Gateway
BMED FUND
GATEWAY REGIONAL HEALTH INSURANCE FUND

AGENDA AND REPORTS
AUGUST 25, 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. posting the annual meeting notice on the Fund's official website where all legal notices are maintained
II. filing advance written notice of this meeting with the Clerk/Administrator of each member municipality and,
III. publication of notice in the Fund's designated newspaper directing the public to the website where legal notices are available

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
AGENDA MEETING: AUGUST 25, 2026
FRANKLIN LAKES BOROUGH HALL
12:00 PM

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

PLEDGE OF ALLEGIANCE

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: *June 23, 2026, Open ..... Appendix I*

CORRESPONDENCE – None

MONTHLY COMMITTEE REPORTS

STRATEGIC PLANNING COMMITTEE – Rich Kunze, Chair
August 11, 2026, Meeting Minutes ..... Appendix II (Page 54)

FINANCE/ADMINISTRATION COMMITTEE – Robert Kakoleski, Chair
August 19, 2026, Meeting Minutes ..... Appendix II (Page 59)

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**

PERMA Risk Management Services

Bergen Municipal Employee Benefits Fund
Executive Director's Report
AUGUST 25, 2026

FINANCE AND OPERATIONS

PRO FORMA REPORTS

- **Fast Track Financial Reports** as of June 30, 2026 (page 6)
  - **Historical Income Statement**
  - **Ratios and Indices Report**

2027 BMED BUDGET – INTRODUCTION

The 2027 proposed budget is located on page 10 of this report. A 2027 budget presentation is included as an attachment to the agenda which will be reviewed at the meeting.

The Finance Committee also reviewed the presentation and are recommending introduction, as presented. If deemed appropriate, the Committee can introduce the budget and adopt on September 29, 2026, allowing for Open Enrollment to occur thereafter.

Resolution 24-26 is on the Consent Agenda or can be moved separately.

Motion*: Motion to introduce the 2027 Bergen Municipal Employee Benefits Fund Budget in the amount of* **$***108,472,203 and to advertise a public hearing of the budget adoption on September 29, 2026.*

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND UPDATES

1. The MRHIF held a special meeting on July 28, 2026, to authorize the release of the Medical TPA RFP. It currently is being under review by the Office of State Comptroller.

2. The MRHIF budget is currently in development with the expectation of its introduction at the September 9, 2026, scheduled meeting.

3. At the June meeting, a discussion occurred regarding the MRHIF bylaw amendment, noting the next step is to have 75% of the membership pass a resolution accepting the changes before it is sent to the State for final approval. The Fund Attorney will provide more information during his report.

CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) UPDATE

The Audit continues with CMS, and no updates have been made. Aetna has been fully cooperative with providing information on specific claims.

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 HIFadmin@permainc.com for a blank agreement and resolution to be executed. This list was last updated on August 7, 2026.

Member	I&T End Date
Wallington	12/31/2022
Fanwood Township	12/31/2023
Wood-Ridge	12/31/2025

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

FINANCIAL FAST TRACK REPORT

AS OF June 30, 2026

			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	**UNDERWRITING INCOME**		**8,590,639**	**48,835,959**	**877,791,462**	**926,627,421**
2.	**CLAIM EXPENSES**					
	Paid Claims		6,876,901	34,615,489	730,009,036	**764,624,525**
	IBNR		413,870	2,608,947	8,506,095	**11,115,043**
	Less Specific Excess		-	(970,430)	(20,128,622)	**(21,099,052)**
	Less Aggregate Excess		-	-	(602,911)	**(602,911)**
	TOTAL CLAIMS		**7,290,771**	**36,254,006**	**717,783,598**	**754,037,604**
3.	**EXPENSES**					
	MA & HMO Premiums		602,149	2,461,413	34,946,669	**37,408,082**
	Excess Premiums		362,092	1,903,645	38,406,148	**40,309,793**
	Administrative		382,985	1,740,112	64,334,309	**66,074,420**
	TOTAL EXPENSES		**1,347,225**	**6,105,169**	**137,687,126**	**143,792,295**
4.	**UNDERWRITING PROFIT/(LOSS) (1-2-3)**		(47,357)	6,476,783	22,320,739	**28,797,521**
5.	**INVESTMENT INCOME**		46,272	160,431	4,233,316	**4,393,746**
6.	**DIVIDEND INCOME**		-	-	8,186,857	**8,186,857**
7.	**STATUTORY PROFIT/(LOSS) (4+5+6)**		**(1,084)**	**6,637,213**	**34,740,911**	**41,378,125**
8.	**DIVIDEND**		-	-	32,700,408	**32,700,408**
9.	**Transferred Surplus IN**		-	-	-	-
10.	**Transferred Surplus OUT**		-	-	-	-
	STATUTORY SURPLUS (7-8+9)		**(1,084)**	**6,637,213**	**2,040,503**	**8,677,716**
			SURPLUS (DEFICITS) BY FUND YEAR			
	Closed	**Surplus**	(2,304)	(256,932)	5,523,990	**5,267,057**
		Cash	(4,555)	(268,460)	5,605,105	**5,336,645**
	2024	**Surplus**	(68,788)	(911,505)	(4,110,403)	**(5,021,908)**
		Cash	(10,291)	66,261	(6,456,215)	**(6,389,954)**
	2025	**Surplus**	(161,328)	1,324,481	626,916	**1,951,398**
		Cash	322,092	(4,700,314)	5,874,000	**1,173,686**
	2026	**Surplus**	231,335	6,481,169		**6,481,169**
		Cash	1,238,040	16,101,114		**16,101,114**
	TOTAL SURPLUS (DEFICITS)		**(1,084)**	**6,637,213**	**2,040,503**	**8,677,716**
	TOTAL CASH		**1,545,285**	**11,198,601**	**5,022,890**	**16,221,491**
			CLAIM ANALYSIS BY FUND YEAR			
	TOTAL CLOSED YEAR CLAIMS		**13,798**	**301,432**	**600,326,246**	**600,627,679**
	FUND YEAR 2024					
	Paid Claims		71,162	935,170	61,727,662	**62,662,832**
	IBNR		-	-	-	-
	Less Specific Excess		-	(13,166)	(2,080,267)	**(2,093,433)**
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2024 CLAIMS		**71,162**	**922,004**	**59,647,395**	**60,569,399**
	FUND YEAR 2025					
	Paid Claims		335,279	7,588,396	50,967,564	**58,555,960**
	IBNR		(169,380)	(7,832,285)	8,506,095	**673,810**
	Less Specific Excess		-	(957,264)	(1,663,703)	**(2,620,967)**
	Less Aggregate Excess		-	-	-	-
	TOTAL FY 2025 CLAIMS		**165,899**	**(1,201,153)**	**57,809,956**	**56,608,803**
	FUND YEAR 2026					
	Paid Claims		6,456,663	25,790,490		**25,790,490**
	IBNR		583,250	10,441,232		**10,441,232**
	Less Specific Excess		-	-		-
	Less Aggregate Excess		-	-		-
	TOTAL FY 2026 CLAIMS		**7,039,913**	**36,231,722**		**36,231,722**
	COMBINED TOTAL CLAIMS		**7,290,771**	**36,254,006**	**717,783,598**	**754,037,604**

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

		FY2026					
INDICES	**2025**	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**
Cash Position	5,022,890	$ 2,057,897	$ 7,262,036	$ 8,982,617	$ 11,977,385	$ 14,676,206	$ 16,221,491
IBNR	8,506,095	$ 9,452,611	$ 10,634,986	$ 10,385,636	$ 9,884,784	$ 10,701,173	$ 11,115,043
Assets	10,806,865	$ 12,046,607	$ 14,083,506	$ 16,139,201	$ 17,707,586	$ 19,799,555	$ 20,190,477
Liabilities	8,766,360	$ 9,790,176	$ 11,054,181	$ 10,779,840	$ 10,291,273	$ 11,120,753	$ 11,512,760
Surplus	2,040,504	$ 2,256,431	$ 3,029,325	$ 5,359,361	$ 7,416,313	$ 8,678,802	$ 8,677,718
Claims Paid -- Month	4,529,217	$ 5,592,007	$ 4,877,517	$ 5,698,543	$ 5,724,755	$ 5,845,766	$ 6,876,901
Claims Budget -- Month	4,887,102	$ 6,576,206	$ 6,555,591	$ 6,758,666	$ 6,723,791	$ 7,238,233	$ 7,220,007
Claims Paid -- YTD	61,100,865	$ 5,592,007	$ 10,469,523	$ 16,168,066	$ 21,892,822	$ 27,738,588	$ 34,615,489
Claims Budget -- YTD	57,681,370	$ 6,576,206	$ 13,131,797	$ 19,890,464	$ 26,614,254	$ 33,852,487	$ 41,054,390
RATIOS							
Cash Position to Claims Paid	1.11	0.37	1.49	1.58	2.09	2.51	2.36
Claims Paid to Claims Budget -- Month	0.93	0.85	0.74	0.84	0.85	0.81	0.95
Claims Paid to Claims Budget -- YTD	1.06	0.85	0.8	0.8	0.8	0.8	0.8
Cash Position to IBNR	0.59	0.22	0.68	0.86	1.21	1.37	1.46
Assets to Liabilities	1.23	1.23	1.27	1.5	1.72	1.78	1.75
Surplus as Months of Claims	0.42	0.34	0.46	0.79	1.1	1.2	1.2
IBNR to Claims Budget -- Month	1.74	1.44	1.62	1.54	1.47	1.48	1.54

Bergen Municipal Employee Benefits Fund
2026 Budget Report
as of June 30, 2026

	Cumulative	Annualized	Latest filed	Cumulative	$ Variance	% Variance
Expected Losses				Expensed		
Medical Claims Aetna	36,297,197	74,494,751	61,701,780	30,715,173	5,582,024	15%
Prescription Claims	5,121,751	10,634,760	8,156,748	4,386,652	(801,426)	-22%
Prescription Formulary Rebates	(1,536,525)	(3,190,427)	(2,447,024)	Included Above in Prescription Claims		
Dental Claims	1,171,967	2,349,261	2,287,214	1,129,897	42,070	4%
Subtotal	41,054,390	84,288,346	69,698,718	36,231,722	4,822,668	12%
DMO Premiums	8,671	16,796	28,816	8,410	261	3%
Medicare Advantage / EGWP	2,447,913	5,263,444	3,564,224	2,453,004	(5,090)	0%
Reinsurance						
Specific	1,901,544	3,901,826	3,149,432	1,903,645	(2,101)	0%
Total Loss Fund	45,412,518	93,470,412	76,441,190	40,596,780	4,815,738	11%
Loss Fund Contingency	1,020,185	2,040,370	2,040,370	0	1,020,185	0%
Expenses						
Legal	13,525	27,050	27,050	13,525	0	0%
Treasurer	11,178	22,356	22,356	11,178	0	0%
Administrator	278,468	571,953	478,620	278,547	(80)	0%
Risk Management Consultants	763,311	1,615,659	1,225,905	763,311	-	0%
Retiree First	59,280	126,588	90,144	69,360	(10,080)	-100%
QPA	1,500	3,000	3,000	1,500	-	-100%
TPA - Aetna	434,650	891,869	719,888	260,834	173,816	40%
TPA - Dental	50,043	100,457	96,713	50,300	(257)	-1%
Actuary	9,832	19,664	19,664	9,820	12	0%
Auditor	9,988	19,976	19,976	9,990	(2)	0%
Benefits Consultant	282,182	585,626	456,632	282,551	(369)	0%
Board Advisor	9,742	19,484	19,484	7,500	2,242	23%
Subtotal Expenses	1,923,698	4,003,682	3,179,431	1,758,416	165,283	9%
Miscelleneous and Special Services						
Misc/Cont	17,500	35,000	35,000	11,878	5,622	32%
Wellness, Disease, Case Management	50,000	100,000	100,000	2,647	47,353	95%
Affordable Care Act Taxes	6,814	13,983	11,286	15,756	(8,941)	-131%
A4 Surcharge	56,313	115,197	119,153	37,499	18,814	33%
Plan Documents	3,250	6,500	6,500	3,250	-	0%
Claims Audit	20,000	40,000	40,000	0	20,000	100%
Subtotal Misc/Sp Svcs	153,878	310,679	311,939	71,030	82,848	54%
Total Expenses	2,077,576	4,314,361	3,491,370	1,829,446	248,130	12%
Total Budget	48,510,279	99,825,143	81,972,930	42,426,226	6,084,053	13%

Bergen Municipal Employee Benefits Fund
CONSOLIDATED BALANCE SHEET
AS OF JUNE 30, 2026
BY FUND YEAR

	BMED 2026	BMED 2025	BMED 2024	CLOSED YEAR	FUND BALANCE
ASSETS					
Cash & Cash Equivalents	16,101,114	1,173,686	(6,389,954)	5,336,645	16,221,491
Assesstments Receivable (Prepaid)	(527,123)	423,365	1,465,535	70,658	1,432,435
Interest Receivable	16	253	(239)	4,745	4,774
Specific Excess Receivable	-	1,104,337	-	-	1,104,337
Aggregate Excess Receivable	-	-	-	-	-
Dividend Receivable	-	-	-	-	-
Prepaid Admin Fees	-	-	-	-	-
Other Assets	1,398,276	(0)	-	29,164	1,427,440
Total Assets	16,972,282	2,701,641	(4,924,658)	5,441,212	20,190,477
LIABILITIES					
Accounts Payable	-	-	-	-	-
IBNR Reserve	10,441,232	673,810	-	-	11,115,043
A4 Retiree Surcharge	24,135	56,849	-	-	80,984
Dividends Payable	-	-	-	131,984	131,984
Retained Dividends	-	-	97,250	42,169	139,419
Accrued/Other Liabilities	25,746	19,584	-	-	45,330
Total Liabilities	10,491,113	750,243	97,250	174,153	11,512,760
EQUITY					
Surplus / (Deficit)	6,481,169	1,951,398	(5,021,908)	5,267,059	8,677,718
Total Equity	6,481,169	1,951,398	(5,021,908)	5,267,059	8,677,718
Total Liabilities & Equity	16,972,282	2,701,641	(4,924,658)	5,441,212	20,190,477
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.

