIP DENTAL PLANS	BOR.RUTHERFORD A# 03604 ID 695 07/25	803.50 2,426.38
CONNER STRONG & BUCKELEW	BENEFITS CONSULTANT FEES 07/25	37,416.46
CONNER STRONG & BUCKELEW	PLAN DOCS 07/25	541.67 37,958.13
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 07/25	35,848.36 35,848.36
JOSEPH L VOZZA AGENCY INC	BROKER FEES 07/25	7,531.50 7,531.50
ALLEN ASSOCIATES	BROKER FEES 07/25	9,980.30 9,980.30
AETNA	MEDICAL TPA FEES 07/25	68,878.68 68,878.68
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA FEES 07/25	8,082.80 8,082.80
DEPARTMENT OF TREASURY	2025 PCORI FEES	14,074.32 14,074.32
	TOTAL ACH	446,655.93
	Total Payments FY 2025	715,607.83
	TOTAL PAYMENTS ALL FUND YEARS	748,643.83

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

AUGUST 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 2025

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
INSPIRA FINANCIAL HEALTH, INC	HSA - S. HACKENSACK 07/10/25	15.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO MONTVALE 7/10/25	105.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO OAKLAND 7/10/25	3.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES- BOR. WESTWOOD 07/10/25	132.00
INSPIRA FINANCIAL HEALTH, INC	HAS FEES- WALLINGTON 07/10/25	64.89
INSPIRA FINANCIAL HEALTH, INC	HSA-BOROUGH RUTHERFORD 07/10/25	9.00
		328.89
PERMA	POSTAGE 07/25	74.08
PERMA	RETIREE FIRST INV 09012025	7,476.00
PERMA	ADMIN FEES 08/25	39,815.23
		47,365.31
THE CANNING GROUP LLC	QPA INV BMED 2025-08 08/25	250.00
		250.00
HUNTINGTON BAILEY, LLP	ATTORNEY FEES FOR 08/25	2,210.00
		2,210.00
JOSEPH IANNAONI JR.	TREASURER FEES 08/25	1,826.50
		1,826.50
GANNETT NEW YORK NJ LOCALIQ	A# 1184295 AD 11487162 7/21/25	51.12
		51.12
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR FOR 7/25	1,500.00
		1,500.00
ACCESS	INV 11698372 DEPT 418 7/31/25	241.76
		241.76
ACRISURE NJ PARTNERS INS SERVICES LLC	BROKER FEES 08/25	1,090.44
		1,090.44
Acrisure NJ Partners Ins. Services, LLC	BROKER FEES 08/25	14,698.31
		14,698.31
ACRISURE NJ PARTNERS INS. SERVICES LLC	BROKER FEES 08/25	13,696.16
		13,696.16
GJEM INSURANCE AGENCY INC	BROKER FEES 08/25	6,248.16
		6,248.16
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 08/25	3,890.96
		3,890.96
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 08/25	6,731.17
		6,731.17
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 08/25	141,004.47
		141,004.47

AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 08/25	254,976.47 254,976.47
DELTA DENTAL INSURANCE CO (DELTACARE USA)	BOR.RUTHERFORD A# 03604 ID 695 08/25	855.19
DELTA DENTAL INSURANCE CO (DELTACARE USA)	E. RUTHER. DENTAL A# 03604.- ID 16 08/25	1,546.16 2,401.35
AETNA	MEDICAL TPA FEES 08/25	69,629.94 69,629.94
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA FEES 08/25	8,062.76 8,062.76
CONNER STRONG & BUCKELEW	BENEFITS CONSULTANT FEES 08/25	37,385.04
CONNER STRONG & BUCKELEW	PLAN DOCS 08/25	541.67 37,926.71
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 08/25	36,146.90 36,146.90
JOSEPH L VOZZA AGENCY INC	BROKER FEES 08/25	7,531.50 7,531.50
ALLEN ASSOCIATES	BROKER FEES 08/25	10,027.60 10,027.60
	TOTAL ACH / WIRES 2025	426,703.23
	Total Payments FY 2025	667,836.48
	TOTAL PAYMENTS ALL FUND YEARS	667,836.48

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: 2025 Month Ending: June											
	Medical	Dental	Rx	Vision	Run-In	Reinsurance	RSR	Admin	Dividend Retained	Metro Interfund	TOTAL
OPEN BALANCE	6,856,547.23	249,234.87	(4,652,531.99)	0.00	0.00	123,388.87	276,711.33	1,463,174.03	41,416.03	0.00	4,357,940.37
RECEIPTS											
Assessments	6,212,412.38	234,779.97	534,997.43	0.00	0.00	284,592.87	28,563.61	295,405.44	0.00	0.00	7,590,751.70
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	18,898.87	237.05	0.00	0.00	0.00	150.86	263.18	1,777.91	39.39	0.00	21,367.26
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	18,898.87	237.05	0.00	0.00	0.00	150.86	263.18	1,777.91	39.39	0.00	21,367.26
Other *	3,224,219.66	0.00	319,963.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,544,183.48
TOTAL	9,455,530.91	235,017.02	854,961.25	0.00	0.00	284,743.73	28,826.79	297,183.35	39.39	0.00	11,156,302.44
EXPENSES											
Claims Transfers	4,478,997.88	182,123.28	814,381.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,475,502.92
Expenses	253,069.79	2,325.15	0.00	0.00	0.00	140,444.00	0.00	273,459.51	0.00	0.00	669,298.45
Other *	3,178,920.88	0.00	0.00	0.00	0.00	0.00	0.00	6.03	0.00	0.00	3,178,926.91
TOTAL	7,910,988.55	184,448.43	814,381.76	0.00	0.00	140,444.00	0.00	273,465.54	0.00	0.00	9,323,728.28
END BALANCE	8,401,089.59	299,803.46	(4,611,952.50)	0.00	0.00	267,688.60	305,538.12	1,486,891.84	41,455.42	0.00	6,190,514.53

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS							
Bergen Municipal Employee Benefits Fund							
ALL FUND YEARS COMBINED							
CURRENT MONTH	June						
CURRENT FUND YEAR	2025						
	Description:	CHECKING	JCMI	CLAIMS	UHC CLAIMS	TD Invest	
	ID Number:						
	Maturity (Yrs)						
	Purchase Yield:						
	TOTAL for All						
	Accts & instruments						
Opening Cash & Investment Balance	\$4,357,940.35	2,664,137.28	-	-	-	1,693,803.07	
Opening Interest Accrual Balance	\$5,654.72	-	-	-	-	5,654.72	
1	Interest Accrued and/or Interest Cost	-\$151.84	\$0.00	\$0.00	\$0.00	\$0.00	-\$151.84
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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	Interest Paid - Cash Instr.s	\$21,367.25	\$15,712.53	\$0.00	\$0.00	\$0.00	\$5,654.72
6	Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7	Realized Gain (Loss)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8	Net Investment Income	\$21,215.41	\$15,712.53	\$0.00	\$0.00	\$0.00	\$5,502.88
9	Deposits - Purchases	\$7,956,014.30	\$7,956,014.30	\$0.00	\$0.00	\$0.00	\$0.00
10	(Withdrawals - Sales)	-\$6,144,807.40	-\$6,144,807.40	\$0.00	\$0.00	\$0.00	\$0.00
	Ending Cash & Investment Balance	\$6,190,514.50	\$4,491,056.71	\$0.00	\$0.00	\$0.00	\$1,699,457.79
	Ending Interest Accrual Balance	\$5,502.88	\$0.00	\$0.00	\$0.00	\$0.00	\$5,502.88
	Plus Outstanding Checks	\$0.00	\$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
	Balance per Bank	\$6,190,514.50	\$4,491,056.71	\$0.00	\$0.00	\$0.00	\$1,699,457.79



BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

Monthly Claim Activity Report

August 26, 2025



BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

	MEDICAL CLAIMS PAID 2024	# OF EES	PER EE	MEDICAL CLAIMS PAID 2025	# OF EES	PER EE
JANUARY	\$ 3,482,808	1,435	\$ 2,427	\$ 3,860,962	1,750	\$ 2,206
FEBRUARY	\$ 2,807,632	1,438	\$ 1,952	\$ 4,121,048	1,747	\$ 2,359
MARCH	\$ 3,552,020	1,738	\$ 2,044	\$ 5,057,377	1,750	\$ 2,890
APRIL	\$ 4,109,194	1,733	\$ 2,371	\$ 5,001,542	1,748	\$ 2,861
MAY	\$ 3,986,669	1,734	\$ 2,299	\$ 4,717,063	1,752	\$ 2,692
JUNE	\$ 3,857,794	1,742	\$ 2,215	\$ 4,492,451	1,754	\$ 2,561
JULY	\$ 4,593,550	1,740	\$ 2,640			
AUGUST	\$ 4,505,579	1,737	\$ 2,594			
SEPTEMBER	\$ 3,700,390	1,738	\$ 2,129			
OCTOBER	\$ 4,683,654	1,746	\$ 2,683			
NOVEMBER	\$ 5,554,685	1,752	\$ 3,170			
DECEMBER	\$ 4,989,355	1,748	\$ 2,854			
TOTALS	\$49,823,330			\$27,250,442		
				2025 Average	1,750	\$ 2,595
				2024 Average	1,690	\$ 2,448

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: 05/01/2025 - 05/31/2025
 Service Dates: 01/01/2011 - 05/31/2025
 Line of Business: All

	Paid Amt	Diagnosis/Treatment
	\$135,763.87	FRACTURE OF UNSPECIFIED PART OF NECK OF LEFT
	\$130,160.59	MALIGNANT NEOPLASM OF UNSPECIFIED SITE OF LEFT
	\$129,203.39	NONRHEUMATIC AORTIC (VALVE) INSUFFICIENCY
	\$103,460.06	HYDROCEPHALUS, UNSPECIFIED
Total:	\$498,587.91	

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: 06/01/2025 - 06/30/2025
 Service Dates: 01/01/2011 - 06/30/2025
 Line of Business: All

	Paid Amt	Diagnosis/Treatment
	\$307,995.64	OTHER INTERVERTEBRAL DISC DISPLACEMENT,
	\$153,174.06	OTHER CERVICAL DISC DISPLACEMENT,
	\$145,131.79	LESION OF ULNAR NERVE, RIGHT UPPER LIMB
	\$114,685.99	EXCESSIVE AND FREQUENT MENSTRUATION WITH
Total:	\$720,987.48	



Bergen Municipal Employee Benefit Fund
7/1/2024 thru 6/30/25 (unless otherwise noted)

Dashboard

Medical Claims Paid:
January 2025 – June 2025

Total Medical Paid per EE: **\$2,595**

Network Discounts

Inpatient: **62.5%**
Ambulatory: **64.7%**
Physician/Other: **65.4%**
TOTAL: 64.5%

Provider Network

% Admissions In-Network: **96.4%**
% Physician Office: **87.6%**

Aetna Book of Business:
Admissions 97.9%; Physician 91.1%

Top Facilities Utilized (by total Medical Spend)

- Hackensack University
- Valley Hospital
- MSK
- Englewood Hospital
- Cooperman Barnabas Medical Cntr

Catastrophic Claim Impact
January 2025- June 2025

Number of Claims Over \$50,000: **89**
Claimants per 1000 members: **21.8**
Avg. Paid per Claimant: **\$128,621**
Percent of Total Paid: **43.9%**
• Aetna BOB- HCC account for an average of 46.5% of total Medical Cost

Aetna One Flex Member Outreach:
Through June 2025

Total Members Identified: **1,156**
Members Targeted for 1:1 Nurse Support : **286**
Members Targeted for Digital Activity: **870**
Member 1:1 outreach completed: **267**
Member 1:1 Outreach in Progress: **19**



CVS Virtual Care

January 2025 – May 2025

Completed Visits in April: **13**
Unique Patients in April: **13**
Completed Visits in 2025 : **63**
Unique Patients in 2025: **52**
Total Scheduled Visits in 2025: **75**

Average visit duration: **10 Minutes**
BoB Average First Available: **42 minutes**

Service Center Performance Goal Metrics YTD 2024

Customer Service Performance

1st Call Resolution: **93.91%**
Abandonment Rate: **0.56%**
Avg. Speed of Answer: **15.8 sec**

Claims Performance

Financial Accuracy: **97.95%***
*Q1 2025
-
90% processed w/in: **8.7 days**
95% processed w/in: **15.3 days**

Claims Performance (Monthly)
(June 2025)

90% processed w/in: **9.8 days**
95% processed w/in: **14.3 days**
(Note: This is not a PG metric)

Performance Goals

1st 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

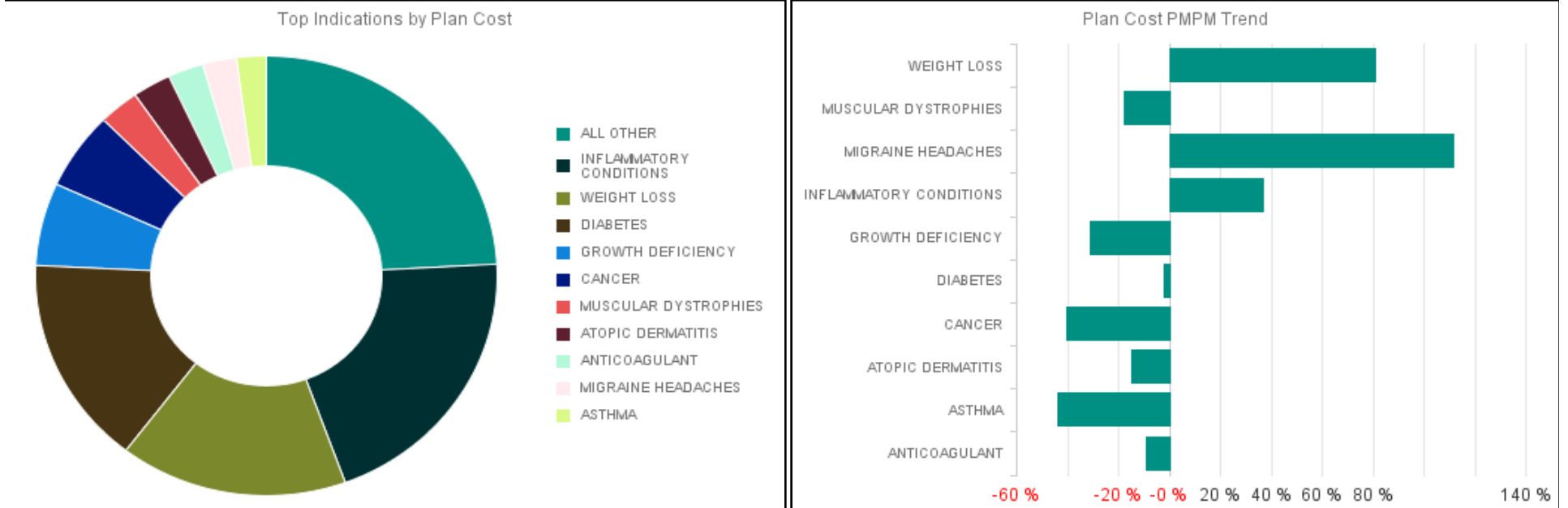
Total Component/ Date of Service (Month)	2024 01	2024 02	2024 03	2024 Q1	2024 04	2024 05	2024 06	2024 Q2	2024 07	2024 08	2024 09	2024 Q3	2024 10	2024 11	2024 12	2024 Q4	2024 YTD
Membership	2,842	2,836	2,826	2,835	2,835	2,833	2,839	2,836	2,838	2,824	2,826	2,829	2,846	2,837	2,806	2,830	2,832
Total Days	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%
Plan Cost PMPM	\$221.59	\$231.87	\$199.49	\$217.67	\$300.60	\$237.00	\$245.87	\$261.16	\$251.78	\$241.33	\$247.84	\$246.99	\$259.45	\$284.77	\$270.04	\$271.41	\$249.30
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%

