



AGENDA AND REPORTS
FEBRUARY 24, 2026
FRANKLIN LAKES BOROUGH HALL
12:00 PM

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

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

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
AGENDA MEETING: FEBRUARY 24, 2026
FRANKLIN LAKES BOROUGH HALL
12:00 PM**

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

PLEDGE OF ALLEGENCE

ROLL CALL OF 2026 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
Tomas Padilla, Executive Committee Alternate
Joe Voytus, Executive Committee Alternate
Durene Ayer, Executive Committee Alternate
Erin Delaney, Executive Committee Alternate

APPROVAL OF MINUTES: *January 27, 2026, Open..... Appendix I*

CORRESPONDENCE - CMS Letter Requesting Examination..... Appendix II

MONTHLY COMMITTEE REPORTS

STRATEGIC PLANNING COMMITTEE - Rich Kunze, Chair

FINANCE/ADMINISTRATION COMMITTEE - Robert Kakoleski, Chair

WELLNESS COMMITTEE - Joe Voytus, Chair

SMALL CLAIMS COMMITTEE - Donna Gambutti, Chair

NOMINATION COMMITTEE - Anthony Ciannamea, Chair

NEW MEMBERS COMMITTEE - Gregory Franz, Chair

EXECUTIVE DIRECTOR - PERMA - James Rhodes and Emily Koval

Executive Director's Report**Page 4**

BENEFITS CONSULTANT REPORT – John Lajewski
Conner Strong & Buckelew.....Page 12

ATTORNEY – William Bailey, Esq.

TREASURER – Joseph Iannaconi
Voucher List February 2026.....Page 15
Treasurers Report December 2025.....Page 17
Confirmation of Claims Paid/Certification of Transfers

BOARD ADVISOR – Clark LaMendola

WELLNESS COORDINATOR – Dina Robinson

THIRD PARTY ADMINISTRATOR – Aetna – Jason Silverstein
Monthly ReportPage 20

PRESCRIPTION PROVIDER – Express Scripts – Hiteska Patel
Monthly Report.....Page 23

DENTAL ADMINISTRATOR – Delta Dental – Kim White
Monthly Report.....Page 27

CONSENT AGENDAPage 29

REVISED Resolution 8-26: Approval of 2026 Risk Management Plan.....Page 30
Resolution 15-26: Approving New MembershipPage 43
Resolution 16-26: Approving February 2026 Bills ListsPage 44

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT – *Motion to Open*
Motion to Close

MEETING ADJOURNED

Bergen Municipal Employee Benefits Fund
Executive Director's Report
FEBRUARY 24, 2026

FINANCE AND OPERATIONS

PRO FORMA REPORTS

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

2026 RISK MANAGEMENT PLAN (RMP) UPDATE

As part of the Risk Management Plan Resolution approved at the last meeting, the plan has been updated to incorporate the New Jersey Out-of-Network Consumer Protection, Transparency, Cost Containment, And Accountability Act (P.L. 2018, c. 32). This addition strengthens the protections related to out-of-network services. A revised Resolution 8-26 is included in consent agenda.

2026 MEL, MR HIF & NJCE JIF Educational Seminar:

The 16th annual seminar will be conducted virtually on 2 half-day sessions: Friday April 24th and Friday May 1st from 9AM to 12PM.

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

Enclosed in **Appendix III** is the latest in a series of Power of Collaboration advertisements to be published in the League of Municipalities magazine which highlights the educational seminar.

GASB 102 DISCLOSURE

Enclosed in **Appendix IV** is an informational memo regarding the GASB 102 requirements for reporting periods ending December 31, 2025, and thereafter. While GASB 102 established updated guidance, our Auditors do not believe these disclosures apply to the Health Insurance Funds.

GASB 75 REPORTING

The Fund is contracted with an actuary to prepare GASB 75 reports for its medical members. If your audit requires a complete report or an update to the previous year's report, please contact Jordyn Robinson at jrobinson@permainc.com. Please note that during peak periods, report turnaround time may be up to six weeks.

INDEMNITY AND TRUST (I&T) AGREEMENTS

Indemnity and Trust Agreements and Resolutions for adoption by the governing bodies to renew membership with the fund are required to be executed every three years. Below is a list of members with renewing agreements that have expired. Please reach out to HIAdmin@permainc.com for a blank agreement and resolution to be executed. This list was last updated on February 18, 2026.

| Member | I&T End Date |
|------------------------------------|-------------------------|
| Hillsdale | 12/31/2021 |
| Wallington | 12/31/2022 |
| Fanwood Township | 12/31/2023 |
| Ridgefield Park | 12/31/2023 |
| Wanaque Valley Regional S.A. | 12/31/2023 |
| Alpine | 12/31/2024 |
| Rutherford | 12/31/2024 |
| Verona | 12/31/2024 |
| Westwood | 12/31/2024 |
| East Rutherford | 12/31/2025 |
| East Rutherford Board of Education | 12/31/2025 |
| Ft. Lee | 12/31/2025 |
| Maywood Borough | 12/31/2025 |
| Montvale | 12/31/2025 |
| Moonachie | 12/31/2025 |
| North Arlington | 12/31/2025 |
| Park Ridge | 12/31/2025 |
| Rochelle Park | 12/31/2025 |
| Wood-Ridge | 12/31/2025 |

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

FINANCIAL FAST TRACK REPORT

| | | AS OF | December 31, 2025 | | | |
|----------------------------------------|-------------------------------------------|--------------------|--------------------------|--------------------|--------------------|--|
| | | THIS | YTD | PRIOR | FUND | |
| | | MONTH | CHANGE | YEAR END | BALANCE | |
| 1. | UNDERWRITING INCOME | 5,738,814 | 72,468,224 | 805,323,238 | 877,791,462 | |
| 2. | CLAIM EXPENSES | | | | | |
| | Paid Claims | 4,803,230 | 61,374,878 | 668,908,171 | 730,283,050 | |
| | IBNR | (29,921) | 260,328 | 7,293,000 | 7,553,328 | |
| | Less Specific Excess | (522,419) | (3,367,750) | (16,761,228) | (20,128,977) | |
| | Less Aggregate Excess | - | - | (602,911) | (602,911) | |
| | TOTAL CLAIMS | 4,250,890 | 58,267,457 | 658,837,033 | 717,104,489 | |
| 3. | EXPENSES | | | | | |
| | MA & HMO Premiums | 260,721 | 3,088,750 | 31,857,919 | 34,946,669 | |
| | Excess Premiums | 211,951 | 2,539,672 | 35,866,476 | 38,406,148 | |
| | Administrative | 296,173 | 3,242,932 | 61,010,959 | 64,253,891 | |
| | TOTAL EXPENSES | 768,845 | 8,871,355 | 128,735,353 | 137,606,708 | |
| 4. | UNDERWRITING PROFIT/(LOSS) (1-2-3) | 719,080 | 5,329,413 | 17,750,852 | 23,080,265 | |
| 5. | INVESTMENT INCOME | 22,736 | 213,720 | 4,019,596 | 4,233,316 | |
| 6. | DIVIDEND INCOME | - | 667,904 | 7,518,953 | 8,186,857 | |
| 7. | STATUTORY PROFIT/(LOSS) (4+5+6) | 741,816 | 6,211,036 | 29,289,401 | 35,500,437 | |
| 8. | DIVIDEND | - | 3,177,254 | 29,523,154 | 32,700,408 | |
| 9. | Transferred Surplus IN | - | - | - | - | |
| 10. | Transferred Surplus OUT | - | - | - | - | |
| STATUTORY SURPLUS (7-8+9) | | 741,816 | 3,033,782 | (233,753) | 2,800,029 | |
| SURPLUS (DEFICITS) BY FUND YEAR | | | | | | |
| | Closed | | | | | |
| | Surplus | 2,847 | (3,124,447) | 8,648,792 | 5,524,345 | |
| | Cash | (3,803) | (1,999,960) | 7,605,066 | 5,605,105 | |
| | 2024 | | | | | |
| | Surplus | 24,549 | 4,772,141 | (8,882,544) | (4,110,403) | |
| | Cash | (69,768) | (2,264,999) | (4,191,217) | (6,456,215) | |
| | 2025 | | | | | |
| | Surplus | 714,419 | 1,386,088 | | 1,386,088 | |
| | Cash | (2,900,937) | 5,874,000 | | 5,874,000 | |
| TOTAL SURPLUS (DEFICITS) | | 741,816 | 3,033,782 | (233,753) | 2,800,029 | |
| TOTAL CASH | | (2,974,508) | 1,609,041 | 3,413,849 | 5,022,890 | |
| CLAIM ANALYSIS BY FUND YEAR | | | | | | |
| TOTAL CLOSED YEAR CLAIMS | | 4,467 | 725,039 | 599,600,852 | 600,325,891 | |
| FUND YEAR 2024 | | | | | | |
| | Paid Claims | 71,305 | 9,345,015 | 52,382,647 | 61,727,662 | |
| | IBNR | (43,757) | (7,293,000) | 7,293,000 | - | |
| | Less Specific Excess | (50,565) | (1,640,800) | (439,467) | (2,080,267) | |
| | Less Aggregate Excess | - | - | - | - | |
| TOTAL FY 2024 CLAIMS | | (23,017) | 411,215 | 59,236,180 | 59,647,395 | |
| FUND YEAR 2025 | | | | | | |
| | Paid Claims | 4,727,458 | 51,241,578 | | 51,241,578 | |
| | IBNR | 13,836 | 7,553,328 | | 7,553,328 | |
| | Less Specific Excess | (471,854) | (1,663,703) | | (1,663,703) | |
| | Less Aggregate Excess | - | - | | - | |
| TOTAL FY 2025 CLAIMS | | 4,269,440 | 57,131,202 | | 57,131,202 | |
| COMBINED TOTAL CLAIMS | | 4,250,890 | 58,267,457 | 658,837,033 | 717,104,489 | |

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

| BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND | | | | | | | | | | | | | |
|-----------------------------------------|------------|--------------|--------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| RATIOS | | | | | | | | | | | | | |
| INDICES | 2024 | FY2025 | | | | | | | | | | | |
| | | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| 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 | \$ 7,330,372 | \$ 7,637,147 | \$ 7,997,397 | \$ 5,022,890 |
| 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 | \$ 7,628,303 | \$ 7,635,924 | \$ 7,583,249 | \$ 7,553,328 |
| 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 | \$ 9,513,928 | \$ 9,546,556 | \$ 10,032,513 | \$ 10,533,206 |
| 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 | \$ 8,637,316 | \$ 8,388,461 | \$ 7,974,299 | \$ 7,733,176 |
| Surplus | (233,752) | \$ (188,984) | \$ 269,525 | \$ (297,220) | \$ (691,455) | \$ (1,636,347) | \$ 64,619 | \$ 526,336 | \$ 726,784 | \$ 876,613 | \$ 1,158,095 | \$ 2,058,215 | \$ 2,800,030 |
| 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 | \$ 5,379,266 | \$ 5,201,873 | \$ 4,365,641 | \$ 4,803,230 |
| 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 | \$ 4,945,000 | \$ 4,887,497 | \$ 4,887,669 | \$ 4,887,102 |
| 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 | \$ 47,004,134 | \$ 52,206,007 | \$ 56,571,648 | \$ 61,374,878 |
| 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 | \$ 43,611,353 | \$ 47,906,599 | \$ 52,794,268 | \$ 57,681,370 |
| RATIOS | | | | | | | | | | | | | |
| Cash Position to Claims Paid | 0.64 | 0.88 | 1.16 | 1.08 | 0.37 | 0.69 | 1.11 | 1.08 | 1.52 | 1.36 | 1.47 | 1.83 | 1.05 |
| Claims Paid to Claims Budget -- Month | 1.26 | 1.09 | 0.97 | 1.1 | 1.2 | 1.18 | 1.07 | 1.02 | 0.98 | 1.09 | 1.06 | 0.89 | 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 | 1.08 | 1.09 | 1.07 | 1.06 |
| Cash Position to IBNR | 0.47 | 0.67 | 0.79 | 0.82 | 0.3 | 0.54 | 0.77 | 0.71 | 0.96 | 0.96 | 1 | 1.05 | 0.66 |
| Assets to Liabilities | 0.97 | 0.97 | 1.04 | 0.96 | 0.91 | 0.79 | 1.01 | 1.06 | 1.08 | 1.1 | 1.14 | 1.26 | 1.36 |
| Surplus as Months of Claims | (0.06) | (0.04) | 0.06 | -0.06 | -0.15 | -0.33 | 0.01 | 0.11 | 0.15 | 0.18 | 0.24 | 0.42 | 0.57 |
| IBNR to Claims Budget -- Month | 1.74 | 1.44 | 1.43 | 1.45 | 1.48 | 1.5 | 1.54 | 1.54 | 1.55 | 1.54 | 1.56 | 1.55 | 1.55 |