Draft

Bergen Municipal Employee Benefits Fund
2027 Proposed Budget

Print Date: 8/18/2026 12:51

Census:	Monthly	Annual
Medical Aetna	**2,224**	**26,688**
Rx	**1,236**	**14,832**
Dental	**2,520**	**30,240**
Medicare Advantage - Medical	**936**	**11,232**
Rx No Medical (Incl in Rx above)	**15**	**180**
Dental Only (Incl in Dental above)	**1,411**	**16,932**
Medicare Advantage - Only (Incl above)	**664**	**7,968**
DMO Only	-	-

	LINE ITEMS	Annualized Budget FY2026	Proposed Budget FY2027	$ Change	% Change
1	**Medical Claims Aetna**	**$ 76,632,546**	**$ 75,408,556**	**$ (1,223,990)**	**-1.60%**
2	**Prescription Claims**	**$ 11,042,568**	**$ 11,762,612**	**$ 720,044**	**6.52%**
3	**Prescription Formulary Rebates**	**$ (3,312,770)**	**$ (1,999,644)**	**$ 1,313,126**	**-39.64%**
4	**Dental Claims**	**$ 2,360,068**	**$ 2,298,368**	**$ (61,700)**	**-2.61%**
5					
6	**Subtotal Claims**	**86,722,412**	**87,469,892**	**$ 747,480**	**0.86%**
7					
8	**HMO/DMO Premiums**	**$ 16,250**	**$ 16,250**	**$ -**	**0.00%**
9					
10	**Medicare Advantage / EGWP**	**$ 5,641,863**	**$ 5,895,107**	**$ 253,244**	**4.49%**
11					
12	**Reinsurance**				
13	Specific	$ 4,004,766	$ 5,515,504	$ 1,510,738	37.72%
14					
15	**Total Loss Fund**	**$ 96,385,291**	**$ 98,896,754**	**$ 2,511,462**	**2.61%**
16					
17	**Loss Fund Contingency**	**$ 2,040,370**	**$ 2,600,000**	**$ 559,630**	**27.43%**
18	**Trust Account For Contingencies**	**$ -**	**$ 2,600,000**	**$ 2,600,000**	**0.00%**
19	**Expenses**				
20	Legal	$ 27,050	$ 27,500	$ 450	1.7%
21	Treasurer	$ 22,356	$ 22,803	$ 447	2.0%
22	Administrator	$ 588,084	$ 599,991	$ 11,907	2.0%
23	Risk Management Consultants	$ 1,553,631	$ 1,503,984	$ (49,647)	-3.2%
24	TPA - Claims Agent Aetna	$ 915,398	$ 961,302	$ 45,903	5.0%
25	Dental TPA	$ 101,002	$ 101,002	$ -	0.0%
26	Retiree First	$ 134,784	$ 134,784	$ -	0.0%
27	Actuary	$ 19,664	$ 20,050	$ 386	2.0%
28	Auditor	$ 19,976	$ 20,376	$ 400	2.0%
29	Benefits Consultant	$ 607,560	$ 619,613	$ 12,052	2.0%
30	Board Advisor	$ 19,484	$ 19,484	$ 0	0.0%
31	QPA	$ 3,000	$ 3,000	$ -	0.0%
32					
33	**Subtotal Expenses**	**$ 4,011,989**	**$ 4,033,888**	**$ 21,899**	**0.55%**
34					
35	**Miscelleneous and Special Services**				
36	Misc/Cont	$ 35,000	$ 50,000	$ 15,000	42.86%
37	Wellness, Disease, Case Management	$ 100,000	$ 100,000	$ -	0.00%
38	Affordable Care Act Taxes	$ 14,351	$ 14,351	$ -	0.00%
39	A4 Surcharge	$ 118,691	$ 127,210	$ 8,519	7.18%
40	Plan Documents	$ 6,500	$ 10,000	$ 3,500	53.85%
41	Claims Audit	$ 40,000	$ 40,000	$ -	0.00%
42	**Subtotal Misc/Sp Svcs**	**$ 314,543**	**$ 341,562**	**$ 27,019**	**8.59%**
43					
44	**Total Expenses**	**$ 4,326,532**	**$ 9,575,450**	**$ 5,248,918**	**121.32%**
45					
46	**Total Budget**	**$ 102,752,194**	**$ 108,472,203**	**$ 5,720,010**	**5.57%**

REGULATORY

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
REGULATORY
YEAR: 2026

FILING STATUS UPDATES

Items	Filing Status
Budget	Filed upon adoption
Assessments	Filed upon adoption
Actuarial Certification	Filed
Reinsurance Policies	Filed
Fund Commissioners	Filed
Fund Officers	Filed
Renewal Resolutions	Filed
Indemnity and Trust	Filed
New Members	Filed as New Members are approved
Withdrawals	Filed as Members Withdrawal
Risk Management Plan and By Laws	Filed
Cash Management Plan	Filed
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	Filed
Benefit Changes	N/A

Contract	Professional	**Contract**	**Insurance**	**Term**
Board Advisor	Clark LaMendola	Y	Y	1/1/2024-12/31/2026
Wellness Coordinator	Dina Robinson	Y	Y	1/1/2026-12/31/2026
Administration	PERMA	Y	Y	1/1/2025-12/31/2027
Benefits Consultant	Conner Strong & Buckelew	Y	Y	1/1/2025-12/31/2027
QPA	The Canning Group	Y	Y	1/1/2026-12/31/2029
Attorney	Huntington Bailey	Y	Y	1/1/2026-12/31/2029
Treasurer	Joseph Iannaconi	Y	Y	1/1/2026-12/31/2029
Auditor	Lerch Vinci Higgins	Y	Y	1/1/2026-12/31/2029
Actuary	Actuarial Solutions	Y	Y	1/1/2026-12/31/2029

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	Jacque Maddren	jmaddren@connerstrong.com	856-552-4688
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
Senior Director, HIF Operations	Lenka Bystrianska	lbystrianska@permainc.com	856-479-2214
Director of Client Services	Crystal Bailey	cbailey@permainc.com	856-552-4914
Director of Benefits Operations	Karen Kidd	kkidd@connerstrong.com	856-552-4644
Client Service Specialist	Zoe Rogers	zrogers@permainc.com	856-479-2238

**Pursuant to N.J.A.C Title 11, Chapter 15, Subchapter 5, PERMA, LLC ("PERMA"), as administrator of the Bergen Municipal Employees Benefit Fund ("the Fund"), and its employees, officers and directors hereby provide notice that they have direct and indirect financial interests in Conner Strong & Buckelew Companies, LLC, which is a servicing organization for the Fund.*

CONNER STRONG & BUCKELEW

INSURANCE | RISK MANAGEMENT | EMPLOYEE BENEFITS

GATEWAY - BMED HEALTH INSURANCE FUND
Program Manager Report – August 25, 2026

Agenda

- Executive Overview
- Industry Information
- Fund Performance/Observations
- Fund Strategic Initiatives
- New Fund Member Activity
- Legislative Updates
- Client Services/Eligibility/Enrollment
- Previously Reported Information

Executive Overview

The Gateway - BMED Health Insurance Fund continues to show improvements from a financial perspective through 2026. Nonetheless, areas of increasing utilization for both medical & pharmacy claims have been identified, and strategic recommendations presented for consideration. The Office of the Benefits Consultant looks forward to continuing discussions and implementing those solutions that will yield meaningful savings to ensure the long-term stability of the Fund.

Industry Information

Medical

The Leapfrog Group, a nationally recognized independent, nonprofit organization dedicated to improving health care quality and patient safety, has released its 2026 Hospital Safety and Quality Ratings. We encouraged Fund members to utilize Leapfrog as one of several objective resources when evaluating where to receive elective hospital services. While no single rating system should be the sole basis for making health care decisions, Leapfrog provides an easy-to-understand, independent assessment of hospital quality and patient safety that can help consumers make more informed choices.

Leapfrog evaluates hospitals on numerous evidence-based measures related to patient safety, quality, outcomes, and clinical practices, and assigns each participating hospital a simple letter grade (A through F). This straightforward grading system allows patients to quickly compare hospitals and

better understand how facilities perform against nationally recognized quality and safety standards. The 2026 publication represents the largest reporting effort in Leapfrog's 26-year history, measuring results for more than 2,400 hospitals—representing over 80% of all inpatient hospital beds in the US—publicly reporting quality and safety information. In addition, more than 3,900 ambulatory surgery centers are now participating through Leapfrog's expanded public reporting program, bringing the total number of facilities reporting to more than 6,000 nationwide.

We encourage plan members who are considering an elective hospital procedure to review their hospital's rating as part of their decision-making process, along with discussions with their physician and other available quality resources. To search for a hospital's rating, visit the Leapfrog Hospital Ratings database and simply enter the name of the hospital you wish to evaluate.

LINK: https://www.hospitalsafetygrade.org/

Pharmacy

The *International Foundation of Employee Benefit Plans (IFEBP)* has released the results of its 2026 survey examining employer and plan sponsor coverage of GLP-1 medications. As employers and plan sponsors continue to balance rising costs with employee health needs, the survey provides valuable insight into how benefit strategies are evolving around weight loss management. The results of the latest survey data is below:

Key Headlines

- 83% continue to exclude weight-loss coverage for solely weight loss purposes.
- 60% of employers cover GLP-1 medications for diabetes only, continuing an upward trend from 49% in 2023.
- 36% provide coverage for both diabetes and weight loss, unchanged from 2025 but significantly higher than 26% in 2023.
- 45% cover GLP-1 medications for other FDA-approved conditions, such as cardiovascular disease and sleep apnea.
- Among employers not covering GLP-1 drugs for weight loss, only 9% are considering adding coverage.
- Rather than expanding coverage, many employers are directing employees to alternative funding options:
    - 27% encourage the use of direct-to-consumer GLP-1 platforms.
    - 21% encourage employees to use FSA, HSA, or integrated HRA funds to help pay for GLP-1 medications.

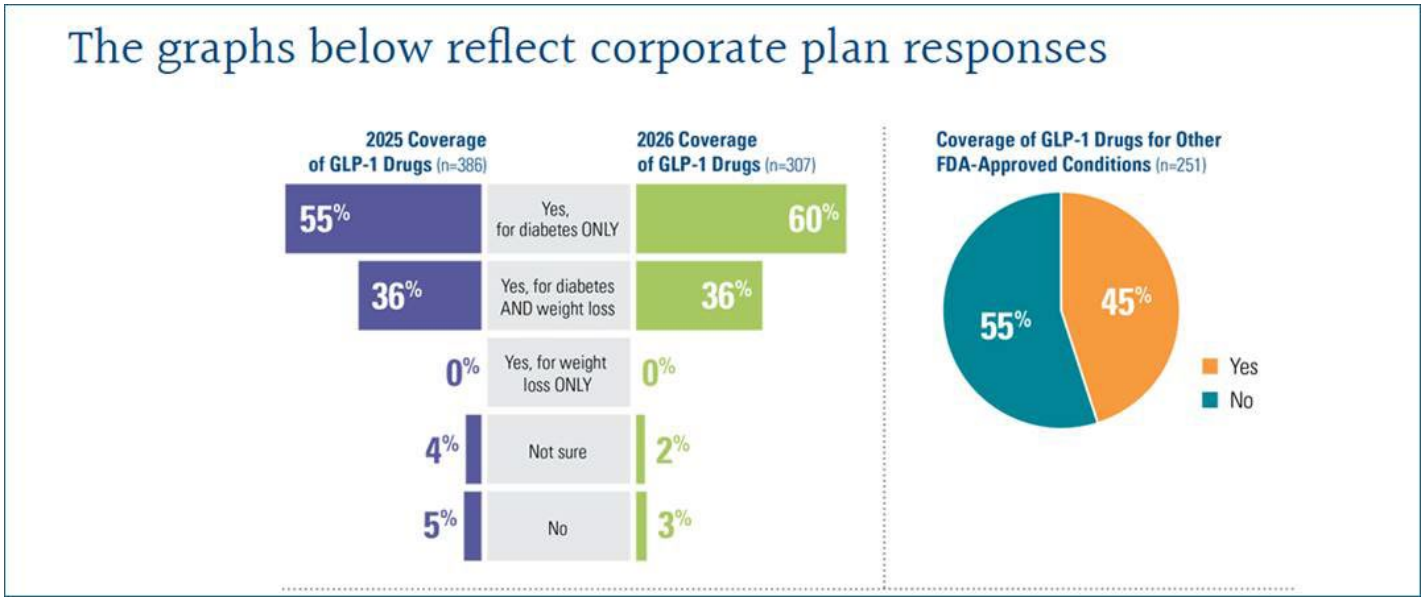
Rather than relying solely on GLP-1 medications, many employers are investing in broader health management strategies. Among employers offering diabetes and weight-management support:

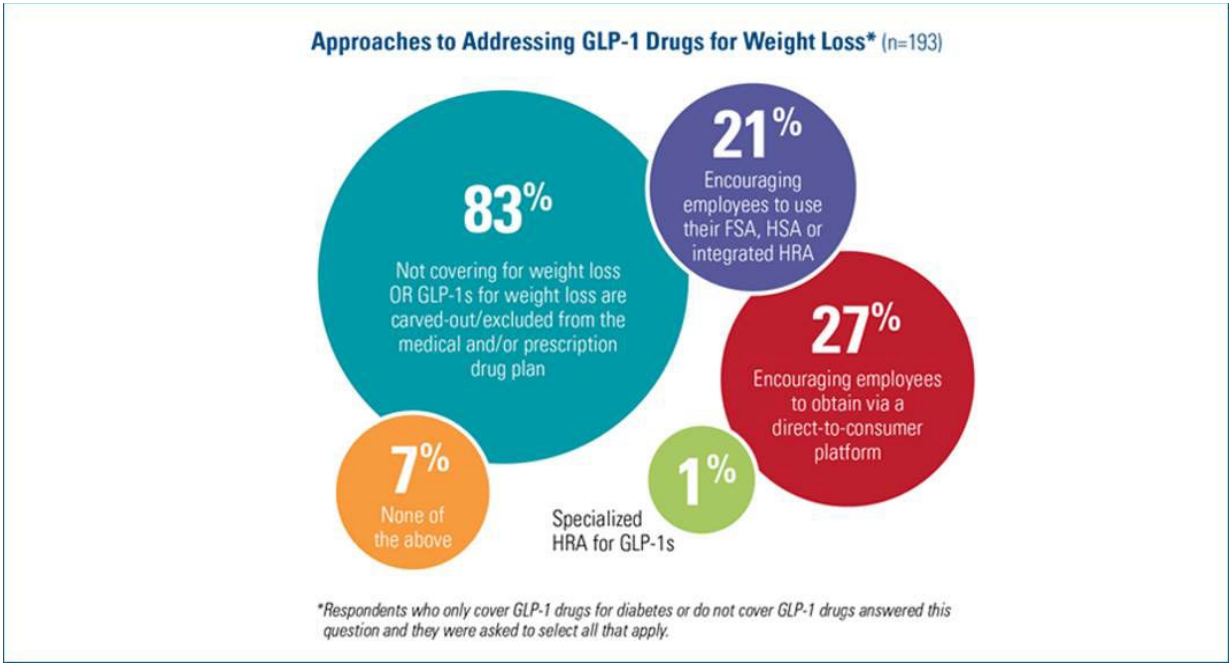
- 74% provide disease or case management programs.
- 61% offer nutritional counseling.
- 61% cover bariatric surgery.

Many employers and plan sponsors also continue to offer lifestyle modification programs, non-GLP-1 prescription therapies, and other non-medication weight-management interventions.

The survey confirms that rising costs continue to drive employer decision-making. GLP-1 medications represented 6.9% of annual health plan claims in 2023, increasing to 11.4% in 2026. When evaluating coverage for GLP-1 medications for weight loss, employers identified the following as their top considerations:

- Broker, consultant, or PBM recommendations (58%)
- Obesity's impact on chronic disease risk and long-term health costs (46%)
- Effectiveness of cost-control strategies on health plan premiums (44%)
- Long-term costs and challenges measuring outcomes (41%)
- Availability of direct-to-consumer options (39%)
- Availability of oral GLP-1 formulations (34%)
- Selection and oversight of specialty vendors (32%)
- Medication adherence (30%)
- Immediate financial impact (29%)
- Price transparency and flat-fee pricing options (26%)





New Jersey State Health Benefits Program (SHBP) – Preliminary 2027 Rate Evaluation

The State Health Benefits Plan Commission (SHBP), which oversees the health benefits program for local NJ government entities, released its preliminary proposed 2027 rate increases.