Total Component/ Date of Service (Month)	2025 01	2025 02	2025 03	2025 Q1	2025 04	2025 05	2025 06	2025 Q2	2025 07	2025 08	2025 09	2025 Q3	2025 10	2025 11	2025 12	2025 Q4	2025 YTD
Membership	2,772	2,780	2,756	2,769	2,757	2,758											
Total Days	113,300	101,292	114,741	329,333	110,333	112,704											
Total Patients	1,242	1,133	1,165	1,787	1,145	1,155											
Total Plan Cost	\$728,711	\$520,663	\$712,365	\$1,961,739	\$710,939	\$710,856											
Generic Fill Rate (GFR) - Total	86.7%	85.8%	84.7%	85.7%	85.1%	84.1%											
Plan Cost PMPM	\$262.88	\$187.29	\$258.48	\$236.13	\$257.87	\$257.74											
% Change Plan Cost PMPM	18.6%	-19.4%	29.2%	8.3%	-14.4%	8.8%											
Total Specialty Plan Cost	\$387,411	\$179,596	\$302,552	\$869,558	\$337,083	\$277,513											
Specialty % of Total Specialty Plan Cost	53.2%	34.5%	42.5%	44.3%	47.4%	39.0%											

PMPM	
Q1-24	\$217.67
Q1-25	\$236.12
Q1 23-24	8.5%

Top Indications

BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2025 - 07/2025 vs. Previous Period 01/2024 - 07/2024) 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	26.8 %	192	\$979,109	\$50.64	26.6 %	30.3 %	20.6 %	196	\$734,484	\$37.00	41.3 %	33.9 %	36.9 %
2	4	WEIGHT LOSS	21.0 %	719	\$769,643	\$39.81	3.1 %	4.1 %	12.3 %	414	\$436,725	\$22.00	3.6 %	5.5 %	80.9 %
3	1	DIABETES	20.2 %	2,093	\$740,262	\$38.29	30.5 %	23.9 %	21.8 %	2,160	\$775,080	\$39.05	30.3 %	25.8 %	-1.9 %
4	9	GROWTH DEFICIENCY	8.0 %	39	\$293,245	\$15.17	0.0 %	0.0 %	12.3 %	57	\$437,769	\$22.05	0.0 %	0.0 %	-31.2 %
5	3	CANCER	7.5 %	158	\$275,428	\$14.25	89.2 %	75.6 %	13.3 %	124	\$472,564	\$23.81	78.2 %	76.2 %	-40.2 %
6	10	MUSCULAR DYSTROPHIES	3.7 %	10	\$136,358	\$7.05	100.0 %	47.8 %	4.8 %	10	\$169,567	\$8.54	20.0 %	35.2 %	-17.4 %
7	5	ATOPIC DERMATITIS	3.6 %	345	\$130,048	\$6.73	86.7 %	80.6 %	4.4 %	345	\$156,907	\$7.91	84.9 %	84.2 %	-14.9 %
8	8	ANTICOAGULANT	3.3 %	259	\$120,141	\$6.21	16.2 %	18.5 %	3.8 %	308	\$135,572	\$6.83	15.6 %	19.3 %	-9.0 %
9	6	MIGRAINE HEADACHES	3.1 %	184	\$114,223	\$5.91	32.6 %	51.3 %	1.6 %	135	\$55,414	\$2.79	51.9 %	52.6 %	111.6 %
10	7	ASTHMA	2.7 %	838	\$100,582	\$5.20	81.7 %	88.1 %	5.2 %	999	\$184,370	\$9.29	78.1 %	87.8 %	-44.0 %
Total Top 10				4,837	\$3,659,039	\$189.25	40.3 %	42.6 %		4,748	\$3,558,452	\$179.28	43.0 %	45.2 %	5.6 %

Top Drugs

BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2025 - 07/2025 vs. Previous Period 01/2024 - 07/2024) 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	8	ZEPBOUND	WEIGHT LOSS	N	420	89	\$426,532	\$22.06	176	46	\$167,146	\$8.42	162.0 %
2	12	WEGOVY	WEIGHT LOSS	N	271	54	\$341,731	\$17.68	215	50	\$264,531	\$13.33	32.6 %
3	7	STELARA	INFLAMMATORY CONDITION	Y	15	3	\$241,444	\$12.49	14	2	\$175,878	\$8.86	40.9 %
4	1	MOUNJARO	DIABETES	N	229	46	\$229,436	\$11.87	176	29	\$172,350	\$8.68	36.7 %
5	11	SKYRIZI PEN	INFLAMMATORY CONDITION	Y	26	5	\$191,832	\$9.92	6	1	\$34,379	\$1.73	472.9 %
6	4	OZEMPIC	DIABETES	N	211	35	\$190,717	\$9.86	316	54	\$272,324	\$13.72	-28.1 %
7	317	DEFLAZACORT	MUSCULAR DYSTROPHIES	Y	10	1	\$136,358	\$7.05	NA	NA	NA	NA	NA
8	14	RINVOQ	INFLAMMATORY CONDITION	Y	17	2	\$114,164	\$5.90	1	1	\$4,549	\$0.23	2476.7 %
9	18	ENBREL SURECLICK	INFLAMMATORY CONDITION	Y	17	3	\$104,939	\$5.43	21	3	\$119,089	\$6.00	-9.5 %
10	9	DUPIXENT PEN	ATOPIC DERMATITIS	Y	28	4	\$95,171	\$4.92	27	4	\$98,742	\$4.97	-1.0 %
11	101	DASATINIB	CANCER	Y	10	1	\$93,423	\$4.83	NA	NA	NA	NA	NA
12	255	MEKINIST	CANCER	Y	7	1	\$85,803	\$4.44	9	1	\$111,029	\$5.59	-20.7 %
13	186	OMNITROPE	GROWTH DEFICIENCY	Y	13	2	\$84,977	\$4.40	21	3	\$146,157	\$7.36	-40.3 %
14	10	JARDIANCE	DIABETES	N	144	23	\$83,288	\$4.31	129	20	\$70,443	\$3.55	21.4 %
15	68	NGENLA	GROWTH DEFICIENCY	Y	9	1	\$76,033	\$3.93	9	1	\$87,933	\$4.43	-11.2 %
16	624	SOGROYA	GROWTH DEFICIENCY	Y	4	1	\$71,185	\$3.68	7	1	\$79,191	\$3.99	-7.7 %
17	22	ELIQUIS	ANTICOAGULANT	N	126	24	\$67,392	\$3.49	131	28	\$68,808	\$3.47	0.6 %
18	84	GENOTROPIN	GROWTH DEFICIENCY	Y	13	3	\$61,050	\$3.16	20	3	\$124,488	\$6.27	-49.7 %
19	74	SKYRIZI	INFLAMMATORY CONDITION	Y	9	1	\$58,888	\$3.05	9	1	\$56,009	\$2.82	7.9 %
20	296	TAFINLAR	CANCER	Y	5	1	\$57,751	\$2.99	6	1	\$59,653	\$3.01	-0.6 %
21	324	TREMFYA PEN	INFLAMMATORY CONDITION	Y	4	1	\$56,674	\$2.93	NA	NA	NA	NA	NA
22	62	TREMFYA	INFLAMMATORY CONDITION	Y	10	2	\$49,677	\$2.57	14	2	\$74,852	\$3.77	-31.9 %
23	49	XARELTO	ANTICOAGULANT	N	91	18	\$48,745	\$2.52	129	20	\$64,981	\$3.27	-23.0 %
24	23	FARXIGA	DIABETES	N	86	15	\$47,692	\$2.47	93	13	\$48,928	\$2.46	0.1 %
25	29	HUMIRA(CF) PEN	INFLAMMATORY CONDITION	Y	10	2	\$46,520	\$2.41	6	1	\$33,999	\$1.71	40.5 %
Total Top 25					1,785		\$3,061,423	\$158.34	1,535		\$2,335,460	\$117.66	34.6 %