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

| | Cumulative | Annualized | Latest filed | Cumulative | \$ Variance | % Variance |
|------------------------------------|-------------|-------------|--------------|---------------------------------------|-------------|------------|
| Expected Losses | | | | Expensed | | |
| Medical Claims Aetna | 50,723,577 | 50,723,577 | 51,400,571 | 48,837,500 | 1,886,077 | 4% |
| Prescription Claims | 6,837,997 | 6,837,997 | 7,049,884 | 6,221,223 | (1,434,624) | -30% |
| Prescription Formulary Rebates | (2,051,397) | (2,051,397) | (2,114,965) | Included Above in Prescription Claims | | |
| Dental Claims | 2,171,193 | 2,171,193 | 2,169,015 | 2,072,479 | 98,714 | 5% |
| Subtotal | 57,681,370 | 57,681,370 | 58,504,505 | 57,131,202 | 550,168 | 1% |
| HMO/DMO Premiums | 28,651 | 28,651 | 30,381 | 28,789 | (138) | 0% |
| Medicare Advantage / EGWP | 3,059,961 | 3,059,961 | 3,110,050 | 3,059,961 | - | 0% |
| Reinsurance | | | | | | |
| Specific | 2,539,672 | 2,539,672 | 1,682,445 | 2,539,672 | - | 0% |
| Total Loss Fund | 63,309,654 | 63,309,654 | 63,327,381 | 62,759,625 | 550,030 | 1% |
| Loss Fund Contingency | 251,492 | 251,492 | 220,516 | 0 | 251,492 | 0% |
| Expenses | | | | | | |
| Legal | 26,520 | 26,520 | 26,520 | 27,586 | (1,066) | -4% |
| Treasurer | 21,918 | 21,918 | 21,918 | 21,918 | 0 | 0% |
| Administrator | 479,840 | 479,840 | 477,783 | 487,340 | (7,500) | -2% |
| Risk Management Consultants | 1,203,955 | 1,203,955 | 1,183,821 | 1,203,955 | - | 0% |
| | | | | 79,992 | (79,992) | -100% |
| | | | | 2,583 | (2,583) | -100% |
| TPA - Claims Agent Aetna | 831,487 | 831,487 | 872,355 | 853,161 | (21,674) | -3% |
| Dental TPA | 97,291 | 97,291 | 96,593 | 97,291 | - | 0% |
| Actuary | 19,278 | 19,278 | 19,278 | 19,280 | (2) | 0% |
| Auditor | 19,584 | 19,584 | 19,584 | 21,216 | (1,632) | -8% |
| Benefits Consultant | 447,081 | 447,081 | 446,547 | 447,081 | - | 0% |
| Board Advisor | 19,484 | 19,484 | 19,484 | 15,000 | 4,484 | 23% |
| Subtotal Expenses | 3,166,437 | 3,166,437 | 3,183,883 | 3,276,402 | (109,965) | -3% |
| Miscellaneous and Special Services | | | | | | |
| Misc/Cont | 19,000 | 19,000 | 19,000 | 29,105 | (10,105) | -53% |
| Wellness, Disease, Case Management | 100,000 | 100,000 | 100,000 | 4,868 | 95,132 | 95% |
| Affordable Care Act Taxes | 11,308 | 11,308 | 11,299 | 14,074 | (2,766) | -24% |
| A4 Surcharge | 95,329 | 95,329 | 98,913 | 87,217 | 8,112 | 9% |
| Plan Documents | 6,500 | 6,500 | 6,500 | 6,500 | - | 0% |
| Claims Audit | 40,000 | 40,000 | 40,000 | 0 | 40,000 | 100% |
| Subtotal Misc/Sp Svcs | 272,137 | 272,137 | 275,712 | 141,764 | 130,373 | 48% |
| Total Expenses | 3,438,574 | 3,438,574 | 3,459,595 | 3,418,166 | 20,408 | 1% |
| Total Budget | 66,999,721 | 66,999,721 | 67,007,492 | 66,177,791 | 821,930 | 1% |

Bergen Municipal Employee Benefits Fund

CONSOLIDATED BALANCE SHEET

as of December 31, 2025

BY FUND YEAR

| | BMED 2025 | BMED 2024 | CLOSED YEAR | FUND BALANCE |
|---------------------------------------|------------------|--------------------|------------------|-------------------|
| ASSETS | | | | |
| Cash & Cash Equivalents | 5,874,000 | (6,456,215) | 5,605,105 | 5,022,890 |
| Assessments Receivable (Prepaid) | 1,006,997 | 1,945,517 | 70,658 | 3,023,173 |
| Interest Receivable | 492 | (186) | 2,742 | 3,048 |
| Specific Excess Receivable | 1,580,773 | 319,835 | - | 1,900,608 |
| Aggregate Excess Receivable | - | - | - | - |
| Dividend Receivable | - | - | - | - |
| Prepaid Admin Fees | 0 | - | - | 0 |
| Other Assets | 563,824 | (0) | 19,664 | 583,488 |
| Total Assets | 9,026,087 | (4,191,049) | 5,698,169 | 10,533,206 |
| LIABILITIES | | | | |
| Accounts Payable | (0) | (177,896) | - | (177,896) |
| IBNR Reserve | 7,553,328 | - | - | 7,553,328 |
| A4 Retiree Surcharge | 67,087 | - | - | 67,087 |
| Dividends Payable | - | - | 131,984 | 131,984 |
| Retained Dividends | - | - | 41,838 | 41,838 |
| Accrued/Other Liabilities | 19,584 | 97,250 | - | 116,834 |
| Total Liabilities | 7,639,999 | (80,646) | 173,823 | 7,733,176 |
| EQUITY | | | | |
| Surplus / (Deficit) | 1,386,088 | (4,110,403) | 5,524,346 | 2,800,030 |
| Total Equity | 1,386,088 | (4,110,403) | 5,524,346 | 2,800,030 |
| Total Liabilities & Equity | 9,026,087 | (4,191,049) | 5,698,169 | 10,533,206 |
| BALANCE | - | - | - | - |

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

REGULATORY

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
REGULATORY
YEAR: 2026**

FILING STATUS UPDATES

| <u>Items</u> | <u>Filing Status</u> |
|----------------------------------|-----------------------------------|
| Budget | Filed |
| Assessments | Filed |
| Actuarial Certification | Filed |
| Reinsurance Policies | Filed |
| Fund Commissioners | Be Filed upon Re-organization |
| Fund Officers | Be Filed upon Re-organization |
| Renewal Resolutions | Be Filed upon Re-organization |
| Indemnity and Trust | Be Filed upon Re-organization |
| New Members | Filed as New Members are approved |
| Withdrawals | Filed as Members Withdrawal |
| Risk Management Plan and By Laws | Be Filed upon Re-organization |
| Cash Management Plan | Be Filed upon Re-organization |
| Unaudited Financials | Filed through Q3 2024 |
| Annual Audit | 12/31/2024 filed |
| Budget Changes | N/A |
| Transfers | N/A |
| Additional Assessments | N/A |
| Professional Changes | N/A |
| Officer Changes | N/A |
| RMP Changes | N/A |
| Bylaw Amendments | N/A |
| Contracts | Be Filed upon Re-organization |
| Benefit Changes | N/A |

| Position | Vendor | Contract | Insurance | Term |
|---------------------|--------------------------|-----------------|------------------|-----------------------|
| Attorney | Huntington Bailey | Y | Y | 1/1/2026-12/31/2026 |
| Auditor | Lerch Vinci Higgins | Y | Y | 1/1/2026-12/31/2026 |
| Actuary | Actuarial Solutions | Y | Y | 1/1/2026 -12/31/2026 |
| Treasurer | Joseph Iannaconi | Y | Y | 1/1/2026 - 12/31/2026 |
| TPA - Aetna | Aetna | Y | Y | 1/1/2026 - 12/31/2026 |
| Board Advisor | Clark LaMendola | Y | Y | 1/1/2024 - 12/31/2026 |
| Administration | PERMA | Y | Y | 1/1/2025-12/31/2027 |
| Benefits Consultant | Conner Strong & Buckelew | Y | Y | 1/1/2025-12/31/2027 |

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CONTACTS
YEAR: 2026**

Executive Director Team: This team handles all the administrative and financial aspects of the Fund such as rates, state regulatory compliance, and Executive Committee and subcommittee meetings.

| Role | Name | Email | Phone |
|------------------------------|-----------------|------------------------------------------------------------------|--------------|
| Executive Director | Jim Rhodes | jrhodes@permainc.com | 856-552-4920 |
| Associate Executive Director | Emily Koval | emilyk@permainc.com | 201-518-7028 |
| Account Manager | Caitlin Perkins | cperkins@permainc.com | 856-479-2192 |

Benefits Consultant Team: This team handles all the benefits aspects of the Fund such as plan design, claim issues, cost containment strategies, and Third-Party communications.

| Role | Name | Email | Phone |
|---------------------------------------|----------------------|------------------------------------------------------------------------------|--------------|
| Public Entity & HIF Business Leader | Tammy Brown | tbrown@connerstrong.com | 856-552-4694 |
| HIF Business Leader | John Lajewski | jlajewski@connerstrong.com | 856-552-4922 |
| Associate Consultant | Melissa Appleby | mappleby@connerstrong.com | 732-736-5268 |
| Senior Business Development Executive | Sean Critchley, Esq. | Scritchley@connerstrong.com | 973-736-6511 |

Client Services Team: This team handles all the enrollment and billing aspects of the Fund such as sending monthly invoices, open enrollment, and adjustments throughout the year.

| Role | Name | Email | Phone |
|---------------------------------|----------------|------------------------------------------------------------------------|--------------|
| Director of Client Services | Crystal Bailey | cbailey@connerstrong.com | 856-552-4914 |
| Director of Benefits Operations | Karen Kidd | kkidd@connerstrong.com | 856-552-4644 |
| Client Service Specialist | Peter Moore | pmoore@permainc.com | 856-479-2158 |

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

Agenda

- Industry Update
- Fund Performance/Observations
- New Fund Member Activity
- Client Services/Eligibility/Enrollment
- Previously Reported Information

Industry Updates

- Food and Drug Administration approved the first oral version of Wegovy, Novo Nordisk’s GLP-1 weight-loss drug

Fund Performance/Observations

Medical – Aetna

- Effective July 1, 2025, the BMED Fund Executive Committee passed a resolution to unilaterally amend the out of network provider reimbursement schedules for all Fund member plans to 150%-provider & 175%-facility of Medicare.
- The following data isolates out of network claims, based on an incurred date of July 1, 2025, and illustrates the reduction in out of network paid claims on a PEPM basis.
- While early, the data suggests the change in out of network provider reimbursement levels is having a positive effect on the Fund financials

| Month | Employee Count | Claim Count | Net Paid -OON | PEPM |
|--------|----------------|-------------|---------------|-------|
| Jul-25 | 2494 | 3036 | \$1,474,764 | \$591 |
| Aug-25 | 2489 | 2428 | \$1,521,313 | \$611 |
| Sep-25 | 2462 | 2509 | \$1,438,594 | \$584 |
| Oct-25 | 2505 | 2750 | \$939,628 | \$375 |
| Nov-25 | 2502 | 2850 | \$977,241 | \$391 |
| Dec-25 | 2502 | 2480 | \$556,484 | \$222 |

Pharmacy – Express Scripts (ESI)

- Effective March 1st, the oral version of Wegovy will be excluded from the National Preferred Formulary if enrolled in the Encircle program
- ESI is projecting utilization for Wegovy to increase by 20%-30% based on the introduction of the oral version
- Based on the Encircle program’s objective to address utilization of GLP-1 medications for weight loss, they made the decision to exclude the oral version of Wegovy from the NPF
- Fund members, if eligible and contingent on compliance with the plan provisions, will continue to have access to the self-injectable version of Wegovy

