



AGENDA AND REPORTS

OCTOBER 29, 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 29, 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: *October 1, 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
October 29, 2025 - Verbal Report

SMALL CLAIMS COMMITTEE - Donna Gambutti, Chair

NOMINATION COMMITTEE - Anthony Ciannamea, Chair

NEW MEMBERS COMMITTEE - Gregory Franz, Chair

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

BENEFITS CONSULTANT REPORT - John Lajewski

Conner Strong & Buckelew.....Page 13

ATTORNEY – William Bailey, Esq.

TREASURER – Joseph Iannaconi

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Treasurers Report August 2025.....Page 18

Confirmation of Claims Paid/Certification of Transfers

BOARD ADVISOR – Clark LaMendola

THIRD PARTY ADMINISTRATOR – Aetna – Jason Silverstein

Monthly ReportPage N/A

PRESCRIPTION PROVIDER – Express Scripts – Charles Yuk

Monthly Report.....Page N/A

DENTAL ADMINISTRATOR – Delta Dental – Kim White

Monthly Report.....Page N/A

CONSENT AGENDAPage 20

Resolution 37-25: 2026 Budget Adoption.....Page 21

Resolution 38-25: Emergency Procurement – Medical TPA.....Page 22

Resolution 39-25: October 2025 Bills ListPage 23

Resolution 40-25: Approval to go into Closed Session.....Page 24

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

MEETING ADJOURNED

NEXT MEETING: TBD – ZOOM

**Bergen Municipal Employee Benefits Fund
Executive Director's Report
October 29, 2025**

PRO FORMA REPORTS

- **Fast Track Financial Reports** – as of August 31, 2025 (page 6)
 - **Historical Income Statement**
 - **Ratios and Indices Report**

2026 BMED BUDGET - ADOPTION

The BMED 2026 budget and assessments are included in the agenda as introduced with no changes.

Pending no objections, the Executive Committee may hold a public hearing to adopt.

Motion: *Motion to open the Public Hearing on the 2026 Budget*

Discussion of Budget and Assessments

Motion: *Motion to close the Public Hearing*

Motion: *Motion to adopt resolution 37-25 approving the 2026 Bergen Municipal Employee Benefits Fund Budget in the amount of **\$81,972,931.00***

COMPETITIVE CONTRACTING - PROFESSIONALS

The Auditor, Actuary, Attorney and Treasurer RFPs were due 10/15. All incumbents responded and one additional firm responded to all positions. The Finance and Administration committee are reviewing the responses and intend to have a recommendation at the next meeting.

MEDICAL TPA CONTRACT 2026 - EMERGENCY PROCUREMENT

In the interest of time, it is imperative that the Funds secure a contract for 2026 for Medical TPA services. The Fund QPA and Attorney recommend declaring an emergency to procure the contract via resolution 38-25. PERMA will obtain quotes which will be brought to the Finance and Administration Committee for review. A zoom special meeting should be scheduled to award the contract before January 1.

SUPPLEMENTAL ASSESSMENT COLLECTION

For the entities that begin making special assessment payments may be invoiced separately or included as a line item on their monthly invoices. Members may also pre-pay.

Please advise PERMA by November 30.

NEW MEMBER UPDATES

Since being approved at the last meeting, Totowa Borough and Alpine Borough have passed I&T Agreements and Resolutions to join the fund.

NO SURPRISES ACT LEGISLATION

The attached memo regarding the Funds changing to the NJ regulated No Surprises Act will be discussed further at the meeting.

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						
FINANCIAL FAST TRACK REPORT						
			AS OF	August 31, 2025		
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		5,601,958	49,664,459	805,323,238	854,987,697
2.	CLAIM EXPENSES					
	Paid Claims		4,810,383	41,624,869	668,908,171	
	IBNR		12,340	329,790	7,293,000	
	Less Specific Excess		(146,335)	(1,689,797)	(16,761,228)	
	Less Aggregate Excess		-	-	(602,911)	(602,911)
	TOTAL CLAIMS		4,676,388	40,264,861	658,837,033	699,101,894
3.	EXPENSES					
	MA & HMO Premiums		257,378	2,050,568	31,857,919	33,908,486
	Excess Premiums		212,676	1,691,263	35,866,476	37,557,739
	Administrative		282,432	2,302,472	61,010,959	63,313,431
	TOTAL EXPENSES		752,486	6,044,303	128,735,353	134,779,656
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)		173,084	3,355,295	17,750,852	21,106,147
5.	INVESTMENT INCOME		27,364	114,591	4,019,596	4,134,188
6.	DIVIDEND INCOME		-	667,904	7,518,953	8,186,857
7.	STATUTORY PROFIT/(LOSS) (4+5+6)		200,448	4,137,790	29,289,401	33,427,191
8.	DIVIDEND		-	3,177,254	29,523,154	32,700,408
9.	Transferred Surplus IN		-	-	-	-
10.	Transferred Surplus OUT		-	-	-	-
STATUTORY SURPLUS (7-8+9)			200,448	960,536	(233,753)	726,783
SURPLUS (DEFICITS) BY FUND YEAR						
Closed		Surplus	(23,973)	(2,895,037)	8,648,792	5,753,755
		Cash	(31,007)	(1,679,207)	7,605,066	5,925,858
2024		Surplus	(253,699)	4,969,247	(8,882,544)	(3,913,297)
		Cash	795,380	(1,973,799)	(4,191,217)	(6,165,016)
2025		Surplus	478,121	(1,113,674)		(1,113,674)
		Cash	1,141,859	7,553,904		7,553,904
TOTAL SURPLUS (DEFICITS)			200,448	960,536	(233,753)	726,783
TOTAL CASH			1,906,232	3,900,898	3,413,849	7,314,747
CLAIM ANALYSIS BY FUND YEAR						
TOTAL CLOSED YEAR CLAIMS			35,884	462,228	599,600,852	600,063,080
FUND YEAR 2024						
	Paid Claims		404,958	8,636,185	52,382,647	61,018,832
	IBNR		(87,516)	(7,063,271)	7,293,000	229,729
	Less Specific Excess		(63,405)	(1,543,620)	(439,467)	(1,983,087)
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2024 CLAIMS		254,037	29,294	59,236,180	59,265,474
FUND YEAR 2025						
	Paid Claims		4,369,542	32,463,209		32,463,209
	IBNR		99,856	7,393,061		7,393,061
	Less Specific Excess		(82,930)	(82,930)		(82,930)
	Less Aggregate Excess		-	-		-
	TOTAL FY 2025 CLAIMS		4,386,467	39,773,339		39,773,339
COMBINED TOTAL CLAIMS			4,676,388	40,264,861	658,837,033	699,101,894