Regrettably, the proposed increases are once again catastrophic and untenable from the perspective of local government employers. Large double-digit rate increases are being recommended, and we have outlined the preliminary proposed rates below. Additionally, based on information released, the State Health Benefits Plan for local government entities is projected to have no reserves remaining by the end of this year. It remains entirely uncertain how the State intends to address the ongoing financial challenges and crisis-like conditions that have plagued the SHBP for several years.

These proposed increases will be extraordinarily difficult for participating local government entities to absorb and budget for. Over the past several years, there has been a steady exodus of employers from both the SHBP and the SEHBP as a result of escalating costs and repeated large premium increases.

		Rx			
	Medical	Rx Card	MMRx	Total Rx	Total
Actives					
PPO / HDHP	15.7%	19.5%	15.4%	18.8%	16.2%
HMO	10.7%	15.4%	15.4%	15.4%	11.6%
Tiered Network	30.3%	32.6%	33.7%	32.9%	30.8%
Total	**16.7%**	**20.5%**	**17.7%**	**20.0%**	**17.3%**
Early Retirees					
PPO / HDHP	35.5%			40.4%	36.5%
HMO	35.5%			40.4%	36.6%
Total	**35.5%**			**40.4%**	**36.5%**
Medicare Retirees					
Medicare Advantage	9.3%			25.1%	18.9%
Medicare Supplement	18.7%			25.1%	22.1%
Total	**10.8%**			**25.1%**	**19.3%**
Grand Total	**21.3%**			**25.9%**	**22.3%**

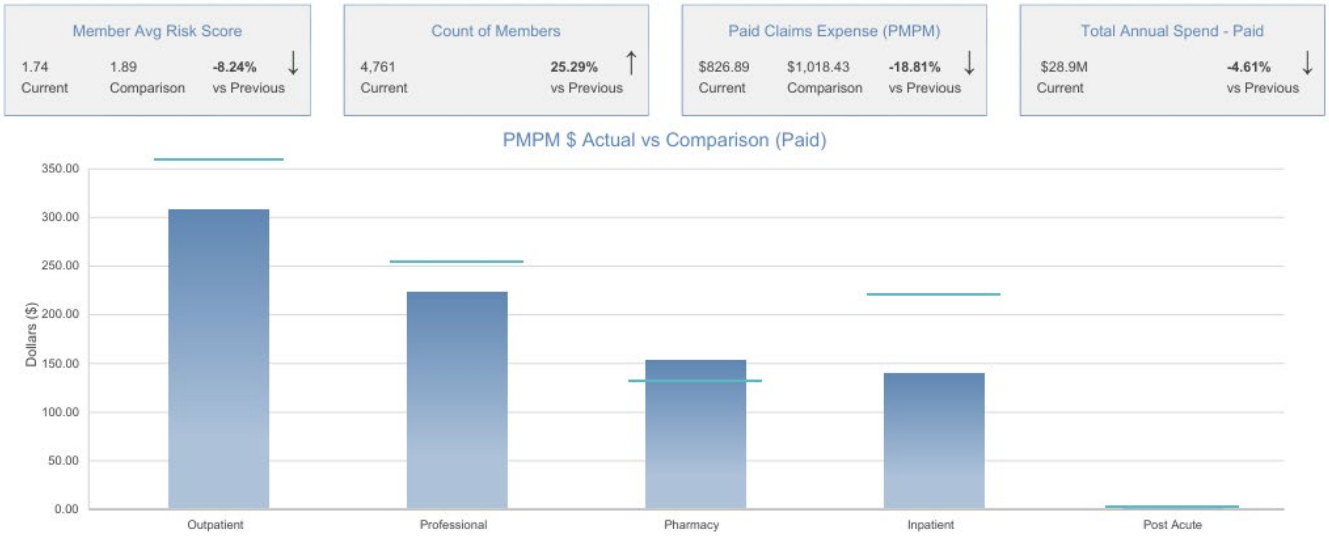
NJ Schools Employee Health Benefits Program (SEHBP) – Preliminary 2027 Rate Evaluation:
The New Jersey School Employees' Health Benefits Program (SEHBP) Commission met to consider the proposed 2027 rate increases developed by the State's actuary, Aon. Despite repeated year-over-year increases, active employee rates across all plans are projected to rise by approximately 34% in 2027. Districts are already confronting significant budget pressures, rising operating costs, and a host of other financial challenges. Continued health benefit increases at this unprecedented pace will place many districts in an extraordinarily difficult—and, in some cases, unmanageable—financial position.

Based on the information presented, it is increasingly clear that the program has reached a point of fundamental instability. Districts that remain in the SEHBP should immediately and seriously evaluate the alternative options available in the private marketplace. At this stage, only a substantial financial intervention accompanied by meaningful structural reform could reasonably restore the program to long-term stability—and any such intervention would itself carry significant additional cost. We are monitoring these developments closely. While the rates remain preliminary, the severity of the underlying financial and actuarial evidence makes it difficult to envision material improvement in the final numbers without outside financial support or a significant change in assumptions.

		Rx			
	Medical	Rx Card	MMRx	Total Rx	Total
Actives					
PPO10/15	45.3%	44.0%	44.0%	44.0%	45.1%
NJEHP	29.0%	45.9%	45.9%	45.9%	31.6%
GSHP	29.0%	45.9%	45.9%	45.9%	32.2%
Total	**32.4%**	**45.4%**	**45.6%**	**45.5%**	**34.4%**
Early Retirees					
NJEHP	9.2%			18.1%	11.3%
GSHP	9.2%			18.1%	11.5%
Total	**9.2%**			**18.1%**	**11.3%**
Medicare Retirees					
Medicare Advantage	13.1%			2.4%	6.2%
Medicare Supplement	10.3%			2.4%	6.2%
Total	**12.3%**			**2.4%**	**6.2%**
Grand Total	**23.7%**			**15.4%**	**21.1%**

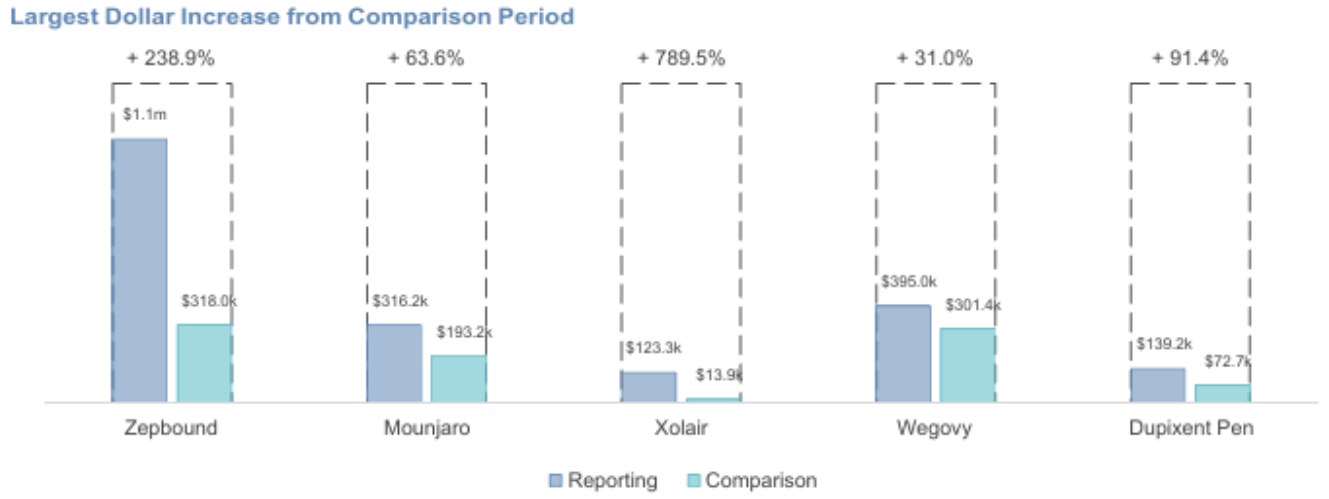
Fund Performance/Observations
Medical & Pharmacy – Aetna/AHA/ESI
Data Review - The following key metrics compares Fund years January-June 2026 vs. January-June 2025.

Cost & Utilization Variance:
A health insurance risk score (often called a Risk Adjustment Factor or RAF score) is a numerical value assigned to a patient, typically between 0.0 and 2.0+, indicating their expected healthcare costs compared to the average patient. Higher scores reflect more chronic conditions or higher risk, leading to higher payments for providers.



Top 20 Drugs – Comparison:

This report presents the top drugs by total amount paid during the reporting and comparison periods. Drugs administered by the pharmacy benefit manager are included and drugs paid through medical claims are excluded. By looking at the total cost for a drug along with the prescription count it can be determined if the cost driver is a few individuals using a high-cost drug or high utilization of the drug. The chart shows the top drugs that had the most growth in terms of amount paid between the comparison period and reporting period.



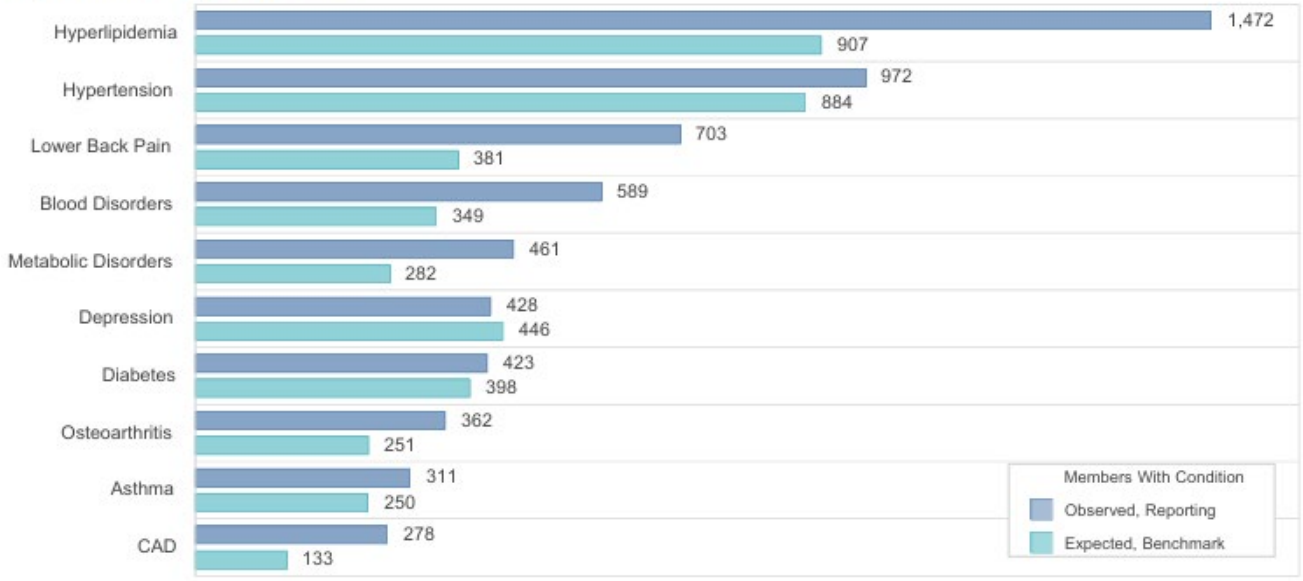
- Zepbound had the largest change in the reporting period with an increase of $759,559 from the comparison period
- Xolair has the most significant growth percentage in the reporting period at 790% ($123,348)

Chronic Conditions Prevalence:

This report presents the prevalence of specific chronic conditions in the population. According to the Centers for Disease Control (CDC) more than 40% of Americans have one or more chronic conditions and people with chronic diseases in the US account for 75% of healthcare spending. In addition to driving up healthcare costs for employers, chronic conditions also adversely impact employee productivity, attendance, and morale.

- Hyperlipidemia is the most prevalent chronic condition in the reporting period with 1,472 members.
- Hyperlipidemia was also the most prevalent condition in the comparison period with 1,427 members.
- The condition with the greatest % increase in prevalence per 1000 is Alzheimer's with 70%.

Top Conditions by Prevalence

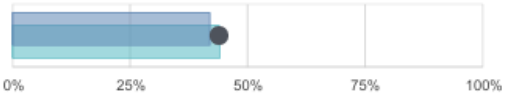


Lifestyle Management:
This overview shows how your population is performing vs the comparison period and vs the benchmark in 4 wellness metrics.

Colorectal Cancer Screens

Colorectal cancer screening ages 45-75 within the appropriate time period

The vast majority of new cases of colorectal cancer (about 90%) occur in people who are 50 or older. Millions of people in the United States are not getting screened as recommended. They are missing the chance to prevent colorectal cancer or find it early, when treatment often leads to a cure.*



	# Members in Group	# Meeting the Metric	% Meeting Metric
Reporting	2,494	1,046	41.94%
Benchmark	- -	- -	44.03%
Comparison	2,018	886	43.90%

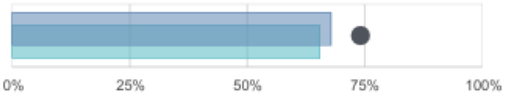
2.09% from Benchmark

1.96% from Comparison

Cervical Cancer Screens

Women age 21-65 with cervical cancer screen in last 36 months

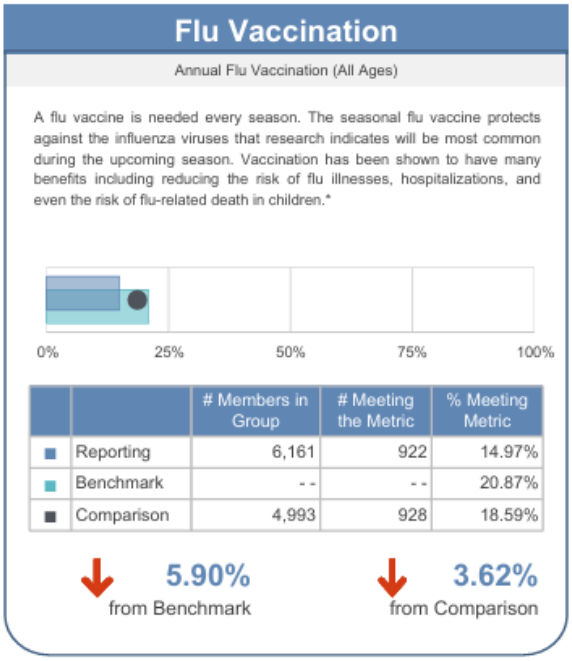
All women are at risk for cervical cancer. It occurs most often in women over age 30. Long-lasting infection with certain types of HPV is the main cause of cervical cancer. When cervical cancer is found early, it is highly treatable and associated with long survival and good quality of life.*

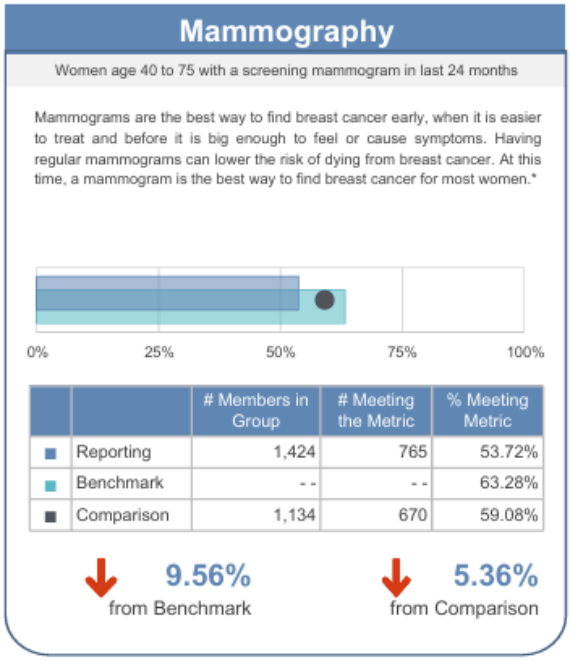


	# Members in Group	# Meeting the Metric	% Meeting Metric
Reporting	1,604	1,088	67.83%
Benchmark	- -	- -	65.46%
Comparison	1,289	955	74.09%

2.37% from Benchmark

6.26% from Comparison





Out of Network Claims Tracking:

Effective July 1, 2025, the Fund Executive Committee passed a resolution to amend the out of network provider reimbursement schedules for all Fund member plans to 150%-professional & 175%-facility of Medicare.