New Fund Member Activity

- The following employers have petitioned to enter BMED, both with a May 1st effective date

| New Member Overview | |
|------------------------------|--------------------------------------------------------|
| Fund | Bergen Municipal Employee Benefits Fund |
| Entity | Borough of Fairview |
| County | Bergen County |
| Effective Date | 5/1/2026-12/31/2026 |
| Lines of Coverage | Medical and Prescription |
| Eligible Employees | 54 Active - 68 MA Retirees - 29 Under 65/Leave Behinds |
| Retiree Coverage | Under 65 and Medicare Advantage Retiree Coverage |
| Current Arrangement | State Health Benefits |
| Actuary Certification | Yes. Standard Underwriting Methodology |
| Broker | Otterstedt Insurance Agency |
| Broker Fee | 2.0% |
| Run Out Claims | State Health Benefits/Horizon |
| Member approval? | Resolutions will be passed on 2/24 |
| Special Requests | None |

| New Member Overview | |
|------------------------------|--------------------------------------------------|
| Fund | Bergen Municipal Employee Benefits Fund |
| Entity | Borough of Palisades Park |
| County | Bergen County |
| Effective Date | 5/1/2026-12/31/2026 |
| Lines of Coverage | Medical and Prescription |
| Eligible Employees | 76 Active- 34 MA - 15 Under 65 Retirees |
| Retiree Coverage | Under 65 and Medicare Advantage Retiree Coverage |
| Current Arrangement | State Health Benefits |
| Actuary Certification | Yes. Standard Underwriting Methodology |
| Broker | Otterstedt Insurance Agency |
| Broker Fee | 2.0% |
| Run Out Claims | State Health Benefits/Horizon |
| Member approval? | Resolutions will pass on Feb 24th |
| Special Requests | None |

- Resolution 15-26 is included in the consent agenda to approve the above members to join the BMED Fund.
- All requests for new Fund member participation are coordinated by Sean Critchley, Senior Business Development Executive

Client Services/Eligibility/Enrollment Team

- Please direct all service requests to both Peter Moore and Crystal Bailey
- All outstanding service requests will be addressed and resolved by Peter and Crystal
- 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
- **2026 WEX Coupon Book Mailing - Coupon booklets have been released**

Carrier Appeals: None

IRO Submissions: None

BMED Small Claims Committee Appeals: None

Previously Reported Information

Express Scripts

- 2026 National Preferred Formulary (NPF) – Effective 1/1/2026
- NPF Exclusions list- Effective 1/1/2026
- SaveOn List – Effective 1/1/2026

All impacted members were sent communications from ESI letting them know about the upcoming change(s) to their medications. The communications also include preferred alternatives medication(s). We recommend impacted members share communication with their provider to discuss next steps. Those that are unable to take the preferred alternative medication(s) will need an approved PA to continue to take their current medication(s).

No Surprise Billing and Transparency Act

- Transition to State Arbitration - Effective January 1, 2026:
- As a result of the transition, enrolled members will be receiving new ID cards from Aetna prior to January 1st. subscriber ID numbers and Fund member group numbers will not be changing.

TO ALL FUND COMMISSIONERS

January 2026

Pursuant to N.J.A.C Title 11, Chapter 15, Subchapter 5, Conner Strong & Buckelew Companies, LLC, as a servicing organization of the **Gateway - BMED Health Insurance Fund (“the Fund”)**, and its employees, officers and directors hereby provide notice that they have direct and indirect financial interests in PERMA, LLC, which is the Administrator for the Fund.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

BILLS LIST

Resolution No. _____

FEBRUARY 2026

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> |
|-------------------|-------------------------------|----------------------|
| PERMA | 2025 AATRIX 1099 FILING FEE | 27.90 |
| | | 27.90 |
| | TOTAL CHECKS 2025 | 27.90 |
| | Total Payments FY 2025 | 27.90 |

FUND YEAR 2026

| <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|---------------------------------------|--------------------------------------|----------------------|
| INSPIRA FINANCIAL HEALTH, INC | HSA FEES- BOR. WESTWOOD 01/10/26 | 126.00 |
| INSPIRA FINANCIAL HEALTH, INC | HSA- BOROUGH RUTHERFORD 01/10/26 | 12.00 |
| INSPIRA FINANCIAL HEALTH, INC | HSA FEES- WALLINGTON 01/10/26 | 64.89 |
| INSPIRA FINANCIAL HEALTH, INC | MONTHLY HSA-BORO MONTVALE 01/10/26 | 111.00 |
| INSPIRA FINANCIAL HEALTH, INC | HSA- BORO MOONACHIE 01/10/26 | 3.00 |
| INSPIRA FINANCIAL HEALTH, INC | HSA- BORO MIDLAND PARK 01/10/26 | 27.00 |
| INSPIRA FINANCIAL HEALTH, INC | HSA- FRANKLIN LK LIBRARY 01/10/26 | 6.00 |
| INSPIRA FINANCIAL HEALTH, INC | MONTHLY HSA-BORO OAKLAND 01/10/26 | 6.00 |
| INSPIRA FINANCIAL HEALTH, INC | HSA- S. HACKENSACK 01/10/26 | 36.00 |
| | | 391.89 |
| PERMA | POSTAGE 01/26 | 70.87 |
| PERMA | ADMIN FEES 02/26 | 44,678.88 |
| | | 44,749.75 |
| ACTUARIAL SOLUTIONS, LLC | ACTUARY FEES Q1 2026 02/26 | 4,910.00 |
| | | 4,910.00 |
| THE CANNING GROUP LLC | QPA INV BMED 2026-02 02/26 | 250.00 |
| | | 250.00 |
| HUNTINGTON BAILEY, LLP | ATTORNEY FEES 02/26 | 2,254.17 |
| | | 2,254.17 |
| JOSEPH IANNAONI JR. | TREASURER FEE 02/26 | 1,863.00 |
| | | 1,863.00 |
| USA TODAY MEDIA CORP. | ORDER# 11995869 A# 1184295 1/15/26 | 49.36 |
| | | 49.36 |
| LAMENDOLA ASSOCIATES, INC. | FUND ADVISOR FOR 01/26 | 1,500.00 |
| | | 1,500.00 |
| NJ ADVANCE MEDIA | AD# 11062620 DEPT 77571 01/29/26 | 200.00 |
| | | 200.00 |
| VALLEY PHYSICIAN SERVICES PC | WELLNESS WEBINAR INV 7298K5622 01/26 | 2,200.00 |
| | | 2,200.00 |
| EIFORT, FRENCH & COMPANY | BROKER FEES 02/26 | 2,312.55 |
| | | 2,312.55 |
| ACRISURE NJ PARTNERS INS SERVICES LLC | BROKER FEES 02/26 | 1,297.49 |
| | | 1,297.49 |

| | | |
|------------------------------------------------------|--------------------------------------------------|-----------------------------------------|
| Acrisure NJ Partners Ins. Services, LLC | BROKER FEES 02/26 | 16,129.28 16,129.28 |
| KAI STRATEGIC INSURANCE PARTNERS LLC | BROKER FEES 02/26 | 7,960.92 7,960.92 |
| ACRISURE NJ PARTNERS INS. SERVICES LLC | BROKER FEES 02/26 | 13,666.71 13,666.71 |
| SADDLE RIVER DELI | LUNCH FOR 1/27/26 MEETING | 679.60 679.60 |
| GJEM INSURANCE AGENCY INC | BROKER FEES 02/26 | 13,320.01 13,320.01 |
| COMPETITIVE ADVANTAGE BENEFITS LLC | BROKER FEES 02/26 | 3,909.83 3,909.83 |
| WORLD INSURANCE ASSOCIATES, LLC | BROKER FEES 02/26 | 12,398.85 12,398.85 |
| MUNICIPAL REINSURANCE H.I.F. | SPECIFIC REINSURANCE 02/26 | 304,318.98 304,318.98 |
| | TOTAL CHECKS 2026 | 434,362.39 |
| AETNA | AUGUST HOLIDAY CREDIT 08/25 | -69,560.40 |
| AETNA | TPA FEES 02/26 | 69,560.40 0.00 |
| AETNA HEALTH MANAGMENT, LLC | MEDICARE ADVANTAGE 02/26 | 367,629.39 367,629.39 |
| DELTA DENTAL INSURANCE CO (DELTACARE USA) | RUTHERFORDS A#F1-7871600000 BE006901744 | 1,353.04 1,353.04 |
| DELTA DENTAL OF NEW JERSEY INC. | DENTAL TPA FEES 02/26 | 8,276.52 8,276.52 |
| CONNER STRONG & BUCKELEW CONNER STRONG & BUCKELEW | BENEFIT CONSULTANT FEES 02/26 PLAN DOCS 02/26 | 44,525.58 541.67 45,067.25 |
| FAIRVIEW INSURANCE AGENCY ASSOCIATES | BROKER FEES 02/26 | 33,313.88 33,313.88 |
| JOSEPH L VOZZA AGENCY INC | BROKER FEES 02/26 | 7,829.17 7,829.17 |
| ALLEN ASSOCIATES | BROKER FEES 02/26 | 10,471.11 10,471.11 |
| | TOTAL ACH/WIRES 2026 | 473,940.36 |
| | Total Payments FY 2026 | 908,302.75 |
| | TOTAL PAYMENTS ALL FUND YEARS | 908,330.65 |

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: December | | | | | | | | | | | |
| | Medical | Dental | Rx | Vision | Run-In | Reinsurance | RSR | Admin | Dividend Retained | Metro Interfund | TOTAL |
| OPEN BALANCE | 10,715,934.94 | (32,636.32) | (3,908,212.95) | 0.00 | 0.00 | 134,441.58 | 373,885.14 | 672,218.83 | 41,768.74 | 0.00 | 7,997,399.96 |
| RECEIPTS | | | | | | | | | | | |
| Assessments | 1,985,590.87 | 76,453.72 | 175,112.36 | 0.00 | 0.00 | 91,432.20 | 9,182.06 | 126,989.10 | 0.00 | 0.00 | 2,464,760.31 |
| 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 | 20,765.46 | 57.80 | 0.00 | 0.00 | 0.00 | 199.29 | 484.81 | 1,308.12 | 54.16 | 0.00 | 22,869.64 |
| 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 | 20,765.46 | 57.80 | 0.00 | 0.00 | 0.00 | 199.29 | 484.81 | 1,308.12 | 54.16 | 0.00 | 22,869.64 |
| Other * | (758.79) | 0.00 | 240,580.34 | 0.00 | 0.00 | 0.00 | 0.00 | 242,630.20 | 0.00 | 0.00 | 482,451.75 |
| TOTAL | 2,005,597.54 | 76,511.52 | 415,692.70 | 0.00 | 0.00 | 91,631.49 | 9,666.87 | 370,927.42 | 54.16 | 0.00 | 2,970,081.70 |
| EXPENSES | | | | | | | | | | | |
| Claims Transfers | 4,113,028.84 | 167,288.96 | 679,107.26 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,959,425.06 |
| Expenses | 441,480.09 | (264,586.82) | 0.00 | 0.00 | 0.00 | 567,441.20 | 0.00 | 234,103.84 | 0.00 | 0.00 | 978,438.31 |
| Other * | 6,730.07 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6,730.07 |
| TOTAL | 4,561,239.00 | (97,297.86) | 679,107.26 | 0.00 | 0.00 | 567,441.20 | 0.00 | 234,103.84 | 0.00 | 0.00 | 5,944,593.44 |
| END BALANCE | 8,160,293.48 | 141,173.06 | (4,171,627.51) | 0.00 | 0.00 | (341,368.13) | 383,552.01 | 809,042.41 | 41,822.90 | 0.00 | 5,022,888.22 |

| SUMMARY OF CASH AND INVESTMENT INSTRUMENTS | | | |
|---------------------------------------------------|--------------------------------------------------|-----------------------|-----------------------|
| Bergen Municipal Employee Benefits Fund | | | |
| ALL FUND YEARS COMBINED | | | |
| CURRENT MONTH | December | | |
| CURRENT FUND YEAR | 2025 | | |
| | Description: | CHECKING | TD Invest |
| | ID Number: | | |
| | Maturity (Yrs) | | |
| | Purchase Yield: | | |
| | TOTAL for All Accts & instruments | | |
| Opening Cash & Investment Balance | \$7,997,400.08 | 6270361.19 | 1727038.89 |
| Opening Interest Accrual Balance | \$5,393.96 | 0 | 5393.96 |
| 1 | Interest Accrued and/or Interest Cost | -\$79.47 | -\$79.47 |
| 2 | Interest Accrued - discounted Instr.s | \$0.00 | \$0.00 |
| 3 | (Amortization and/or Interest Cost) | \$0.00 | \$0.00 |
| 4 | Accretion | \$0.00 | \$0.00 |
| 5 | Interest Paid - Cash Instr.s | \$22,869.64 | \$5,370.99 |
| 6 | Interest Paid - Term Instr.s | \$0.00 | \$0.00 |
| 7 | Realized Gain (Loss) | \$0.00 | \$0.00 |
| 8 | Net Investment Income | \$22,790.17 | \$5,291.52 |
| 9 | Deposits - Purchases | \$2,945,545.39 | \$0.00 |
| 10 | (Withdrawals - Sales) | -\$5,942,926.77 | \$0.00 |
| | Ending Cash & Investment Balance | \$5,022,888.34 | \$1,732,409.88 |
| | Ending Interest Accrual Balance | \$5,314.49 | \$5,314.49 |
| | Plus Outstanding Checks | \$0.00 | \$0.00 |
| | (Less Deposits in Transit) | \$0.00 | \$0.00 |
| | Balance per Bank | \$5,022,888.34 | \$1,732,409.88 |