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

CONSOLIDATED BALANCE SHEET

as of August 31, 2025

BY FUND YEAR

	BMED 2025	BMED 2024	CLOSED YEAR	FUND BALANCE
ASSETS				
Cash & Cash Equivalents	7,553,904	(6,165,016)	5,925,858	7,314,747
Assessments Receivable (Prepaid)	(1,474,819)	1,945,517	70,658	541,356
Interest Receivable	728	(158)	2,879	3,449
Specific Excess Receivable	82,930	484,906	-	567,836
Aggregate Excess Receivable	-	-	-	-
Dividend Receivable	-	-	-	-
Prepaid Admin Fees	0	-	-	0
Other Assets	765,690	148,432	27,889	942,011
Total Assets	6,928,433	(3,586,318)	6,027,284	9,369,399
LIABILITIES				
Accounts Payable	569,953	-	93,282	663,235
IBNR Reserve	7,393,061	229,729	-	7,622,790
A4 Retiree Surcharge	42,638	-	-	42,638
Dividends Payable	-	-	131,984	131,984
Retained Dividends	-	-	48,261	48,261
Accrued/Other Liabilities	36,456	97,250	-	133,706
Total Liabilities	8,042,108	326,979	273,528	8,642,615
EQUITY				
Surplus / (Deficit)	(1,113,674)	(3,913,297)	5,753,756	726,784
Total Equity	(1,113,674)	(3,913,297)	5,753,756	726,784
Total Liabilities & Equity	6,928,433	(3,586,318)	6,027,284	9,369,399
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.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND										
RATIOS										
		FY2025								
INDICES	2024	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	
Cash Position	3,413,849	\$ 4,612,075	\$ 5,343,845	\$ 5,674,528	\$ 2,124,399	\$ 3,957,688	\$ 5,824,563	\$ 5,408,515	\$ 7,314,747	
IBNR	7,293,000	\$ 6,847,866	\$ 6,783,395	\$ 6,902,395	\$ 7,046,824	\$ 7,342,003	\$ 7,571,571	\$ 7,610,450	\$ 7,622,790	
Assets	7,388,961	\$ 6,998,857	\$ 7,403,671	\$ 6,967,993	\$ 6,726,999	\$ 6,076,667	\$ 8,445,737	\$ 9,073,550	\$ 9,369,399	
Liabilities	7,622,713	\$ 7,187,842	\$ 7,134,145	\$ 7,265,213	\$ 7,418,453	\$ 7,713,014	\$ 8,381,118	\$ 8,547,214	\$ 8,642,615	
Surplus	(233,752)	\$ (188,984)	\$ 269,525	\$ (297,220)	\$ (691,455)	\$ (1,636,347)	\$ 64,619	\$ 526,336	\$ 726,784	
Claims Paid -- Month	5,297,140	\$ 5,217,738	\$ 4,613,900	\$ 5,251,346	\$ 5,699,654	\$ 5,756,487	\$ 5,245,777	\$ 5,029,583	\$ 4,810,383	
Claims Budget -- Month	4,202,262	\$ 4,769,000	\$ 4,756,989	\$ 4,753,162	\$ 4,758,109	\$ 4,896,423	\$ 4,903,366	\$ 4,927,673	\$ 4,910,953	
Claims Paid -- YTD	57,475,987	\$ 5,217,738	\$ 9,831,639	\$ 15,082,985	\$ 20,782,638	\$ 26,539,125	\$ 31,784,902	\$ 36,814,485	\$ 41,624,869	
Claims Budget -- YTD	48,782,475	\$ 4,769,000	\$ 9,520,328	\$ 14,273,610	\$ 19,031,719	\$ 23,924,559	\$ 28,827,925	\$ 33,765,912	\$ 38,676,865	
RATIOS										
Cash Position to Claims Paid	0.64	0.88	1.16	1.08	0.37	0.69	1.11	1.08	1.52	
Claims Paid to Claims Budget -- Month	1.26	1.09	0.97	1.1	1.2	1.18	1.07	1.02	0.98	
Claims Paid to Claims Budget -- YTD	1.18	1.09	1.03	1.1	1.1	1.1	1.1	1.09	1.08	
Cash Position to IBNR	0.47	0.67	0.79	0.82	0.3	0.54	0.77	0.71	0.96	
Assets to Liabilities	0.97	0.97	1.04	0.96	0.91	0.79	1.01	1.06	1.08	
Surplus as Months of Claims	(0.06)	(0.04)	0.06	-0.06	-0.15	-0.33	0.01	0.11	0.15	
IBNR to Claims Budget -- Month	1.74	1.44	1.43	1.45	1.48	1.5	1.54	1.54	1.55	

Bergen Municipal Employee Benefits Fund
2025 Budget Report
as of August 31, 2025

	Cumulative	Annualized	Latest filed	Cumulative	\$ Variance	% Variance
Expected Losses				Expensed		
Medical Claims Aetna	34,060,154	51,547,702	51,400,571	34,215,010	(154,856)	0%
Prescription Claims	4,538,385	6,854,118	7,049,884	4,139,448	(962,580)	-30%
Prescription Formulary Rebates	(1,361,517)	(2,056,237)	(2,114,965)	Included Above in Prescription Claims		
Dental Claims	1,439,843	2,168,335	2,169,015	1,418,882	20,961	1%
Subtotal	38,676,865	58,513,918	58,504,505	39,773,339	(1,096,474)	-3%
HMO/DMO Premiums	19,147	28,651	30,381	19,336	(189)	-1%
Medicare Advantage / EGWP	2,029,365	3,059,123	3,110,050	2,031,232	(1,867)	0%
Reinsurance						
Specific	1,690,297	2,540,759	1,682,445	1,691,263	(966)	0%
Total Loss Fund	42,415,674	64,142,452	63,327,381	43,515,170	(1,099,496)	-3%
Loss Fund Contingency	167,661	251,492	220,516	0	167,661	0%
Expenses						
Legal	17,680	26,520	26,520	18,746	(1,066)	-6%
Treasurer	14,612	21,918	21,918	14,612	0	0%
Administrator	318,545	479,771	477,783	325,897	(7,352)	-2%
Risk Management Consultants	799,671	1,208,179	1,183,821	799,671	-	0%
				58,008	(58,008)	-100%
				1,583	(1,583)	-100%
TPA - Claims Agent Aetna	553,402	831,843	872,355	555,451	(2,049)	0%
Dental TPA	64,425	97,161	96,593	64,332	94	0%
Actuary	12,852	19,278	19,278	14,460	(1,608)	-13%
Auditor	13,056	19,584	19,584	11,424	1,632	13%
Benefits Consultant	297,258	447,191	446,547	297,447	(189)	0%
Board Advisor	12,989	19,484	19,484	10,500	2,489	19%
Subtotal Expenses	2,104,490	3,170,929	3,183,883	2,172,131	(67,640)	-3%
Miscellaneous and Special Services						
Misc/Cont	12,667	19,000	19,000	14,971	(2,305)	-18%
Wellness, Disease, Case Management	66,667	100,000	100,000	4,868	61,799	93%
Affordable Care Act Taxes	7,526	11,313	11,299	14,074	(6,548)	-87%
A4 Surcharge	62,741	95,543	98,913	62,768	(27)	0%
Plan Documents	4,333	6,500	6,500	4,333	-	0%
Claims Audit	26,667	40,000	40,000	26,664	3	0%
Subtotal Misc/Sp Svcs	180,601	272,356	275,712	127,679	52,922	29%
Total Expenses	2,285,091	3,443,285	3,459,595	2,299,810	(14,719)	-1%
Total Budget	44,868,427	67,837,228	67,007,492	45,814,980	(946,553)	-2%