Healthy



Peers 38%
These members had preventive care only

Moderate



Peers 18%
These members primarily had preventive care and treatment

Serious



Peers 12%
These members had emergency care only or extensive care

No Visit



Peers 28%
These members had no dental claims

Your Oral Health Score



63rd Percentile
Your national benchmark comparison comes from Healthentic's database of over 60 million members from all 50 states

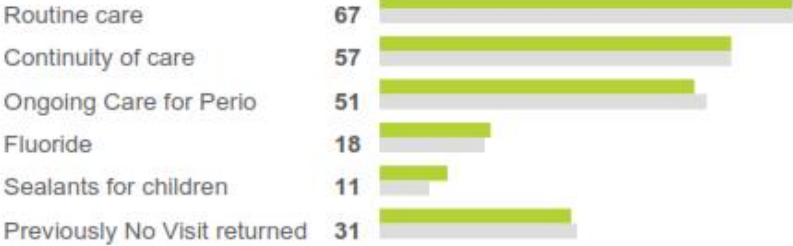
Dental Action Report

Crista C. Odonnell
Account Manager
codonnell@deltadentalnj.com



Members with care

% of Members

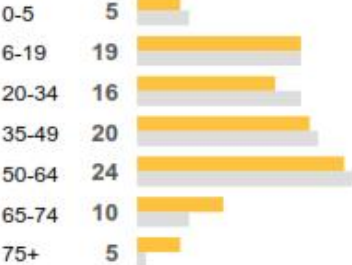


Oral health opportunities



Age

% of Members



Your Group
Peers

Your Peer Comparison

19 groups in Insurance Carriers and Related Activities, statewide
100+ members
High % of visits in NJ (your group has 94%)

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
August 26, 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** _____

Resolutions	Subject Matter
REVISED Resolution 23-25: Adoption of Supplement Assessments.....	Page 34
Resolution 30-25: QPA Threshold.....	Page 36
Resolution 31-25: July and August 2025 Bills List.....	Page 37

REVISED RESOLUTION NO. 23-25

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

RESOLUTION ESTABLISHING SUPPLEMENTAL ASSESSMENTS FOR THE 2024 FUND YEAR

WHEREAS, the **Bergen Municipal Employee Benefits Fund** held a Public hearing on **June 24, 2025** for the purpose of adopting a supplemental assessment; and

WHEREAS, supplemental assessments are needed to assure the timely and complete payment of claims that have resulted from the higher than budgeted claims expenses; and

NOW, THEREFORE, BE IT RESOLVED that the following amendments are to be made to the supplemental assessment and financial plan and is hereby adopted:

1. Supplemental assessments for the 2024 fund year for the Fund be and are hereby declared in an amount of \$5,000,000 to reduce projected deficiencies in the claims account.
2. The allocation of supplemental assessments by member shall be pro rata as illustrated below and is based upon proportional and cumulative assessments by member for the 2024 fund year.
3. Member entities with balances in the Closed Year Account are authorized to apply those balances against the supplemental assessment.
4. This supplemental assessment may be amended depending upon maturation of claims incurred in 2024 and paid in subsequent periods, reinsurance recoveries, and the financial need of the Fund. Amendments to this supplemental assessment may occur after completion of the public hearing, after close out of the 2024 fund year, or upon material reappraisal of the status of the 2024 fund year by the Fund. All amendments shall be made with appropriate notice to Fund members and the opportunity for a public hearing.
5. Effective January 1, 2026, supplemental assessments shall be due and payable in accordance with the following provisions:
 - a. For entities (if any) that terminate membership in the Fund or terminate coverage in the medical line of coverage prior to full payment of their supplemental assessment: The remaining unpaid balance of the supplemental assessment and the unpaid balance, if any, in the Closed Year Account and in any open Fund Years, shall be paid, either upon termination or over a period not to exceed three years starting with the first month of the date of termination of membership or medical coverage. In order to qualify to pay the supplemental assessment over three years, the entity shall adopt a resolution agreeing to pay the unpaid balance, along with any administrative or interest charges, by resolution. The resolution shall be the form approved by the Fund. Failure to pay the balance or any term payments in full shall cause the Fund to assess a late payment interest charge and to withhold payment of claims.
 - b. For members that continue to maintain membership in the Fund and in the medical line of coverage, the total net supplemental assessment of such members shall be

payable in equal monthly installments over a three-year period beginning on January 1, 2026, and ending on December 31, 2028. However, payment may be expedited by the Fund when and if the cash balance falls below a half a month's claims exposure.

- c. The rate of interest on delinquent supplemental assessments is 2% per annum payable from the due date for any such assessment or term payment.
- d. While it is not anticipated, in the event of a shortfall the Fund reserves the right to collect the assessments prior to January 1, 2026, upon adequate notice to the Fund membership.

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

INTRODUCED: APRIL 22, 2025

ADOPTED: JUNE 24, 2025

REVISED: AUGUST 26, 2025

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 30-25

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
RESOLUTION TO INCREASE BID THRESHOLD**

WHEREAS, pursuant to *N.J.S.A. 40A:11-3*, the State Treasurer increased the minimum bid threshold to \$53,000.00 for the execution of contracts without public bid by the Qualified Purchasing Agent when said contracts do not exceed \$53,000.00 in aggregate for the contract year in those municipalities whose purchasing agents possess a Qualified Purchasing Agent (QPA) certificate awarded by the Division of Local Government Services; and

WHEREAS, as a result the new quote threshold for the above noted municipalities with a Qualified Purchasing Agent (QPA) is now \$7,950.00 (15% of the \$53,000 QPA bid threshold); and

WHEREAS, the Bergen Municipal Employee Benefits Fund has had an appointed Qualified Purchasing Agent (QPA) as required under *N.J.S.A. 40A:11-3* and in accordance with *N.J.S.A. 40A:11-9*; and

WHEREAS, the Bergen Municipal Employee Benefits Fund finds it is in the interest of efficiency and economy for the Municipal Reinsurance Health Insurance Fund to continue with the increase in the bid threshold and as a result the quote threshold, pursuant to *N.J.S.A. 40A:11-3*; and.

NOW, THEREFORE, BE IT RESOLVED by the Bergen Municipal Employee Benefits Fund pursuant to *N.J.S.A. 40A:11-3*, that its bid threshold is increased to \$53,000.00 and as a result the quote threshold shall be \$7,950.00.

BE IT FURTHER RESOLVED, that such contracts as may be awarded under this Resolution shall comply with all other applicable laws, including but not limited to certification of funds by the Chief Financial Officer where required.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

ADOPTED: August 26, 2025

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 31-25

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE JULY AND AUGUST 2025 BILLS LISTS**

WHEREAS, the Bergen Municipal Employee Benefits Fund held a Public Meeting on August 26, 2025, for the purpose of conducting the official business of the Fund; and

WHEREAS, The Treasurer for the Fund presented bills lists to satisfy outstanding costs incurred for operating the Fund during the months of July and August 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 July and August 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: AUGUST 26, 2025

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: JUNE 25, 2025
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 2025 EXECUTIVE COMMITTEE:

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

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	Brandon Lodics Emily Koval Caitlin Perkins
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	Liz Shick
Actuary	John Vataha	Absent
Board Advisor	LaMendola Associates	Clark LaMendola
Benefits Consultant	Conner Strong	Crystal Bailey
RX Administrator	Express Scripts	Charles Yuk

OTHERS PRESENT:

Jim Rhodes	Brittany Vozza	Paige Cicalese	Renee Gear
Scott Pery	Matt McArow	Laurie O'Hanlon	Maureen Fennell
Jesse Moehlman	Nicholas Prochilo	Lisa Sabato	Frank Covelli

MOTION TO APPROVE APRIL 22, 2025, OPEN AND CLOSED MINUTES:

MOTION:	Commissioner Padilla
SECOND:	Commissioner Kakoleski
ROLL CALL VOTE:	All in favor

CORRESPONDENCE – None

COMMITTEE REPORTS:

Strategic Planning – No Reports

Administration and Finance Committee – Commissioner Kakoleski provided a recap of the committee meeting held earlier this month, which included a discussion of the 2024 Audit. He highlighted known areas of concern and noted that corrective actions are underway to address the current financial issues. He also discussed the impact of the No Surprises Act, which, while intended to protect patients, has led to claims being reprocessed and awarded on a significantly delayed timeline. He mentioned PERMA will be meeting with Aetna to assess the potential exposure, as this issue was not accounted for in the current budget and came as a surprise.