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES

Bergen Municipal Employee Benefits Fund

| Month | | December | | | | | | | | |
|-------------------|--------------|--------------------------------|---------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------|--|
| Current Fund Year | | 2025 | | | | | | | | |
| Policy Year | Coverage | 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. | |
| | | Calc. Net Paid Thru Last Month | Monthly Net Paid December | Monthly Recoveries December | Calc. Net Paid Thru December | TPA Net Paid Thru December | Variance To Be Reconciled | Delinquent Unreconciled Variance From | Change This Month | |
| 2025 | Medical | 39,428,466.98 | 4,036,256.84 | 0.00 | 43,464,723.82 | 0.00 | 43,464,723.82 | 39,428,466.98 | 4,036,256.84 | |
| | Dental | 1,767,102.51 | 168,288.96 | 0.00 | 1,935,391.47 | 0.00 | 1,935,391.47 | 1,767,102.51 | 168,288.96 | |
| | Rx | 7,763,396.37 | 679,107.26 | 0.00 | 8,442,503.63 | 0.00 | 8,442,503.63 | 7,763,396.37 | 679,107.26 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 48,958,965.86 | 4,883,653.06 | 0.00 | 53,842,618.92 | 0.00 | 53,842,618.92 | 48,958,965.86 | 4,883,653.06 | |
| 2024 | Medical | 9,021,222.43 | 72,304.99 | 0.00 | 9,093,527.42 | 0.00 | 9,093,527.42 | 9,021,222.43 | 72,304.99 | |
| | Dental | 76,615.42 | (1,000.00) | 0.00 | 75,615.42 | 0.00 | 75,615.42 | 76,615.42 | (1,000.00) | |
| | Rx | 183,981.55 | 0.00 | 0.00 | 183,981.55 | 0.00 | 183,981.55 | 183,981.55 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 9,281,819.40 | 71,304.99 | 0.00 | 9,353,124.39 | 0.00 | 9,353,124.39 | 9,281,819.40 | 71,304.99 | |
| 2023 | Medical | 577,274.21 | 0.00 | 0.00 | 577,274.21 | 0.00 | 577,274.21 | 577,274.21 | 0.00 | |
| | Dental | 472.00 | 0.00 | 0.00 | 472.00 | 0.00 | 472.00 | 472.00 | 0.00 | |
| | Rx | (288.00) | 0.00 | 0.00 | (288.00) | 0.00 | (288.00) | (288.00) | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 577,458.21 | 0.00 | 0.00 | 577,458.21 | 0.00 | 577,458.21 | 577,458.21 | 0.00 | |
| Closed Year | Medical | 176,543.24 | 4,467.01 | 0.00 | 181,010.25 | 0.00 | 181,010.25 | 176,543.24 | 4,467.01 | |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Rx | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 176,543.24 | 4,467.01 | 0.00 | 181,010.25 | 0.00 | 181,010.25 | 176,543.24 | 4,467.01 | |
| Metro 2024 | Medical | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Rx | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Metro 2023 | Medical | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Rx | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Metro Clos | Medical | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Rx | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 0 | Medical | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Rx | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 0 | Medical | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Rx | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| TOTAL | | 58,994,786.71 | 4,959,425.06 | 0.00 | 63,954,211.77 | 0.00 | 63,954,211.77 | 58,994,786.71 | 4,959,425.06 | |



BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

Monthly Claim Activity Report

FEBRUARY 24, 2026



BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

| | MEDICAL CLAIMS PAID 2024 | # OF EES | PER EE | MEDICAL CLAIMS PAID 2025 | # OF EES | PER EE |
|---------------|-------------------------------------|-----------------|---------------|-------------------------------------|-----------------|-----------------|
| JANUARY | \$ 3,482,808 | 1,435 | \$ 2,427 | \$ 3,860,962 | 1,750 | \$ 2,206 |
| FEBRUARY | \$ 2,807,632 | 1,438 | \$ 1,952 | \$ 4,121,048 | 1,747 | \$ 2,359 |
| MARCH | \$ 3,552,020 | 1,738 | \$ 2,044 | \$ 5,057,377 | 1,750 | \$ 2,890 |
| APRIL | \$ 4,109,194 | 1,733 | \$ 2,371 | \$ 5,001,542 | 1,748 | \$ 2,861 |
| MAY | \$ 3,986,669 | 1,734 | \$ 2,299 | \$ 4,717,063 | 1,752 | \$ 2,692 |
| JUNE | \$ 3,857,794 | 1,742 | \$ 2,215 | \$ 4,492,451 | 1,754 | \$ 2,561 |
| JULY | \$ 4,593,550 | 1,740 | \$ 2,640 | \$ 4,308,401 | 1,749 | \$ 2,463 |
| AUGUST | \$ 4,505,579 | 1,737 | \$ 2,594 | \$ 4,554,758 | 1,746 | \$ 2,609 |
| SEPTEMBER | \$ 3,700,390 | 1,738 | \$ 2,129 | \$ 4,660,057 | 1,760 | \$ 2,648 |
| OCTOBER | \$ 4,683,654 | 1,746 | \$ 2,683 | \$ 3,994,316 | 1,759 | \$ 2,271 |
| NOVEMBER | \$ 5,554,685 | 1,752 | \$ 3,170 | \$ 3,870,964 | 1,758 | \$ 2,202 |
| DECEMBER | \$ 4,989,355 | 1,748 | \$ 2,854 | \$ 4,541,624 | 1,756 | \$ 2,586 |
| TOTALS | \$49,823,330 | | | \$53,180,562 | | |
| | | | | 2025 Average | 1,752 | \$ 2,529 |
| | | | | 2024 Average | 1,690 | \$ 2,448 |

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

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

Paid Dates: 12/01/2025 - 12/31/2025
Service Dates: 01/01/2011 - 12/31/2025
Line of Business: All

| | Paid Amt | Diagnosis/Treatment |
|---------------|---------------------|--------------------------------------------|
| | \$190,313.05 | NONRHEUMATIC AORTIC (VALVE) STENOSIS WITH |
| | \$171,274.30 | SEPSIS, UNSPECIFIED ORGANISM |
| | \$114,642.88 | MALIGNANT NEOPLASM OF LOWER-OUTER QUADRANT |
| Total: | \$476,230.23 | |



EXPRESS SCRIPTS®

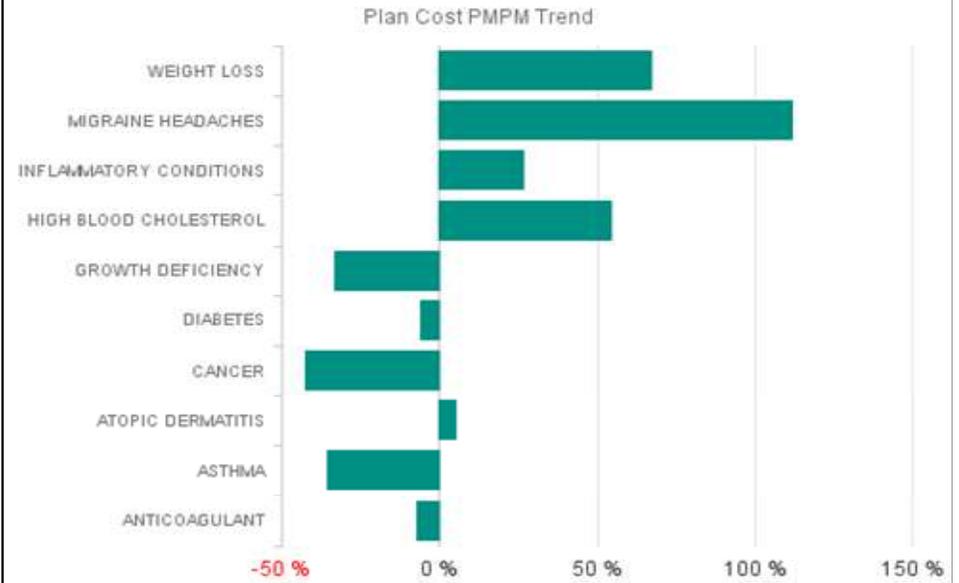
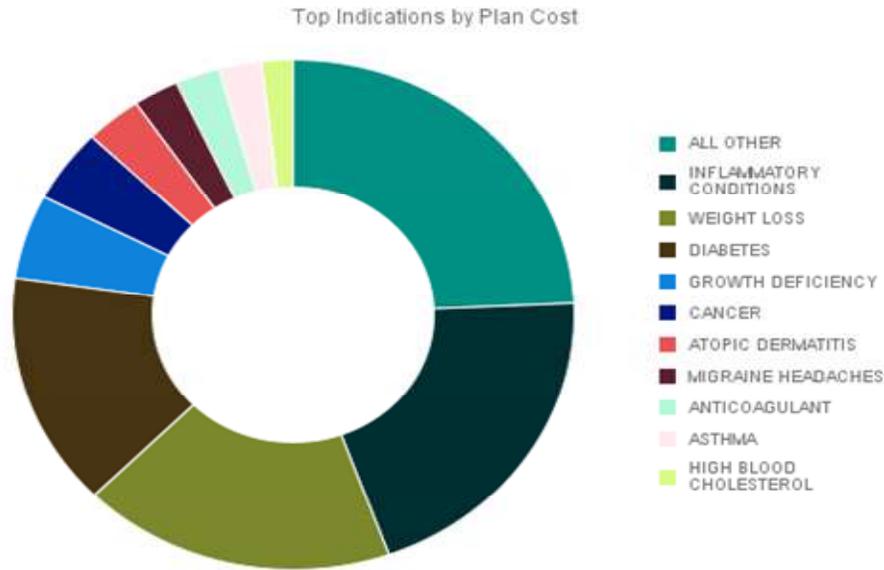
Bergen Municipal Employee Benefits Fund - Monthly Utilization Tracking Report

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

| Total Component/Date of Service (Month) | 2025 01 | 2025 02 | 2025 03 | 2025 Q1 | 2025 04 | 2025 05 | 2025 06 | 2025 Q2 | 2025 07 | 2025 08 | 2025 09 | 2025 Q3 | 2025 10 | 2025 11 | 2025 12 | 2025 Q4 | 2025 YTD |
|------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Membership | 2,772 | 2,780 | 2,756 | 2,769 | 2,757 | 2,758 | 2,755 | 2,757 | 2,756 | 2,738 | 2,765 | 2,753 | 2,773 | 2,785 | 2,784 | 2,781 | 2,765 |
| Total Days | 113,300 | 101,292 | 114,769 | 329,361 | 110,394 | 110,779 | 109,835 | 331,008 | 110,642 | 103,564 | 110,735 | 324,941 | 112,997 | 103,653 | 120,474 | 337,369 | 1,323,700 |
| Total Patients | 1,187 | 1,089 | 1,126 | 1,747 | 1,097 | 1,093 | 1,040 | 1,631 | 1,060 | 1,045 | 1,075 | 1,632 | 1,101 | 1,087 | 1,231 | 1,752 | 2,370 |
| Total Plan Cost | \$728,711 | \$520,663 | \$712,375 | \$1,961,749 | \$710,966 | \$723,279 | \$721,647 | \$2,155,893 | \$721,480 | \$638,075 | \$756,172 | \$2,115,726 | \$725,826 | \$635,673 | \$827,326 | \$2,188,363 | \$8,422,445 |
| Generic Fill Rate (GFR) - Total | 86.7% | 85.8% | 84.6% | 85.7% | 85.1% | 83.8% | 84.5% | 84.5% | 84.7% | 82.6% | 81.0% | 82.8% | 79.1% | 82.2% | 83.6% | 81.7% | 83.7% |
| Plan Cost PMPM | \$262.88 | \$187.29 | \$258.48 | \$236.13 | \$257.88 | \$262.25 | \$261.94 | \$260.69 | \$261.79 | \$233.04 | \$273.48 | \$256.17 | \$261.75 | \$228.25 | \$297.17 | \$262.33 | \$253.85 |
| % Change Plan Cost PMPM | 18.6% | -19.4% | 29.2% | 8.3% | -14.4% | 10.7% | 6.5% | -0.2% | 4.0% | -3.4% | 10.5% | 3.8% | 1.3% | -19.7% | 10.6% | -3.0% | 1.9% |
| Total Specialty Plan Cost | \$387,411 | \$179,596 | \$302,552 | \$869,558 | \$337,083 | \$299,700 | \$335,841 | \$972,624 | \$322,230 | \$221,699 | \$315,824 | \$859,752 | \$266,314 | \$215,034 | \$350,453 | \$831,802 | \$3,533,735 |
| Specialty % of Total Specialty Plan Cost | 53.2% | 34.5% | 42.5% | 44.3% | 47.4% | 41.4% | 46.5% | 45.1% | 44.7% | 34.7% | 41.8% | 40.6% | 36.7% | 33.8% | 42.4% | 38.0% | 42.0% |