Bergen Municipal Employee Benefits Fund			Print Date:		
2026 Proposed Budget			10/27/2025 21:08		
	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	\$ 61,701,780	\$ 9,643,935	18.53%
2	Prescription Claims	\$ 6,814,508	\$ 8,156,748	\$ 1,342,240	19.70%
3	Prescription Formulary Rebates	\$ (2,044,352)	\$ (2,447,024)	\$ (402,672)	19.70%
4	Dental Claims	\$ 2,155,035	\$ 2,287,214	\$ 132,179	6.13%
5					
6	Subtotal Claims	58,983,036	69,698,718	\$ 10,715,682	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	\$ 76,441,190	\$ 11,807,210	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	\$ 119,153	\$ 23,380	24.41%
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	\$ 311,939	\$ 39,380	14.45%
43					
44	Total Expenses	\$ 3,527,348	\$ 3,491,370	\$ (35,978)	-1.02%
45					
46	Total Budget	\$ 80,112,820	\$ 81,972,931	\$ 13,560,111	19.82%

Bergen Municipal Employee Benefits Fund
ASSESSMENT COMPARISON FY2025 vs. FY2026

			Difference \$			Difference %		
	2025 Annualized Assessments	2026 Proposed Assessments	Member Billed	Direct Billed	Total	Member Billed	Direct Billed	Total
Medical & Rx Members								
Fairfield BOE	\$ 2,469,156	\$ 3,080,352	\$ 611,184	\$ 12	\$ 611,196	24.76%	2.50%	24.75%
South Hackensack	\$ 1,239,876	\$ 1,539,384	\$ 299,508	\$ -	\$ 299,508	24.16%	0.00%	24.16%
Franklin Lakes	\$ 2,427,876	\$ 3,001,332	\$ 556,082	\$ 17,374	\$ 573,456	23.64%	23.13%	23.62%
Edgewater	\$ 4,350,048	\$ 5,343,300	\$ 993,252	\$ -	\$ 993,252	22.83%	0.00%	22.83%
Rutherford	\$ 4,206,780	\$ 5,161,812	\$ 951,300	\$ 3,732	\$ 955,032	22.70%	23.38%	22.70%
Westwood	\$ 1,478,604	\$ 1,812,924	\$ 326,640	\$ 7,680	\$ 334,320	22.65%	21.19%	22.61%
Ft. Lee	\$ 14,547,012	\$ 17,831,904	\$3,270,912	\$ 13,980	\$3,284,892	22.69%	10.50%	22.58%
Woodcliff Lake	\$ 1,757,076	\$ 2,151,912	\$ 389,802	\$ 5,034	\$ 394,836	22.71%	12.35%	22.47%
Moonachie	\$ 2,014,428	\$ 2,462,940	\$ 448,500	\$ 12	\$ 448,512	22.27%	2.22%	22.26%
Midland Park	\$ 1,303,920	\$ 1,588,308	\$ 282,696	\$ 1,692	\$ 284,388	21.94%	11.17%	21.81%
Garwood	\$ 1,372,344	\$ 1,670,184	\$ 290,946	\$ 6,894	\$ 297,840	21.69%	22.09%	21.70%
Oakland	\$ 3,242,460	\$ 3,933,312	\$ 687,972	\$ 2,880	\$ 690,852	21.34%	15.67%	21.31%
Fanwood Township	\$ 1,624,020	\$ 1,968,684	\$ 339,516	\$ 5,148	\$ 344,664	21.16%	26.00%	21.22%
Verona	\$ 3,512,880	\$ 4,251,384	\$ 729,580	\$ 8,924	\$ 738,504	21.20%	12.45%	21.02%
Fairfield	\$ 3,609,384	\$ 4,338,492	\$ 729,108	\$ -	\$ 729,108	20.20%	0.00%	20.20%
Saddle River	\$ 1,382,928	\$ 1,660,992	\$ 273,620	\$ 4,444	\$ 278,064	20.12%	19.33%	20.11%
Park Ridge	\$ 2,766,356	\$ 3,318,000	\$ 551,632	\$ 12	\$ 551,644	19.95%	1.69%	19.94%
City of Garfield	\$ 6,890,952	\$ 8,264,328	\$1,373,376	\$ -	\$1,373,376	19.93%	0.00%	19.93%
Ridgefield Park	\$ 3,236,088	\$ 3,870,864	\$ 634,740	\$ 36	\$ 634,776	19.62%	2.86%	19.62%
Wallington	\$ 1,873,704	\$ 2,227,848	\$ 354,144	\$ -	\$ 354,144	18.90%	0.00%	18.90%
Dental Only Members								
Hillsdale	\$ 50,820	\$ 52,128	\$ 1,260	\$ 48	\$ 1,308	2.57%	2.55%	2.57%
Wood-Ridge	\$ 84,996	\$ 87,156	\$ 2,160	\$ -	\$ 2,160	2.54%	0.00%	2.54%
Alpine	\$ 37,584	\$ 38,532	\$ 924	\$ 24	\$ 948	2.53%	2.25%	2.52%
Rochelle Park	\$ 78,636	\$ 80,592	\$ 1,932	\$ 24	\$ 1,956	2.48%	2.78%	2.49%
Emerson	\$ 73,212	\$ 75,024	\$ 1,812	\$ -	\$ 1,812	2.48%	0.00%	2.48%
East Rutherford Board of Education	\$ 163,764	\$ 167,760	\$ 3,996	\$ -	\$ 3,996	2.44%	0.00%	2.44%
North Arlington	\$ 94,008	\$ 96,288	\$ 2,256	\$ 24	\$ 2,280	2.43%	1.85%	2.43%
Carlstadt	\$ 219,216	\$ 224,520	\$ 5,304	\$ -	\$ 5,304	2.42%	0.00%	2.42%
Lodi	\$ 181,536	\$ 185,844	\$ 4,308	\$ -	\$ 4,308	2.37%	0.00%	2.37%
Carlstadt Board of Education	\$ 65,400	\$ 66,924	\$ 1,524	\$ -	\$ 1,524	2.33%	0.00%	2.33%
Maywood Borough	\$ 73,644	\$ 75,360	\$ 1,716	\$ -	\$ 1,716	2.33%	0.00%	2.33%
Wanaque Valley Regional S.A.	\$ 12,192	\$ 12,468	\$ 276	\$ -	\$ 276	2.26%	0.00%	2.26%
Mine Hill	\$ 13,128	\$ 13,416	\$ 288	\$ -	\$ 288	2.19%	0.00%	2.19%
East Rutherford	\$ 128,232	\$ 130,764	\$ 2,532	\$ -	\$ 2,532	1.97%	0.00%	1.97%
Montvale	\$ 979,656	\$ 1,223,832	\$ 244,176	\$ -	\$ 244,176	24.92%	0.00%	24.92%

REGULATORY

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

<u>Yearly Items</u>	<u>Filing Status</u>
☐ Budget	2025 Filed
☐ Assessments	2025 Filed
☐ Actuarial Certification	2025 Filed
☐ Reinsurance Policies	Filed
☐ Fund Commissioners	2025 Filed
☐ Fund Officers	2025 Filed
☐ Renewal Resolutions	2025 Filed
☐ Indemnity and Trust	In process
☐ New Members (list)	N/A
☐ Withdrawals	N/A
☐ Risk Management Plan and By Laws	2025 Filed
☐ Cash Management Plan	2025 Filed
☐ Unaudited Financials	9/30/2025 Filed
☐ Annual Audit	2024 Filed
☐ Budget Changes	N/A
☐ Transfers	N/A
☐ Additional Assessments	N/A
☐ Professional Changes	N/A
☐ Officer Changes	N/A
☐ Risk Management Plan Changes	N/A
☐ Bylaw Amendments	N/A
☐ Benefit Changes (list)	N/A
☐ OSC Filings	N/A

Gateway-BMED Health Insurance Fund
Benefits Consultant Report
October 2025
Benefits Consultant: Conner Strong & Buckelew

Operational Updates:

Eligibility/Enrollment: (previously reported)

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

Enrollments/Eligibility/Billing/Brokers:

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

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.

