



**AGENDA AND REPORTS**  
**OCTOBER 1, 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: OCTOBER 1, 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:** *August 26, 2025, Open ..... Appendix I*

**CORRESPONDENCE - None**

**MONTHLY COMMITTEE REPORTS**

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

**FINANCE/ADMINISTRATION COMMITTEE - Robert Kakoleski, Chair**  
*September 18, 2025 - Appendix II*

**WELLNESS COMMITTEE - Tom Padilla, Chair**

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

**NOMINATION COMMITTEE - Anthony Ciannamea, Chair**

**NEW MEMBERS COMMITTEE - Gregory Franz, Chair**  
*September 29, 2025 - Appendix III*

**EXECUTIVE DIRECTOR - PERMA - Brandon Lodics**

Executive Director's Report .....**Page 4**

<b>BENEFITS CONSULTANT REPORT – Crystal Bailey</b>	
Conner Strong & Buckelew.....	<b>Page TBD</b>
<b>ATTORNEY – William Bailey, Esq.</b>	
<b>TREASURER – Joseph Iannaconi</b>	
Voucher List September 2025 .....	<b>Page 10</b>
Treasurers Report July 2025.....	<b>Page 14</b>
Confirmation of Claims Paid/Certification of Transfers	
<b>BOARD ADVISOR – Clark LaMendola</b>	
<b>THIRD PARTY ADMINISTRATOR – Aetna – Jason Silverstein</b>	
Monthly Report .....	<b>Page 16</b>
<b>PRESCRIPTION PROVIDER – Express Scripts – Charles Yuk</b>	
Monthly Report.....	<b>Page TBD</b>
<b>DENTAL ADMINISTRATOR – Delta Dental – Kim White</b>	
Monthly Report.....	<b>Page 21</b>
<b>CONSENT AGENDA .....</b>	<b>Page 23</b>
Resolution 32-25: 2026 Budget Introduction .....	<b>Page 24</b>
Resolution 33-25: Approval to release Professional RFPs .....	<b>Page 25</b>
Resolution 34-25: New Member Approvals.....	<b>Page 27</b>
Resolution 35-25: September 2025 Bills List .....	<b>Page 28</b>
Resolution 36-25: Approval to go into Closed Session.....	<b>Page 29</b>
<b>OLD BUSINESS</b>	
<b>NEW BUSINESS</b>	
<b>PUBLIC COMMENT</b>	
<b>MEETING ADJOURNED</b>	
<b>NEXT MEETING: October 29, 2025</b>	

**Bergen Municipal Employee Benefits Fund  
Executive Director's Report  
October 1, 2025**

**PRO FORMA REPORTS**

- **Fast Track Financial Reports** as of July 31, 2025 (to be distributed)
  - **Historical Income Statement**
  - **Ratios and Indices Report**

**2026 BMED BUDGET - INTRODUCTION**

The 2026 proposed budget is on located on page 8 of this report. A 2026 budget presentation is included as an attachment to the agenda which will be reviewed at the meeting.

The Finance Committee also reviewed the presentation and are recommending introduction, as presented. If deemed appropriate, the Committee can introduce the budget and adopt on October 29, 2025, allowing for Open Enrollment to occur thereafter. Rate reports will by the end of September.

Resolution: 32-25 is in the Consent Agenda or can be moved separately.

**Motion:** *Motion to introduce the 2026 Bergen Municipal Employee Benefits Fund Budget in the amount of \$81,971,711 and to advertise a public hearing of the budget adoption on October 29, 2025.*

**MRHIF PAYABLE CATCHUP**

At a special meeting of the BMED Executive Committee on April 10, 2025, the decision was made to retroactively reduce the Fund's Specific Deductible for Stop Loss claimants from \$425,000 to \$325,000. With the rising trend of large claimants, the decision was made to accept additional fixed cost in the form of MRHIF premium increases to reduce the exposure of the Fund and stabilize the claims budget.

Based on the enrollment at the time the estimated additional premium exposure for the BMED was roughly \$855,000. Through Resolution 12-25, the BMED committed to paying this back by the endo 2026. We believe the BMED's financial position has improved and with the support of the Fund Treasurer, this outstanding balance may be paid by the end of FY 2025. This would allow the 2026 budget to proceed without any encumbrance. We will work with the accounting team to invoice the Fund based on the actual enrollment.

2025 MRHIF Budgeted Premium		Updated 2025 MRHIF Budgeted Premium	
PEPM	Annualized	PEPM	Annualized
\$ 80.07	\$ 1,682,445	\$ 120.77	\$ 2,537,619

**MOTION:** *Motion to release additional premium that was withheld to the MRHIF for the Self Insured Retention reduction by December 31, 2025.*

**NEW MEMBER OPPORTUNITIES**

Three entities have expressed interest in joining the Fund and have provided verbal interest. Both the underwriter and actuary have conducted their reviews and are recommending approval for these entities to join.

The New Member Committee convened on September 29th to review the Boroughs of Bergenfield, Totowa and Alpine and is comfortable having a further discussion with the whole committee. Should approval be granted, Resolution 34-25 has been included in the consent agenda for formal adoption. In addition, the Committee has requested the new member status report be added to the Benefits Consultant report going forward.

<b>New Member Overview</b>	
<b>Fund</b>	Bergen Municipal Employee Benefits Fund
<b>Entity</b>	Totowa Borough
<b>County</b>	Passaic
<b>Effective Date</b>	1/1/2026 - 12/31/2026
<b>Lines of Coverage</b>	Medical & Rx
<b>Eligible Employees</b>	70
<b>Retiree Coverage</b>	None
<b>Current Arrangement</b>	SHBP
<b>Actuary Certification</b>	Yes: Standard Underwriting Methodology
<b>Run Out Claims</b>	SHBP
<b>Broker</b>	Strategic Insurance Partners
<b>Broker Fee</b>	3%
<b>Member approval?</b>	Verbal
<b>Per employee Per Month</b>	\$3,042
<b>Special Requests</b>	None