Top Indications

BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2025 - 12/2025 vs. Previous Period 01/2024 - 12/2024) Peer = Government - National Preferred Formulary



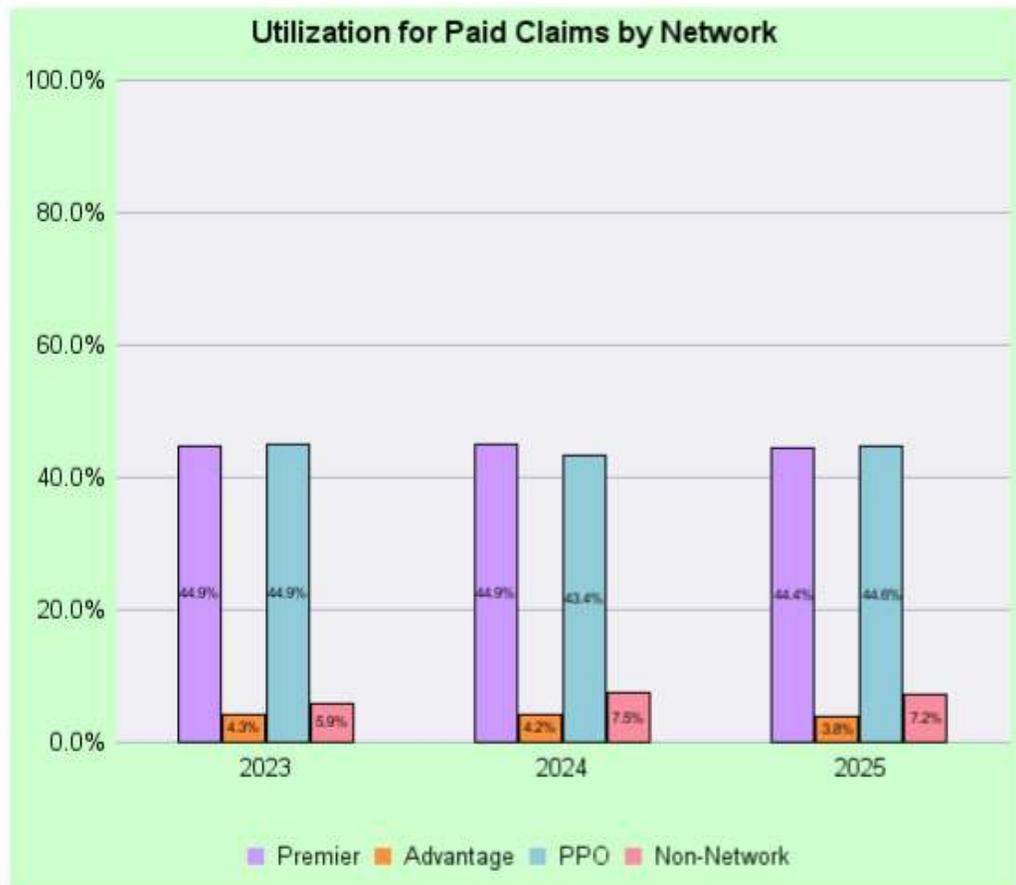
| Rank | Peer Rank | Indication | Current Period | | | | | | Previous Period | | | | | | Trend |
|---------------------|-----------|-------------------------|----------------|---------------|--------------------|-----------------|---------------|---------------|-----------------|---------------|--------------------|-----------------|---------------|---------------|----------------|
| | | | Market Share | Adjusted Rxs | Plan Cost | Plan Cost PMPM | GFR | Peer GFR | Market Share | Adjusted Rxs | Plan Cost | Plan Cost PMPM | GFR | Peer GFR | Plan Cost PMPM |
| 1 | 2 | INFLAMMATORY CONDITIONS | 26.6 % | 361 | \$1,698,168 | \$51.18 | 29.6 % | 28.7 % | 22.5 % | 342 | \$1,371,987 | \$40.37 | 40.4 % | 32.1 % | 26.8 % |
| 2 | 4 | WEIGHT LOSS | 23.8 % | 1,419 | \$1,519,395 | \$45.79 | 3.2 % | 3.7 % | 15.3 % | 884 | \$931,088 | \$27.39 | 4.0 % | 5.0 % | 67.2 % |
| 3 | 1 | DIABETES | 19.5 % | 3,495 | \$1,245,598 | \$37.54 | 30.0 % | 23.3 % | 22.3 % | 3,696 | \$1,359,332 | \$39.99 | 30.0 % | 25.4 % | -6.1 % |
| 4 | 10 | GROWTH DEFICIENCY | 7.0 % | 62 | \$448,331 | \$13.51 | 0.0 % | 0.0 % | 11.3 % | 86 | \$685,902 | \$20.18 | 0.0 % | 0.0 % | -33.0 % |
| 5 | 3 | CANCER | 6.1 % | 242 | \$391,971 | \$11.81 | 90.9 % | 75.1 % | 11.5 % | 209 | \$700,569 | \$20.61 | 81.3 % | 75.7 % | -42.7 % |
| 6 | 5 | ATOPIC DERMATITIS | 4.3 % | 604 | \$275,404 | \$8.30 | 84.1 % | 78.9 % | 4.4 % | 551 | \$268,680 | \$7.91 | 84.0 % | 82.8 % | 5.0 % |
| 7 | 6 | MIGRAINE HEADACHES | 3.5 % | 338 | \$221,357 | \$6.67 | 32.0 % | 50.7 % | 1.8 % | 241 | \$107,171 | \$3.15 | 51.9 % | 52.7 % | 111.6 % |
| 8 | 8 | ANTICOAGULANT | 3.4 % | 466 | \$215,673 | \$6.50 | 18.2 % | 18.3 % | 3.9 % | 525 | \$237,710 | \$6.99 | 14.9 % | 18.7 % | -7.1 % |
| 9 | 7 | ASTHMA | 3.2 % | 1,438 | \$205,476 | \$6.19 | 84.3 % | 88.0 % | 5.3 % | 1,720 | \$325,736 | \$9.58 | 80.1 % | 88.2 % | -35.4 % |
| 10 | 9 | HIGH BLOOD CHOLESTEROL | 2.4 % | 5,096 | \$154,143 | \$4.65 | 95.6 % | 96.1 % | 1.7 % | 5,122 | \$102,207 | \$3.01 | 97.6 % | 97.0 % | 54.5 % |
| Total Top 10 | | | | 13,521 | \$6,375,516 | \$192.16 | 60.7 % | 54.5 % | | 13,376 | \$6,090,384 | \$179.19 | 63.5 % | 57.5 % | 7.2 % |

Top Drugs

BERGEN MUNICIPAL EMP BENEFITS (Current Period 01/2025 - 12/2025 vs. Previous Period 01/2024 - 12/2024) Peer = Government - National Preferred Formulary

| Rank | Peer Rank | Brand Name | Indication | Specialty Drug | Current Period | | | | Previous Period | | | | Trend |
|---------------------|-----------|------------------------|-------------------------|----------------|----------------|----------|--------------------|-----------------|-----------------|----------|--------------------|-----------------|----------------|
| | | | | | Adjusted Rxs | Patients | Plan Cost | Plan Cost PMPM | Adjusted Rxs | Patients | Plan Cost | Plan Cost PMPM | Plan Cost PMPM |
| 1 | 6 | ZEPBOUND | WEIGHT LOSS | N | 879 | 123 | \$900,374 | \$27.14 | 390 | 69 | \$373,956 | \$11.00 | 146.6 % |
| 2 | 13 | WEGOVY | WEIGHT LOSS | N | 484 | 64 | \$614,830 | \$18.53 | 443 | 72 | \$547,326 | \$16.10 | 15.1 % |
| 3 | 11 | STELARA | INFLAMMATORY CONDITIONS | Y | 23 | 3 | \$411,875 | \$12.41 | 24 | 2 | \$313,282 | \$9.22 | 34.7 % |
| 4 | 1 | MOUNJARO | DIABETES | N | 399 | 48 | \$401,107 | \$12.09 | 334 | 40 | \$328,702 | \$9.67 | 25.0 % |
| 5 | 9 | SKYRIZI PEN | INFLAMMATORY CONDITIONS | Y | 50 | 5 | \$359,773 | \$10.84 | 13 | 2 | \$90,388 | \$2.66 | 307.7 % |
| 6 | 4 | OZEMPIC | DIABETES | N | 336 | 36 | \$308,639 | \$9.30 | 541 | 60 | \$467,437 | \$13.75 | -32.4 % |
| 7 | 19 | ENBREL SURECLICK | INFLAMMATORY CONDITIONS | Y | 34 | 3 | \$231,023 | \$6.96 | 35 | 3 | \$223,394 | \$6.57 | 5.9 % |
| 8 | 8 | DUPIXENT PEN | ATOPIC DERMATITIS | Y | 51 | 4 | \$189,094 | \$5.70 | 39 | 4 | \$162,469 | \$4.78 | 19.2 % |
| 9 | 106 | DASATINIB | CANCER | Y | 14 | 1 | \$128,046 | \$3.86 | 2 | 1 | \$31,201 | \$0.92 | 320.4 % |
| 10 | 664 | SOGROYA | GROWTH DEFICIENCY | Y | 7 | 1 | \$124,574 | \$3.75 | 11 | 1 | \$149,583 | \$4.40 | -14.7 % |
| 11 | 10 | JARDIANCE | DIABETES | N | 214 | 23 | \$124,416 | \$3.75 | 214 | 22 | \$117,632 | \$3.46 | 8.3 % |
| 12 | 23 | ELIQUIS | ANTICOAGULANT | N | 224 | 31 | \$121,470 | \$3.66 | 216 | 35 | \$115,586 | \$3.40 | 7.7 % |
| 13 | 170 | OMNITROPE | GROWTH DEFICIENCY | Y | 18 | 2 | \$121,033 | \$3.65 | 29 | 3 | \$198,996 | \$5.85 | -37.7 % |
| 14 | 246 | TAFINLAR | CANCER | Y | 9 | 1 | \$118,542 | \$3.57 | 9 | 1 | \$102,262 | \$3.01 | 18.7 % |
| 15 | 12 | RINVOQ | INFLAMMATORY CONDITIONS | Y | 17 | 2 | \$114,164 | \$3.44 | 6 | 1 | \$27,292 | \$0.80 | 328.5 % |
| 16 | 64 | NGENLA | GROWTH DEFICIENCY | Y | 12 | 1 | \$102,544 | \$3.09 | 15 | 1 | \$143,808 | \$4.23 | -27.0 % |
| 17 | 226 | MEKINIST | CANCER | Y | 8 | 1 | \$102,304 | \$3.08 | 12 | 1 | \$157,291 | \$4.63 | -33.4 % |
| 18 | 89 | GENOTROPIN | GROWTH DEFICIENCY | Y | 25 | 3 | \$100,180 | \$3.02 | 31 | 3 | \$193,515 | \$5.69 | -47.0 % |
| 19 | 53 | REPATHA SURECLICK | HIGH BLOOD CHOLESTEROL | N | 170 | 19 | \$89,599 | \$2.70 | 67 | 7 | \$34,167 | \$1.01 | 168.6 % |
| 20 | 52 | XARELTO | ANTICOAGULANT | N | 157 | 21 | \$85,074 | \$2.56 | 231 | 22 | \$117,620 | \$3.46 | -25.9 % |
| 21 | 61 | TREMFYA | INFLAMMATORY CONDITIONS | Y | 16 | 2 | \$83,742 | \$2.52 | 26 | 2 | \$148,791 | \$4.38 | -42.3 % |
| 22 | 25 | FARXIGA | DIABETES | N | 145 | 16 | \$80,832 | \$2.44 | 162 | 15 | \$85,508 | \$2.52 | -3.2 % |
| 23 | 70 | SKYRIZI | INFLAMMATORY CONDITIONS | Y | 12 | 1 | \$80,699 | \$2.43 | 15 | 1 | \$97,497 | \$2.87 | -15.2 % |
| 24 | 81 | COSENTYX SENSOREADY (2 | INFLAMMATORY CONDITIONS | Y | 12 | 1 | \$71,384 | \$2.15 | 4 | 1 | \$20,475 | \$0.60 | 257.1 % |
| 25 | 177 | ACTEMRA ACTPEN | INFLAMMATORY CONDITIONS | Y | 15 | 2 | \$66,925 | \$2.02 | 3 | 1 | \$10,303 | \$0.30 | 565.4 % |
| Total Top 25 | | | | | 3,331 | | \$5,132,242 | \$154.68 | 2,872 | | \$4,258,481 | \$125.29 | 23.5 % |





**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
FEBRUARY 24, 2026**

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

Motion _____ **Second** _____

Resolutions

Subject Matter

| | |
|---------------------------------------------------------------------|----------------|
| REVISED Resolution 8-26: Approval of 2026 Risk Management Plan..... | Page 27 |
| Resolution 15-26: Approving New Membership | Page 40 |
| Resolution 16-26: Approving February 2026 Bills Lists | Page 41 |

RESOLUTION NO. 8-26

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
RISK MANAGEMENT PLAN 2026**

Effective: JANUARY 1, 2026

Adopted: JANUARY 27, 2026

Revised: FEBRUARY 24, 2026

BE IT RESOLVED that the following shall be the Fund’s Risk Management Plan for the 2025 Fund year:

1.) COVERAGE OFFERED

- Medical

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

- Dental

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

- Prescription

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

- Vision

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

2.) LIMITS OF COVERAGE

Limits of coverage vary by member plan design.