Open Enrollment – 1/1/26 (Passive): (previously reported)

- BMED's OE will be held October 27th through November 7th
- All OE updates should be completed in WEX by November 21st to allow time for ID cards to be delivered to members by 1/1/26
- OE distributed to broker and Fund member the week of October 20th

Coverage Updates:

Express Scripts:

SaveOn – Manufacturing Coupon Program (1/1/2025 through 6/22/2025) (Report Attached)

In 1st & 2nd Quarter 2025, the BMED saved \$139,326 for members enrolled in SaveOn

- There are currently 35 participants in the program
- Top Therapeutic 5 Categories (by dollar savings):
 - Inflammatory Conditions 18 members, totaling \$78,717 in savings
 - Cancer 3 members, totaling \$25,045 in savings
 - Asthma & Allergy 6 members, totaling \$23,065 in savings
 - Growth Deficiency 3 members, totaling \$7,069 in savings
 - Osteoporosis 2 members, totaling \$2,874 in savings

NPF Listing: (previously reported)

- 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): (previously reported)

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: UPDATE- Transition to State Arbitration – January 1, 2026

Included in your agenda is a memo from the Executive Director's office outlining the transition of the HIFs from the Federal Legislation to the State's. As previously reported, the Federal No Surprises Act has resulted in the reprocessing of several Million dollars of claims for the HIFs statewide. While the State program does not remove the exposure to these types of claims reprocessing, it should allow for

more predictability and less backlog surprise cash exposure going forward.

As a result of the transition, enrolled members will be receiving new ID cards from Aetna prior to January 1. ID numbers and group numbers will not be changing.

Representatives from Aetna, PERMA and CSB will be in attendance to answer any questions the Commissioners may have.

2023 Specialized Audits: (previously reported)

As approved through an RFP through the Executive Director's contract, the HIFs have 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.

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
09/27/2025	Aetna/Medical	BMED 2025-10-01	Anesthesia	Upheld	10/10/2025

IRO Submissions:

None

BMED Small Claims Committee Appeals:

None

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

BILLS LIST

OCTOBER 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	MONTHLY HSA-BORO OAKLAND 9/10/25	3.00
INSPIRA FINANCIAL HEALTH, INC	HSA- S. HACKENSACK 9/10/25	15.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES- BOR. WESTWOOD 9/10/25	132.00
INSPIRA FINANCIAL HEALTH, INC	MONTHLY HSA-BORO MONTVALE 9/10/25	108.00
INSPIRA FINANCIAL HEALTH, INC	HSA FEES- WALLINGTON 9/10/25	64.89
INSPIRA FINANCIAL HEALTH, INC	HSA-BOROUGH RUTHERFORD 9/10/25	9.00
		331.89
PERMA	POSTAGE 09/25	86.58
PERMA	RETIREE FIRST INV 11012025	7,212.00
PERMA	ADMIN FEES 10/25	40,087.97
		47,386.55
ACTUARIAL SOLUTIONS, LLC	ACTUARY FEES Q4 2025	4,820.00
		4,820.00
THE CANNING GROUP LLC	QPA INV BMED 2025-10 10/25	250.00
		250.00
HUNTINGTON BAILEY, LLP	ATTORNEY FEES 10/25	2,210.00
		2,210.00
JOSEPH IANNAONI JR.	TREASURER FEE 10/25	1,826.50
		1,826.50
GANNETT NEW YORK NJ LOCALIQ	A# 1184295 AD 11709951 10/2/25	80.16
GANNETT NEW YORK NJ LOCALIQ	A# 1184295 AD 11702773 9/30/25	59.92
GANNETT NEW YORK NJ LOCALIQ	A# 11731028 AD 11731028 10/7/25	53.76
		193.84
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR FOR 9/25	1,500.00
		1,500.00
ACCESS	INV 11802519 DEPT 418 9/30/25	241.76
		241.76
ACRISURE NJ PARTNERS INS SERVICES LLC	BROKER FEES 10/25	1,174.32
		1,174.32
Acrisure NJ Partners Ins. Services, LLC	BROKER FEES 10/25	14,896.08
		14,896.08
ACRISURE NJ PARTNERS INS. SERVICES LLC	BROKER FEES 10/25	13,035.16
		13,035.16
SADDLE RIVER DELI	LUNCH FOR 9/25 MEETING	509.70
		509.70

GJEM INSURANCE AGENCY INC	BROKER FEES 10/25	6,291.55 6,291.55
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 10/25	3,890.96 3,890.96
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 10/25	6,681.26 6,681.26
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 10/25	210,019.03
MUNICIPAL REINSURANCE H.I.F.	DEFERRED PAYMENT SIR CHANGE 10/25	-70,776.07
MUNICIPAL REINSURANCE H.I.F.	0125-0425 RECEIVABLE 10/25	284,895.22
		424,138.18
ACCESS	INV 11646786 DEPT 418 6/30/25	241.76 241.76
	TOTAL CHECKS	529,619.51
AETNA	MEDICAL TPA FEES 10/25	68,760.06
AETNA	OCTOBER HOLIDAY CREDIT 10/25	-68,760.06 0.00
AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 10/25	255,991.48 255,991.48
FLAGSHIP DENTAL PLANS	E. RUTHER. DENTAL A# 03604 - ID 16 10/25	1,495.48
FLAGSHIP DENTAL PLANS	BOR. RUTHERFORD A# 03604 ID 695 10/25	855.19
		2,350.67
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA FEES 10/25	8,122.88 8,122.88
CONNER STRONG & BUCKELEW	PLAN DOCS 10/25	541.67
CONNER STRONG & BUCKELEW	BENEFIT CONSULTANT FEES 10/25	37,086.59
		37,628.26
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 10/25	35,664.68 35,664.68
JOSEPH L VOZZA AGENCY INC	BROKER FEES 10/25	7,352.46 7,352.46
ALLEN ASSOCIATES	BROKER FEES 10/25	9,885.70 9,885.70
	TOTAL ACH/WIRES	356,996.13
	Total Payments FY 2025	886,615.64
	TOTAL PAYMENTS ALL FUND YEARS	886,615.64