Wellness Committee – Commissioner Padilla reported that the wellness coordinator appointed last month will no longer be able to accept this position due to her departure for another role position outside of the Fund. He thanked PERMA for temporarily covering the responsibilities while the search for a new wellness coordinator continues. He also noted that a Risk Managers' meeting is scheduled after today's meeting to discuss future direction of the program.

Small Claims Committee – No Report

Nominations Committee – No Report.

New Members Committee – No Report.

EXECUTIVE DIRECTOR'S REPORT

Mr. Lodics began his report by reviewing the updated financial presentation, which includes data through April 2025. He noted an unexpected impact from the No Surprises Act, legislation intended to protect patients from balance billing. Recently discovered there is a significant backlog of claims under this Act, with some from 2022 and 2023 now entering arbitration, none which were budgeted for. Mr. Lodics stated the total volume of these claims are unknown, but they will have an effect on the Fund. One major concern is the lack of visibility into when these claims are submitted to arbitration as the process is being handled by a third-party vendor. Additionally, there is uncertainty around how this may impact future stop loss reimbursements. He emphasized that the bulk of 2025 claim issues are not due to high utilization, but rather this delayed process of the No Surprises Act.

Mr. Rudman provided a high-level overview of the financial presentation, highlighting that under the No Surprises Act, the arbitration awards are significantly higher than the original amounts paid by Aetna when the claims were first processed. One of the main challenges, he noted, is the considerable delay between when the services are rendered and when Aetna is notified. He stated PERMA will continue to closely monitor the 2025 claims activity and will provide updates for the second quarter. Mr. Ludman also gave an overview of the Fund's current financial status and stop reimbursement data. He pointed out that a proactive measure that the Fund has taken is lowering the Specific Individual Retention (SIR), which is expected to result in more claims being reimbursed in the next update. Mr. Lodics added that the situation is concerning and confirmed an update will be provided following discussions with Aetna.

Commissioner Voytus questioned how Aetna and PERMA were unaware of the reprocessed claims. Mr. Ludman explained that while PERMA had been conducting multiple internal reviews, he had also been monitoring changes in loss ratios and initially did not expect significant fluctuations. However, he noticed a substantial and unexpected shift in 2024 with a surprising development of claims that should have already been processed and finalized. Mr. Ludman pointed out that providers are subject to timely filing requirements when submitting claims to carriers. Mr. Silverstein, from Aetna, added that although the claims were submitted within the timely filing window, those subject to the No Surprises Act are often submitted in large batches by independent review agencies. He noted that many of claims from 2023 has been paid and closed by Aetna but remained open under the No Surprises Act and that most arbitration decisions currently are being awarded in favor of the providers.

In response to Commissioner Kakoleski, Mr. Silverstein explained that Aetna is notified when the arbitration process begins but there is a broad window in which claims can be submitted. He also noted that a government shut down temporary shut down the website, contributing to further delays. Mr. Silverstein emphasized that the volume of claims in arbitration cannot be determined until notifications are received and unlike typical claims that are resolved in days or months, these are now taking years. In response to Commissioner Voytus, he clarified that while they can estimate the number of claims in arbitration, they cannot determine the total dollar amount. He concluded by stating that many of the initial rules of the No Surprises Act is not being followed.

Mr. Lodics introduced Mr. Jim Rhodes, a recent addition to the PERMA team, who will be supporting the organizations government affair efforts. He noted that Mr. Rhodes is working closely with PERMA's lobbyist. Mr. Rhodes encouraged members to reach out to their legislators to raise awareness of the issues related to the No Surprises Act and offered to provide sample language if needed. Chair Hart also urged all entities to contact their representatives to bring attention to this matter. Mr. Rhodes emphasized that while the Act is intended to protect individuals, they may have unintended consequences that could significantly impact the Fund as a whole.

Commissioner Voytus raised a question about whether the approval to cap the Medicare Out of Network fee schedule to 150% would lead to an increase in claims being processed under this Act. Mr. Lodics responded that most of the time these cases involved "hidden" providers, such as anesthesiologists or plastic surgeons, who are brought in during a procedure and are often out-of-network without the patients knowledge. In response to Commissioner Franz question regarding

how this legislation passed without more resistance from insurance companies, Mr. Silverstein explained that the outcome differs greatly from its original intent and does not effectively protect the members' rights. In response to Commissioner Kakoleski, Mr. Silverstein noted there is not chronological order to how these claims are being processed. Ms. Bailey commented it depends on the batch of claims that are being submitted. Mr. Lodics stated that as part of the upcoming budget process, PERMA will be working with Aetna to explore how these potential costs can be factored into the 2026 budget. He noted that METRO and BMED claims continue to be closely monitored and clarified that the METRO run out funds will be used to pay any METRO claims out of that specific closed year.

FAST TRACK FINANCIAL REPORT – Mr. Lodics reviewed the financial fast track through April 30, 2025, noting that in 2024 surplus did show a small increase in the deficit as there are some year-to-date changes as IBNR is being released.

ADOPTION OF SUPPLEMENT ASSESSMENT – Mr. Lodics noted that the adoption of the supplement assessment is to take place today. Chair Hart commented that the Finance/Administration Committee also recommends the supplement assessment. The Fund Treasurer inquired whether a town could make a full payment upfront and Mr. Lodics confirmed that is allowed. Mr. Lodics added that, following consultation with the Fund Treasurer, payments are scheduled to begin on January 1, 2026, but permitted for earlier payments if the Fund's financial position warrants it.

MOTION TO OPEN THE MEETING TO THE PUBLIC:

MOTION:	Commissioner Kakoleski
SECOND:	Commissioner Kunze
ROLL CALL VOTE:	All in Favor

Mr. Nick Prochilo, from Carfield City, asked if the supplemental assessment could be incorporated into the monthly bills. Mr. Lodics responded, stating that it can be added as a line item to the monthly bills and PERMA will work with each entity individually to determine the most suitable payment arrangement. In response to his second question about the possibility of an additional supplement assessment next year, Mr. Lodics explained that the measures currently being taken are intended to prevent the need for another supplement assessment.

MOTION TO CLOSE THE MEETING TO THE PUBLIC:

MOTION:	Commissioner Kakoleski
SECOND:	Commissioner Kunze
ROLL CALL VOTE:	All in Favor

**MOTION TO APPROVE RESOLUTION 23-25 ADOPTING A \$5 MILLION
SUPPLEMENTAL ASSESMENT FOR THE FUND YEAR 2025:**

MOTION:	Commissioner Ayer
SECOND:	Commissioner Kunze

ROLL CALL VOTE: All in Favor

2024 FUND YEAR AUDIT – Ms. Shick noted that the audit is based on data from the 2024 fiscal year. She provided a high-level overview, reviewing the balance sheets for Fund years 2023 and 2024, highlighting that the 2023 figures include the METRO subgroup. She mentioned one key comment: the need to continue monitoring the deficit, with a recommendation to take corrective action, which is already underway. Mr. Lodics added that the resolution approving and authorizing the 2024 Fund Audit, as well as the closeout of the 2023 Fund year, is included in the consent agenda.