<b>New Member Overview</b>	
<b>Fund</b>	Bergen Municipal Employee Benefits Fund
<b>Entity</b>	Bergenfield Borough
<b>County</b>	Bergen
<b>Effective Date</b>	1/1/2026 - 12/31/2026
<b>Lines of Coverage</b>	Medical & Rx
<b>Eligible Employees</b>	172
<b>Retiree Coverage</b>	Yes - Under and Over 65 Retirees
<b>Current Arrangement</b>	SHBP
<b>Actuary Certification</b>	Yes: Standard Underwriting Methodology
<b>Run Out Claims</b>	SHBP
<b>Broker</b>	Conner Strong & Buckelew
<b>Broker Fee</b>	3%
<b>Member approval?</b>	Verbal
<b>Per employee Per Month</b>	\$3,408
<b>Special Requests</b>	None

<b>New Member Overview</b>	
<b>Fund</b>	Bergen Municipal Employee Benefits Fund
<b>Entity</b>	Alpine Borough
<b>County</b>	Bergen
<b>Effective Date</b>	1/1/2026 - 12/31/2026
<b>Lines of Coverage</b>	Medical & Rx
<b>Eligible Employees</b>	18
<b>Retiree Coverage</b>	Yes - 4 Medicare eligible retirees
<b>Current Arrangement</b>	SHBP
<b>Actuary Certification</b>	Yes: Standard Underwriting Methodology
<b>Run Out Claims</b>	SHBP
<b>Broker</b>	Eifert, French and Ketchum
<b>Broker Fee</b>	3%
<b>Member approval?</b>	Verbal
<b>Per employee Per Month</b>	\$2,840
<b>Special Requests</b>	None

## COMPETITIVE CONTRACTING – PROFESSIONALS

The following professional and EUS contracts expire at the end of 2025. The Fund’s QPA is recommending procuring contracts through Competitive Contracting. Resolution 33-25 authorizes the QPA to release these RFPs: Auditor, Actuary, Attorney, Treasurer.

## NO SURPRISES ACT LEGISLATIVE LETTERS

With the collaboration of PERMA and the Fund Chairs across the State, letters have been sent to the NJ congressional representatives. Enclosed is a template of the letter that our Chair signed. For BMED the letters were sent to Representatives Pau, Gottheimer, Coleman, Pallone, Menendez and McIver.

## 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*

## MRHIF UPDATE

The MRHIF met on September 19<sup>th</sup> to introduce their 2026 Budget. The MRHIF proposal included in the introduction was approved and will be recommended for adoption. The Committee was also advised of the ESI audit through Caribou.

## 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.

## **CLOSED SESSION**

Resolution 36-25 is in consent to go into closed session is included to discuss procurements and contracts.

Bergen Municipal Employee Benefits Fund		Print Date:	
2026 Proposed Budget		9/29/2025 12:01	
Census:	Monthly	Annual	
Medical Aetna	1,749	20,988	
Rx	868	10,416	
Dental	2,413	28,956	
Medicare Advantage - Medical	626	7,512	
Rx No Medical (Incl in Rx above)	18	216	
Dental Only (Incl in Dental above)	1,305	15,660	
Medicare Advantage - Only (Incl above)	398	4,776	
DMO Only	41	492	

	LINE ITEMS	Annualized Budget FY2025	Proposed Budget FY2026	\$ Change	% Change
1	Medical Claims Aetna	\$ 52,057,845	\$ 61,701,655	\$ 9,643,810	18.53%
2	Prescription Claims	\$ 6,814,508	\$ 8,156,797	\$ 1,342,289	19.70%
3	Prescription Formulary Rebates	\$ (2,044,352)	\$ (2,447,039)	\$ (402,687)	19.70%
4	Dental Claims	\$ 2,155,035	\$ 2,287,586	\$ 132,551	6.15%
5					
6	Subtotal Claims	58,983,036	69,698,999	\$ 10,715,963	18.17%
7					
8	HMO/DMO Premiums	\$ 28,816	\$ 28,816	\$ -	0.00%
9					
10	Medicare Advantage / EGWP	\$ 3,087,407	\$ 3,564,224	\$ 476,817	15.44%
11					
12	Reinsurance				
13	Specific	\$ 2,534,721	\$ 3,149,432	\$ 614,711	24.25%
14					
15	Total Loss Fund	\$ 64,633,980	\$ 76,441,471	\$ 11,807,491	18.27%
16					
17	Loss Fund Contingency	\$ 251,492	\$ 2,040,370	\$ 1,788,878	711.31%
18					
19	Expenses				
20	Legal	\$ 26,520	\$ 27,050	\$ 530	2.0%
21	Treasurer	\$ 21,918	\$ 22,356	\$ 438	2.0%
22	Administrator	\$ 478,737	\$ 478,620	\$ (118)	0.0%
23	Risk Management Consultants	\$ 1,201,868	\$ 1,225,905	\$ 24,037	2.0%
24	TPA - Claims Agent Aetna	\$ 829,866	\$ 719,888	\$ (109,977)	-13.3%
25	Dental TPA	\$ 96,713	\$ 96,713	\$ -	0.0%
26	Retiree First	\$ 90,144	\$ 90,144	\$ -	0.0%
27	Actuary	\$ 19,278	\$ 19,664	\$ 386	2.0%
28	Auditor	\$ 19,584	\$ 19,976	\$ 392	2.0%
29	Benefits Consultant	\$ 447,678	\$ 456,632	\$ 8,954	2.0%
30	Board Advisor	\$ 19,484	\$ 19,484	\$ -	0.0%
31	QPA	\$ 3,000	\$ 3,000	\$ -	0.0%
32					
33	Subtotal Expenses	\$ 3,254,790	\$ 3,179,431	\$ (75,358)	-2.32%
34					
35	Miscellaneous and Special Services				
36	Misc/Cont	\$ 19,000	\$ 35,000	\$ 16,000	84.21%
37	Wellness, Disease, Case Management	\$ 100,000	\$ 100,000	\$ -	0.00%
38	Affordable Care Act Taxes	\$ 11,286	\$ 11,286	\$ -	0.00%
39	A4 Surcharge	\$ 95,772	\$ 117,652	\$ 21,880	22.85%
40	Plan Documents	\$ 6,500	\$ 6,500	\$ -	0.00%
41	Claims Audit	\$ 40,000	\$ 40,000	\$ -	0.00%
42	Subtotal Misc/Sp Svcs	\$ 272,559	\$ 310,439	\$ 37,880	13.90%
43					
44	Total Expenses	\$ 3,527,348	\$ 3,489,870	\$ (37,478)	-1.06%
45					
46	Total Budget	\$ 68,412,828	\$ 81,971,711	\$ 13,558,891	19.82%