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: August												
	Medical	Dental	Rx	Vision	Run-In	Reinsurance	RSR	Admin	Dividend	Retained	Metro Interfunc	TOTAL
OPEN 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
RECEIPTS												
Assessments	5,034,605.39	190,949.83	438,892.93	0.00	0.00	229,179.47	23,149.24	1,442,833.77		0.00	0.00	7,359,610.63
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	26,030.30	276.92	0.00	0.00	0.00	496.69	536.45	0.00		78.62	0.00	27,418.98
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	26,030.30	276.92	0.00	0.00	0.00	496.69	536.45	0.00		78.62	0.00	27,418.98
Other *	1,210.50	0.00	219,502.80	0.00	0.00	0.00	0.00	0.00		0.00	0.00	220,713.30
TOTAL	5,061,846.19	191,226.75	658,395.73	0.00	0.00	229,676.16	23,685.69	1,442,833.77		78.62	0.00	7,607,742.91
EXPENSES												
Claims Transfers	4,154,392.89	156,826.56	715,353.33	0.00	0.00	0.00	0.00	0.00		0.00	0.00	5,026,572.78
Expenses	254,976.47	271,855.54	0.00	0.00	0.00	0.00	0.00	141,004.47		0.00	0.00	667,836.48
Other *	373,052.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	373,052.15
TOTAL	4,782,421.51	428,682.10	715,353.33	0.00	0.00	0.00	0.00	141,004.47		0.00	0.00	6,067,461.41
END BALANCE	9,506,120.04	(91,289.47)	(3,649,274.94)	0.00	0.00	472,593.12	306,833.05	728,189.08		41,578.30	0.00	7,314,749.18

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS							
Bergen Municipal Employee Benefits Fund							
ALL FUND YEARS COMBINED							
CURRENT MONTH	August						
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	\$5,774,467.68	4069720.48	0	0	0	1704747.2	
Opening Interest Accrual Balance	\$5,690.71	0	0	0	0	5690.71	
1 Interest Accrued and/or Interest Cost	\$24.69	\$0.00	\$0.00	\$0.00	\$0.00	\$24.69	
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	\$27,418.98	\$21,728.27	\$0.00	\$0.00	\$0.00	\$5,690.71	
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	\$27,443.67	\$21,728.27	\$0.00	\$0.00	\$0.00	\$5,715.40	
9 Deposits - Purchases	\$7,578,657.26	\$7,578,657.26	\$0.00	\$0.00	\$0.00	\$0.00	
10 (Withdrawals - Sales)	-\$6,065,794.63	-\$6,065,794.63	\$0.00	\$0.00	\$0.00	\$0.00	
Ending Cash & Investment Balance	\$7,314,749.29	\$5,604,311.38	\$0.00	\$0.00	\$0.00	\$1,710,437.91	
Ending Interest Accrual Balance	\$5,715.40	\$0.00	\$0.00	\$0.00	\$0.00	\$5,715.40	
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	\$7,314,749.29	\$5,604,311.38	\$0.00	\$0.00	\$0.00	\$1,710,437.91	

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
October 29, 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
Resolution 37-25: 2026 Budget Adoption.....	Page 21
Resolution 38-25: Emergency Procurement – Medical TPA.....	Page 22
Resolution 39-25: October 2025 Bills List	Page 23
Resolution 40-25: Approval to go into Closed Session.....	Page 24

RESOLUTION NO. 37-25

**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

WHEREAS, the Executive Committee met on October 29, 2025 in Public Session to adopt the proposed budget and for the 2026 Fund Year; and

WHEREAS, that a public hearing to adopt the 2026 budget was held on October 29, 2025 at 12:00 pm.

NOW THEREFORE BE IT RESOLVED that the Executive Committee of the Bergen Municipal Employee Benefits Fund hereby adopt the 2026 budget in the amount of **\$81,972,931.00**

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 29, 2025

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 38-25

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
DECLARATION OF EMERGENCY PROCUREMENT**

WHEREAS, The Bergen Municipal Employee Benefits Fund (FUND) is experiencing the potential of loss of third-party administrator coverage for its members, affecting the health, safety and welfare of its members; and

WHEREAS, the Fund has been incapable of obtaining procurement of Third-Party Administrator coverage due to time delays in regard to an agency of the State of New Jersey to review submittals for proposed procurement models; and

WHEREAS, New Jersey Local Publics Contract Law at 40A:11-6, and the New Jersey Administrative Code at N.J.A.C 5:34-6 allows for emergency procurement for matters affecting the public safety, health and welfare; and

WHEREAS, emergency addressing of situation has been proposed by receiving emergent third-party administrator proposals in accordance with N.J.S.A. 40A:11-6 for the year 2026; and

WHEREAS it is the intent to obtain Third party Administrator services in accordance with traditional procurement and in consultation and cooperation with the New Jersey Division of Local Government Services and in applicable procurements with the State of New Jersey agencies for 2027 and beyond.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Bergen Municipal Employee Benefits Program (FUND), as follows:

1. The Recital paragraphs are incorporated as if fully set forth.
2. The Fund hereby authorizes emergency procurement for Third Party Administrator Services by the Executive Director.
3. The Executive Director, Qualified Purchasing Agent and Fund Attorney are hereby authorized to take all action and execute all documents required to consummate this contract award.

ADOPTED: OCTOBER 29, 2025

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 39-25

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

WHEREAS, the Bergen Municipal Employee Benefits Fund held a Public Meeting on October 29, 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 October 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 October 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 29, 2025

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 40-25

**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 29, 2025

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: OCTOBER 1, 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
Donna Gambutti, Executive Committee	Absent
Bob Kakoleski, Executive Committee	Present
Anthony Ciannamea, Executive Committee	Present
James Gasparini, Executive Committee	Present
Erin Delaney, Executive Committee Alternate	Absent
Thomas Padilla, Executive Committee Alternate	Present
Joe Voytus, Executive Committee Alternate	Present
Durene Ayer, Executive Committee Alternate	Absent

APPOINTED OFFICIALS PRESENT:

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

OTHERS PRESENT:

See Sign in Sheet at the end of Minutes packet.

MOTION TO APPROVE AUGUST 26, 2025 MINUTES:

MOTION: Commissioner Ayer
SECOND: Commissioner Cinnamea
ROLL CALL VOTE: All in favor
Abstain: Kakoleski and Padilla

CORRESPONDENCE – None

COMMITTEE REPORTS:

Strategic Planning – No Reports

Administration and Finance Committee – Mr. Robert Kakoleski, Committee Chair, provided an update on behalf of the Finance Committee. He thanked PERMA and Conner Strong for their collaboration and noted that the Committee met in September to review the draft 2026 Budget. He acknowledged the current challenges facing the health-benefits marketplace but expressed confidence that the Fund’s financial strategies and the forthcoming detailed presentation would address the Fund’s goals and support surplus regeneration going forward.

Wellness Committee – Mr. Thomas Padilla reported briefly that additional coordination with the Fund’s wellness vendors and wellness grant recipients was underway. Meetings with vendor representatives were being scheduled to refine upcoming programs and continue promoting employee participation.

Small Claims Committee – No Report

Nominations Committee – No Report.

New Members Committee – Mr. Gregory Franz, Committee Chair, deferred to Mr. Joseph Voytus and Mrs. Emily Koval to present new-member updates later under the Executive Director’s Report

EXECUTIVE DIRECTOR’S REPORT

FAST TRACK FINANCIAL REPORT – Mrs. Koval reported that the Fund’s July 2025 Fast Track Financials reflected an increase in surplus of approximately \$461,000, primarily due to dividend income received from the MRHIF. The MRHIF released \$7 million in July, of which BMED’s share was roughly \$667,000. He noted that while 2025 still showed a modest deficit of \$1.5 million and 2024 a \$3.6 million deficit, overall Fund performance and cash position continue to improve

2026 BUDGET UPDATE - Mrs. Koval presented the proposed 2026 Budget, totaling \$81,971,711 – a 19.82% increase compared to the 2025 adopted budget. She explained that the increase reflects national healthcare inflation, rising utilization, and structural changes aimed at strengthening the Fund’s long-term stability.