FUND QUALIFIED PURCHASING AGENT (QPA) – Mr. Lodics commented that the Canning Group was the only responded for the QPA, whose proposed fee is \$3,000 for the remainder of the year.

METRO RUN OUT- PARTIAL RECONCILIATION – Mr. Lodics explained that BMED has retained funds from METRO to cover the run-out of claims. The METRO Fund has requested a transfer of \$200,000, as the run-out period should be complete, given that it has been 18 months since METRO's establishment. The resolution authorizing this transfer is included in the consent agenda and has been processed in the bills list.

2025 WELLNESS – Mr. Lodics noted there are three groups have submitted their 2025 wellness grant applications for approval. He stated that the wellness committee did review and approve and emphasized that any groups who may be interested in sending an application to the email included in the agenda.

COOPERATIVE PURCHASING SYSTEM – Mr. Lodics reviewed that the Medical TPA will proceed through a formal bidding process. He noted a meeting was held with Fund representatives, which Commissioner Kunze attended. Commissioner Kunze commented that the requirement for formal bids is a different approach than what we are used to. He mentioned a public prequalification meeting is scheduled for July 1st and will be held via Zoom.

WEX DIRECT BILLED TERMINATION LETTERS – Mr. Lodics reviewed a small number of direct bill members with potential outstanding balances were mistakenly issued termination notices by WEX, our direct billing vendor. A reinstatement letter was sent to the members on June 2nd.

STRATEGIC PLANNING COMMITTEE UPDATE - Mr. John Arthur, the Fund Commissioner from Garwood Borough, has shown interest in joining the Strategic Planning Committee. Chair Hart is supportive of the addition.

PCORI AND A4 SURCHARGE FEES – A reminder that PCORI and A4 surcharges will be processed during the upcoming bills list.

MEL/MRHIF EDUCATIONAL SEMINAR FOLLOW UP PRESENTATION – Mr. Lodics noted that the presentation was sent out as an attachment to the agenda and the recording can be viewed by

clicking [here](#) or visiting the BMED website. He mentioned a second seminar will be held but the date is still being finalized.

BROKER RESOLUTIONS AND INDEMNITY AND TRUST AGREEMENTS - A reminder that broker resolutions and I&T agreements need to be on file.

BENEFIT CONSULTANTS REPORT: Ms. Bailey reviewed the following report items covered in the agenda:

Eligibility/Enrollment:

Please direct any eligibility, enrollment, or system related questions to your dedicated Client Service team. System training (new and refresher) is provided to all contacts with WEX access **every 3rd Wednesday at 10AM**. Please contact 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.

Out-of-Network Fee Schedule:

As a follow-up from the April meeting and in conjunction with the action taken to change the Out-Of-Network fee schedule, there was a member letter and Q&A document included as an attachment to the agenda. This will be discussed in more detail at the meeting.

Coverage Updates:

Express Scripts:

2025 Formulary and SaveOn Listings

National Preferred Formulary (NPF) and Exclusions list effective 7/1/25 were sent to the brokers the week of March 24th. There are 4 BMED members impacted by the change in formulary. Impacted members receive notification prior to 7/1/25. The notification will include covered suggested alternative(s) medications. **Updated formulary listings were sent out as an attachment with the agenda.**

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**
 - Impacted 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**
 - Impacted members **(3)** 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 – Effective 7/1/25

Brokers were sent the updated 2025 SaveOn List effective July 1, 2025, on May 7, 2025. Please note the following:

- Drugs highlighted in green (21) were added to the list effective July 1, 2025
- Drugs highlighted in red (5) were removed from the list effective July 1, 2025
 - There were no BMED members impacted by the drugs removed from the list

4Q2024 SaveOn Savings (1/1/2024 through 12/24/24)

In 4Q2024, BMED saved \$197,835 for members enrolled in SaveOn, an additional \$20,636 in savings from 3Q2024. There are currently 42 participants in the program, an increase of 6 members compared to 3Q2024. In 2024, BMED Fund members who used SaveOn saved a total of \$393 in copays. The average savings per prescription to date was \$903. See Appendix for the full report.

Top Therapeutic 5 Categories:

- Inflammatory Conditions
 - 19 members, totaling \$83,863 in savings (increase of 2 members from the prior period)
- Asthma & Allergy
 - 10 members, totaling \$53,299 in savings (no change in members from the prior period)
- Cancer
 - 4 members, totaling \$36,573 in savings (increase of 2 members from the prior period)
- Growth Deficiency
 - 3 members, totaling \$8,165 in savings (no change in members from the prior period, however moved from #6 to #4 of top therapeutic categories from the prior period)
- Cystic Fibrosis
 - 1 member, totaling \$10,219 in savings (no change in members, however, moved from #4 to #5 of top therapeutic categories from the prior period)

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 ≥ 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:

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.**

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
04/15/2025	Aetna/Medical	BMED 2025-04-01	Surgery	Upheld	06/13/2025
05/23/2025	Aetna/Medical	BMED 2025-06-01	Anesthesia	Upheld	06/13/2025

IRO Submissions:

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
06/13/2025	Aetna/Medical	BMED 2025-04-01	Surgery	Under Review	

BMED Small Claims Committee Appeals: None

FUND ATTORNEY - Fund Attorney commented that he has been monitoring the HICPS process for the Medical TPA as well.

TREASURER - Report included in the agenda, reviewing the May and June 2025 bills list. Additionally, he provided the latest update of the cash in the bank as of that morning of the meeting.

BOARD ADVISOR- Mr. LaMendola suggested to have a Fund representative from each Fund to communicate to entities and members for necessary legislation action required for the No Surprises Act.

AETNA - Mr. Silverstein provided a review of claims through April 2025, noting four high-cost claims for the month March and five high-cost claims for the month of April. He reported that dashboard metrics continue to perform well. In response to Commissioner Kakoleski, Mr. Silverstein noted that any claims that were paid regarding the No Surprises Act is included in the reports. He mentioned an update will be provided at the next meeting regarding this situation as it is important to be reviewed and resolved as soon as possible.

EXPRESS SCRIPTS - Mr. Yuk reviewed the reports in the agenda, highlighting the decrease percent change plan cost per member per month in February and April. He stated this decrease is due to

Humira and other specialty drugs that have biosimilars now available. He went through the top indications as well as the top drugs, stating that the weight loss and diabetes drugs have shown a decrease, which can be contributed to the Omada program.

DELTA DENTAL – The report was included in the agenda.

CONSENT AGENDA:

MOTION TO APPROVE CONSENT AGENDA INCLUDING THE FOLLOWING RESOLUTIONS:

Resolution 24-25: Approving 2024 Annual Audit

Resolution 25-25: Closing Fund Year 2023

Resolution 26-25: Fund QPA 2025 Contract

Resolution 27-25: 2025 Wellness Grant Approval

Resolution 28-25: May and June 2025 Bills List

MOTION:	Commissioner Kakoleski
SECOND:	Commissioner Kunze
VOTE:	All in Favor

OLD BUSINESS: None

NEW BUSINESS: None

PUBLIC COMMENT: A request was made to reschedule the September meeting, as it falls on Rosh Hashanah. PERMA will present an alternative date at the August meeting. Mr. Covelli concluded the meeting with the quote, “May you live in interesting times.”