## 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

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND (METRO FUND)**  
**BILLS LIST**

**SEPTEMBER 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 CLOSED**

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
METROPOLITAN HEALTH INSURANCE FUND	8/25 Confirming ACH-BMED/Metro to Metropolitan	365,950.37
		<b>365,950.37</b>
	<b>Total Payments FY CLOSED</b>	<b>365,950.37</b>
	<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>365,950.37</b>

\_\_\_\_\_  
Chairperson

Attest:

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

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

\_\_\_\_\_  
Treasurer

# BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

## BILLS LIST

**SEPTEMBER 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 8/10/25	15.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO MONTVALE 8/10/25	108.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO OAKLAND 8/10/25	3.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES- BOR. WESTWOOD 08/10/25	132.00
INSPIRA FINANCIAL HEALTH, INC	HAS FEES- WALLINGTON 08/10/25	64.89
INSPIRA FINANCIAL HEALTH, INC	HSA-BOROUGH RUTHERFORD 08/10/25	9.00
		<b>331.89</b>
PERMA	POSTAGE 08/25	85.99
PERMA	RETIREE FIRST INV 10012025	7,392.00
PERMA	ADMIN FEES 09/25	39,985.69
		<b>47,463.68</b>
THE CANNING GROUP LLC	QPA INV BMED 2025-09 09/25	250.00
		<b>250.00</b>
HUNTINGTON BAILEY, LLP	ATTORNEY FEES FOR 09/25	2,210.00
		<b>2,210.00</b>
JOSEPH IANNAONI JR.	TREASURER FEE 09/25	1,826.50
		<b>1,826.50</b>
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR FOR 8/25	1,500.00
		<b>1,500.00</b>
ACCESS	INV 11743120 DEPT 418 8/31/25	234.27
		<b>234.27</b>
ACRISURE NJ PARTNERS INS SERVICES LLC	BROKER FEES 09/25	1,090.44
		<b>1,090.44</b>
Acrisure NJ Partners Ins. Services, LLC	BROKER FEES 09/25	14,583.32
		<b>14,583.32</b>
ACRISURE NJ PARTNERS INS. SERVICES LLC	BROKER FEES 09/25	13,499.38
		<b>13,499.38</b>
SADDLE RIVER DELI	LUNCH FOR 8/26/25 MEETING	509.70
		<b>509.70</b>
GJEM INSURANCE AGENCY INC	BROKER FEES 09/25	5,944.43
		<b>5,944.43</b>
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 09/25	3,890.96
		<b>3,890.96</b>
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 09/25	6,867.10
		<b>6,867.10</b>
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 09/25	139,643.28
		<b>139,643.28</b>

11 TOTAL CHECKS

**239,844.95**

AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 09/25	256,312.87 <b>256,312.87</b>
FLAGSHIP DENTAL PLANS	BOR.RUTHERFORD A# 03604 ID 695 09/25	855.19
FLAGSHIP DENTAL PLANS	E. RUTHER. DENTAL A# 03604 - ID 16 09/25	1,546.16 <b>2,401.35</b>
AETNA	MEDICAL TPA FEES 09/25	68,957.76 <b>68,957.76</b>
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA FEES 09/25	8,116.20 <b>8,116.20</b>
CONNER STRONG & BUCKELEW	BENEFIT CONSULTANT FEES 09/25	37,196.54
CONNER STRONG & BUCKELEW	PLAN DOCS 09/25	541.67 <b>37,738.21</b>
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 09/25	36,305.80 <b>36,305.80</b>
JOSEPH L VOZZA AGENCY INC	BROKER FEES 09/25	7,536.42 <b>7,536.42</b>
ALLEN ASSOCIATES	BROKER FEES 09/25	10,169.50 <b>10,169.50</b>
	<b>TOTAL ACH/WIRES</b>	<b>427,538.11</b>
	<b>Total Payments FY 2025</b>	<b>667,383.06</b>
	<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>667,383.06</b>

\_\_\_\_\_  
Chairperson

Attest:

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

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

\_\_\_\_\_  
Treasurer

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

**SEPTEMBER 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 CLOSED**

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
METROPOLITAN HEALTH INSURANCE FUND	REIMB. DEP ERROR-METRO DIVI PORTION	57,191.00
METROPOLITAN HEALTH INSURANCE FUND	REIMB DEP ERROR TO FOR METRO-2023-12	36,091.20
		<b>93,282.20</b>
	<b>Total Payments FY CLOSED</b>	<b>93,282.20</b>
	<b>TOTAL PAYMENTS ALL FUND YEARS</b>	<b>93,282.20</b>

\_\_\_\_\_  
Chairperson

Attest:

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

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

\_\_\_\_\_  
Treasurer

**Bergen Municipal Employee Benefits Fund**

**SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED**

Current Fund Year: 2025 Month Ending: July											
	Medical	Dental	Rx	Vision	Run-In	Reinsurance	RSR	Admin	Dividend Retained	Metro Interfund	TOTAL
OPEN BALANCE	9,137,458.06	215,081.02	(3,343,593.51)	0.00	0.00	254,323.72	269,974.22	(384,184.40)	41,455.42	0.00	6,190,514.53
RECEIPTS											
Assessments	2,810,773.08	106,121.83	244,340.67	0.00	0.00	127,784.30	12,884.90	135,486.54	0.00	0.00	3,437,391.32
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	15,920.35	229.63	0.00	0.00	0.00	292.08	288.24	0.00	44.26	0.00	16,774.56
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	15,920.35	229.63	0.00	0.00	0.00	292.08	288.24	0.00	44.26	0.00	16,774.56
Other *	1,868,279.17	0.00	238,941.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,107,221.12
TOTAL	4,694,972.60	106,351.46	483,282.62	0.00	0.00	128,076.38	13,173.14	135,486.54	44.26	0.00	5,561,387.00
EXPENSES											
Claims Transfers	4,331,511.66	172,840.22	732,006.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,236,358.33
Expenses	282,005.46	2,426.38	0.00	0.00	0.00	139,483.14	0.00	324,728.85	0.00	0.00	748,643.83
Other *	(7,781.82)	0.00	0.00	0.00	0.00	0.00	0.00	213.51	0.00	0.00	(7,568.31)
TOTAL	4,605,735.30	175,266.60	732,006.45	0.00	0.00	139,483.14	0.00	324,942.36	0.00	0.00	5,977,433.85
END BALANCE	9,226,695.36	146,165.88	(3,592,317.34)	0.00	0.00	242,916.96	283,147.36	(573,640.22)	41,499.68	0.00	5,774,467.68