3.) RISK RETAINED BY THE FUND

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

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

Medical and Prescription:

- **Specific Coverage:** The Fund self-insures for the first \$325,000 per person per agreement year and obtains reinsurance through its membership in the Municipal Reinsurance Health Insurance Fund “MRHIF” for claims in excess of its self-Insured Retention “SIR” to an unlimited maximum per person per contract period (incurred in 12 months paid in 24 months).

- Specific Limit Unlimited

- Basis: Incurred 12 months, paid 24 months.

Extra contractual claims are excluded from reinsurance coverage.

4.) ASSUMPTIONS AND METHODOLOGY TO CALCULATE CLAIM RESERVES.

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

5.) METHODS OF ASSESSING CONTRIBUTIONS TO MEMBERS

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

Should there be a need to enroll or terminate an employee past 60 days due to a missed open enrollment period or a qualified life event, the member must submit this request in writing. The Fund Small Claims Committee will anonymously review each request, including the fiscal impact to the Fund. The Committee will approve/deny the request within 45 days.

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

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

7.) THE INITIAL AND RENEWAL RATING METHODOLOGIES

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

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

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

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

Unless otherwise authorized as part of the offer of membership, when a member joins during a FUND year, the member's initial rates are only valid through the end of the then current FUND year at which time the rates are adjusted for all members to reflect the new budget. Prospective members may be offered entry rates of up to eighteen (18) months to allow for the alignment of renewals with the fiscal years of the FUND or of the entity.

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

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

8.) RATING PERIODS

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

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

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

10.) PROVISION FOR PPOs, etc.

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

11.) OPEN ENROLLMENT PROCEDURES

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

12.) COBRA AND CONVERSION OPTIONS

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

13.) DISCLOSURE OF BENEFIT LIMITS

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

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

All assessments, including additional assessments and dividends, are the responsibility of the member, not the employee or former employee. Employee contributions, if any, are solely an

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

15.) RETIREES

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

16.) NEWBORN CHILDREN

All plan documents will have the following language:

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

17.) PLAN DOCUMENT

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

A.) General Information

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

- Conversion privilege.
- Enrollment forms and instructions.

B.) Benefits

- Definitions.
- Description of benefits.

Eligible services and supplies.
 Deductibles and co-payments.
 Examples as needed.
 Exclusions.
 Retiree coverage, before age 65 or after (if any).

C.) Claims Procedures

- Submission of claim.
- Proof of loss.
- Appeal procedures. This shall be in accordance with applicable governing law. See also Plan Document and FUND Risk Management Plan and Bylaws

D.) Cost Containment Programs

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

18.) PROCEDURES FOR THE CLOSURE OF FUND YEARS

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

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

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

- A reserve is established by the actuary to cover any unpaid claims or IBNR
- The Fund decides on the final dividend or supplemental assessment.

- A closure resolution is adopted transferring all remaining assets and liabilities of that Fund year to the “Closed Fund Year/Contingency Account”.
- Each member’s pro rata share of the residual assets are computed and added to its existing balance in the Closed fund Year/Contingency Account. Any member who has withdrawn from the Fund shall receive its remaining share of the Closed fund Year/Contingency Account six years after the date of its withdrawal.

19.) “RUN-IN” or “RUN-OUT” LIABILITY

The Fund covers the “run-out” liability of all members - i.e., liability for claims incurred but not reported by a former Fund member during the period it was a member. Upon approval of the Executive Committee, the Fund may also cover the run-in liability of a perspective member (i.e., the liability for claims incurred but not reported by a prospective member in connection with the provision of health benefits during the period prior to joining the Fund). When the Fund covers run-in liability, the prospective member shall be assessed the expected ultimate cost of run-in claims, as certified by the Fund’s actuary and approved by the Executive Committee. The assessment shall be paid entirely within the Fund year the member joined the Fund.

20.) CLAIMS AND OPERATIONS AND ENROLLMENT AUDITS

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

The FUND may require enrollment audits for new and existing members to ensure that benefits are paid only for persons meeting eligibility requirements.

21.) CLAIM APPEALS

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

The Small Claims Committee shall consist of the following persons:

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

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

All Small Claims Committee decisions to pay claims shall be unanimous (except in the case of unavailability of a member of the Committee) in which case it will be required that the remaining members be unanimous and that no less than __3__ people on the Committee have reviewed the claim.

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

22.) ENROLLMENTS AND TERMINATIONS PAST 60 DAYS

Enrollments and terminations can be processed up to 60 days in the past. Should there be a need to enroll or terminate an employee past 60 days due to a missed open enrollment period or a qualified life event, the member must submit this request in writing. The Fund Small Claims Committee will anonymously review each request, including the financial impact to the Fund. The Committee will approve/deny the request within 45 days.

23.) PARTIAL MONTH ENROLLMENTS

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

24.) MEDICARE ADVANTAGE/EGWP ONLY

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

25.) QUALITY AND CLINICAL PLAN MANAGEMENT

The FUND shall have right to review, evaluate, and then implement certain Quality and Clinical Management programs related to the Medical, Pharmacy and Dental plans, as may be warranted from time to time, to address new and emerging issues related to the effective administration of the FUND. None of the programs shall constitute a change in benefit and shall not increase participant cost sharing. These programs may include, but are not limited to, Pharmacy and Medical quality and utilization programs that require a plan member to participate in a program intended to manage quality and improve outcome. If adopted by the FUND, such programs shall apply to all members of the FUND. The FUND shall utilize a formulary of preferred medications. The formulary will change from time to time as managed by the FUND's contracted Pharmacy Benefit Manager. Any changes to the formulary impacting a plan member will be addressed through advance notice to plan members. There will always be alternative medications available in each therapeutic class.

- Drug Utilization Management - The FUND may adopt or amend drug utilization management programs intended to impact the appropriate use of medications. These may include and are not limited to step therapy, generics preferred, formulary, retail network, prior authorization, and other programs provided for by the FUND's contracted Pharmacy Benefit Manager.
- Medical Care Management - The FUND may adopt or amend medical management plans intended to ensure member safety and efficacy of the health care program. This may include and not be limited to programs provided by the FUND's contracted Third-Party Administrator or others that can administer such programs.
- Out of Network Fee Schedules - The FUND shall adopt and amend the out of network fee schedule("the schedule") used from time to time. The schedule shall be based on an independent methodology, generally Medicare plus a markup (i.e., 150% of Medicare) that ensures fairness and reasonableness related to the provider type, type of procedure and geography. If adopted by the FUND such programs shall apply to all members of the FUND. Individual members may separately be exempted from the application of such programs only with the express approval of the Executive Committee and after agreeing to an appropriate rate adjustment.

26). OUT OF NETWORK MEDICARE SCHEDULE APPEAL PROCESS

Once the member appeal has been submitted, the Program Manager and the Executive Director's Office shall initially review all OON payment appeals and shall prepare a memo summarizing the relevant facts and issues involved in the appeal.

An Out of Network benefit appeal must be filed by the claimant within 30 days from the date of receipt of the Explanation of Benefits (EOB) reflecting the 150% of Medicare for providers and 175% of Medicare for facilities.

The Program Manager will conduct a preliminary review within five (5) business days of

receipt of the request for a Third-party review and notify the member and/or representing broker, the request is being forwarded to a Third-Party Review Organization solely responsible for reviewing Out of Network claims reimbursement.

The Program Manager shall then forward an eligible, complete request for external review to the Out of Network Third Party Review Organization.

The Third-Party Review Organization designated by the FUND will be required to conduct its review in an impartial, independent, and unbiased manner and in accordance with applicable law within thirty (30) business days after receipt.

If the decision of the Third-Party Review Organization responsible for the final determination is to pay the additional reimbursement at a level above the FUND approved 150% of Medicare for providers and 175% of Medicare for facilities, then the TPA is hereby authorized to issue the adjusted payment to the provider.

If the decision of the Third-Party Review Organization responsible for the final determination is to NOT pay the additional reimbursement in excess of the FUND approved 150% of Medicare for providers and 175% of Medicare for facilities, then the Program Manager will notify the member and/or representing broker within five (5) business days.

Regardless of the determination, the Third-Party Review Organization will provide on their letterhead the reason for the determination in addition to any specific data and metrics supporting that determination.

27.) NEW JERSEY PROTECTIONS FOR INVOLUNTARY, INADVERTENT AND EMERGENCY OUT OF NETWORK CLAIMS

The below information is applicable to New Jersey residents who are enrolled in the plan. In response to surprise bill concerns, the New Jersey Department of Insurance enacted the Out-Of-Network Consumer Protection, Transparency, Cost, Containment and Accountability Act (Act) (N.J.S.A. 26:2SS-1). This Act provides certain consumer protections for surprise bills for out-of-network health care services. Your employer has voluntarily elected that the plan participates in this Act.

The Act provides protections for the two types of claims specified below:

1. Involuntary and inadvertent out-of-network services

You are protected from balance bills by a New Jersey out-of-network health care professional for covered services when you use an in-network health care facility (e.g. hospital, ambulatory surgery center, etc.) located in New Jersey and, for any reason, in-network health care services are unavailable at that facility (an “inadvertent out-of-network service”). This includes laboratory testing (e.g., imaging, X-rays, blood tests and anesthesia).

Except as provided below, you should not be balance billed by an out-of-network health care professional or facility, for any amount in excess of what your deductible, copayment, or

coinsurance amounts (also known as “cost-sharing”) would be if you received the same service in-network. If you receive a bill for any other amount, please contact us at the number on your Identification Card and we will help address it. You may also file a complaint with the Department of Banking and Insurance by visiting <https://www.state.nj.us/dobi/consumer.htm>.

If you receive a bill for an amount above of your cost-sharing responsibilities for an inadvertent out-of-network service, Aetna and the out-of-network health care professional or facility may negotiate and settle on an amount for the service. If that negotiated amount exceeds what was shown on your initial Explanation of Benefits (EOB), your out-of-pocket cost-sharing responsibility may increase. If this occurs, you will be provided a second EOB showing your total cost-sharing responsibility.

If an agreement cannot be reached, Aetna or the out-of-network health care professional or facility may initiate binding arbitration to determine the amount to be paid for the inadvertent out-of-network service. The amount awarded by the arbitrator may exceed what Aetna has already paid to the out-of-network health care professional or facility; however, any additional payment for the arbitration award **will not** increase your cost-sharing responsibility above the amount indicated on your second EOB. In addition, if an arbitration takes place, you will also receive a final EOB showing the total allowed charge/amount for the service(s).