MOTION TO ADJORN:

MOTION:	Commissioner Kakoleski
SECOND:	Commissioner Kunze
VOTE:	Unanimous

MEETING ADJOURNED: 1:16 pm

NEXT MEETING: AUGUST 26, 2025

Caitlin Perkins, Account Manager

APPENDIX II

Wellness Committee Meeting
Teams Meeting
7/1/2025
12:00pm

Greg Hart, Executive Committee Chair
Laurie O'Hanlon, Fund Commissioner
Clark LaMendola, Board Advisor
Emily Koval, Associate Executive Director
Tammy Brown, Benefits Consultant

Emily went over the history of the Baker health RFP that was released

Ms. Brown said that there has been an expansion of Baker Health's services that are more than just an in network primary provider. They have many services that are high-touch and close relationship with specialist. We also learned a lot about their wellness services that this is more of a wellness facility, not just PCP. With our members that have higher incidences of mental health utilization that can tend to be OON. We were very pleased with the tour, which some of our members were able to attend. We wanted to present in a way to get our members to join the on site concierge facility.

Mr. LaMendola said it is a high quality facility and the physicians are well qualified. Ms. Brown said that she was not trying to get members to use Baker over other Aetna providers, but because of what they offer, we want to make a recommendation to encourage members to use them as part of their wellness journey.

Ms. Brown reviewed the recommendation below:

The cap will assist because we don't know how many members will sign up and want to cap for the Fund.

- Employees may request reimbursement for the membership fee through the Fund.
 - Reimbursement requests would be submitted by the employee to their employer, who would then request reimbursement from the Fund using wellness dollars.
 - Participation is not contingent on a group having an established Wellness Program.
- The Fund will cap total reimbursement exposure for these memberships at \$10,000 for 2025.
 - The cap for 2026 can be revisited during the upcoming budget process.
- The Fund will coordinate with Baker Health to establish a regular reporting schedule, ensuring member participation and validating that reimbursements are being used appropriately.

In addition, it would be recommended that the Baker professionals come to our meetings to introduce their offerings.

Mr. Hart said he toured the facility and said he was impressed. He said he had difficulty with the \$200 being so nominal, then why are we paying for it and also why wouldn't a member not pay it. He said it should be negotiable. He said the funds are available and said if that helps with incentivize then he thinks it would be beneficial for our members. He said there could be concerns about demand by our members. Ms. Brown said that the cost is much more attractive for some of these service, in particular, the yoga classes for \$200 a year fair.

In response to Mr. LaMendola, Ms. Brown said that the program was specified in the RFP response. Mr. LaMendola said he agrees that the \$200 seems nominal and unnecessary. Ms. Brown said she will summarize the services and reminded the Committee that this is voluntary. Mr. LaMendola said a wellness program should include biometric screenings and preventative screenings. Mr. Hart encouraged Baker to attend an Executive Committee meeting to hopefully capture everything that they offer.

Ms. Koval said that we will summarize all the services and not just the wellness piece, include the cost sharing piece (rather than full Fund reimbursement) and invite Baker to the August meeting. Mr. Hart said this is a great offering and we owe it to the members.

APPENDIX III



August 12, 2025

Honorable Representative Donald Norcross
United States House of Representatives
10 Melrose Ave.
Suite 210
Cherry Hill, NJ 08003

Re: The No Surprises Act

Dear Representative Norcross,

I am writing to request your help concerning issues relating to the federal No Surprises Act (NSA). The Act, intended to protect patients from surprise medical bills, is now creating financial havoc for New Jersey local government and school district employers who provide employee health benefits through one of eight Health Insurance Funds (HIF) in the State. The Funds are governed by the member organizations, pooling resources to provide choice and value for employees while delivering savings for member employers. Surpluses belong to the members, not insurance companies, and the combined purchase strength delivers flexible, affordable, and customizable health benefits for tens of thousands of participants. They are the finest example of shared services, and they've been around for over 30 years.

As employer health insurance providers, we pride ourselves on the equitable payment to health care providers who may be out of network (OON). The Act's Independent Dispute Resolution (IDR) process was designed to protect the claimant, the insurer and the provider in such cases. Unfortunately, the IDR process and its resulting fee structure permits abuse by service providers as well as unleashing a cottage industry of companies who are using these features to secure unreasonable awards and fees for OON claims. These awards and accompanying fees have no rational basis. They are adversely affecting the financial integrity of our Funds and encouraging OON providers to set unreasonable fees for their services to secure awards that are difficult to justify by any standard measure.

To date, New Jersey HIFs have experienced \$29 million in unforeseen arbiter awards accompanied by almost \$1.3 million in arbitration fees, after the claims were originally paid, representing an increase of over \$30 million in unforeseen claims paid by the HIF system. This cannot be sustained by the HIFs and

will cause instability and financial harm. Unless addressed, the IDR process will ultimately harm taxpayers and public employees. The enclosed information provides background, details, and context.

The NSA has succeeded in reducing patient exposure to surprise medical bills, *but at a substantial and rising cost to employer-sponsored health plans*. The current IDR system disproportionately favors providers and leads to awards significantly above market benchmarks. Combined with administrative burdens and legal uncertainty, the system places employers at risk of financial strain and compliance errors. Patient protection can be achieved without the unreasonable burdens imposed by the IDR process.

My colleagues and I would welcome the opportunity to meet with you at your earliest convenience to discuss remedies we believe will address the shortfalls of the current IDR process while maintaining patient protection and the integrity of the law.

Sincerely,

Members of the Municipal Reinsurance Health Insurance Fund



Richard Kunze
Borough of Oakland
201-337-8111 ext. 2005
boroadmin@oakland-nj.org
Chair, the Municipal Reinsurance Health Insurance Fund
On behalf of the Chairs of New Jersey's Local Health Insurance Funds

Richard Davidson
Millville BOE
Chair, Southern Coastal Regional Employees Fund

Thomas S. Russo, Jr.
Town of Newton
Chair, North Jersey Municipal Employees Benefits Fund

Michael Mevoli
Borough of Brooklawn
Chair, Southern Jersey Regional Employees Benefits Fund

Gregory C. Hart
Borough of Franklin Lakes
Chair, Bergen Municipal (Gateway/BMED) Employee Benefits Fund

Thomas Nolan
Borough of Brielle
Chair, Central Jersey Health Insurance Fund

Joseph Collins
Delsea Regional BOE
Chair, Schools Health Insurance Fund

Jenny Mundell
Bloomfield Public Library
Chair, Metropolitan Health Insurance Fund

Health Insurance Cooperative Purchasing Member

Colleen Mahr
Somerset County
Chair, Southern Skyland Regional Health Insurance Fund

Encls.

Cc:
James Rhodes (jrhodes@permainc.com)
Brandon Lodics (blodics@permainc.com)
Emily Koval (emilyk@permainc.com)

SHBP Recurring Savings – State and Labor Proposals

State Proposal – to Significantly Exceed \$100 million in Recurring Savings in 1st Six Months

- Scale back total number of available plan options
- Increase material differences for co-pays, co-insurance levels for higher/lower cost services and Rx
- Higher deductibles with increased OOP & co-insurance annual maximums
- Lower actuarial values of the plans as compared to AVs of most subscribed PPO plans (which exceed 97 percent AV)

Proposals include:

1. Eliminate all current plans, replace them with two options, including a modified Unity PPO plan and a modified Tiered Network plan
 2. Modify Rx co-pays across all plans – with GLP-1 member cost share
 3. Exclude coverage of GLP-1 drugs for weight loss only
 4. Limit GLP-1 access to members with >35 BMI
 5. Retain all current plans, increase deductibles & OOP maximums, both INN & OON
 6. Implement a spousal surcharge of \$50 if access to other SHBP coverage
 7. Eliminate PPO10 & PPO15, and all others except current Unity PPO & Tiered Network
 8. Eliminate Medicare Supplement plans, migrate to Advantage PPO15
 9. 30 visit per year limit for physical therapy and chiropractic services
 10. Expand Centers of Excellence pilot program
 11. Increase member cost share for GLP-1, mandate participation in behavioral modification/lifestyle management “point solution” program
- Details and projected savings for each of the proposals are included in the State’s report