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS							
Bergen Municipal Employee Benefits Fund							
ALL FUND YEARS COMBINED							
CURRENT MONTH	July						
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	\$6,190,514.50	4,491,056.71	-	-	0	1699457.79	
Opening Interest Accrual Balance	\$5,502.88	-	-	-	0	5502.88	
1	Interest Accrued and/or Interest Cost	\$187.83	\$0.00	\$0.00	\$0.00	\$0.00	\$187.83
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	\$16,774.55	\$11,271.67	\$0.00	\$0.00	\$0.00	\$5,502.88
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	\$16,962.38	\$11,271.67	\$0.00	\$0.00	\$0.00	\$5,690.71
9	Deposits - Purchases	\$5,542,945.77	\$5,542,945.77	\$0.00	\$0.00	\$0.00	\$0.00
10	(Withdrawals - Sales)	-\$5,975,767.14	-\$5,975,553.67	\$0.00	\$0.00	\$0.00	-\$213.47
Ending Cash & Investment Balance		\$5,774,467.68	\$4,069,720.48	\$0.00	\$0.00	\$0.00	\$1,704,747.20
Ending Interest Accrual Balance		\$5,690.71	\$0.00	\$0.00	\$0.00	\$0.00	\$5,690.71
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		\$5,774,467.68	\$4,069,720.48	\$0.00	\$0.00	\$0.00	\$1,704,747.20



**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**

**Monthly Claim Activity Report**

***October 1, 2025***





## BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

	<b>MEDICAL CLAIMS PAID 2024</b>	<b># OF EES</b>	<b>PER EE</b>	<b>MEDICAL CLAIMS PAID 2025</b>	<b># OF EES</b>	<b>PER EE</b>
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	\$ 4,308,401	1,749	\$ 2,463
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			
<b>TOTALS</b>	<b>\$49,823,330</b>			<b>\$31,558,843</b>		
				<b>2025 Average</b>	<b>1,750</b>	<b>\$ 2,576</b>
				<b>2024 Average</b>	<b>1,690</b>	<b>\$ 2,448</b>

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

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

Paid Dates: 07/01/2025 - 07/31/2025  
 Service Dates: 01/01/2011 - 07/31/2025  
 Line of Business: All

	Paid Amt	Diagnosis/Treatment
	\$179,408.07	SEPSIS, UNSPECIFIED ORGANISM
	\$147,622.24	VARICOSE VEINS OF RIGHT LOWER EXTREMITY WITH
	\$124,563.71	ENCOUNTER FOR ANTINEOPLASTIC
	\$122,729.88	SPONDYLOSIS WITHOUT MYELOPATHY OR
	\$109,316.67	SPINAL STENOSIS, CERVICAL REGION
	\$106,986.73	UNILATERAL PRIMARY OSTEOARTHRITIS, LEFT HIP
<b>Total:</b>	<b>\$790,627.30</b>	



**Bergen Municipal Employee Benefit Fund**  
8/1/2024 thru 7/31/25 (unless otherwise noted)

**Dashboard**

**Medical Claims Paid:**  
**January 2025 – July 2025**

Total Medical Paid per EE: **\$2,576**

**Network Discounts**

Inpatient: **63.3%**  
Ambulatory: **64.6%**  
Physician/Other: **65.1%**  
**TOTAL: 64.5%**

**Provider Network**

% Admissions In-Network: **96.1%**  
% 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- July 2025**

Number of Claims Over \$50,000: **108**  
Claimants per 1000 members: **26.5**  
Avg. Paid per Claimant: **\$131,667**  
Percent of Total Paid: **46.7%**  
• Aetna BOB- HCC account for an average of 46.6% of total Medical Cost

**Aetna One Flex Member Outreach:**  
**Through July 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 – July 2025**

Completed Visits : **9**  
Unique Patients : **8**  
Completed Visits in 2025 : **84**  
Unique Patients in 2025: **62**  
Total Scheduled Visits in 2025: **102**

Average visit duration: **9 Minutes**  
BoB Average First Available: **31minutes**  
BoB Average First Available (6am-6pm): **28 Minutes**

**Service Center Performance Goal Metrics YTD 2024**

**Customer Service Performance**

1<sup>st</sup> Call Resolution: **93.85%**  
Abandonment Rate: **0.52%**  
Avg. Speed of Answer: **14.9 sec**

**Claims Performance**

Financial Accuracy: **97.95%\***  
\*Q1 2025

90% processed w/in: **8.4 days**  
95% processed w/in: **15.3 days**  
\*\*\*\*\*

**Claims Performance (Monthly)**  
(July 2025)

90% processed w/in: **6.8 days**  
95% processed w/in: **15.3 days**  
(Note: This is not a PG metric)  
\*\*\*\*\*

**Performance Goals**

1<sup>st</sup> Call Resolution: **90%**  
Abandonment Rate less than: **3.0%**  
Average Speed of Answer: **30 sec**

Financial Accuracy: **99%**

**Turnaround Time**

90% processed w/in: **14 days**  
95% processed w/in: **30 days**



**EXPRESS SCRIPTS®**





## Wellness Perks



### Who qualifies for this enhancement?

All members can take advantage of this online premium savings program at no extra cost.