2. Medically necessary treatment on an emergency or urgent basis

You have additional protections from balance bills by any New Jersey facility involving medically necessary treatment on an emergency or urgent basis. Under this heading, “emergency and urgent care basis” means all emergency and urgent care services including, but not limited to, the services required pursuant to N.J.A.C. 11:24-5.3, which includes: (1) medical and psychiatric care, which shall be available 24 hours a day, seven days a week; (2) coverage for trauma services at any designated Level I or II trauma center as medically necessary (such coverage shall continue at least until, in the judgment of the attending physician, you are medically stable, no longer require critical care, and can be safely transferred to another facility); (3) coverage for out-of-service area medical care when medically necessary for urgent or emergency conditions where you cannot reasonably access in-network services; (4) prehospital care and hospital services regardless of location when medically necessary for injury or emergency illness; and (5) upon a your arrival in a hospital, coverage of a medical screening examination, as required by the Federal Emergency Medical Treatment and Active Labor Act, 42 U.S.C. § 1395dd, and as specified in N.J.A.C. 8:43G-12.

Except as discussed below, you should not be billed by any facility, for any amount in excess of any deductible, copayment, or coinsurance amounts (also known as “cost-sharing”) would be if you received the same service in-network. If you receive a bill for any other amount, please contact us at the number on your Identification Card and we will help address it. You may also file a complaint with the Department of Banking and Insurance by visiting <http://www.state.nj.us/dobi/consumer.htm>.

If you receive a bill from an out-of-network health care professional or facility for an amount above of your cost-sharing responsibilities involving medically necessary treatment on an emergency or urgent basis, Aetna and the out-of-network health care professional or facility may negotiate and settle on

an amount for the service. If that negotiated amount exceeds what was shown on your initial Explanation of Benefits (EOB), your out-of-pocket cost-sharing responsibility may increase. If this occurs, you will be provided a second EOB showing your total cost-sharing responsibility.

If an agreement cannot be reached, Aetna or the out-of-network health care professional or facility initiate binding arbitration to determine the amount to be paid for the medically necessary treatment on an emergency or urgent basis. The amount awarded by the arbitrator may exceed what Aetna has already paid to the out-of-network health care professional or facility; however, any additional payment for the arbitration award **will not** increase your cost-sharing responsibility above the amount indicated on your second EOB. In addition, if an arbitration takes place, you will also receive a final EOB showing the total allowed charge/amount for the service(s).

ADOPTED: FEBRUARY 24, 2026

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 15-26

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

WHEREAS, the Bergen Municipal Employees 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 **FEBRUARY 24, 2026**, 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 Borough of Fairview & Borough of Palisades Park 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. Borough of Fairview - 5/1/2026 - Medical & Rx
2. Borough of Palisades Park - 5/1/2026 - Medical & 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: FEBRUARY 24, 2026

BY: _____
CHAIRPERSON

ATTEST: _____
SECRETARY

RESOLUTION NO. 16-26

**BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE FEBRUARY 2026 BILLS LISTS**

WHEREAS, the **Bergen Municipal Employee Benefits Fund** held a Public Meeting on **FEBRUARY 24, 2026** for the purposes of conducting the official business of the Fund; and

WHEREAS, The Treasurer for the Fund presented bills lists to satisfy outstanding costs incurred for operating the Fund during the month of February 2026 for consideration and approval of the Executive Committee; and

WHEREAS, a quorum of the Executive Committee was present thereby conforming with the By-laws of the Fund to conduct official business of the Fund,

NOW THEREFORE BE IT RESOLVED the Commissioners of the Executive Committee of the **Bergen Municipal Employee Benefits Fund** hereby approve the Bills List for February 2026 prepared by the Treasurer of the Fund and duly authorize and concur said bills to be paid expeditiously, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

ADOPTED: FEBRUARY 24, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MEETING: JANUARY 27, 2026
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 | Present |
| Bob Kakoleski, Executive Committee | Present |
| Anthony Ciannamea, Executive Committee | Present |
| James Gasparini, Executive Committee | Present |
| Tomas Padilla, Executive Committee Alternate | Present |
| Joe Voytus, Executive Committee Alternate | Absent |
| Erin Delaney, Executive Committee Alternate | Absent |

APPOINTED OFFICIALS PRESENT:

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

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

APPROVAL OF MINUTES: *December 1, 2025*

| | |
|------------------------|------------------------|
| MOTION: | Commissioner Franz |
| SECOND: | Commissioner Kakoleski |
| ROLL CALL VOTE: | All in favor |

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

MEETING OF 2026 FUND COMMISSIONERS CALLED TO ORDER

ROLL CALL OF 2026 FUND COMMISSIONERS

| Member | Fund Commissioner | Attendance |
|-------------------------------------|------------------------------|------------|
| Alpine | Paul Tomasko | Present |
| Carlstadt | Joseph Crifasi | Absent |
| Carlstadt Board of Education* | | |
| East Rutherford* | Jesse DeRosa | Absent |
| East Rutherford Board of Education* | Alessandro Verace | Absent |
| Edgewater | Gregory Franz | Present |
| Emerson* | Robert Hermansen | Absent |
| Fanwood | Jesse Moehlman | Present |
| Fairfield | James Gasparini | Present |
| Fairfield BOE | Wally Lindsley | Present |
| Franklin Lakes | Gregory Hart | Present |
| Ft. Lee* | Alfred Restaino | Present |
| Garfield City | Nicholas Prochilo, Alternate | Present |
| Garwood | John Arthur | Present |
| Hillsdale* | Christopher Tietjen | Absent |
| Lodi* | Marc Shreicks | Present |
| Maywood Borough* | Adrian Febre | Absent |
| Midland Park | Wendy Martin | Present |
| Mine Hill* | Katelyn Wild | Absent |
| Montvale | Joe Voytus | Absent |
| Moonachie | Anthony Ciannamea | Present |
| North Arlington* | Steve Lo Iacono | Absent |
| Oakland | Richard Kunze | Present |
| Park Ridge | Magdalena Giandomenico | Absent |
| Ridgefield Park | Wanda Portorreal | Absent |
| Rochelle Park* | Dean Pinto | Absent |
| Rutherford | Robert Kakoleski | Present |
| Saddle River | Rich Molinari | Present |
| South Hackensack | Donna Gambutti | Present |
| Verona | Kevin O'Sullivan | Absent |
| Wallington | | |
| Wanaque Valley Regional S.A.* | Frank Covelli | Present |
| Westwood | Durene Ayer | Absent |
| Woodcliff Lake | Thomas Padilla | Present |
| Wood-Ridge | Dominick Azzolini | Absent |
| Totowa Borough | | |
| Bergenfield Borough | | |

MOTION TO OPEN THE FLOOR FOR NOMINATIONS FOR THE 2026 EXECUTIVE COMMITTEE SLATE:

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

Recommended Slate

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

MOTION TO APPROVE THE 2026 RECOMMENDED SLATE AS PRESENTED:

MOTION: Commissioner Ciannamea
SECOND: Commissioner Gasparini
ROLL CALL VOTE: 18 Ayes, 0 Nays

ELECTION OF OFFICERS, EXECUTIVE COMMITTEE & ALTERNATES

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

MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER

ROLL CALL OF 2026 EXECUTIVE COMMITTEE

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

CORRESPONDENCE - Ms. Koval reviewed the correspondence included in the agenda, highlighting that the New Jersey Department of Banking and Insurance reached out with questions regarding the Fund's financial position for 2024 during the audit review. She noted the Funds response, which included the Fund's action plan, that went into effect last year. She thanked the Fund Attorney and Chair for reviewing the response and commented there has been no response from the State.

COMMITTEE REPORTS:

Strategic Planning - Commissioner Kunze stated there is no report but will be scheduling a meeting once the year end financials have been finalized.

Administration and Finance Committee - No Report.

Wellness Committee - No Report.

Small Claims Committee - No Report

Nominations Committee - No Report.

New Members Committee - Commissioner Franz reported that there was no formal update. However, Mr. Lajewski noted that his report includes a section addressing entities interested in joining the Fund, which he will review.

Chair Hart welcomed Mr. Rhodes as Executive Director and expressed appreciation to Mr. Lodics for his service in the role over the past several years. Chair Hart also shared his enthusiasm about working with Mr. Rhodes and Mr. Lodics in Mr. Lodics' new capacity.

EXECUTIVE DIRECTOR'S REPORT

FAST TRACK FINANCIAL REPORT - Ms. Koval reviewed the Financial Fast Track report for November, stating there continues to be a deficit from 2024 but this is not the trend we are seeing for fund year 2025. She shared that a large part of this is the Out of Network fee schedule that was previously recommended by the Strategic Planning and Finance Committees. She was hopeful that these trends will continue to see these trends moving forward and the additional funding coming in will continue to support the financials.

In response to Commissioner Kunze, Ms. Koval clarified the dividend line was a transfer from closed year end balances for the approved supplemental assessment.

2026 REORGANIZATION - Ms. Koval presented the eleven resolutions related to the Fund's 2026 reorganization. She reviewed the 2026 current contracts and their respective terms, noting that the procurement process for the Medical TPA, Medical Advantage, and Pharmacy Benefit will be commencing this year. She further advised that Resolution 4-26 includes a change requiring public and legal notices to be posted on the Fund's website beginning March 1 in order to comply with new legislation.

Ms. Koval also reviewed the transfer of the Monthly Billing Policy from the Risk Management Plan (RMP) to the Cash Management Plan (CMP) for the current year and highlighted revisions to the RMP that provide additional clarification and include new content. Lastly, the MRHIF representatives were updated to Commissioner Voytus, with Chair Hart serving as alternate.

CORRECTIVE RESOLUTION - Ms. Perkins commented Resolution 12-26 addresses duplicated resolution numbers from the December 1st meeting, highlighting there were no substantive changes to the resolutions and updated resolutions will be circulated via DocuSign.

2026 COMMITTEE APPOINTMENTS - The 2026 committee appointments were presented. Ms. Koval noted that all Fund Commissioners are welcome to participate in committees, provided Executive Committee quorum requirements are not met.

MOTION TO APPROVE THE 2026 SUBCOMMITTEES:

| | |
|------------------------|------------------------|
| MOTION: | Commissioner Kunze |
| SECOND: | Commissioner Ciannamea |
| ROLL CALL VOTE: | All in favor |

MRHIF UPDATE - Ms. Koval advised that MRHIF approved the 2026 budget and is in the beginning stages of the Audit of Express Scripts claims from 2024 and the Level Pharmacy Coalition Request for Proposal process.

2026 BILLING UPDATES - Ms. Koval noted that WEX provided us with an update recently and all direct billed members should be receiving their coupons shortly. Additionally, there have been challenges with the monthly invoices being shared through OneDrive. If there are issues, please reach out to the client services team.

Ms. Koval noted the remainder of the report in the agenda is informational and there were no other questions for the Executive Directors report.

BENEFIT CONSULTANT'S REPORT

Mr. Lajewski reviewed the agenda in report, highlighting industry updates including emerging GLP-1 weight loss medications and anticipated cost pressures. Strategies under review include clinical criteria adjustments, cost-sharing changes, exclusions, and direct-to-consumer options.

In response to Commissioner Kakoleski, there is no initial reason to believe this will decrease costs. Mr. Yuk from Express Scripts commented that it is currently listed as the same as the injection and it is excluded on the formulary since it is so new to the market. Ms. Lajewski noted we are anticipating an uptick of utilization with the oral form being available for those who may be apprehensive about self-injection.

Ms. Lajewski reported favorable early results following the Fund's change to a Medicare based out-of-network fee schedule, noting reduced per employee per month (PEPM) costs. No formal appeals have been received to date.

A request for the Fund participation from the Borough of Fairview with the proposed effective date of April 1st is currently under review and Mr. Lajewski commented client service updates including training opportunities, coupon book mailings, carrier appeals activity and confirmation that members coverage would not be affected by any administrative delays for the WEX coupons, although as the Executive Director commented, should have been distributed.

FUND ATTORNEY - Fund Attorney noted his report will be discussed during closed session.

TREASURER - Report included in the agenda, reviewing the November 2025, December 2025, and January 2026 bills list.

BOARD ADVISOR- Mr. LaMendola expressed appreciation on behalf of the Fund for Mr. Lodics and his tremendous support that he provided for many years. He wishes him well in his transition.

WELLNESS COORDINATOR - Ms. Dina Robinson introduced herself and noted that members may have already received emails from her as she is beginning to reach out and schedule meetings to discuss the current wellness program. In addition, she stated that she is looking for wellness ambassadors from each town to collaborate with Ms. Robinson to build the wellness program.

Chair Hart emphasized that the wellness ambassadors will play a vital role in the success of the wellness program, noting that their responsibilities include distributing wellness materials to employees and actively participating in program initiatives. He added that while the program is strong, the Wellness Committee continues to enhance it by adding new elements and expanding its reach.