Key budget highlights included:

- **Medical Claims:** An 18.5% increase driven by higher inpatient costs, increased admissions, longer average lengths of stay, and rising per-unit charges from large regional hospital systems, particularly Hackensack Meridian Health.
- **Prescription Claims:** A 19.7% increase due to growth in GLP-1 weight-loss medications and high-cost oncology therapies. While specialty drug trends are moderating slightly, volatility remains in this market segment.
- **Dental Claims:** Trending upward at 6.1%.
- **Medicare Advantage Program:** A 15.44% increase, which is lower than the statewide average.

Mrs. Koval highlighted the creation of a Loss Fund Contingency in the amount of \$2 million, equivalent to roughly 2.5% of projected claims. The Finance Committee discussed this addition extensively and agreed that the Fund's current position presented an opportunity to rebuild surplus. Establishing the contingency would help stabilize future budgets and reduce exposure to claim fluctuations.

Mr. Kakoleski supported the measure, noting that while 19% growth is substantial, proactive steps are necessary to strengthen reserves. Mr. Lodics emphasized that the proposed budget aligns with the Fund's strategic objective of surplus regeneration, citing improved cash positions and flexibility provided by the MRHIF dividend received earlier in the year. Both he and the Finance Committee recommended adopting the contingency as a prudent measure despite broader market pressures. The Committee discussed the implications of the increase. Mr. Franz questioned whether the Fund should defer building reserves until claims trends stabilize. Mrs. Koval responded that other Health Insurance Funds across the state are similarly investing in contingency reserves, citing a statewide recommendation from PERMA to maintain approximately 2% of total claims as a cushion. Mr. Lodics added that BMED's dividend participation provides a secondary safeguard.

Mrs. Koval outlined the assessment impact to member entities, stating that members can expect an average increase of approximately 23% for combined medical and prescription coverage, with dental rates rising around 2.5% and Medicare Advantage premiums increasing 14%. The Fund intends to continue its "plus-or-minus 2.5%" rating adjustment policy, which allows modest flexibility to reflect each member's individual claims performance over the prior three years.

Further discussion centered on the drivers of rising medical costs. Mrs. Koval explained that both unit cost and frequency have risen, with inpatient days of care up roughly 30% and surgeries 40% higher than the prior year. Mr. Lodics added that chronic conditions such as hypertension, hyperlipidemia, obesity, and musculoskeletal disorders remain leading cost drivers. He noted that hospitals' vertical integration has given them leverage to negotiate higher reimbursement rates with carriers. Mr. LaMendola emphasized that wellness initiatives are a long-term investment requiring sustained participation and behavioral change to achieve meaningful cost reductions.

Mrs. Koval concluded her presentation by noting that the Expense section of the budget reflects a slight decrease of approximately 1% due to reduced administrative fees from Aetna and flat renewals from both PERMA and Conner Strong & Buckelew. The Wellness Program and Disease Management allocations remain unchanged.

Motion: To introduce the 2026 Bergen Municipal Employee Benefits Fund Budget in the amount of \$81,971,711 and advertise the public hearing for October 29, 2025.

MOTION:	Commissioner Kakoleski
SECOND:	Commissioner Kunze
ROLL CALL VOTE:	9 Ayes, 0 Nays

MRHIF PAYABLE CATCHUP - Mrs. Koval reviewed the Fund’s prior action from April 10, 2025, when the Executive Committee voted to reduce the Fund’s Specific Stop-Loss Retention from \$425,000 to \$325,000. This adjustment was implemented in response to a sharp increase in large claimants across the Health Insurance Fund network and was designed to provide additional protection against catastrophic claims.

At the time, the additional premium exposure to the Municipal Reinsurance Health Insurance Fund (MRHIF) was estimated at \$855,000, with repayment scheduled by the end of 2026. However, based on the Fund’s improved financial position and cash flow, it is now feasible to complete repayment by the end of 2025.

Mrs. Koval proposed repaying the balance in three equal installments during October, November, and December 2025, preserving cash liquidity while ensuring the obligation is cleared within the current fiscal year. The Finance Committee supported the accelerated repayment plan, noting that retiring this liability early will allow the 2026 Budget to proceed without encumbrance and improve the Fund’s year-end financial statement position.

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

MOTION:	Commissioner Cinnamea
SECOND:	Commissioner Kakoleski
ROLL CALL VOTE:	9 Ayes, 0 Nays

NEW MEMBER OPPORTUNITIES - Mrs. Koval reported that three entities – Borough of Bergenfield, Borough of Totowa, and Borough of Alpine – expressed interest in joining BMED effective January 1, 2026. Actuarial and underwriting reviews indicated favorable risk levels.

- **Borough of Bergenfield:** 172 employees, including retirees; broker: Conner Strong & Buckelew.
- **Borough of Totowa:** 70 employees; broker: Strategic Insurance Partners.
- **Borough of Alpine:** 18 employees; broker: Eifert, French & Ketchum.

Mr. Burke confirmed that additional margin was applied to Alpine’s rates to offset the limited credibility of its small group. Mr. Franz and Mr. LaMendola discussed the prudence of adding new members during a volatile market, agreeing that measured growth spreads risk and strengthens the Fund’s negotiating position.

COMPETITIVE CONTRACTING – PROFESSIONALS - Mrs. Koval advised the Committee that several professional service contracts will expire at the conclusion of the 2025 Fund Year, including those for the Auditor, Actuary, Attorney, and Treasurer. In accordance with State procurement regulations and the Fund’s QPA requirements, these positions must be re-bid using the Competitive Contracting process.

NO SURPRISES ACT LEGISLATIVE LETTERS - Mr. Rhodes provided an update regarding the ongoing challenges posed by the federal No Surprises Act (NSA) and shared recent correspondence that was distributed to New Jersey’s Congressional delegation on behalf of the statewide Health Insurance Funds. The letters, included in the agenda packet, outline the concerns of the HIFs regarding the unintended financial and administrative consequences the NSA has created for self-funded public entities.

He explained that while the Act was designed to protect patients from unexpected out-of-network balance billing, the implementation framework has significantly disadvantaged self-insured municipal and school entities. The arbitration process and reimbursement methodology used under

the Independent Dispute Resolution (IDR) system have resulted in higher costs, delayed payments, and inconsistent determinations – contrary to the cost-containment goals originally envisioned by the law.

Mr. Rhodes noted that the letters, jointly signed by the HIF Chairs, Fund Administrators, and Consultants, were sent to New Jersey’s federal representatives in both the U.S. Senate and House of Representatives. The correspondence urges Congress to consider amendments that would clarify the treatment of public-sector self-funded plans, improve transparency within the IDR process, and re-establish realistic benchmarking for allowable charges.

He further advised that the HIF Coalition – comprised of all seven regional Health Insurance Funds – is continuing its legislative advocacy efforts through coordination with PERMA and Conner Strong & Buckelew. A follow-up roundtable with key legislative staff is anticipated later this fall to discuss potential administrative remedies and long-term policy adjustments.

He concluded by reaffirming Conner Strong’s commitment to monitoring all federal and state policy developments impacting public-sector health plans, noting that this collaboration between the statewide Funds demonstrates a unified approach to protecting member interests and promoting financial stability.