### How do Wellness Perks add value for members?

- Helps members save money on recognizable brands for oral health, hearing care, and lifestyle needs
- Promotes year-round wellness for members and their families
- Increases member satisfaction and engagement with their benefits package

### Where can I find more information?

- [DeltaDentalNJ.com/Perks](https://DeltaDentalNJ.com/Perks)
- [DeltaDentalCT.com/Perks](https://DeltaDentalCT.com/Perks)

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Delta Dental of New Jersey  
Delta Dental of Connecticut  
09-2025



Hearing Savings Program with complimentary access to significant savings on hearing aids and services



A comprehensive savings marketplace with member discounts and deals on everything from flights and groceries to electronics and entertainment



Exclusive discounts on Oral-B electric toothbrushes, replacement brush heads, water flossers, and more



Special pricing on a range of products, including Philips Sonicare, Avent mother-and-baby products, and Norelco shaving and grooming products



Discounts on curated children's oral health kits



Protect smiles with ADA-accepted, Delta Dental-branded mouthguards



Exclusive savings on toothbrush and mouthguard shields

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
CONSENT AGENDA  
October 1, 2025**

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

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

<b>Resolutions</b>	<b>Subject Matter</b>
Resolution 32-25: 2026 Budget Introduction .....	<b>Page 24</b>
Resolution 33-25: Approval to release Professional RFPs .....	<b>Page 25</b>
Resolution 34-25: New Member Approvals .....	<b>Page 27</b>
Resolution 35-25: September 2025 Bills List .....	<b>Page 28</b>
Resolution 36-25: Approval to go into Closed Session.....	<b>Page 29</b>

**RESOLUTION NO. 32-25**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
INTRODUCTION OF THE 2026 PROPOSED BUDGET**

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

**WHEREAS**, a quorum of the Executive Committee met on October 1, 2025, in Public Session to introduce the proposed budget for the 2026 Fund Year; and

**BE IT FURTHER RESOLVED** that a hearing on the 2026 budget in the amount of **\$81,971,711** shall be held at the Fund's regularly scheduled and advertised meeting of October 29, 2025 to be held at Franklin Lakes Borough at 12:00 noon. The 2026 budget shall be considered for adoption at a second reading at that time and after the completion of a public hearing.

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

**ADOPTED: October 1, 2025**

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

**ATTEST:**

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



**RESOLUTION NO. 33-25**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
RESOLUTION AUTHORIZING THE HIRING  
OF PROFESSIONAL SERVICES/ CONSULTANTS THROUGH THE COMPETITIVE  
CONTRACTING PROCESS**

**WHEREAS**, the Bergen Municipal Employee Benefits Fund (Hereinafter the "Fund") has a need for the following services to be provided for the efficient operation of the Fund;

Auditor

Actuary

Attorney

Treasurer

**WHEREAS**, such desired services are currently available to be provided through the competitive contracting process under the New Jersey Local Publics Contract Law, (N.J.S.A. 40A: 11-4.1 et. Seq.), and

**WHEREAS**, the Fund desires to evaluate such service offerings from Vendors within the procedures as set forth in the New Jersey Local Publics Contract Law, (N.J.S.A. 40A: 11-4.1 et. Seq.), and

**WHEREAS**, the competitive contracting process satisfies the fair and open requirement as established under (N.J.S.A. 40A: 11-4.1 et. Seq.), and

**WHEREAS**, the Fund desires to enter into a contract that will satisfy the needs of the Fund; and

**WHEREAS**, as per statute the process will be administered by the Qualified Purchasing Agent (N.J.S.A. 40A: 11-4.1 et. Seq.),

**OW, THEREFORE, BE IT RESOLVED** by the Board of Fund Commissioners of the Bergen Municipal Employee Benefits Fund resolve to authorize the Qualified Purchasing Agent to procure the Professional Services, Consulting, and other services through the competitive contacting process in accord with (N.J.S.A. 40A: 11-4.1 et. Seq.)as follows:

Auditor

Actuary

Attorney

Treasurer

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND**

**ADOPTED: October 1, 2025**

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

**CHAIRPERSON**

**ATTEST:**

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**SECRETARY**

**RESOLUTION NO. 34-25**

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
RESOLUTION TO OFFER MEMBERSHIP**

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

**WHEREAS**, the Fund held a Public Meeting on **October 1, 2025** for the purposes of conducting the official business of the Fund; and

**WHEREAS**, the Executive Director and Actuary of the Fund has reviewed the risk, underwriting detail, and actuarial projections for the Totowa Borough, Bergenfield Borough and Alpine Borough commend offers of membership; and

**WHEREAS**, the New Member Committee has reviewed the following new member submission and has approved membership to the entity contingent upon a fully executed Indemnity and Trust agreement to join the Fund

1. Totowa Borough - 1/1/26 - Medical and Rx
2. Bergenfield Borough - 1/1/26 - Medical and Rx
3. Alpine Borough - 1/1/26 - Medical and Rx

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

**BE IT RESOLVED**, that the Bergen Municipal Employee Benefits Fund hereby offers membership to the above mentioned entity's for medical and prescription coverage, contingent upon receipt acceptance of the conditions stated above.

**ADOPTED: October 1, 2025**

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

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

**RESOLUTION NO. 35-25**

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

**WHEREAS**, the Bergen Municipal Employee Benefits Fund held a Public Meeting on October 1, 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 September 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 September 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: OCTOBER 1, 2025**

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

**ATTEST:**

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

**RESOLUTION NO. 36-25**

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

**BE IT RESOLVED** by 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:

- Attorney-Client Privilege – Office of State Comptroller Report

**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: OCTOBER 1, 2025**

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

**ATTEST:**

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

# APPENDIX I

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND  
OPEN MEETING: AUGUST 26, 2025  
FRANKLIN LAKES BOROUGH  
12:00 P.M.**

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

**ROLL CALL OF 2025 EXECUTIVE COMMITTEE:**

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

**APPOINTED OFFICIALS PRESENT:**

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

**OTHERS PRESENT:**

*See Sign in Sheet at the end of Minutes packet.*

**MOTION TO APPROVE June 24, 2025 OPEN & July 1, 2025 WELLNESS MINUTES:**

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

**CORRESPONDENCE** – None

**COMMITTEE REPORTS:**

**Strategic Planning** – No Reports

**Administration and Finance Committee** – No Report

**Wellness Committee** – The Wellness Committee noted that although Mr. Padilla was not present, a well-attended and productive meeting occurred the prior week, focused on redefining the committee’s scope and the Wellness Coordinator position; recommendations to the Executive Board are anticipated by the next meeting. Risk managers were invited and provided useful input.

**Small Claims Committee** – No Report

**Nominations Committee** – No Report.

**New Members Committee** – No Report.

**EXECUTIVE DIRECTOR’S REPORT**

**FAST TRACK FINANCIAL REPORT** – Mrs. Koval reviewed two Financial Fast Tracks (through May 31 and June 30, 2025). May reflected a loss of roughly \$1 million, continuing but moderating the negative trend earlier in 2025. June showed a surplus of approximately \$1.7 million. She noted this was materially affected by the booking of roughly \$5 million in supplemental assessments adopted in June and an additional one-time income correction for a member’s 2025 rates. Claims appear to be easing, which the Treasurer would address, yet continued vigilance is required as 2026 budget work begins.