		In Network				OON				OON TOTALS	
DOS	EE Count	Claimant Count	Claim Count	Net Paid	PEPM	Claimant Count	Claim Count	Net Paid	PEPM	% Utilization	% Net Paid
Jan-24	1,418	1632	5644	$2,348,041	$1,656	407	1433	$514,291	$363	20.2%	18.0%
Feb-24	1,413	1605	5411	$2,639,983	$1,868	439	1616	$745,624	$528	23.0%	22.0%
Mar-24	1,738	1940	6577	$2,824,251	$1,625	594	2282	$1,174,624	$676	25.8%	29.4%
Apr-24	1,740	1912	6496	$3,743,860	$2,152	607	2546	$1,575,592	$906	28.2%	29.6%
May-24	1,736	1899	6505	$2,771,221	$1,596	600	2527	$1,316,043	$758	28.0%	32.2%
Jun-24	1,745	1818	5918	$3,458,396	$1,982	585	2287	$1,154,069	$661	27.9%	25.0%
Jul-24	1,743	1882	6555	$3,218,267	$1,846	568	2256	$1,231,386	$706	25.6%	27.7%
Aug-24	1,738	1900	6158	$2,881,515	$1,658	553	1998	$1,102,771	$635	24.5%	27.7%
Sep-24	1,737	1904	6457	$3,134,542	$1,805	534	1993	$1,349,713	$777	23.6%	30.1%
Oct-24	1,751	2083	8022	$5,290,892	$3,022	604	2217	$986,314	$563	21.7%	15.7%
Nov-24	1,752	1934	6607	$3,361,263	$1,919	591	1945	$875,652	$500	22.7%	20.7%
Dec-24	1,745	1970	6505	$2,850,044	$1,633	548	2154	$983,368	$564	24.9%	25.7%
Jan-25	1,747	2029	7274	$4,821,519	$2,760	579	2120	$758,492	$434	22.6%	13.6%
Feb-25	1,749	1916	6424	$3,044,712	$1,741	562	2104	$837,232	$479	24.7%	21.6%
Mar-25	1,749	1958	7038	$3,402,268	$1,945	585	2191	$737,973	$422	23.7%	17.8%
Apr-25	1,757	1935	6765	$3,241,616	$1,845	556	2112	$666,638	$379	23.8%	17.1%
May-25	1,760	1816	6643	$3,174,426	$1,804	533	1808	$660,567	$375	21.4%	17.2%
Jun-25	1,756	1881	6602	$3,332,148	$1,898	551	1812	$786,344	$448	21.5%	19.1%
Jul-25	1,749	1843	6663	$3,462,109	$1,979	547	1825	$424,337	$243	21.5%	10.9%
Aug-25	1,743	1804	5959	$2,781,656	$1,596	521	1782	$365,590	$210	23.0%	11.6%
Sep-25	1,753	1932	6715	$2,820,075	$1,609	550	1875	$465,215	$265	21.8%	14.2%
Oct-25	1,759	2052	7249	$3,351,718	$1,905	559	2033	$442,767	$252	21.9%	11.7%
Nov-25	1,761	1909	6244	$3,294,046	$1,871	538	1790	$449,248	$255	22.3%	12.0%
Dec-25	1,756	2028	6889	$3,418,214	$1,947	515	1941	$481,589	$274	22.0%	12.3%
Jan-26	2,024	2177	7762	$3,678,282	$1,817	526	1957	$339,062	$168	20.1%	8.4%
Feb-26	2,013	2143	7216	$3,313,175	$1,646	545	1948	$422,628	$210	21.3%	11.3%
Mar-26	2,083	2408	8583	$3,705,336	$1,779	579	2086	$431,334	$207	19.6%	10.4%
Apr-26	2,082	2315	8084	$3,196,482	$1,535	539	1828	$391,324	$188	18.4%	10.9%
May-26	2,242	2352	7602	$3,360,663	$1,499	498	1514	$315,699	$141	16.6%	8.6%
Jun-26	2,241	2119	5981	$1,649,985	$736	312	733	$125,043	$56	10.9%	7.0%
Jul-26		0	0	$0	--	0	0	$0	--	--	--
Aug-26		0	0	$0	--	0	0	$0	--	--	--
Sep-26		0	0	$0	--	0	0	$0	--	--	--
Oct-26		0	0	$0	--	0	0	$0	--	--	--
Nov-26		0	0	$0	--	0	0	$0	--	--	--
Dec-26		0	0	$0	--	0	0	$0	--	--	--

Average 2024	**1,688**	**1873**	**76855**	**$38,522,274**	**$1,897**	**553**	**25254**	**$13,009,447**	**$636**	**24.7%**	**25.3%**
Average 2025	**1,753**	**1925**	**80465**	**$40,144,506**	**$1,908**	**550**	**23393**	**$7,075,992**	**$336**	**22.5%**	**14.9%**
Average 2026	**2,114**	**1126**	**45228**	**$18,903,923**	**$1,502**	**250**	**10066**	**$2,025,089**	**$162**	**17.8%**	**9.5%**

Fund Strategic Initiatives

Through an extensive review of the historical medical & pharmacy utilization of the Funds, opportunities to impact key cost drivers were identified, vetted, and presented to Strategic Planning Subcommittee for discussion and consideration on August 11th.

The following action plan was recommended to the subcommittee for consideration:

- Continue to promote programs & solutions currently in place to maximize clinical outcomes & plan savings
  - Aetna Site of Care
  - Aetna Smart Compare
  - Out of Network Provider Schedule –New & Existing Fund Members
  - Expanded Wellness Strategy
  - High Performance Provider Network
  - Fund Member Weight Loss Medication Exclusion
  - Fund Wide GLP-1 oral pill exclusion
- Discuss for immediate action:
  - **GLP-1 for weight loss clinical protocol amendment –BMI ≥ 32 to ≥ 35 - 1/1/2027**
  - Grail Multi Cancer Early Detection Testing
  - Hinge Health (MSK) Care Program
- Consider for future:
  - Reference Based Pricing Model
  - GLP-1 Management –Direct to Consumer
- Fund Stakeholder Engagement:
  - All Fund Member brokers & risk managers discussion -Summit
  - Subgroups of Fund Member brokers & risk managers discussion –Group Call
  - Individual discussions with Fund Member brokers & risk managers -Survey

Specific to amending the clinical protocols for GLP-1 for weight loss medications, the following recommendation was put forward with the Fund Strategic Planning Committee agreeing to make effective January 1, 2027:

- Increase BMI requirement from ≥32 to ≥35 for weight loss for all Fund members who cover GLP-1 for weight loss
- Estimated Fund savings to amend the BMI PA requirement to Wego ≥35 for Weight loss is $3.10 PMPM or $113,725 annually
- No impact to existing rebate structure
- No additional ESI fees to amend the BMI criteria to ≥35 for weight loss
- 60-day implementation timeline
- 4:1 ROI savings guarantee -ESI guarantees Fund will achieve savings equal to or greater than three times the program service fee paid ($.75 already in place for Encircle behavioral modification program)

New Fund Member Activity

All requests for new Fund member participation are coordinated by Sean Critchley.

The following have requested to be evaluated for participation in the Fund and notification was provided to the New Fund Member Committee for consideration.

Fund Prospect	LOB	Current Carrier	Submitted-Fund New Member Comm.	Status
Hackensack Housing Authority	Medical/Rx	SHBP	July 24th/August 18th	Pending Review of Fund Executive Committee
Cliffside Park Housing Authority	Medical/Rx	SHBP	July 24th/August 18th	Fund Uncompetitive
Borough of Old Tappen	Medical/Rx	SHBP	July 24th/August 18th	Requesting Updated Claims

Legislative Updates

The various Federal agencies regularly release Affordable Care Act (ACA) and other indexed dollar limits for health and group benefit plans. The chart below reflects the recently released ACA affordability percentage threshold and Federal Poverty Level Affordability Monthly Amount applicable for 2027.

	2023	2024	2025	2026	2027
PCORI Fee*	$3.22	$3.47	$3.84	Not Available	Not Available
Health FSA Salary Reduction Cap	$3,050	$3,200	$3,300	$3,400	Not Available
4980H(a) – Failure to Offer Coverage	$2,880	$2,970	$2,900	$3,340	$3,780
4980H(b) – Failure to Offer Affordable Minimum Value Affordability Safe Harbor Coverage	$4,320	$4,460	$4,350	$5,010	$5,670
Affordability Safe Harbor %	9.12%	8.39%	9.02%	9.96%	10.22%
Federal Poverty Level Affordability Monthly Amount	$103.28	$101.94	$113.20	$129.89	$135.93
ACA Out of Pocket (OOP) Maximum – Self Only	$9,100	$9,450	$9,200	$10,600	$12,000
ACA OOP Maximum – Other than Self Only	$18,200	$18,900	$18,400	$21,200	$24,000
Health Savings and High Deductible Health Plan (HSA/HDHP) OOP Maximum – Self Only	$7,500	$8,050	$8,300	$8,500	$8,700
HSA/HDHP OOP Maximum – Family	$15,000	$16,100	$16,600	$17,000	$17,400
HSA Contribution Limit – Self Only HDHP	$3,850	$4,150	$4,300	$4,400	$4,500
HSA Contribution Limit – Family HDHP	$7,750	$8,300	$8,550	$8,750	$9,000
HDHP Minimum Required Deductible – Self Only	$1,500	$1,600	$1,650	$1,700	$1,750
HDHP Minimum Required Deductible – Family	$3,000	$3,200	$3,300	$3,400	$3,500

*PCORI fee amounts are generally effective for plan years ending on or after October 1st of the referenced year and before October 1st of the following year. For example, the 2025 PCORI fee amount is applicable for plan years ending on or after October 1, 2025, and before October 1, 2026. The 2025 PCORI fee is due July 31, 2026, for self-insured plan years ending in 2025. Note this chart is for illustrative purposes only, and in some cases the effective date of a limit may not be January 1 of the referenced year, but rather may depend on the applicable "plan year".

Client Services/Eligibility/Enrollment Team

<u>Client Service Contacts & Systems Training</u>

Lenka Bystrianska has joined the client service team as Senior Director of HIF Operations. Please direct all service requests to Shondell Holmes-Dutton and Lenka Bystrianska.

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.

2027 Fund Year Open Enrollment

- Open Enrollment for the 2027 Fund year will be held **October 26th through November 6th**
- All enrollment transactions should be completed by November 20th in WEX to ensure ID cards are delivered prior to the beginning of the new Fund year
- Open Enrollment guides & related materials are being updated and will be circulated once finalized

Carrier Appeals

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
2/11/2026	Aetna/Medical	BMED 2026-05-01	Oncology	IRO	8/12/2026

IRO Submissions

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
8/12/2026	Aetna/Medical	BMED 2026-05-01	Oncology	Under Review	

Previously Reported Information

Post 65 Retiree Medicare Advantage Prescription Program 2027 - Aetna

Aetna has presented the renewal for post 65 retiree medical & prescription drug coverage in two options for Fund year 2027, bundled & unbundled. The bundled option reflects the single medical & pharmacy plan, currently in place, while the unbundling option reflects recent and proposed CMS policy changes that increase the financial advantage of standalone Medicare Part D plans.

Under the unbundled approach, a combined Medicare Advantage Prescription Drug (MAPD) plan is restructured into two coordinated plans: a standalone Medicare Advantage (MA) plan and a standalone Part D (PD) plan. This structure allows plan sponsors to take advantage of higher Part D subsidies while maintaining comprehensive coverage.

The following applies to the unbundled renewal option:

- Benefits under the unbundled option mimic the benefits under the bundled option
- Unbundled option requires new PD plans to be set up for all Fund members requiring a significant restructuring of the Fund plan administration with limited time to complete

- Unbundled option requires separate ID cards for the MA & PD plans
- Unbundled option requires notification to Aetna by August 1st
- Unbundled options require adoption by all Fund, individuals Funds & Fund members cannot make their own election for the bundled & unbundled option
- First year renewal cap for the unbundled option is not available
- It is not anticipated that saving realized through the unbundled option in program year 2027 continue through subsequent program years and Aetna anticipates future subsidies will shift to the bundled option in the future
- Aetna is assessing an unbundling fee of $10.00 PMPM
- Unbundled option limits new Fund member enrollment for January 1st

Based on the evaluation of both the bundled & unbundled options, it is our recommendation that the BMED & and all Funds continue with the bundled option. Specifically, we have concerns with the restructuring of the Fund member plan administration and uncertainty of future subsidies under the unbundled option.

Annual Notice of Credible Coverage (NOCC)

Express Scripts (ESI) has been provided with all information required for them to send the 2027 NOCC letters. CMS Annual Enrollment Period is October 15, 2026, through December 7, 2026.
A sample letter is included with this report that ESI will be sending to all members ages 65 and older who enrolled in CJHIF pharmacy benefits. The highlighted sections will be completed by ESI and mailed beginning the week of September 21, 2026.

Medical: Aetna

Provider network -Hackensack Meridian contract renewal 7/1/2026 (9/1/2026 extension)
-Abilities in Action – Par in all networks excluding AWH effective 5/1/2026
-Virtua contract renewal 1/1/2027

Medical – AHA

Provider network - Hackensack Meridian contract renewal 4/14/2026 finalized
- Saint Peter's contract renewal 8/15/2026
- RWJ Barnabas contract renewal 9/1/2026
- Holy Name contract renewal 9/1/2026
- Inspira contract renewal 10/1/2026
- AtlantiCare contract renewal 1/1/2027
- Cooper contract renewal 1/1/2027
- Abilities in Action – Participating in all networks effective TBD

Pharmacy - ESI

- 2026 National Preferred Formulary (NPF) – Effective 7/1/2026
- NPF Exclusions list– Effective 7/1/2026
- SaveOn List – Effective 7/1/2026

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.