Labor Proposal – FY2026 SHBP Cost Reductions

- “Our proposals do not scapegoat or shift costs onto employees as the solution...”
- Proposals subject to amendment because “still waiting for requested information”
- The proposal then lists the requirements of the FY2026 Appropriations Act
- **Adjustment of 2026 Premium Rate Recommendations**
 - AON rate recommendations do not include the \$200 million required reduction, it does account for local government \$200 million loan repayment
 - Outcomes & agreements from NJ State bargaining unit reopener tables shall be scored to reduce premiums for PY2026
 - Claims review of not less than 50 percent of all claims, INN & OON, and at least 50 percent of out of state claims
- **Control Medical and Hospital Prices**
 - **Implement reference-based pricing across all SHBP Plans**
 - No balance billing for covered employees or dependents if over referenced pricing

- INN reimbursement rates paid the lesser of (a) billed charges, (b) TPA contracted rate, or (c) CMS allowances
 - OON paid at the lesser of (a) billed charges, (b) TPA contracted rates, or (c) 200 percent of CMS allowances
 - Labor submits reference-based pricing of 200 percent of CMS INN and 200 percent of CMS OON submitted for scoring by AON
- **High-Deductible Plans**
 - Provide employee incentives for lower cost plans, including HDHPs, combined with lower employee contributions and increased HRA & HAS plans
- **Implement site neutral payments**
 - Current inappropriate payment coding enforcement inadequate
 - This strategy intended to address this – submitted for scoring by AON
- **Require and audit appropriate emergency room coding**
- **Implement Center of Excellence (COE) for certain surgical procedures and score savings starting January 1, 2026**
 - Previously approved by the PDC, implementation has been slow. Calls on State to expedite process for selectin provider
- **Expand Centers of Excellence**
 - Colonoscopies, cataract surgery, and other routine procedures, no later than October 1, 2025
 - Pilot employee incentives, and higher tier copays at non-COE facilities
- **Competitive Plan Premium Rates**
 - AON will analyze and recommend rates for carriers based on each carriers claims and trend – Horizon and Aetna should be separated
- **Direct primary care medical home referrals**
 - Require referrals to only COE providers medical home providers
- **Evaluate care management programs**
 - Those not generating anticipated ROI – renegotiate or terminate
- **Take back control of Prescription Formulary**
 - State losing out on rebates by ceding bargaining power to PBM
 - **Audit all net prices for top 100 highest spend medications given recent reductions found on Amjevita and GLP1 prices**
 - Refer to Lilly's direct-to-consumer \$499 pricing for Zepbound
 - Rx pricing is not favorable given the SHBP size
 - Implement audit of all medications on quarterly basis for new rebates and discounts, compare to private market
 - **Clinical Effectiveness Brand Formulary**
 - Require procurement solicitations to be issued within 90 days of approval
 - **Quarterly review of FDA-approved medications**
 - Require majority vote to add new medications to formulary

- **Reverse Auction the PBM Contract**
 - Past reverse auctions that saved \$2.5 billion as of 2022.
 - Call for a September 1, 2025 reverse auction and every two years after
- **GLP1s**
 - Currently no counseling and monitoring program in place
 - End early refills for GLP1 anti-obesity meds effective September 1, 2025
 - Implement counseling and monitoring program
 - Vendor/provider fee structure tied to measurable results, assess after six months of treatment for BMI reduction and other factors to continue GLP1 treatment
 - Have plan actuary score two separate tiered copay options for GLP1s for anti-obesity
 - Option 1 – Implement three-tier copay for GLP1 anti-obesity effective January 1, 2026: Brand preferred at \$35 monthly, brand non-preferred at \$50 monthly
 - Option 2 – Reduce plan payment for Wegovy to \$447.05 per month or 90 percent of best negotiated price by utilizing rebates and other measures. Implement 9/1/2025.
- **Purchase certain higher cost medications directly from manufacturers or through FDA-approved alternative sources**
 - Example of Florida purchasing from Canada
- **Charge medications through the least costly method**
 - Evaluate medical vs PBM appropriateness and savings potential
- **Biosimilars – Plan-Wide**
 - Audit top 100 drugs to identify available biosimilars
 - Effective 1/1/2026 implement mandatory step therapy to require biosimilars
- **Review J Codes for the Rx Products**
 - Drugs administered vis medical plan in doctor’s office – Move to PBM
- **Diabetes/Insulin**
 - Determine if treatment can be moved at lower cost to third party vendor
- **Formulary Controls**
 - Have two formulary advisors not aligned with the PBM or TPAs, one for general pharmaceuticals, and one to assist with specialty medications.

APPENDIX IV

**Baker Health
Onsite Concierge
Primary Care
Comprehensive Wellness Program**

Introduction:

Baker Health is a primary healthcare provider located in Edgewater, Clifton, Moonachie, Paramus and New York City. In addition to being a participating Aetna provider, Baker Health has an integrated Wellness program specifically designed to promote the physical, mental and emotional well-being for the Fund's members. Such programs can also help mitigate risks related to employee health, productivity, and workplace safety. The Baker Health program is a **voluntary** program for members who chose to utilize the facilities.

Below are key components of a **Comprehensive Wellness Program**:

1. Physical Wellness

- **Health Screenings:** Regular health assessments, biometric screenings, and preventive care (e.g., flu shots). These preventative services typically have no copay and Baker submits the claim directly to Aetna.
- **Fitness Programs:** On-site gyms, fitness classes, or subsidized memberships to external fitness centers. Baker provides yoga classes (in person or virtual) and proprietary on-demand fitness and educational videos.
- **Nutrition Education:** Workshops, meal planning resources, or access to healthy food options at work.
- **Weight Loss Counseling :** The facility provides discounted semaglutide weight loss shots as a tool to supplement healthy eating and regular exercise program.

2. Mental and Emotional Wellness

- **Stress Management Resources:** Meditation sessions, mindfulness workshops, or relaxation spaces.
- **Employee Assistance Programs (EAPs):** Confidential counseling services for personal or professional challenges.
- **Access to holistic programs including vitamin infusions, NAD injections and access to mental health therapy**

3. Technology Integration

- **Wellness Apps:** Tools for tracking fitness goals, sleep patterns, or stress levels. Baker provides an app to all members for free that includes mental health content, perinatal videos, pediatric tops and on demand fitness classes. The App also allows to members to chat with Baker Health at anytime.

- **Virtual Wellness Programs:** Online webinars, telehealth services, or virtual fitness classes
- **Data Analytics:** Use of anonymized data to measure program effectiveness and identify areas for improvement.
 - **A personalized health plan tailored to each members' unique needs, including comprehensive nutritional guidance, mental health support and wellness check- ins.**

4. Leadership and Culture

- **Fund Buy-In:** Active participation and endorsement from leadership to encourage employee engagement. Baker Health held a private tour for our Committee members that focused on the BMED's specific issues and trends.
- **Recognition Programs:** Celebrating employees who achieve wellness milestones or contribute to the program. PERMA will work with Baker and BMED to implement.
- **Open Communication:** Channels for employees to provide feedback and suggest improvements. PERMA will develop satisfaction surveys to determine the member experience.

5. Membership Fee and Cost Sharing

There is **\$200** Membership Fee for each Baker Health participant to provide the above additional services. PERMA is proposing a 50/50 share of the cost whereby the employee pays \$100 and the Fund pays \$100. There will be an annual budget cap set of \$10,000 for this fee to assist in adequate budget setting.

The Fund will coordinate with Baker Health to establish a regular reporting schedule, ensuring member participation. The fund will also validate appropriate use of reimbursements

By implementing a Comprehensive Wellness Program, the Fund can improve client specific employee satisfaction, reduce absenteeism, enhance productivity, and lower healthcare costs. Baker Health, as aa Aetna participating provider, can assist in this effort.

We are recommending the Fund formally approve the program as outlined above. We are targeting an August 15th launch date.