Mrs. Koval further explained the National Advantage Program concession with Aetna to cap out-of-network fees at \$20 per claim per employee; rather than an annual true-up, Aetna is reconciling monthly, and approximately \$500,000 is expected to appear in the July financials. In addition, the MRF released a dividend of roughly \$725,000 to BMED, both items improving cash and overall position. While concerns about year-end liquidity have eased, the plan remains to commence collections for the supplemental assessment in early 2026 with a 36-month member payment schedule. In response to questions, she clarified that June figures include the supplemental assessment as booked surplus/receivable; the cash effect will lag until invoicing begins.

**2026 BUDGET UPDATE** - Mrs. Koval stated that regarding the 2026 budget, all data through June has been provided to the actuary; preliminary projections have been received. A Finance & Administration Committee presentation is being prepared and scheduling will begin shortly. Rate projections will not mirror the “low single-digit” increases seen in earlier years due to multiple



pressures, notably the federal No Surprises Act (NSA). We anticipate introduction to occur on **October 1, 2025** and adoption **October 29, 2025**.

## **NO SURPRISES ACT LEGISLATION CLAIMS & MARKET/LEGISLATIVE UPDATES**

Mrs. Koval reported that, per Aetna, the NSA arbitration backlog (claims from January 1, 2022 onward) has been worked through, resulting in approximately \$5.1–\$5.2 million hitting the Fund in 2025. Normal-course NSA claims will continue prospectively, but trending is uncertain. Mr. Lodics observed that for entities where offsets were internal to closed years, the booked receivable was net-neutral to cash.

Mr. Rhodes (CSB) summarized advocacy actions: letters from MRHIF signed by Mr. Kunze and additional Fund-specific letters to New Jersey’s congressional delegation have been or will be sent; follow-up calls are planned. The team is coordinating with the American Benefits Council and the Coalition for Surprise Medical Billing, and preparing targeted correspondence to federal regulators who implement the NSA, given the potential for regulatory fixes. The Funds are also evaluating whether to opt into New Jersey’s state-level “surprise billing” framework; current analysis is inconclusive due to arbitration fees and related costs (arbitrator and CMS fees). With the backlog resolved, monthly volumes should be more predictable even if non-zero.

Mr. Rhodes also briefed on State Health Benefits Program (SHBP) developments, including Aon’s reported 36% local increase and Assembly Bill 5903. The Chair and members discussed proactively reviewing state and labor concepts for local applicability, collective bargaining implications, and developing a strategy (including potential labor-counsel support). Members suggested engaging local legislators and mayors via an adaptable “form letter”; staff will prepare an outline to facilitate member-entity participation.

**METRO RUN OUT BALANCE** – Mrs. Koval stated 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.

## **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 attended the meeting to introduce their practice and provided flyers to be made available to employees.

1. **Holistic Care** – Their practices integrate medical care with lifestyle medicine. Offices include yoga and Pilates studios, meditation sessions, and therapists. All doctors are trained in lifestyle medicine in addition to traditional credentials. Example: back pain patients are

encouraged to explore holistic solutions before costly procedures, which Baker noted can avoid unnecessary surgeries.

2. **Technology** – They built their own app with a 24/7 chat function, allowing patients to directly message doctors, like texting a family member for advice. The app is designed to be practical, avoiding the frustrations of traditional patient portals.
3. **Hospitality** – They focus on service and patient experience: no wait times, guaranteed seven-day-a-week access, same-day visits when needed, and staff trained in hospitality to provide empathy and warmth.

#### **Access & Membership**

- Baker Health is in-network with all major commercial insurers and Medicare.
- Their revenue is primarily from insurance, but they charge a **\$200 annual membership fee** that covers holistic services and enhanced access.
- Originally focused on individual patients, about 18 months ago they began offering corporate memberships after employers requested it. They now serve about 10 corporate clients, providing workplace wellness services like flu shots and urgent care visits.

#### **Cost Control & Referral Management**

- Baker Health stressed that nearly half of rising health costs come from **out-of-network referrals**. Their model avoids this by directly managing referrals: ensuring specialists are in-network, available within five days, and rated positively by patients.
- By controlling referrals, they reduce unnecessary out-of-network spend and procedures, while patients appreciate the support.
- They participate in value-based care contracts through integrated networks with Aetna and Cigna, ranking in the top 10% for cost and quality performance.

#### **Corporate/Workplace Wellness Fit**

- Baker began offering their services as an employer perk after requests from business owners.
- They handle on-site clinics and direct employee services.
- Their model blends into workplace wellness since it combines holistic care, quick access, and cost management.

### **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.

### **PROCUREMENT DISCUSSION**

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

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

**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  $\geq 32$  OR
  - BMI between  $27 \leq 32$  WITH 2 or more documented comorbidities
- Members with an active approved PA prior to 9/1/2024 will be grandfathered
  - Upon renewal of their PA, members will need to meet the above BMI requirements to be considered for approval

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

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

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

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

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

### **2025 Legislative Review:**

**Medical and Rx Reporting: None**

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

**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

### 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

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

**TREASURER** - The Treasurer reported materially improved cash flow, aided by timely member payments and earlier invoice distribution, and noted reasonable health claim levels. An Aetna dental board adjustment appearing on the August bill list relates to Flagship Dental and will be corrected.

**BOARD ADVISOR**- Mr. LaMendola emphasized the importance of the topics discussed and encouraged broad dissemination to members. He praised the Baker Health presentation for detailing a valuable benefit in a tight provider environment.

**AETNA** - Mr. Silverstein summarized medical claims: May funding at \$4,049,415 with 1,752-1,754 employees and a PEPM of approximately \$516; four high-cost claims exceeding \$100,000 totaled ~\$2,498,000 for May, with June rolling high-cost amounts also significant. He reviewed dashboard metrics and trends for the Board's monitoring.