HR Portal - Conner Strong & Buckelew makes available to all Fund members a robust HR Portal. For HR professionals, this is a valuable tool. Online resources and tools include:

- HR Policy and Resource Center
- Sample Forms and Policy Resource Center
- Salary Benchmarking Tools and Information
- Recruitment and Hiring Center
- Discipline and Employment Termination Center
- State Law Resource Center
- Sample Standard Documents

Included with the meeting materials is a presentation which overviews in detail the HR portal and its content. Communications materials are being prepared for all Fund stakeholders and will be distributed when completed.

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 **Bergen Municipal Employee Benefits 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. _____ **JULY 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

VendorName	Comment	InvoiceAmount
LERCH,VINCI & BLISS, LLP	2025 Y/E AUDIT PREP INV 43995	15,000.00
		15,000.00
	Total Payments FY 2025	**15,000.00**

FUND YEAR 2026

VendorName	Comment	InvoiceAmount
INSPIRA FINANCIAL HEALTH, INC	HSA- BOROUGH RUTHERFORD 06/10/26	12.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO MIDLAND PARK 06/10/26	27.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BOR. WESTWOOD 06/10/26	129.00
INSPIRA FINANCIAL HEALTH, INC	HSA- WALLINGTON 06/10/26	71.07
INSPIRA FINANCIAL HEALTH, INC	HSA- FRANKLIN LIBRARY 06/10/26	6.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO MOONACHIE 06/10/26	9.00
INSPIRA FINANCIAL HEALTH, INC	HSA- WOODCLIFF LAKE 06/10/26	57.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO OAKLAND 06/10/26	54.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO MONTVALE 06/10/26	114.00
INSPIRA FINANCIAL HEALTH, INC	HSA- S. HACKENSACK 06/10/26	51.00
		530.07
PERMA	ADMIN FEES 07/26	49,234.24
PERMA	RETIREE FIRST INV 08012026	12,504.00
PERMA	POSTAGE 06/26	84.84
		61,823.08
ACTUARIAL SOLUTIONS, LLC	ACTUARY FEES Q3 2026 07/26	4,910.00
		4,910.00
THE CANNING GROUP LLC	QPA INV 2026-07 07/26	250.00
		250.00
HUNTINGTON BAILEY, LLP	ATTORNEY FEES 07/26	2,254.17
		2,254.17
DORSEY & SEMRAU	WALLINGTON V. S. STOLARZ INV 23455	227.50
		227.50
JOSEPH IANNACONI JR.	TREASURER FEE 07/26	1,863.00
		1,863.00
USA TODAY MEDIA CORP.	ORDER# 12023085 A# 1184295 06/2026	49.36
		49.36
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR FOR 06/26	1,500.00
		1,500.00
NJ ADVANCE MEDIA	AD# 11066665 A# 52759 06/18/26	200.00
		200.00
ACCESS	INV 12258793 DEPT 418 06/30/26 07/26	287.79
		287.79
CROSS INSURANCE	BROKER FEES 07/26	9,655.68
		9,655.68

ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 07/26	1,198.70
		1,198.70
ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 07/26	15,318.84
		15,318.84
ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 07/26	13,850.06
		13,850.06
SADDLE RIVER DELI	LUNCH FOR 6/23/26 MEETING	509.70
		509.70
GJEM INSURANCE AGENCY INC	BROKER FEES 07/26	13,181.74
		13,181.74
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 07/26	4,318.64
		4,318.64
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 07/26	12,827.19
		12,827.19
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 07/26	336,281.54
		336,281.54
	TOTAL CHECKS 2026	**481,037.06**
AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 07/26	468,478.78
		468,478.78
AETNA	TPA FEES 07/26	76,866.30
		76,866.30
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA FEES 07/26	8,490.28
		8,490.28
CONNER STRONG & BUCKELEW	PLAN DOCS 07/26	541.67
CONNER STRONG & BUCKELEW	BENEFIT CONSULTANT FEES 07/26	50,854.34
		51,396.01
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 07/26	34,099.21
		34,099.21
JOSEPH L VOZZA AGENCY INC	BROKER FEES 07/26	7,798.07
		7,798.07
ALLEN ASSOCIATES	BROKER FEES 07/26	10,325.50
		10,325.50
KAI STRATEGIC INSURANCE PARTNERS LLC	BROKER FEES 07/26	8,068.50
		8,068.50
LUCILLE DINA COLOMBO-ROBINSON	WELLNESS COORDINATOR 07/26	1,000.00
		1,000.00
	TOTAL ACH/WIRES 2026	**666,522.65**
	Total Payments FY 2026	**1,147,559.71**
	TOTAL PAYMENTS ALL FUND YEARS	**1,162,559.71**

_____
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
CONFIRMING BILLS LIST

Resolution No. _____ **JULY 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 2026

VendorName	Comment	InvoiceAmount
DEPARTMENT OF TREASURY	2026 PCORI FEES	15,755.52
		15,755.52
	Total Payments FY 2026	**15,755.52**
	TOTAL PAYMENTS ALL FUND YEARS	**15,755.52**

_____
Chairperson

Attest:
_____ Dated: _____

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

_____
Treasurer

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
BILLS LIST

Resolution No. _____ **AUGUST 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 2026

VendorName	Comment	InvoiceAmount
INSPIRA FINANCIAL HEALTH, INC	HSA- BOR. WESTWOOD 07/10/26	129.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BOROUGH RUTHERFORD 07/10/26	12.00
INSPIRA FINANCIAL HEALTH, INC	HSA- WALLINGTON 07/10/26	71.07
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO MONTVALE 07/10/26	114.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO MOONACHIE 07/10/26	9.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO MIDLAND PARK 07/10/26	27.00
INSPIRA FINANCIAL HEALTH, INC	HSA- FRANKLIN LIBRARY 07/10/26	6.00
INSPIRA FINANCIAL HEALTH, INC	HSA- WOODCLIFF LAKE 07/10/26	57.00
INSPIRA FINANCIAL HEALTH, INC	HSA- S. HACKENSACK 07/10/26	54.00
INSPIRA FINANCIAL HEALTH, INC	HSA- BORO OAKLAND 07/10/26	57.00
		536.07
PERMA	POSTAGE 07/26	113.34
PERMA	RETIREE FIRST INV 09012026	11,244.00
PERMA	ADMIN FEES 08/26	48,848.00
		60,205.34
THE CANNING GROUP LLC	QPA INV 2026-08 08/26	250.00
		250.00
HUNTINGTON BAILEY, LLP	ATTORNEY FEES 08/26	2,254.17
		2,254.17
DORSEY & SEMRAU	WALLINGTON V. S. STOLARZ INV 23509	2,030.00
		2,030.00
SOUTHERN NJ REGL EMPLOYEE BENEFIT	OSC REVIEW REIMBURSEMENT 04/26-06/26	423.97
		423.97
JOSEPH IANNACONI JR.	TREASURER FEE 08/26	1,863.00
		1,863.00
USA TODAY MEDIA CORP.	ORDER# 12023093 A# 1184295 07/2026	49.36
		49.36
LAMENDOLA ASSOCIATES, INC.	FUND ADVISOR FOR 07/26	1,500.00
		1,500.00
NJ ADVANCE MEDIA	AD# 11066667 A# 52759 07/16/2026	200.00
		200.00
ACCESS	INV 12306743 DEPT 418 07/31/26 08/26	287.79
		287.79
CROSS INSURANCE	BROKER FEES 08/26	9,507.20
		9,507.20
BBOYZ CUSTOM PRINTING	BMED WELL. PRINTS EST B5894 FOR 9/15/26	736.00
		736.00
ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 08/26	15,129.00
		15,129.00

ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 08/26	13,589.87
		13,589.87
GJEM INSURANCE AGENCY INC	BROKER FEES 08/26	67,973.77
		67,973.77
COMPETITIVE ADVANTAGE BENEFITS LLC	BROKER FEES 08/26	4,085.20
		4,085.20
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 08/26	9,032.15
		9,032.15
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 08/26	328,778.56
		328,778.56
	TOTAL CHECKS 2026	**518,431.45**
AETNA HEALTH MANAGMENT, LLC	MEDICARE ADVANTAGE 08/26	469,015.50
		469,015.50
DELTA DENTAL INSURANCE CO (DELTACARE USA)	RUTHERFORDS A#F1-7871600000 BE007107866	1,323.81
		1,323.81
DELTA DENTAL INSURANCE CO (DELTACARE USA)	RUTHERFORDS A#F1-7871600000 BE007142138	1,631.71
		1,631.71
AETNA	TPA FEES 08/26	75,151.30
		75,151.30
DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA FEES 08/26	8,166.30
		8,166.30
CONNER STRONG & BUCKELEW	BENEFIT CONSULTANT FEES 08/26	50,069.25
CONNER STRONG & BUCKELEW	PLAN DOCS 08/26	541.67
		50,610.92
FAIRVIEW INSURANCE AGENCY ASSOCIATES	BROKER FEES 08/26	33,350.28
		33,350.28
JOSEPH L VOZZA AGENCY INC	BROKER FEES 08/26	7,692.95
		7,692.95
ALLEN ASSOCIATES	BROKER FEES 08/26	10,373.75
		10,373.75
KAI STRATEGIC INSURANCE PARTNERS LLC	BROKER FEES 08/26	8,176.08
		8,176.08
LUCILLE DINA COLOMBO-ROBINSON	WELLNESS COORDINATOR 08/26	1,000.00
		1,000.00
	TOTAL ACH/WIRES 2026	**666,492.60**
	Total Payments FY 2026	**1,184,924.05**
	TOTAL PAYMENTS ALL FUND YEARS	**1,184,924.05**

_____
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: 2026 Month Ending: June	Medical	Dental	Rx	Vision	Run-In	Reinsurance	RSR	Admin	Dividend Retained	Metro Interfund	TOTAL
OPEN BALANCE	16,534,783.02	305,073.30	(4,790,106.53)	0.00	0.00	(41,789.72)	1,235,605.87	1,390,556.48	42,082.03	0.00	14,676,204.45
RECEIPTS											
Assessments	7,359,953.25	198,148.54	691,355.69	0.00	0.00	355,908.03	184,061.04	432,551.18	0.00	0.00	9,221,977.73
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	38,314.54	532.98	0.00	0.00	0.00	0.00	2,158.67	3,150.96	73.52	0.00	44,230.67
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	38,314.54	532.98	0.00	0.00	0.00	0.00	2,158.67	3,150.96	73.52	0.00	44,230.67
Other *	526,084.21	0.00	269,632.19	0.00	0.00	0.00	0.00	5,552.72	0.00	0.00	801,269.12
TOTAL	7,924,352.00	198,681.52	960,987.88	0.00	0.00	355,908.03	186,219.71	441,254.86	73.52	0.00	10,067,477.52
EXPENSES											
Claims Transfers	5,771,628.90	199,831.30	1,176,017.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,147,477.66
Expenses	614,143.19	1,369.48	0.00	0.00	0.00	362,091.60	0.00	397,110.62	0.00	0.00	1,374,714.89
Other *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	6,385,772.09	201,200.78	1,176,017.46	0.00	0.00	362,091.60	0.00	397,110.62	0.00	0.00	8,522,192.55
END BALANCE	**18,073,362.93**	**302,554.04**	**(5,005,136.11)**	**0.00**	**0.00**	**(47,973.29)**	**1,421,825.58**	**1,434,700.72**	**42,155.55**	**0.00**	**16,221,489.42**

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS				
Bergen Municipal Employee Benefits Fund				
ALL FUND YEARS COMBINED				
CURRENT MONTH	**June**			
CURRENT FUND YEAR	**2026**			
		Description:	**CHECKING**	**TD Invest**
		ID Number:		
		Maturity (Yrs)		
		Purchase Yield:		
		TOTAL for All Accts & instruments		
Opening Cash & Investment Balance		**$14,676,204.47**	**12,919,565.32**	**1,756,639.15**
Opening Interest Accrual Balance		**$4,925.99**	**-**	**4,925.99**
1	Interest Accrued and/or Interest Cost	-$148.33	$0.00	-$148.33
2	Interest Accrued - discounted Instr.s	$0.00	$0.00	$0.00
3	(Amortization and/or Interest Cost)	$0.00	$0.00	$0.00
4	Accretion	$0.00	$0.00	$0.00
5	Interest Paid - Cash Instr.s	$44,230.67	$39,304.68	$4,925.99
6	Interest Paid - Term Instr.s	$0.00	$0.00	$0.00
7	Realized Gain (Loss)	$0.00	$0.00	$0.00
8	Net Investment Income	$44,082.34	$39,304.68	$4,777.66
9	Deposits - Purchases	$10,023,246.85	$10,023,246.85	$0.00
10	(Withdrawals - Sales)	-$8,522,192.55	-$8,522,192.55	$0.00
Ending Cash & Investment Balance		$16,221,489.44	$14,459,924.30	$1,761,565.14
Ending Interest Accrual Balance		$4,777.66	$0.00	$4,777.66
Plus Outstanding Checks		$0.00	$0.00	$0.00
(Less Deposits in Transit)		$0.00	$0.00	$0.00
Balance per Bank		$16,221,489.44	**$14,459,924.30**	$1,761,565.14

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES

Bergen Municipal Employee Benefits Fund

Month **June**

Current Fund Year **2026**

Policy Year	Coverage	1. Calc. Net Paid Thru Last Month	2. Monthly Net Paid June	3. Monthly Recoveries June	4. Calc. Net Paid Thru June	5. TPA Net Paid Thru June	6. Variance To Be Reconciled	7. Delinquent Unreconciled Variance From	8. Change This Month
2026	Medical	15,450,650.87	5,356,331.95	0.00	20,806,982.82	0.00	20,806,982.82	15,450,650.87	5,356,331.95
	Dental	803,114.24	194,797.63	0.00	997,911.87	0.00	997,911.87	803,114.24	194,797.63
	Rx	4,029,979.90	1,176,017.46	0.00	5,205,997.36	0.00	5,205,997.36	4,029,979.90	1,176,017.46
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**20,283,745.01**	**6,727,147.04**	**0.00**	**27,010,892.05**	**0.00**	**27,010,892.05**	**20,283,745.01**	**6,727,147.04**
2025	Medical	6,802,025.69	330,245.47	0.00	7,132,271.16	0.00	7,132,271.16	6,802,025.69	330,245.47
	Dental	80,388.21	5,033.67	0.00	85,421.88	0.00	85,421.88	80,388.21	5,033.67
	Rx	281,369.27	0.00	0.00	281,369.27	0.00	281,369.27	281,369.27	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**7,163,783.17**	**335,279.14**	**0.00**	**7,499,062.31**	**0.00**	**7,499,062.31**	**7,163,783.17**	**335,279.14**
2024	Medical	863,087.43	71,161.56	0.00	934,248.99	0.00	934,248.99	863,087.43	71,161.56
	Dental	977.80	0.00	0.00	977.80	0.00	977.80	977.80	0.00
	Rx	(56.33)	0.00	0.00	(56.33)	0.00	(56.33)	(56.33)	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**864,008.90**	**71,161.56**	**0.00**	**935,170.46**	**0.00**	**935,170.46**	**864,008.90**	**71,161.56**
Closed Year	Medical	275,768.45	13,889.92	0.00	289,658.37	0.00	289,658.37	275,768.45	13,889.92
	Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Rx	1,830.66	0.00	0.00	1,830.66	0.00	1,830.66	1,830.66	0.00
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	**277,599.11**	**13,889.92**	**0.00**	**291,489.03**	**0.00**	**291,489.03**	**277,599.11**	**13,889.92**
Metro 2025	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 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 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	**28,589,136.19**	**7,147,477.66**	**0.00**	**35,736,613.85**	**0.00**	**35,736,613.85**	**28,589,136.19**	**7,147,477.66**

BMED Wellness

Healthy Employees, Healthier Municipalities

GATEWAY REGIONAL HEALTH INSURANCE FUND

YOU'RE INVITED TO A

BMED Brunch

Current & Prospective Wellness Ambassadors, Commissioners, and Administrators/Managers

(Up to two representatives per entity)

TUESDAY

SEPTEMBER 15, 2026

9:30 – 11:30 AM

Join us at

BIAGIO'S

10 VIA BIANCO ♥ PARAMUS, NJ

LEARN ABOUT

- BMED Wellness Program
- 2027 Wellness Grant Opportunities
- Meet the BMED Executive Committee
- Meet BMED Fund Partners

PLEASE RSVP BY SEPTEMBER 1, 2026

SCAN QR CODE

Healthy Employees. Healthier Municipalities.