AETNA - Mr. Silverstein congratulated the 2026 Executive Committee for their reappointments. He provided a review of claims through November, noting four high-cost claims during September, and two high-cost claims during October and November. He reported that dashboard metrics continue to perform well. Additionally, he provided a quick network update, stating Aetna is in active negotiations with Hackensack Meridian for July 1, 2026, and updates will be provided as discussions progress.

In response to Chair Hair, Mr. Silverstein noted that it was a two-year contract. In response to Commissioner Kakoleski, Mr. Silverstein noted that Aetna tries to do multiple year contracts and they were lucky to get two years back in 2024. In response to Commissioner Kunze, Mr. Silverstein stated the overall trend for Quarter 4 in 2025 compared to 2024 can be contributed to the Out-of-Network fee schedule and the No Surprises Act is finally settling down and Aetna caught up processing them. He did note that this is a very small sample and hopefully it continues with this trend.

EXPRESS SCRIPTS - Mr. Yuk reviewed the agenda in the report, providing insight on the pharmacy utilization and cost trends. He highlighted the specialty plan cost makes up 30% of total spend for the month of November. He noted that the overall trend for the top indications is 7.4%, which is very good. For the top 25 drugs, weight loss drugs continue to remain a significant cost driver. He noted that Ozempic does show a 32% decrease, which can be contributed to off label use.

In response to Commissioner Kunze, Mr. Yuk noted the double increase of Migraine Headaches indication can be due to new members or an increase of prescriptions. He stated there has been no new medications for this indication.

DELTA DENTAL – No Report.

MOTION TO APPROVE CONSENT AGENDA INCLUDING THE FOLLOWING RESOLUTIONS:

- Resolution 1-26: Awarding Professional Fees for 2026
- Resolution 2-26: Designation of Service of Process
- Resolution 3-26: Designation of Secretary as Custodian of Records
- Resolution 4-26: Designation of Official Newspaper
- Resolution 5-26: Designation of Regular Meeting Times and Place
- Resolution 6-26: Designation of Bank Depositories & CMP
- Resolution 7-26: Designation of Authorized Signatories
- Resolution 8-26: Approval of 2026 Risk Management Plan
- Resolution 9-26: Compensating Producers
- Resolution 10-26: Appointment of MRHIF Commissioners
- Resolution 11-26: Authorizing Treasurer to Process Payments and Expenses
- Resolution 12-26: Corrective Resolution
- Resolution 13-26: November 2025, December 2025, and January 2026 Bills List

| | |
|----------------|------------------------|
| MOTION: | Commissioner Ciannamea |
| SECOND: | Commissioner Kunze |
| VOTE: | All in Favor |

OLD BUSINESS: None

NEW BUSINESS: None

MOTION TO OPEN PUBLIC COMMENT:

| | |
|------------------------|------------------------|
| MOTION: | Commissioner Franz |
| SECOND: | Commissioner Kakoleski |
| ROLL CALL VOTE: | All in favor |

PUBLIC COMMENT: Mr. Covelli congratulated the 2026 Executive Committee on their appointment. He noted that it is nice to see the Fund on a positive track once again.

MOTION TO CLOSE PUBLIC COMMENT:

| | |
|------------------------|------------------------|
| MOTION: | Commissioner Padilla |
| SECOND: | Commissioner Gasparini |
| ROLL CALL VOTE: | All in favor |

MOTION TO APPROVE RESOLUTION 14-26 TO GO INTO CLOSED SESSION:

| | |
|------------------------|------------------------|
| MOTION: | Commissioner Gambutti |
| SECOND: | Commissioner Gasparini |
| ROLL CALL VOTE: | All in favor |

MOTION TO ADJORN:

| | |
|----------------|-----------------------|
| MOTION: | Commissioner Gambutti |
| SECOND: | Commissioner Padilla |
| VOTE: | Unanimous |

MEETING ADJOURNED: 1:30pm

NEXT MEETING: FEBURARY 24, 2026

Caitlin Perkins, Account Manager

SIGN IN SHEET

BMED – January 27, 2026

| NAME | AGENCY |
|------------------|-------------------------------|
| Scott Perry | GJEM - Otterstedt Ins. Agency |
| Matt McArw Jr. | GJEM - Otterstedt Agency |
| Matt McArw Sr. | GJEM - Otterstedt Agency |
| Paige Cicalese | Fairview |
| Mike Kraus | Verona |
| Rich Molinari | Saddle River |
| Maurcen Fennell | Accisure |
| Charles Luk | ESI |
| Kim White | Delta |
| Dina Robinson | Franklin Lakes |
| Brittany Vozza | Vozza |
| Brian Kiely | Accisure |
| Tom Fletcher | Accisure |
| Laurie O'Hanlon | Midland Park |
| Clarke Camendola | |
| Franco Covacci | Pitt/Worles |
| Wendy Mastia | Midland Park |
| | |
| | |
| | |

APPENDIX II

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
200 Independence Avenue SW
Washington, DC 20201



February 11, 2026

Bergen Municipal Employee Benefits Fund
Attn: Brandon Lodics, Executive Director
Emily Koval, Associate Executive Director
Crystal Bailey, Program Manager

VIA EMAIL: blodics@permainc.com; emilyk@permainc.com; cbailey@connerstrong.com

RE: Type of Examination: Targeted Market Conduct Examination
Bergen Municipal Employee Benefits Fund

Dear Mr. Lodics, Ms. Koval, and Ms. Bailey:

Pursuant to 45 CFR § 150.313, the Centers for Medicare & Medicaid Services (CMS) Center for Consumer Information and Insurance Oversight's (CCIIO) Division of Plan and Issuer Enforcement will be conducting a Federal Targeted Desk Market Conduct Examination (Examination) of Bergen Municipal Employee Benefits Fund (Plan) which commenced February 11, 2026. This Examination will focus on all claims submitted to the Federal Independent Dispute Resolution (IDR) process to ascertain compliance with the requirements of sections 2799A-1(a)(1), (b)(1), and (c)(6) and 2799A-2(a)(3)(B) and (b)(6) of the Public Health Service Act (PHS Act), and implementing regulations at 45 CFR §§ 149.110(b)(3)(iii) and (iv)(B), 149.120(c)(2) and (4), 149.130(b)(2) and (4)(ii), 149.510(c)(4)(ix), and 149.520, which generally require the plan or issuer to pay the amount of the offer selected by the certified IDR Entity (IDRE) (less the sum of the initial payment and any cost-sharing paid or owed by the participant or beneficiary) no later than 30 calendar days after the determination.

The Examination will cover the period beginning January 1, 2022, through December 31, 2025, (Examination Period), and will include information, records, and data related to and as part of the IDR process.

CMS has contracted with Examination Resources, LLC (ER) to conduct this Examination in conjunction with CMS. Chris Cagle will serve as the Examiner-In-Charge (EIC) for the Examination. Please send any questions about the requests in this letter to Chris Cagle at ChrisCagle@examresources.net and Kerry Banks at KerryBanks@examresources.net. In addition, please courtesy copy (cc) CMS at marketconduct@cms.hhs.gov, Britne Humphrey at Britne.Humphrey@cms.hhs.gov, and Jesse Regan at Jesse.Regan@cms.hhs.gov on all email communications with examiners.

Please designate an individual who will have the authority and responsibility to respond to CMS's or its contractor's request for accounts, records, documents, files, or other information needed to complete the Examination. This person will coordinate with CMS and ER on behalf of the Plan. The Plan will receive additional instructions regarding the method of delivering this information.

ER will coordinate an initial Examination conference call with all parties within one week of this notification.

To comply with the Examination, the Plan must submit by the due date indicated, data (in the form of electronic files such as Excel), documents (in PDF format), and narrative responses, as applicable, as requested below.

Please provide us with responses to the following items no later than February 26, 2026:

1. All IDR dispute handling manuals, dated procedures, internal bulletins, and guidelines of the Plan, with respect to the handling and payment of IDR disputes, utilized at any point during the Examination Period.
2. Provide a full population of Federal IDR determination notices received during the Examination Period. Your production should follow the formatting used in the attached document *Bergen Municipal Employee Benefits Fund, IDR Data*. If no information exists for a data field, use "N/A" to signify the absence of information in text and alpha-numeric formatted data fields, and pad 9s (i.e., 999999 or 9999999.99) for any numeric only fields. Blank data fields will be considered a failure to produce the required information.
3. A brief narrative describing the Plan's history and business operations. (Please note that this information will be used in the Final Report and will be made public.)

This list is not exhaustive and additional requests for information will be forthcoming as we review and identify the need for further information. To the extent that the information requested overlaps or has been previously produced, please state so, and identify the supporting document(s).

The Plan is asked to certify the accuracy of all information provided through submission of a written statement, signed by the Plan's designated individual. The written statement should acknowledge that the information provided is, to the best of that individual's knowledge, information, and belief, a full, complete and accurate response.

All information submitted that contains Protected Health Information (PHI), as defined in 45 CFR § 160.103, or other Personally Identifiable Information (PII), as defined in OMB Memorandum M-16-12, must be securely submitted in accordance with HHS and other governmental guidelines. You will receive a separate email with an invitation to BOX where you will be able to upload and retrieve documents securely. If you are unable to access BOX for any reason, please let us know as soon as possible in order to determine another secure method to

submit the requested information. If you have questions, please do not hesitate to reach out via email or advise if you would like to set up a call to discuss.

The PHS Act provides the Secretary of HHS (Secretary) enforcement authority over issuers in some states (including where this examination is being conducted) and non-federal governmental plans in all states. The Secretary has designated CMS to carry out the enforcement of PHS Act requirements. CMS may pursue enforcement action, as warranted, including requiring additional corrective action to correct noncompliance and/or assessing civil money penalties under section 2723(b) of the PHS Act and its implementing regulations at 45 CFR Part 150, Subpart C and otherwise consistent with law.

If you have any questions or concerns, please contact the CMS and ER contacts for assistance. Thank you in advance for your cooperation.

Sincerely,

Mary M.
Nugent -S



Digitally signed by Mary M. Nugent -S
Date: 2020.02.12 14:34:34 -0500

Mary Nugent
Director, Division of Plan and Issuer Enforcement
Oversight Group
Center for Consumer Information and Insurance Oversight
Centers for Medicare & Medicaid Services

APPENDIX III



16TH ANNUAL MEL, MRHIF & NJCE EDUCATIONAL SEMINAR

SAVE THE DATES

FRIDAY, APRIL 24 ▶ 9:00 AM – 12:00 PM

FRIDAY, MAY 1 ▶ 9:00 AM – 12:00 PM

Available Online at No Cost to Members

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

This online seminar is pending approval for the following continuing education credits:

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

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AGENDA

FRIDAY, APRIL 24

- Local Government Health Benefits Crisis
- Police Accreditation Plus Initiative
- Controlling Workers Compensation Costs

FRIDAY, MAY 1

- Anti-Harassment Programs for Volunteer Organizations
- Cyber JIF at 3
- Local Government Ethics A-Z

TO REGISTER

Connect to njmel.org or email [Jaine Testa at jainet@permainc.com](mailto:jainet@permainc.com)

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EXCESS JOINT INSURANCE FUND**

APPENDIX IV

Government Accounting Standards Board (GASB)
GASB 102 – Certain Risk Disclosures

GASB 102 requires disclosure of constraints and concentrations that could impact the organization being audited. Health Insurance Funds (HIFs) are not insurance companies. They are governmental entities organized pursuant NJSA 40A:10 – 36 et seq that receive their income from member assessments (i.e. premium) and interest on funds held to settle outstanding claims. As governmental entities, they are exempt from a wide range of taxes and other charges assessed commercial insurance companies. This gives HIFs a considerable cost advantage as compared to commercial insurers. All profits for any given year are ultimately returned as dividends to members that participated in the HIF during that fund year. The timing of dividends is controlled by state regulation. However, claims are inherently subject to considerable variation. To offset risk, HIFs are indefinitely assessable on a joint and several basis. Under state law and HIF bylaws, HIFs may assess members including former members for any year that incurs a loss, even if that loss is not known for a few years. While this assures that claims will be paid, members must realize that their final ultimate cost cannot be definitively established until all claims are paid.

While the Health Insurance Funds have a concentration from a membership standpoint, as described above, it is not a vulnerability, it actually is a strength of the HIF.

The HIF has strong governance from its governing body and leadership as well as oversight by the State of New Jersey Departments of Community Affairs and Department of Banking and Insurance.

As such, the requirement for disclosure in the December 31, 2025, Annual Audits is not required for the Health Insurance Funds.