**EXPRESS SCRIPTS** - Mr. Yuk reviewed the reports in the agenda. Mr. Yuk presented pharmacy trends: May plan cost PMPM was **\$257.70**, up **8.8%** year-over-year; specialty spend was **39%** of total. Conditions ranked 3-10 are trending down for many categories; however, GLP-1 weight-loss drugs and inflammatory conditions continue to rise. From January-July, about **80** GLP-1 prior authorization

denials ~50% occurred, reflecting BMI and other clinical criteria, which offsets some utilization; approvals comprise the balance. Zepbound usage is rising (including the sleep apnea indication) while Wegovy usage declines in many cohorts.

**DELTA DENTAL** – The report was included in the agenda.

**CONSENT AGENDA:**

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

<b>MOTION:</b>	Commissioner Franz
<b>SECOND:</b>	Commissioner Gasparini
<b>VOTE:</b>	8 Ayes, 0 Nays

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**PUBLIC COMMENT:** None

**MOTION TO GO INTO CLOSED SESSION: RESOLUTION 29-25:**

<b>MOTION:</b>	Commissioner Franz
<b>SECOND:</b>	Commissioner Gambutti
<b>VOTE:</b>	8 Ayes, 0 Nays

**MOTION TO ADJORN:**

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

**MEETING ADJOURNED:** 1:45 pm

**NEXT MEETING:** OCTOBER 1, 2025

Jordyn Robinson, Assistant Account Manager

# PERMA

RISK  
MANAGEMENT  
SERVICES

## SIGN IN SHEET

BMED – August 26, 2025

NAME	AGENCY
Jesse Mehlman	Fanwood
Jim Plesky	PERMA
Scotty Lee	Risk Mgmt. Inc.
MATHEW Mc MAEON	RMC
Lisa Sabato	WORLD INS.
Renee Gear	World INS. Assoc.
Dino Vozza	Vozza
Greg Hart	
Wendy Martin	Midland Park
Clark Cavendola	
Deanne Ayer	Westwood
Charles Yule	ESI
Frank Cowan	PIA/WORKS
RICH MOLINARI	SADDLE RIVER
WALLY LINDSLEY	Fairfield Boc

# APPENDIX II

**BMED – Finance Committee Meeting  
September 18, 2025 – TEAMS**

Gregory Hart, Fund Chairman  
Rich Kunze, Executive Committee Member  
Bob Kakoleski, Executive Committee Member  
Brandon Lodics, Executive Director  
John Lajewski, HIF Consulting Business Leader  
Emily Koval, Associate Executive Director  
Jordyn Robinson, Assistant Account Manager  
Matthew Rudman, CSB

Mr. Lodics summarized recent financial items. He reported that BMED reduced its specific stop-loss deductible to better manage cash risk. Although this generated a liability originally scheduled to be paid over 2026, cash monitoring by Mrs. Koval, Mr. Lodics, and the Treasurer indicates improving cash flow; the Treasurer is comfortable that the obligation can likely be satisfied by year-end 2025, enabling BMED to begin 2026 at its actual (current) rate without carrying that item in the 2026 budget. Mr. Kunze confirmed his understanding that the payable is outside the MRHIF budget because the intent is to extinguish it in 2025.

At Mr. Kakoleski's request, Mr. Lodics and Mr. Rudman explained how No Surprises Act claims distorted actuarial completion factors. Mr. Lodics noted that claims incurred in early periods were sometimes paid much later (e.g., incurred month 1, paid month 25), expanding completion factors and therefore IBNR. Aetna cited a backlog that produced several "high paid" months; Aetna has not yet provided refreshed reporting to confirm that the pattern has abated, so budgets cannot assume immediate normalization. Mr. Rudman clarified the actuarial mechanics: completion factors are derived from observed payment patterns, not claim magnitude; late-emerging NSA payments lengthen the tail and raise completion factors.

Turning to the 2026 budget, Mr. Lodics characterized BMED's claims increases as comparatively "better" than much of the state despite still being difficult. Based on experience through June 2025 and regional trends, the actuary's claims projections indicate: medical +18.5%, prescription +19.7%, dental +6.13%; MRHIF renewal load is ~24. He reiterated that projections are data-driven and do not "back into" prior deficits. Medicare Advantage is projected at roughly +15% for 2026 (year 3 and final wave of Inflation Reduction Act impacts; carriers also addressing line losses). Mr. Kunze asked whether Medicare Advantage increases may moderate post-2026; Mr. Lodics hoped so as statutory impacts roll off, but carriers still need to recover performance shortfalls.

Mr. Lodics recommended including a discretionary Loss Fund Contingency given volatility. Regulations allow up to 2.5% of the total budget. The draft showed \$1.0M. Mr. Kunze advocated increasing the contingency to rebuild claims reserves, which had been near zero, preferring to act in a single, deliberate step. Mr. Kakoleski suggested using any favorable adoption-time adjustments to further bolster the contingency. Mr. Rudman added that updating with July–August actuals before adoption would increase confidence (less projection, more observed data), though results could move either direction.

After discussion, consensus to present the full 2.5% contingency at introduction. Mrs. Koval tested the scenario and reported that 2.5% equates to "a little over" \$2 million, bringing the overall budget increase to approximately 19.86%, with typical entity rate actions landing roughly in the 19–23% range and possibly ~23–24% if the contingency is doubled versus the original \$1M. Mr. Hart acknowledged the political difficulty but favored a prudent, reserve-rebuilding budget—particularly given SHBP's reported



30-plus percent environment—remarking that acting now aligns with employer budgeting and could support plan-design negotiations. Mr. Kunze added that a one-time structural step now should avert repeated “catch-up” surcharges in later years and may strengthen municipalities’ leverage to implement cost-containment.

Mr. Lodics reviewed operational drivers behind trends. Inpatient days of care increased ~30% in early 2025 across the state, and the newly escalated Hackensack hospital contract contributed materially to BMED’s medical spend. On network status, approximately 97% of inpatient claims and ~80% of physician claims were in-network, yet only ~70% of total medical spend was in-network—implicating high out-of-network utilization in outpatient/specialty areas. Following Board direction, Aetna pursued a suspected abusive out-of-network provider; billing ceased thereafter. On pharmacy, specialty spend declined year-over-year (notably oncology), which helped offset significant growth in non-specialty categories; the weight-loss class (GLP-1s) rose from ~\$240,000 to ~\$640,000 in the same half-year comparison, even with Omada in place for 1H25. Mr. Kunze requested that Express Scripts quantify Omada’s counterfactual impact for the next meeting. Mr. Lodics agreed to obtain that reporting, noting Express Scripts is preparing budget-season materials.