MRHIF UPDATE - Mrs. Koval reported that the Municipal Reinsurance Health Insurance Fund (MRHIF) introduced its 2026 Budget, which includes a 24.25% increase in reinsurance premiums due to increased large-claim activity. She emphasized that BMED’s proactive efforts position the Fund favorably within the MRHIF structure for the coming year.

BROKER RESOLUTIONS AND INDEMNITY AND TRUST AGREEMENTS - Mrs. Koval reminded the Committee that all member entities must maintain current Broker Resolutions of Appointment and Indemnity & Trust (I&T) Agreements on file. She noted that these documents establish the Fund’s formal relationship with each member and broker and are required for compliance with the Fund’s bylaws and the Department of Banking and Insurance.

CLOSED SESSION - Mrs. Koval requested authorization for the Executive Committee to enter Closed Session to discuss matters involving ongoing procurements, potential vendor renewals, and legal guidance from Fund Counsel.

BENEFIT CONSULTANTS REPORT

Mr. Lajewski presented the Program Manager’s Report and accompanying Benefits Consulting Attachment, noting that some updated data had been received late and therefore incorporated just prior to distribution.

Operational Updates

Mr. Lajewski reminded Fund members that all administrative questions related to eligibility or enrollment within the Horizon Direct/Applicability Enrollment System should be directed to the Fund’s dedicated client-service team, as listed in the report. He specifically identified Mr. Kotch as the primary contact for the Fund and noted that system training sessions continue to be held every Wednesday at 10:00 a.m. These sessions are available for member entities seeking refresher instruction or onboarding new users.

Open Enrollment – 2026 Program Year

Mr. Lajewski announced that the open-enrollment period for the 2026 program year is scheduled for October 27 through November 7, 2025. He emphasized that all enrollment updates must be finalized

in the Horizon Eligibility System (Applicability platform) no later than November 21, 2025, to ensure ID cards are issued in time for the January 1 effective date.

He further noted that open-enrollment guides and communication materials are currently being updated and will be distributed to all participating groups as soon as final edits are complete.

Pharmacy Formulary and Clinical Programs

Mr. Lajewski provided an update on the National Preferred Formulary, which will be revised effective January 1, 2025, with only minor changes. The primary adjustment involves the exclusion of certain medications for new prescriptions beginning March 1, 2026, while existing prescriptions will continue to be honored under current prior-authorization provisions.

He also reviewed the status of the GLP-1 weight-loss medication pilot program, explaining that the Fund is actively monitoring utilization and awaiting further reporting from Express Scripts (ESI) regarding program outcomes. Additional clinical-management guidelines are expected later this fall, which will help standardize coverage protocols effective January 1, 2026.

Appeals and Audit Activity

Mr. Lajewski reported that during the most recent review period, one formal appeal was submitted and upheld, along with one Independent Review Organization (IRO) submission, which was also upheld in favor of the Fund. No systemic audit findings were identified during this period.

At the request of the New Member Committee, Conner Strong & Buckelew will begin providing a standardized pipeline report for all prospective-member submissions. This report will include underwriting metrics, rating evaluations, and acceptance criteria to ensure transparency and consistency in the Fund's review process moving forward.

Legislative Review

Mr. Lajewski concluded by referencing Mr. Jim Rhodes's earlier presentation under the Legislative Update section regarding the No Surprises Act and related transparency legislation. He confirmed that Conner Strong will continue working with PERMA and the statewide Health Insurance Funds (HIFs) to monitor federal and state regulatory changes that could impact Fund operations.

FUND ATTORNEY – Fund Attorney has no report.

TREASURER – The Treasurer reported materially improved cash flow is good but not great and there are no significant delinquencies.

BOARD ADVISOR– Mr. LaMendola stated no report.

AETNA – Mr. Silverstein summarized medical claims for July including the high cost claimants. He reviewed dashboard metrics and trends for the Board's monitoring.

EXPRESS SCRIPTS – Mr. Yuk reviewed the reports in the agenda for the month of August.

DELTA DENTAL – The report was included in the agenda.

CONSENT AGENDA:

Motion to Approve Consent Agenda Including Resolutions 33-25, 34-25, 35-25, and 36-25:

MOTION:	Commissioner Voytus
SECOND:	Commissioner Cinnamea
VOTE:	9 Ayes, 0 Nays

OLD BUSINESS: Chairman Hart shared his experience participating in a panel at the New Jersey Municipal Managers Association, where he discussed the benefits of health insurance funds compared to the state health benefits plan.

NEW BUSINESS: None

PUBLIC COMMENT: Mr. Covelli emphasized the importance of growing the Fund and suggested reviewing Alpine's history.

MOTION TO GO INTO CLOSED SESSION: RESOLUTION 36-25:

MOTION:	Commissioner Franz
SECOND:	Commissioner Kunze
VOTE:	All in favor

MOTION TO ADJORN:

MOTION:	Commissioner Cinnamea
SECOND:	Commissioner Kunze
VOTE:	Unanimous

MEETING ADJOURNED: 2:00 pm

NEXT MEETING: OCTOBER 29, 2025

Jordyn Robinson, Assistant Account Manager

SIGN IN SHEET

BMED – October 1, 2025

NAME	AGENCY
Renee Gear	World Ins. Assoc.
Lisa Sabato	World Ins. Assoc.
Nicholas Prochilo	City of Garfield
Don Dwy	630 Otterstedt RMC
Meth M. McAm	630 Otterstedt RMC
Julie Seridien	LMAC
Wally Lindsay	FBOE
Clark Lamentale	
Charles Yuh	ESI
Rich Kuyse	Oakland
Greg Hart	Franklin Lakes
Kim Went	De l'In Dent
Maura Fennell	Acm sun
Jesse Mochlman	Fanwood
Frank Covey	PIA/World
Dave Vozza	Vozza

APPENDIX II

MEMORANDUM

To: BMED Commissioners
From: PERMA
Date: October 8, 2025
Subject: One-Year Agreement - TPA

At the direction of the HIF Cooperative counsel, Mr, Ken Harris, and in light of the Office of the State Comptroller's (OSC) insistence that precluded running our usual RFP process this cycle, PERMA negotiated interim one-year agreements the third-party administrator (TPAs), Aetna for 2026. Our objective is protecting the Funds and maintain market leverage while addressing compliance sensitivities and timing constraints. The memorandum shall address the process and results that will technically apply to the Fund.

Process and Vendor Engagement

In lieu of a formal RFP, we conducted a structured review of current terms and performance. We issued each carrier a written set of questions and requirements, focusing on: (1) reductions in fixed administrative costs; (2) contractual improvements that strengthen protections for the Funds; and (3) operational commitments to improve service and accountability.

Results - Financial and Contractual Improvements

We insisted upon – and obtained – meaningful concessions designed to directly benefit the Funds for the one-year bridge period. This is summarized as follows:

- Fixed Cost Reductions: Reductions to the administrative / ASO fees and other non-claim expenses
- Out of Network Service Fees: Secured reductions to the out of network fees and caps to apply discounts
- Enrollment based sliding fee scale
- Embedded return on investment (ROI) guarantees for recommended Carrier sponsored cost containment programs
- Performance, financial accuracy, and operational guarantees worth up to 25% of administrative fee

Estimated Value ("Savings")

Conservatively, the negotiated concessions are projected to generate approximately \$4.25-\$4.75 million across all Funds (including your Fund and the other Funds that also participate with the MRHIF) in avoided costs over the one-year term, driven primarily by fixed-fee reductions and targeted contractual caps. Estimated savings is based on existing enrollment as of October 2025 and does not contemplate additional savings as the result of new members.