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

Monthly Claim Activity Report

AUGUST 25, 2026

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

	MEDICAL CLAIMS PAID 2025	# OF EES	PER EE	MEDICAL CLAIMS PAID 2026	# OF EES	PER EE
JANUARY	$ 3,860,962	1,750	**$ 2,206**	$ 4,442,259	**2,024**	**$ 2,195**
FEBRUARY	$ 4,121,048	1,747	**$ 2,359**	$ 4,098,160	**2,019**	**$ 2,030**
MARCH	$ 5,057,377	1,750	**$ 2,890**	$ 5,457,201	**2,092**	**$ 2,609**
APRIL	$ 5,001,542	1,748	**$ 2,861**	$ 4,293,759	**2,093**	**$ 2,051**
MAY	$ 4,717,063	1,752	**$ 2,692**	$ 4,802,147	**2,261**	**$ 2,124**
JUNE	$ 4,492,451	1,754	**$ 2,561**	$ 6,348,296	**2,260**	**$ 2,809**
JULY	$ 4,308,401	1,749	**$ 2,463**			
AUGUST	$ 4,554,758	1,746	**$ 2,609**			
SEPTEMBER	$ 4,660,057	1,760	**$ 2,648**			
OCTOBER	$ 3,994,316	1,759	**$ 2,271**			
NOVEMBER	$ 3,870,964	1,758	**$ 2,202**			
DECEMBER	$ 4,541,624	1,756	**$ 2,586**			
TOTALS	**$53,180,562**			**$29,441,821**		
				2026 Average	**2,125**	**$ 2,303**
				2025 Average	**1,752**	**$ 2,529**

Large Claimant Report (Drilldown) - Claims Over $100000

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

Paid Dates: 05/01/2026 - 05/31/2026
Service Dates: 01/01/2011 - 05/31/2026
Line of Business: All

Paid Amt	Diagnosis/Treatment
$211,319.95	SPINAL STENOSIS, LUMBAR REGION WITH NEUROGENIC
$176,611.15	PNEUMONIA, UNSPECIFIED ORGANISM
$387,931.10	**Total**

Large Claimant Report (Drilldown) - Claims Over $100000

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

Paid Dates: 06/01/2026 - 06/30/2026
Service Dates: 01/01/2011 - 06/30/2026
Line of Business: All

Paid Amt	Diagnosis/Treatment
$210,789.30	TYPE 2 DIABETES MELLITUS WITH DIABETIC CHRONIC
$181,496.07	NON-ST ELEVATION (NSTEMI) MYOCARDIAL INFARCTION
$158,633.75	SPONDYLOLISTHESIS, LUMBAR REGION
$115,127.37	ENCOUNTER FOR ANTINEOPLASTIC
$109,006.43	POLYP OF COLON
$102,392.16	TWIN LIVEBORN INFANT, DELIVERED BY CESAREAN
Total:	**$877,445.08**

BMED Health Insurance Fund

7/1/25 through 6/30/26 (Unless otherwise noted)

Dashboard

Medical Claims Paid

Average Per Employee Per Month (PEPM)

January 2026 – June 2026

Total Medical Paid per Employee: **$2,303**

Network Discounts

Inpatient:	**66.0%**
Ambulatory:	**65.8%**
Physician/Other:	**67.5%**
TOTAL:	**66.6%**

Provider Network

% Admissions In-Network:	**97.5%**
% Physician Office:	**88.7%**

Aetna Book of Business:

Admissions 97.8%; Physician 91.4%

Top Facilities Utilized

(by total Medical Spend)

- Hackensack University Medical Center
- Valley Hospital
- Memorial Sloan Kettering
- Englewood Hospital
- Morristown Medical Center

Catastrophic Claim Impact

(January 2026 - June 2026)

Number of Claims Over $50,000: **98**

Claimants per 1000 members: **19.9**

Avg. Paid per Claimant: **$118,241**

Percent of Total Paid: **41.4%**

- **Aetna BOB- HCC account for an average of 47.6% of total Medical Cost**

Aetna One Flex Care Mgmt Member Outreach:

Total Members Identified: **988**

Members Targeted for 1:1 Nurse Support : **260**

Members identified for Digital Activity: **728**

Members receiving Aetna Advice: **2,140**

Average Aetna Advice outreaches per member: **2.2**

CVS Virtual Care

Completed Visits this month : **19**
Unique Patients this month : **15**
Completed Visits in 2026 : **79**
Unique Patients in 2026: **56**

BoB Average First Available 24/7 Care: **26** Minutes

BoB Average First Available MH : **6** Days

Service Center Performance Goal Metrics YTD 2026

Customer Service Performance

1st Call Resolution:	**93.5%**
Abandonment Rate:	**0.15%**
Avg. Speed of Answer:	**4.7 sec**

Claims Performance

Financial Accuracy:	**98.53%**
90% processed w/in:	**8.1 days**
95% processed w/in:	**17.4 days**

****

Claims Performance (Monthly)

(June 2026)

90% processed w/in:	**8.2 days**
95% processed w/in:	**14.9 days**

(Note: This is not a PG metric)

****

Performance Goals

1st Call Resolution:	**90%**
Abandonment Rate less than:	**3.0%**
Average Speed of Answer:	**30 sec**
Financial Accuracy:	**99%**

Turnaround Time

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


EXPRESS SCRIPTS®

Bergen Municipal Employee Benefits Fund - Monthly Utilization Tracking Report

Total Component/Date of Service (Month)	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
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%

Total Component/Date of Service (Month)	202601	202602	202603	2026Q1	202604	202605	202606	2026Q2	202607								
Membership	3,360	3,387	3,515	3,421	3,521	3,908	3,886	3,772	3,875								
Total Days	134,347	125,253	149,737	409,337	138,740	160,398	160,292	459,516	117,267								
Total Patients	1,389	1,354	1,504	2,161	1,449	1,565	1,626	2,348	1,335								
Total Plan Cost	$641,639	$732,551	$833,928	$2,208,118	$1,096,432	$1,011,483	$1,106,601	$3,214,324	$762,285								
Generic Fill Rate (GFR) - Total	84.6%	84.4%	84.9%	84.6%	82.2%	83.5%	84.1%	83.3%	84.1%								
Plan Cost PMPM	$190.96	$216.28	$237.25	$215.17	$311.40	$258.82	$284.77	$284.08	$196.72								
% Change Plan Cost PMPM	-27.4%	15.5%	-8.2%	-8.9%	20.7%	-1.3%	8.7%	9.0%	-24.9%								
Total Specialty Plan Cost	$160,130	$270,645	$274,329	$705,104	$486,571	$373,611	$452,347	$1,312,530	$261,724								
Specialty % of Total Specialty Plan Cost	25.0%	36.9%	32.9%	31.9%	44.4%	36.9%	40.9%	40.8%	34.3%								

Top Indications by Plan Cost Net

	1/26 - 7/26								1/25 - 7/25						% Change
Rank	Peer Rank	Indication	Adjusted Rxs	Patients	Plan Cost Net	Generic Fill Rate	Peer Generic Fill Rate	Plan Cost Net PMPM	Rank	Adjusted Rxs	Patients	Plan Cost Net	Generic Fill Rate	Plan Cost Net PMPM	Plan Cost Net PMPM
1	2	WEIGHT LOSS	1,655	296	$1,269,098	3.0%	1.4%	$49.86	1	719	149	$552,447	3.1%	$28.57	74.5%
2	1	INFLAMMATORY CONDITIONS	239	43	$465,332	42.3%	41.9%	$18.28	2	195	35	$545,141	26.2%	$28.20	-35.2%
3	4	DIABETES	2,237	234	$379,139	33.2%	34.4%	$14.90	3	2,092	189	$351,710	30.5%	$18.19	-18.1%
4	19	ENDOCRINE DISORDERS	55	10	$281,146	54.5%	68.5%	$11.05	54	34	9	$3,714	73.5%	$0.19	5649.7%
5	3	CANCER	160	38	$248,446	90.6%	81.9%	$9.76	4	158	34	$267,845	89.2%	$13.85	-29.5%
6	6	ASTHMA	1,038	318	$238,255	81.7%	86.6%	$9.36	7	838	248	$78,667	81.7%	$4.07	130.1%
7	5	ATOPIC DERMATITIS	410	253	$157,175	84.6%	79.6%	$6.18	6	346	215	$90,706	86.7%	$4.69	31.6%
8	11	MULTIPLE SCLEROSIS	20	3	$116,764	0.0%	57.4%	$4.59	17	18	1	$34,943	50.0%	$1.81	153.8%
9	7	ANTICOAGULANT	352	69	$93,172	18.2%	13.2%	$3.66	8	259	50	$78,459	16.2%	$4.06	-9.8%
10	34	INFERTILITY	59	18	$78,977	49.2%	60.1%	$3.10	9	72	11	$70,695	62.5%	$3.66	-15.1%
		Total Top 10:	6,225		$3,327,504	37.8%		$130.74		4,731		$2,074,326	41.4%	$107.29	21.9%
		Differences Between Periods:	1,494		$1,253,178	-3.6%		$23.45							

Top Drugs by Plan Cost Net

				1/26 - 7/26					1/25 - 7/25					% Change	
Rank	Peer Rank	Brand Name	Indication	Adj. Rxs	Pts.	Plan Cost Net	Plan Cost Net PMPM	Peer Plan Cost Net PMPM	Rank	Adj. Rxs	Pts.	Plan Cost Net	Plan Cost Net PMPM	Plan Cost Net PMPM	Peer Plan Cost Net PMPM
1	1	ZEPBOUND	WEIGHT LOSS	1,234	218	$977,358	$38.40	$23.85	1	420	89	$330,976	$17.12	124.3%	63.8%
2	3	WEGOVY	WEIGHT LOSS	356	71	$279,643	$10.99	$10.08	2	271	54	$220,631	$11.41	-3.7%	-12.0%
3	161	CRENESSITY*	ENDOCRINE DISORDERS	7	1	$274,591	$10.79	$0.30							
4	2	MOUNJARO	DIABETES	334	57	$171,546	$6.74	$11.16	5	228	45	$118,278	$6.12	10.2%	9.3%
5	26	XOLAIR*	ASTHMA	34	7	$151,161	$5.94	$1.40	30	8	2	$19,634	$1.02	484.8%	36.1%
6	4	DUPIXENT PEN*	ATOPIC DERMATITIS	33	5	$114,140	$4.48	$7.46	12	28	4	$64,961	$3.36	33.5%	34.9%
7	20	BIMZELX AUTOINJECTOR*	INFLAMMATORY CONDITIONS	13	2	$95,405	$3.75	$1.67							161.9%
8	24	KESIMPTA PEN*	MULTIPLE SCLEROSIS	14	2	$85,592	$3.36	$1.44							14.8%
9	6	OZEMPIC	DIABETES	133	24	$62,900	$2.47	$6.18	8	211	38	$88,554	$4.58	-46.0%	-20.6%
10	5	SKYRIZI PEN*	INFLAMMATORY CONDITIONS	17	4	$62,208	$2.44	$6.96	6	26	5	$117,407	$6.07	-59.8%	39.2%
11	7	ELIQUIS	ANTICOAGULANT	202	44	$57,901	$2.27	$4.62	15	126	25	$43,818	$2.27	0.4%	-5.0%
12	60	LYNPARZA*	CANCER	3	1	$54,040	$2.12	$0.73							8.3%
13	31	REPATHA SURECLICK	HIGH BLOOD CHOLESTEROL	186	34	$50,095	$1.97	$1.29	26	94	16	$24,881	$1.29	52.9%	51.3%
14	130	CALQUENCE*	CANCER	3	1	$48,327	$1.90	$0.37							83.4%
15	16	TREMFYA ONE-PRESS*	INFLAMMATORY CONDITIONS	7	2	$47,195	$1.85	$1.93							16.4%
16	148	VENCLEXTA*	CANCER	3	1	$46,485	$1.83	$0.33	24	5	2	$27,479	$1.42	28.5%	68.3%
17	9	ENBREL SURECLICK*	INFLAMMATORY CONDITIONS	16	2	$44,849	$1.76	$3.05	17	17	3	$37,160	$1.92	-8.3%	-4.7%
18	61	SKYRIZI*	INFLAMMATORY CONDITIONS	9	1	$40,189	$1.58	$0.73	18	9	1	$36,561	$1.89	-16.5%	19.9%
19	145	FILSPARI*	URINARY DISORDERS	3	1	$39,119	$1.54	$0.34							
20	76	GONAL-F RFF REDI-JECT*	INFERTILITY	9	4	$38,686	$1.52	$0.59	40	7	4	$15,484	$0.80	89.8%	18.9%
21	768	DEFERASIROX*	IRON TOXICITY	12	1	$36,854	$1.45	$0.03	14	15	1	$45,975	$2.38	-39.1%	-79.2%
22	96	DASATINIB*	CANCER	4	1	$34,583	$1.36	$0.47	7	10	1	$93,423	$4.83	-71.9%	-22.7%
23	12	STELARA*	INFLAMMATORY CONDITIONS	3	1	$32,549	$1.28	$2.74	3	15	3	$150,738	$7.80	-83.6%	-55.5%
24	234	TAFINLAR*	CANCER	3	1	$32,256	$1.27	$0.20	13	5	1	$54,802	$2.83	-55.3%	496.3%
25	97	MENOPUR*	INFERTILITY	6	3	$31,238	$1.23	$0.47	16	7	4	$38,961	$2.02	-39.1%	-14.6%
			Total Top 25:	2,644		$2,908,909	$114.29	$88.38		1,502		$1,529,721	$79.12	44.5%	13.8%
			Differences Between Periods:	1,142		$1,379,189	$35.17	$10.71							

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
AUGUST 25, 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**	
Resolution 24-26: 2027 Budget Introduction		**Page 43**
Resolution 25-26: July and August 2026 Bills List		**Page 44**

RESOLUTION NO. 24-26

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
INTRODUCTION OF THE 2027 PROPOSED BUDGET

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

WHEREAS, a quorum of the Executive Committee met on August 25, 2026, in Public Session to introduce the proposed budget for the 2027 Fund Year; and

BE IT FURTHER RESOLVED that a hearing on the 2027 budget in the amount of $***108,472,203*** shall be held at the Fund's regularly scheduled and advertised meeting of September 29, 2026, to be held at Franklin Lakes Borough at 12:00 noon. The 2027 budget shall be considered for adoption at a second reading at that time and after the completion of a public hearing.