On stop-loss performance, late-emerging reimbursements from 2024 claims increased in 2025 (e.g., additional \$1.2M recognized by June 2025 after ~\$0.6M recognized at 2024 year-end). Early 2025 data suggest more claimants are penetrating the reduced 2025 specific deductible sooner than in 2024, which should improve cash timing—the intended effect of the spec reduction.

Regarding administrative expenses, Mr. Lodics reported that Perma and Conner Strong will hold their administrative fees flat statewide for 2026; the auditor, attorney, treasurer, and actuary are assumed at +2% pending RFPs; risk manager allowances are modeled at +2% (finals dependent on member contracts). Due to the statewide cooperative RFP pause, Aetna agreed to a ~13% admin decrease (roughly ~\$100,000 for this fund) reflected in the budget. Delta Dental remains flat under the existing five-year agreement. Wellness and wellness coordinator appropriations remain level; the category has consistently ended with surplus and is not a material budget driver. New entrants will contribute on a PEPM basis to shared expenses.

In closing, Mr. Lodics reiterated that 2023–2024 produced headwinds, while 2025 year-to-date is approximately on budget on an incurred-and-paid basis, excluding IBNR. The mid-2025 out-of-network fee-schedule change should further moderate medical spend. Mr. Lajewski will return at the next session with global plan options and a negotiations “playbook,” including analysis of high-impact concepts for committee consideration. The committee agreed that staff should update the slide deck and budget to incorporate a full 2.5% Loss Fund Contingency and circulate the revised materials for introduction, with the understanding that adoption may reflect updated July/August data and any venue recommendation on NSA arbitration.

# APPENDIX III

BMED – New Members Committee

September 29, 2025

Teams – 11:30

Greg Franz, Committee Chair

Joseph Voytus, Committee Member

Raymond Burke, Conner Strong & Buckelew

Sean Critchley, Conner Strong & Buckelew

Brandon Lodics, PERMA

Emily Koval, PERMA

John Lajewski, Conner Strong & Buckelew

Jordyn Robinson, PERMA

The meeting was called to order by Mrs. Koval, who introduced Mr. Lajewski, Mr. Burke, and Mr. Critchley. She noted that Mr. Lajewski served as the underwriter responsible for reviewing applications, data, and projections prior to actuarial certification. Mr. Burke represented underwriting functions and provided actuarial perspective on trends and margins. Mr. Critchley was identified as the producer responsible for communications with the brokers for Alpine and Totowa, who are new relationships for the fund.

### **Bergenfield Borough**

Mrs. Koval presented Bergenfield Borough as the first applicant, highlighting its size of 172 employees and nearly 100 retirees, most of whom are enrolled in Medicare Advantage. Due to this retiree volume, Aetna provided specialized Medicare Advantage pricing outside of BMED's standard rates. Connor Strong and Buckalew were identified as the brokers of record. Bergenfield has expressed verbal interest but has not executed agreements such as the Indemnity and Trust Agreement.

Mr. Burke provided a review of the actuarial assumptions used, explaining that medical trend had been increased to 9.25% from 7.25% the previous year, while pharmacy trend had increased to 13.5% from 9.5%. This represented year-over-year increases of approximately 27–28% for medical and 42% for pharmacy. He also noted that pharmacy rebate credits had been reduced to build in conservatism.

Mr. Franz expressed concern that Bergenfield's size and structure, including a mixed paid/volunteer fire department, could present political or operational risks. He compared the municipality to smaller applicants such as Totowa and Alpine, which he described as more stable. Mr. Voytus requested clarification on membership size and current per employee per month (PEPM) costs. Mrs. Koval estimated 1,800 covered lives across the fund, and Mr. Lodics confirmed that the actuary's projection for 2026 placed medical costs at \$2,857 PEPM for the existing population.

Mr. Voytus asked whether increased inquiries were tied to instability in the State Health Benefits Plan. Both Mr. Burke and Mr. Lodics confirmed that there had been heightened activity, with more than 100 submissions received in recent months. They noted that larger groups such as Bergenfield provide more credible claims data and offer greater predictability, particularly given that half of Bergenfield's population would be insured under Medicare Advantage.

### **Alpine and Totowa**

Mr. Lodics recalled that Alpine had previously been a full medical member but withdrew around 2011, retaining only dental coverage. He noted that the withdrawal may have been due to poor claims experience or collective bargaining pressures at the time. Mr. Franz suggested engaging Mr. Tomasco for historical context. Mrs. Koval later confirmed the exit date as October 2011.

Mr. Burke elaborated that Alpine's small size rendered their claims experience statistically non-credible, requiring conservative underwriting margins of 25% on medical and 50% on pharmacy. He emphasized that despite Alpine's current favorable performance, such conservatism was necessary to align projections with fund norms.

Discussion followed on whether reviewing more than two years of claims data would provide value. Mr. Burke and Mr. Lajewski explained that additional years would not add credibility, and older data would be skewed by expired hospital contracts, making it unreliable for current underwriting.

For Totowa, Mrs. Koval noted that Strategic Insurance Partners, a new brokerage partner, represented the group. The underwriting review indicated competitiveness, and the group was considered stable.

Mr. Franz asked about brokers for each municipality. Mrs. Koval clarified that Bergenfield was represented by Connor Strong and Buckalew, Totowa by Strategic Insurance Partners, and Alpine by French and Ketchum, who also manage their dental plan.

### **Underwriting Activity**

Mr. Voytus suggested that commissioners should receive reports identifying municipalities that have expressed interest in joining, even if not yet formally presented, as such information could be valuable in leveraging relationships and anticipating future applicants. Mr. Lajewski and Mrs. Koval agreed, with Mrs. Koval committing to reviving a "new business status report" for board review. Mr. Burke provided additional context, explaining that the fund had received over 100 inquiries within the past four months due to the state plan's steep increases. He emphasized that conservative underwriting practices were being applied across all applicants, with margins as high as 15-20% on competitive groups, to ensure protection of the fund.

Mr. Franz and Mr. Voytus recommended further discussion at the upcoming board meeting, with the option to introduce and table resolutions as appropriate. Mrs. Koval agreed to prepare draft resolutions and incorporate the discussion under the new business section of the agenda.