Request for Approval and Immediate Next Steps

We will ask that the Fund pass a resolution at its next meeting officially accepting the 2026 terms as negotiated by this office. If you have any questions in the interim, please contact our office.

APPENDIX III



August 13, 2025

Joseph DiBella, REBC
Executive Partner, National Employee Benefits Practice Leader
Conner Strong & Buckelew
TRIAD1828 CENTRE
2 Cooper Street
Camden, NJ 08101

Subject: 2026 Level Care Rx Values

Dear Joe:

Risk Strategies Consulting's ("RSC", "us" or "we") was engaged by Level Health Solutions ("Level Care") to support their vendor selection process for the self-insured pharmacy benefits program for their members. As part of this engagement, RSC assisted Level Care with the RFP process for selecting a new pharmacy benefit manager (PBM). Our role included conducting comprehensive evaluations of each vendor's services, contract terms, and pricing. This support also involved assessing the estimated financial impact of the proposed vendor options relative to Level Care's current PBM arrangement.

Level Care has requested that RSC provide a memorandum documenting our estimates of the potential financial impact of the proposed program change on current costs, excluding any assumptions related to changes in utilization or service mix. This memorandum is intended to fulfill that request.

The remainder of this document outlines the results of our review, the methodologies employed, and any notable findings relevant to the analysis.

Methodology and Data

To model the potential financial impact of converting to from traditional spread arrangements to ESI's net acquisition cost program, RSC performed a repricing of Level Care's 2024 pharmacy benefit claims experience at ESI's proposed contractual terms and rates for 2026.

To reflect anticipated 2026 cost and utilization levels, the following trends were applied to the 2024 experience:

- Annual Unit Cost Trend (Average Wholesale Price (AWP) per script) - +5.9%
- Annual Utilization Trends (Scripts Per Member) - +1.75%

To reflect the potential variation in trend assumptions, a range of potential cost impacts were developed, assuming that potential AWP unit cost estimates vary between +/- 2.25% - 2.75%.

The impact of utilization shifts, potential new drugs, membership, or future member cost share changes was not contemplated in the analysis.

Financial Savings Indications

Our analysis indicated the financial savings generated by the proposed ESI Net Acquisition Plan program terms relative to the current vendor 2026 contract terms to be as follows:

RSC Modeled 2026 Financial Savings – RFP Results	
Category	Savings %**
Gross Cost Net Savings*	11-13%
Additional Savings from Net Acquisition Cost Recoveries:	3-4%
Indicated 2026 Financial Savings Due to Program Change	14-17%
Recommended Savings Accrual	7-8.5%

*Gross Cost Net Savings are estimated savings in drug costs to the plan after discounts, dispensing fees and rebates are considered. (does not include member cost share).

** Savings % were generated modeling proposed contract terms to 2024 base experience. As indicated in the methodology section of this report, savings don't consider utilization or drug mix shifts.

RSC recommends that Level Care assumes no more than 50% of the potential savings in future estimates to recognize the uncertainty of future cost projections inherent to prescription drug program pricing. Factors such as uncertainty in future cost and utilization trends, potential utilization shifts due to new drug treatments, and changes in drug mix contribute to overall unpredictability.

Additional detail in terms of the potential financial savings indicated in the results of our RFP review for Level Care's pharmacy program can be found in the power point presentation provided to Level Care (*Level Care RFP Results*, dated March 14, 2025).

Caveats and Limitations

Please note the following caveats and limitations with respect to this project and results summary:

- We reviewed all data/information provided for reasonableness given known claim events but did not audit the data/information.
- This estimate has been prepared for the internal use of Level Care and its advisors/auditors. It may not be distributed, disclosed, copied, or otherwise furnished to any other party without our prior consent.
- Risk Strategies Consulting has performed the work assigned and prepared this summary assuming it will be utilized by persons technically competent in the areas addressed and for the stated purpose.



- The assumptions underlying the results summarized above are based on actual plan data/experience and informed judgment. The data and experience provided are assumed to be accurate and complete. If the data and experience provided are inaccurate or incomplete, our results would need to be revised accordingly.

In our opinion, the approach and assumptions used to develop the estimated cost impacts are reasonable in the aggregate, based on the data/information provided and on our experience; however, future experience is inherently uncertain and may differ from these results, perhaps significantly. As a result, we recommend that Level Care continually monitor emerging experience and adjust as necessary.

Please feel free to contact me with questions/comments regarding anything above at (484) 639-7087 or via e-mail at jcurran@risk-strategies.com.

Joseph Curran, FSA, MAAA
Senior Director, Actuarial Services
Risk Strategies Consulting
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JAMES RHODES

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MEMO

To: BMED Commissioners

From: James Rhodes

CC: Brandon Lodics
Tammy Brown
Executive Committee Members

Date: October 27, 2025

Subject: **NJ Out-of-Network Consumer Protection, Transparency, Cost Containment, and Accountability Act**

As we have discussed in our review of unforeseen claims resulting from the Federal No Surprises Act, PERMA has researched and discussed the State of New Jersey's Out-Of-Network Consumer Protection, Transparency, Cost Containment, and Accountability Act, P.L. 2019, c. 31, codified as N.J.S.A. 26:2SS-1 to -20 (the "Act"), with our carrier partners.

The Funds currently are subject to the Federal statute. But with the dramatic impact on HIF budgets throughout the State due to the Federal statute, **PERMA is directing Aetna and AmeriHealth to have the Funds opt-in to the State's no surprises program, which is permitted in the Act. The change will be effective January 1, 2026.**

The State's Act offers several advantages to plan sponsors:

- Plan members are still protected from surprise medical billing, but via the State process going forward.
- Under New Jersey's Act, there is only one Independent Dispute Resolution (IDR) vendor (at this time, Maximus), as opposed to the many available under the Federal law.
- The State's Act provides strict timelines for submitting claims, where we've seen the effect of surprise awards and fees many months or even years after the initial claim was paid under the Federal Law, which also requires fees to be paid to CMS and the IDR, and the IDR fees vary. The State's IDR fees are set and given its other requirements, the law provides for a much more predictable and manageable process.
- The Act also requires that any ID card issued by a self-funded plan must indicate whether the plan has opted in to the arbitration provisions under the Act. Thus, issuance of identification cards compliant with the Act must occur upon the earliest of the following: issuance of a new or renewal plan or the self-funded plan's opt-in to OON Arbitration.

Once subject to the State's Act, the Funds will no longer be subject to the Federal law, except in the case of air ambulance services which are not covered by the State's Act. The State Act applies when an out-of-network health care provider, who is licensed or certified in New Jersey, rendered a covered service to a covered person in New Jersey under the health benefits plan. Healthcare services incurred before January 1, 2026, are still subject to the Federal

law. We expect this change to bring a more predictable process for budgeting and managing NSA claims going forward. It should be noted that the New Jersey Act requires an annual opt-in, so certain protections exist should it be deemed necessary to opt out in the future.

We appreciate your advocacy for changes to the Federal NSA IDR process, but it is apparent changes are not likely. The State option provides Funds with the most protection while still providing members with protection from surprise medical bills.

Please let us know if you have any questions.