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

ADOPTED: AUGUST 25, 2026

BY:_____
CHAIRPERSON

ATTEST:

_____
SECRETARY

RESOLUTION NO. 24-26

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE JULY AND AUGUST 2026 BILLS LISTS

WHEREAS, the **Bergen Municipal Employee Benefits Fund** held a Public Meeting on **AUGUST 25, 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 July and August 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 July and August 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: AUGUST 25, 2026

BY:_____
CHAIRPERSON

ATTEST:

_____
SECRETARY

APPENDIX I

BERGEN MUNICIPAL EMPLOYEE BENEFITS FUND

OPEN MEETING: JUNE 23, 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 2026 EXECUTIVE COMMITTEE:

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

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	**PERMA Risk Management Services**	Emily Koval 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**	Absent
Benefits Consultant	**Conner Strong**	John Lajewski
RX Administrator	**Express Scripts**	Hiteksha Patel
Wellness Coordinator	**Dina Robinson**	Present

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

APPROVAL OF MINUTES: *April 28, 2026*

MOTION: Commissioner Franz
SECOND: Commissioner Kakoleski

ROLL CALL VOTE: 9 ayes, 0 nays

CORRESPONDENCE – None

COMMITTEE REPORTS:

Strategic Planning – No report.

Administration and Finance Committee – Commissioner Kakoleski reported that the committee met with the auditors to review the draft audit that will be reviewed during the Executive Director report.

Ms. Koval noted that there are no direct fines to the entities for not having an updated I&T agreement, but it is part of compliance, and we encourage these to be completed every three years.

Wellness Committee – Ms. Robinson reported she has been working on a BMED Wellness packet for municipalities to encourage them to become part of our wellness program. Additionally, a BMED Wellness Breakfast will be held on September 15th, and more details will be shared as that date gets closer. Commissioner Voytus commented that we just had a meeting prior to this one so the packet will be distributed by the end of the week.

Small Claims Committee – No Report

Nominations Committee – No Report.

New Members' Committee – Commissioner Franz deferred to Mr. Lajewski to provide the updated information.

EXECUTIVE DIRECTOR'S REPORT

2025 AUDIT – Ms. Shick reviewed the audit report for Fund year ending December 31, 2025, that was sent as an attachment to the agenda. She highlighted the cash and cash equivalents, the total assets and liabilities for Fund year 2025, operation revenues and budget to-actual results. The auditor's comments and recommendations addressed the Fund Year 2024 deficit, a detailed management response describing corrective actions taken by the Fund were included and read into record. Commissioner Kakoleski noted that the response was adjusted to include additional responses to the deficit such as changes regarding the No Surprises Act (NSA) and Supplemental Assessments.

FAST TRACK FINANCIAL REPORT – Ms. Koval reviewed the Fast Track for the month of April 2026. She noted that there the deficit for Fund Year 2024 did increase a bit, but we know they are NSA claims that are continuing to be processed but the changes made last year are reflected in Fund Year 2025 that has a small surplus of approximately $627,000. Regarding this current Fund year, we did see a surplus for the month of April.

MRHIF BYLAW AMENDMENT – Ms. Koval noted that this is currently a discussion piece and there is no action being requested at this meeting. The recommendation is to change the name because

public schools are more than half of the members in MRHIF and redefining the term of servicing organization.

Mr. Voytus, who represents the Fund on the MRHIF board, noted that the name change itself is not in question, but he is still awaiting a response regarding the associated cost, which Ms. Koval indicated is currently with the marketing agent. Commissioner Voytus stated that the original resolution initiating this bylaw amendment process indicated that the change would redefine the term to include "program manager" alongside servicing organization; however, the final edits do not reflect this. He expressed concern that the one item requested by the OSC is not actually accomplished by the proposed changes. He explained that a program manager position existed in the original bylaws, and that eliminating this position would make it easier for future decision-makers, who are not currently part of this process, to alter the fund's structure. He noted that any fundamental restructuring of how MRHIF is administered and governed should go through a deliberative process, and that the proposed change could create risk with the OSC. He does not believe that removing a position that has existed in the bylaws for decades reflects well on MRHIF and stated that while the OSC's criticism may not be entirely warranted, the proposed changes do not necessarily serve MRHIF's best interests.

Mr. Rhodes acknowledged that Commissioner Voytus raised valid points but noted that the Fund Attorney has reviewed the matter and confirmed that program manager is not a defined term under the regulations. He explained that, in continuing to work with the OSC and legal counsel, this effort is intended to ensure the bylaws align as closely as possible with the regulations. The change would provide additional flexibility in identifying an appropriate program manager through the RFP process; however, through deliberation and discussion, it was determined that the program manager position was addressed in a manner that satisfies regulatory requirements while still allowing commissioners the flexibility to make those decisions. Mr. Rhodes clarified that this effort is not a direct response to the OSC report but rather reflects the Fund's governing regulations under DOBI and BCA.

In response to Commissioner Voytus, Mr. Rhodes noted that the Fund's professionals and attorney had requested greater flexibility in the procurement process, clarifying that this position does not reflect his opinion.

Mr. Bailey noted that Program Manager does not appear as defined in the MRHIF bylaws but is instead listed under Fund Professional, which outlines the scope of services provided by the professionals. Commissioner Voytus responded that the applicable regulations pertain to MRHIF, school boards, and municipalities, and that a separate section addresses servicing organizations. He noted that, at some point, the bylaws began using the terms servicing organization and program manager interchangeably. Commissioner Voytus stated that he does not believe there is sufficient justification for amending the bylaws to provide flexibility that no one is genuinely seeking.

Mr. Bailey stated that he will contact Mr. Harris, MRHIF's Attorney, to obtain clarification on the intended purpose of the bylaw amendment. Commissioner Kunze agreed that clarification is needed and suggested the matter be discussed at the August meeting, requesting that Mr. Bailey provide a memorandum to the Commissioners one week prior to the meeting for their review.

CMS UPDATE – Ms. Koval noted that Aetna has been very corporative but there is no current update.

LATE PAYMENT INTEREST – Ms. Koval discussed with the Fund Treasurer various ideas to accommodate the tracker that fits the Fund Treasurer's current process. She did note that WEX can no longer rename the line-item adjustments, but we will be notifying the group what the line-item adjustments are for when the bills are released.

Ms. Koval noted the remainder of the report is informational. In response to Commissioner Voytus, a I&T Agreement is required for a new member to join so we should be receiving them as they join the Fund. Specifically, Alpine has been in the Fund for dental only and outreaches have been made to the broker.

There were no additional questions for the Executive Director report.

BENEFIT CONSULTANT'S REPORT

Mr. Lajewski reviewed the report on the agenda, highlighting current network negotiations, clinical and pharmacy updates, cost and utilization review for Q1 2026, out of network reimbursement update, and 2027 Medicare renewal.

Mr. Lajewski commented how Aetna has consolidated its Prior Authorization process for Medical-benefit drugs into a single review using an AI-assisted navigation tool, Express Scripts National Preferred Formulary changes take effect on July 1, 2026, and the related list was included as an attachment to the meeting agenda and all affected members have been notified directly with alternative options to discuss with their providers. He provided a high-level overview of the cost and utilization review graphics in his report, noting that drug spending continues to rise, driven substantially by GLP-1 weight loss medications and the top chronic conditions remain consistent. The board requested that future reporting be normalized on a PEPM basis and broken out between utilization and unit-cost drivers, which Mr. Lajewski will explore if these options are possible. He noted that the 2027 Medicare Advantage renewal figures are expected in July so the Finance Committee will review the options.

Mr. Lajewski reported that the new fund-member intake process was developed and presented earlier this year following the Executive Committee feedback. It was disclosed that the Township of River Vale had accepted a coverage proposal, which was originally targeted for January 2026 but was pushed back to March 2026, without the required Executive Committee resolution approving the entry into the Fund. Mr. Lajewski apologized for this error and confirmed that since the new process has been implemented, communication has been more transparent than prior to the implementation of the process. A discussion occurred where Fund Commissioners voiced their concerns regarding the acceptance of a group after the implementation date. Mr. Lajewski confirmed that a formal counter-signature requirement could be reviewed and added to the acceptance and implementation paperwork to ensure this does not occur in the future. He noted the resolution is in consent agenda for approval.

Lastly, Mr. Lajewski reviewed the updated New Jersey newborn coverage mandate, extending automatic newborn coverage from sixty days to ninety days. It was recommended that the Fund apply the updated mandate.

Motion to approve the updated New Jersey Newborn Mandate

MOTION:	Commissioner Voytus
SECOND:	Commissioner Franz
VOTE:	All in Favor

The remainder of the Benefits Consultant report was informational and there were no further questions.

FUND ATTORNEY – Fund Attorney reported that Resolution 21-26 can be discussed in closed session.

TREASURER – The Fund Treasurer reviewed the current bills list included in the agenda, which is in consent agenda for approval.

BOARD ADVISOR- No report as Mr. LaMendola was absent from the meeting.

WELLNESS COORDINATOR – Ms. Robinson did not have any additional information for her earlier report.

AETNA – Mr. Silverstein reviewed his report as presented on the agenda, with particular attention to per-employee claims activity for the months of March and April. He reported five high-cost claimants for January and four for February and advised that negotiations with Hackensack Meridian remain active.

In response to Commissioner Voytus, Mr. Silverstein noted that the CVS health virtual care data is year to date but can be clarified moving forward. He noted that this is currently comparable to what Teladoc used to be but there has been some challenges with the getting familiar how to access to the CVS virtual care.

EXPRESS SCRIPTS – Mr. Costello introduced himself as the new Account Executive for ESI for the Fund. He reviewed the report in the agenda, noting there is a 44.4% of total spend is specialty drugs, the top indications show that there was a large increase for Endocrine Disorders, which the top drug list supports this increase.

In response to Commissioner Kunze, Mr. Costello will get more information regarding the Endocrine Disorder to note if it is a chronic condition since there has been such a high plan cost already regarding this one member.

DELTA DENTAL – Ms. White reviewed the network discount report for the Fund year 2025 that is included in the agenda.

MOTION TO APPROVE CONSENT AGENDA INCLUDING THE FOLLOWING RESOLUTIONS:

Resolution 19-26: Certification of Annual Audit
Resolution 20-26: Offer Membership: River Vale
Resolution 21-26: Appointing Special Legal Counsel
Resolution 22-26: May and June 2026 Bills List

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

OLD BUSINESS: None

NEW BUSINESS: Ms. Koval confirmed that the Alpine I&T agreement is in possession and was provided when they joined with the additional lines of coverage.

MOTION TO OPEN PUBLIC COMMENT:

MOTION:	Commissioner Franz
SECOND:	Commissioner Voytus
ROLL CALL VOTE:	All in favor

PUBLIC COMMENT: Mr. Covelli noted the need for greater transparency regarding prospective new members, pointing out that the agenda still does not include a list of possible new members. He compared this to the practice of the other Health Insurance Fund, which includes this information on its agenda. His second point noted that Risk Managers historically participated in the Fund Committee meetings, including the annual Strategic Planning Committee meeting in August, and has recently been excluding Committees other than the Wellness Committee.

MOTION TO CLOSE PUBLIC COMMENT:

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

MOTION TO ADJORN:

MOTION:	Commissioner Kunze
SECOND:	Commissioner Kakoleski
VOTE:	Unanimous

MEETING ADJOURNED: 1:29pm

NEXT MEETING: JUNE 23, 2026

Caitlin Perkins, Account Manager

PERMA Risk Management Services

SIGN IN SHEET

BMED – June 23, 2026

NAME	AGENCY
MATHew M. McAraw	RMC - GJem
Scott Perry	RMC - GJem
Tom Fletcher	Acrisure
Dave Vozza	RMC
Renee Gear	World Ins.
Lisa Sabato	World Ins.
Chris Yandow	Cross Insurance
Kim White	Delta Dental
Dina Robinson	Franklin Lakes
Laura O'Hanlon	Midland Park
Roberta Stern	Palisades Park
Rich Kunze	Oakland
Frank Corvi	PIA/WORKS
Ricky Costello	ESI
Wally Lindsley	Fairfield BOE

APPENDIX II

Rich Kunze, Committee Chair
Greg Franz, Executive Committee Member
Greg Hart, Executive Committee Chair
John Arthur, Subcommittee Member
Clark LaMendola, Board Advisor
Bill Bailey, Fund Attorney
John Lajewski, Benefits Consultant
Emily Koval, Associate Executive Director
Caitlin Perkins, Account Manager

Mr. Lajewski presented the Fund's Performance review presentation, that is also attached to the agenda. The high-level overview includes the following:

Fund Performance Review

Mr. Lajewski presented the Fund's standard Cedar Gate data warehouse reporting, covering claims and utilization activity for January through June 2026 compared with the same period in 2025.

Key results discussed included the following:

- Member average risk score decreased approximately 8%, a positive indicator for future utilization.
- Member enrollment increased, reflecting continued growth of the Fund.
- Paid claims on a per-member-per-month (PMPM) basis (medical and prescription combined) decreased almost 19%.
- Annual paid claims decreased almost 5% overall, despite a 25% increase in enrollment over the same period; Mr. Lajewski noted this figure is somewhat understated due to normal claims lag associated with new enrollment.
- By service category: pharmacy PMPM increased approximately $19.11 (about 14%); outpatient services decreased approximately 23%; professional services decreased approximately 13%; inpatient services decreased approximately 38%; and post-acute services decreased approximately 53%.
- Top diagnoses by dollar impact were reviewed, with Spine-Related Disorders had the most significant cost and Gastrointestinal Disorders had the largest increase in the reporting period.
- Top conditions continue to be consistent with market wide conditions, with Hyperlipidemia, Hypertension, and Lower Back Pain as the top three.

- All preventive and lifestyle metrics fell below the benchmark, except cervical cancer screening. This may contribute to a general post-COVID decline in preventive care utilization.

In response to Commissioner Kunze, Mr. Lajewski confirmed that GLP-1 utilization remains the primary driver, highlighting that Zepbound and Wegovy were identified as the top-utilized prescription drugs which reflect the continued GLP-1 demand for weight loss.

Cost Containment Initiatives – Current Programs

Aetna Site of Care Program

Mr. Lajewski reviewed results from Aetna's Site of Care program as of July 2025. Of 48 opportunities identified, 18 were successfully redirected, generating approximately $540,000 in savings to the Fund, reducing total cost for those services to just under $1,000,000.

Aetna Smart Compare

Mr. Lajewski described Aetna's new Smart Compare tool, launching January 1, which enhances the existing provider search function with clinical-outcomes data, in addition to location and specialty.

In response to Commissioner Kunze, Mr. Lajewski explained the data sources behind the tool's quality determinations from Medicare and Medicaid data and their own repository as they have a vast amount of data as a large health insurer. Communication materials for Fund members will be developed ahead of the program's rollout.

Out-of-Network Reimbursement Schedule Change

Mr. Lajewski provided an update on the out-of-network schedule change, noting that paid claims of total claims have dropped from a range of over 30% and continue to drop, with minimal member inquiries or pushback reported. The change was noted as a substantial contributor to the Fund's improved financial results.

Whole Health (Narrow) Network

The Committee reviewed the continued advocacy for individual Fund members to offer the Aetna Whole Health Network. Adopting this network option does not require changes to plan design and could reduce gross premium by an estimated 10–12%.

Minute Clinic Utilization

Mr. Lajewski noted a decline in utilization of CVS/Aetna Minute Clinics, which he attributed in part to reduced demand following the COVID-19 pandemic. The Committee discussed the value of these clinics as a lower-acuity care option and agreed this should be part of a broader member communication effort.

Cost Containment Initiatives – Proposed Solutions

Grail – Multi-Cancer Early Detection Screening

Mr. Lajewski presented a proposed early-detection cancer screening program, vetted through Conner Strong & Buckelew's in-house population health department. He cited supporting statistics:

- only 14% of cancers are currently identified through the four recommended single-cancer screenings
- 65% of members diagnosed with cancer had no recommended screening for that cancer type; more than one in three members age 50–64 face some cancer diagnosis
- survival rates are 85% when diagnosed at stages 1–3 versus 26% at stage 4; and total cancer care costs are projected to rise 34% by 2030.

The test costs $749 per member and would not be covered under the standard medical plan, although based on Fund demographics and an estimated 20% participation rate among eligible members, the vendor projected a net annual cost to the Fund of approximately $15,000 in the first year, net of anticipated reductions in downstream treatment costs. An RFP would be required for this program.

Hinge Health – Musculoskeletal Program

Mr. Lajewski presented a virtual, AI-guided musculoskeletal program available through Aetna, intended to offer members a non-surgical alternative for musculoskeletal conditions where clinically appropriate. The vendor offers a performance guarantee tied to a 3.1% return-on-investment threshold, with 100% of the program's cost at risk if financial and clinical outcomes are not achieved.

Reference-Based Pricing

Mr. Lajewski provided a high-level overview of reference-based pricing as an emerging alternative to traditional TPA network arrangements, under which facility reimbursement is set as a percentage of Medicare rates rather than negotiated retail-based rates. Adoption would require an RFP for a separate TPA and a reference-based pricing/repricing vendor.

Commissioner Kunze raised the risk of balance billing to members under this model and asked whether it falls outside the protection of the No Surprises Act. Mr. Lajewski responded that while some risk exists, safeguards are built into the process: providers are typically offered a repriced amount as payment in full, which is accepted without further negotiation in approximately 95–97% of cases; the remaining 3–5% are negotiated individually by the repricing vendor and are generally resolved.

Commissioner Kunze also asked for an update on regional hospital contract negotiations. Mr. Lajewski reported that Hackensack Meridian's contract, which expired June 30, has been extended two months (through July and August) while a new agreement is finalized; Virtua's contract renewal (South Jersey) does not materially affect the Fund.

GLP-1 Medication Management

Current Safeguard – Encircle Behavior Modification Program

Members prescribed a GLP-1 medication for weight loss are currently required to participate in the Encircle behavior-modification program. Fund-specific data shows utilization trending approximately 215% lower for members enrolled in Encircle compared with those who are not, supporting continuation of this requirement.

Oral GLP-1 Formulary Exclusion

Mr. Lajewski recommends continuing the exclusion of oral GLP-1's based on guidance from Express Scripts that utilization could rise 20–30% if oral formulations were covered.

Direct-to-Consumer Purchasing

Mr. Lajewski noted this option is being monitored but not currently recommended, stating that direct-to-consumer pricing for GLP-1 medication has been narrowing relative to PBM-negotiated pricing.

Full Exclusion

Excluding GLP-1 weight-loss medications fund-wide was noted as the option with the greatest potential savings (approximately $1.5 million) but was deemed impractical due to likely conflicts with existing collective bargaining agreements.

Recommended Change – BMI Clinical Threshold (32 to 35)

Mr. Lajewski recommended amending the clinical prior-authorization requirement for GLP-1 weight-loss coverage by raising the qualifying BMI threshold from 32 to 35, absent comorbidities. The existing comorbidity-based BMI threshold of 27 would remain unchanged.

If adopted effective January 1, the change would apply fund-wide with no member opt-out and no grandfathering of existing users, to preserve projected savings. For members with an existing GLP-1 prescription, eligibility would be based on their original baseline BMI at initial approval (not a new January 1 measurement); new prescriptions on or after January 1 would be evaluated against BMI as of that date. Members who do not meet the revised clinical criteria would remain eligible to participate in the Omada lifestyle/behavior-modification program. Mr. Lajewski noted the change requires a 60-day implementation lead time.

In response to Commissioner. Kunze, Mr. Lajewski confirmed the formal recommendation of fund-wide adoption effective January 1 for amending the BMI threshold requirement from 32 to 35.

In response to Commissioner Arthur, Mr. Lajewski responded that the Fund is not eliminating the medication or benefit itself, only adjusting the clinical criteria for prior authorization. The PERC rulings support a plan sponsor's authority to set and adjust clinical requirements. This will still be in line with the "equal to or better than" requirement for collective bargaining agreements. Mr. Bailey concurred that the Fund's legal position is reasonably strong, while acknowledging grievance could still be filed.

Commissioner Kunze asked whether a member-disruption report could be generated to identify Fund members who would be affected by the BMI change. Mr. Lajewski confirmed he will contact Express Scripts.

Given the 60-day implementation requirement and uncertainty over the timing of the next full membership meeting, the Committee agreed that the BMI recommendation should be presented to the Executive Board as a discussion item at the August meeting, coming forward as a recommendation of the Strategic Planning Committee.

Risk Manager Engagement

Mr. Lajewski noted this topic had been raised at a prior Executive Committee meeting and outlined several possible approaches to engaging Fund member brokers and risk managers going forward, including a joint summit, subgroup or individual discussions, or a survey to gather input.

Commissioner Kunze referenced the restructuring during the subcommittee process several years ago may have inadvertently diminished the Risk Manager engagement, but any such effect was unintentional and their input remains valuable.

Mr. LaMendola stated that the volume and depth of the fund performance report warranted additional time for the Committee to review and digest before making recommendations regarding stakeholder engagement, Commissioner Arthur agreed and it was agreed to table the topic.

MRHIF Bylaw Amendment Update

Mr. Bailey reported that he met with the MRHIF Fund Attorney, Ken Harris, and other Fund Attorney's facing similar amendments to better understand the intent behind he changes. He described the stated rationale as providing the MRHIF flexibility to define and scope the program manager's role as it sees fit, rather than being bound to the administrative code definition. He noted a practical effect of removing program manager from the definition is that it would no longer be expressly prohibited from also serving as the fund's administrator, unlike the administrative code standard.

Mr. Bailey noted that, based on conversations with other member funds, it appears several member boards have already approved the bylaw amendments, and the changes are likely to be adopted by MRHIF regardless of the BMED's position.

Mr. Bailey stated he is finalizing a memo summarizing the legal analysis for circulation to the Executive Committee, and recommended a closed session be held to allow for a full and frank legal discussion prior to any Board vote on the Fund's position, with a resolution prepared by Ms. Koval to accompany the memo if needed.

BMED Finance Committee
August 19, 2026, at 11am via Teams

Bob Kakoleski, Committee Chair
Greg Hart, Executive Committee Chair
Jesse Moehlman, Subcommittee Member
Clark LaMendola, Board Advisor
John Lajewski, Benefits Consultant
Emily Koval, Associate Executive Director
Caitlin Perkins, Account Manager
Jordyn Robinson, Assistant Account Manager

Commissioner Kakoleski opened the meeting and turned the facilitation over to Ms. Koval to lead the financial and budget presentation.

June 2026 Fast Track

Ms. Koval presented the June Fast Track report, which shows a very slight loss for the month, which is the first loss recorded in some time. On a full fund-year basis, the 2026 Fund year has a surplus of approximately $6.5 million, a significant improvement.

Proposed 2027 Budget Presentation

Ms. Koval presented the proposed 2027 budget, indicating the proposed increase is approximately 5.5%, which several committee members noted is well below the double-digit increases anticipated by Fund members and lower than the increases seen in the recent years. Ms. Koval highlighted the following part of the budget development:

- The fund's actuary reviewed 24 months of claims history combined with industry and New Jersey-specific trend data.
- Medical claims trend came in as a reduction of approximately $1.6 million; the actuary's overall claims trend assumptions were 10.5% for medical and 10% for prescription drugs, applied conservatively given the fund's proximity to the New York City market.
- Prescription trend is running at approximately 6.5% including trend factors — notably lower than the mid-20% increases seen in prior years.
- Dental claims trend remains favorable, coming in at a negative 2.6%.
- MRHIF exposure has increased due to the 2025 reduction in Self-Insured Retention (SIR) from $425,000 to $325,000, which shifted more exposure to the Mr. HIF layer; a preliminary 37% increase to the Mr. HIF budget line was discussed, though this figure is expected to be refined before the budget is formally introduced on approximately September 9.
- Ms. Koval and Mr. Lajewski reviewed the primary drivers of favorable claims experience, including changes to the out-of-network provider fee schedule and identification of outlying providers (e.g., certain varicose vein providers), which reduced out-of-network paid claims from roughly $1.5–1.6 million per month in fund year 2024 to approximately $300,000 per

month in fund year 2026; and the fund's GLP-1/weight-loss medication clinical protocols (administered in part through the Omada program), which have slowed the year-over-year growth in prescription drug trend.

In response to Mr. LaMendola, Ms. Koval explained the Fund Actuary's findings were consistent with the specific changes that the Fund made, and previous budget increases have helped level off, as the uptick in utilization and GLP-1's are now included in the experience.

Chair Hart requested to include the actual spent budget to see how the proposed budget compares to the projected 2026 Fund year budget.

Surplus Regeneration and Trust Fund Account Contingency

Ms. Koval proposed continuing the fund's surplus regeneration contribution, which has been capped by regulation at 2.5% of the total budget. She also proposed establishing an optional trust fund contingency account of approximately $2.6 million, which would be held in a separate account and could later be transferred to help offset the prior-year's deficit. Both provisions are optional and were recommended given the strength of this year's budget.

In response to a question from Commissioner Kakoleski, Ms. Koval confirmed the monies in the Trust Fund Account Contingency could be applied toward current year shortfalls. Chair Hart commented that excluding the optional contingency additions, the fund's underlying increase is closer to 2.5%, which the Committee agreed was a notably conservative and favorable result relative to expectations and compared it to the State's proposed increase.

Expense Line Items

Ms. Koval reviewed the following expense line items:

- PERMA and Conner Strong held rates flat in 2026 and will see a 2% increase in the proposed budget.
- Auditor, attorney, and treasurer contracts were subject to RFP last year; a 2% annual increase (per RFP response terms) is budgeted for each.
- The Medical TPA RFP remains pending with the Office of the State Comptroller (OSC); a 5% increase was conservatively budgeted for Aetna pending the outcome.
- Dental administration rates are being held flat.
- The wellness program budget line is being held at $100,000, consistent with actual utilization in recent years; unused funds can be reallocated from contingency if the Wellness Committee requests an increase.
- A modest increase was added to the plan document line to account for an upcoming fund-wide plan document review.

Chair Hart requested the actual spent against last year's wellness budget will be helpful to consider if there is any need for an increase in that line item.

Assessment Methodology and Loss Ratio Impact

Ms. Koval reviewed the average assessment increase for the Fund is 5.8%, presenting the proposed assessments for each line of coverage. The Committee agrees to continue to support the application of loss ratio impact adjustments (up to plus or minus 2.5%) for members with more than thirty (30) months of experience. It was confirmed this methodology helps keep rates aligned with group member experience.

In response to Commissioner Moehlman, Ms. Koval confirmed the adjustment is applied to the overall rate level. Ms. Koval noted that draft assessment figures will be reviewed further internally before being distributed to the Executive Committee and membership.

In response to a question from Commissioner Moehlman, Ms. Koval reported that five new members were incorporated into the actuarial projection. Because this exposure is still relatively immature, the actuary weighted new-member trend approximately 2% higher on medical and approximately 8% higher on prescription to ensure adequate premium; this weighting affects the overall pool modestly rather than translating into a direct increase for existing members. All new members' first-year rates included built-in margin/surplus regeneration.

MRHIF Renewal

Ms. Koval reviewed the fund's MRHIF experience, noting that the 2025 SIR reduction resulted in reimbursements of approximately $2.6 million to date, compared to an estimated $1.4 million had the SIR remained at $425,000, a benefit of roughly $1.2 million against an incremental premium cost of approximately $855,000, for a net savings of about $366,000. The proposed 2027 budget includes a $50,000 increase to the MRHIF premium line to reflect the fund's growth. Ms. Koval also reviewed high-cost claimant activity and a three-year loss ratio trend.

Budget Consensus

The Committee indicated they are recommending the introduction of the proposed 2027 budget at the August meeting with the formal budget introduction anticipated on or around September 9, 2026.

Utilization Report and Strategic Planning Committee Recap

John Lajewski presented a summary of the utilization report previously reviewed by the Strategic Planning Committee, comparing the first half of fund year 2026 to the first half of fund year 2025:

- Member risk assessment score decreased 8% year over year, a favorable indicator.
- Overall member count increased 25%.
- Unadjusted paid claims decreased 4.61%; on a per-member-per-month basis, claims decreased approximately 18%.
- Across major service categories (outpatient, professional, pharmacy, inpatient, and post-acute), pharmacy was the only category showing an increase, at approximately 14% (unadjusted for enrollment changes).

Cost Containment Action Plan

Mr. Lajewski outlined the action plan developed with the Strategic Planning Committee, including initiatives already underway and items for future consideration:

- Continued promotion of the Site of Care program, directing members to lower-cost, clinically equivalent service locations
- Aetna's new Smart Compare tool, launching for 2027, will rank in-network providers by clinical outcomes within the provider search tool.
- Continuation of the Medicare-indexed out-of-network provider fee schedule for new and existing members.
- Expansion of the wellness strategy in partnership with the Wellness Committee, with a focus on preventive screenings.
- Continued promotion of the Aetna High-Performance Provider Network to fund members.
- Continuation of the GLP-1 oral medication exclusion, with the option for individual members to exclude GLP-1 weight-loss medications entirely from their plan.
- A recommended change to the GLP-1 clinical BMI threshold from 35 to 32 (absent other qualifying comorbidities), proposed for an effective date of November 27, 2026; the Strategic Planning Committee expressed interest in this change.
- Longer-term items under consideration: an early cancer detection testing benefit, a musculoskeletal care management program, a reference-based pricing model and a direct-to-consumer GLP-1 reimbursement model via a tax-deferred health savings arrangement.
- Discussion of methods to better engage fund-member risk managers and brokers to be discussed further by the Executive Committee.

Board Advisor Contract — RFP Discussion

Ms. Koval raised the Fund's board advisor contract, which is expiring and is eligible for renewal. She noted the contract value falls under the formal RFP threshold, giving the Committee discretion to either issue a new RFP or proceed with a direct renewal. The Committee discussed obtaining the Fund Attorney's recommendation before the August meeting and agreed to add the item to the agenda for discussion in executive session following the main topics.

With no further business, Commissioner Kakoleski closed the meeting. The Committee thanked staff and presenters for the preparation of the financial and budget materials.