

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND**  
**OPEN MINUTES**  
**April 27, 2023**  
**RANDOLPH MUNICIPAL HALL- 9:30 AM**

Meeting of Fund Commissioners called to order by Silvio Esposito, Chair. Open Public Meetings notice read into record.

**ROLL CALL OF 2023 EXECUTIVE COMMITTEE AND FUND COMMISSIONERS**

<b>2023 Executive Committee</b>		
Scott Heck, Chair	Borough of Ringwood	Present
Tom Russo, Secretary	Town of Newton	Present
Barbara Russo	Township of Berkeley Heights	Present
Dina Valente - Stoel	Borough of Lincoln Park	Present
Tammy Smith	Knowlton BOE	Absent
Silvio Esposito	Township of Hanover	Present
Carinne Piccolo- Kaufer	Township of Hardyston	Present
<b>Executive Committee Alternates:</b>		
Cathy Shanahan	Township of West Milford	Present
Adam Brewer	Township of Pequannock	Present
Greg Poff	Borough of Randolph*	Present

<b>Fund Commissioners</b>		
Mike Sondermeyer	Borough of Bloomingdale	Present
Michael Restel	Township of Wantage	Present
Grant Rome	Township of Sparta	Absent
Diana Francisco	Andover Township*	Absent
Ralph Blakeslee	Borough of Netcong*	Absent
Keith Kazmark	Borough of Woodland Park	Absent
Rey Julve	Township of Dover	Absent
Andrew Fiore	Borough of Harding	Absent
Katie Yanke	Borough of Montville*	Absent
Joe Sabatini	Township of Byram*	Absent
James Burnett	Borough of Madison*	Absent
Open	Township of Prospect Park*	Absent
John Shepherd	Township of Roxbury*	Absent
Debra Millikin	Township of Jefferson*	Present
Open	Kinnelon	Absent
<b>Fund Commissioner Alternates</b>		
Ashleigh Frueholz	Township of Byram*	Absent
Jennifer Dodd	Town of Newton	Absent
Lisa Spring	Township of Roxbury*	Absent
Gabby Evangelista	Borough of Wharton	Absent

Perry Mayers	Borough of Lincoln Park	Present
Sherry Gallagher	Township of Bloomingdale	Absent
Michele Lantau	Township of Sparta	Present
Open	Borough of Netcong*	Absent
Open	Township of Dover	Absent
Sandra Emmerich	Borough of Madison*	Absent
Nancy VanHorn	Township of Wantage	Absent
	Mountain Lakes	Absent
	Town of Boonton	Absent
	Madison Housing Authority	Absent

#### **APPOINTED OFFICIALS PRESENT:**

Executive Director	PERMA Risk Management Services	<b>Brandon Lodics</b> <b>Emily Koval</b>
Program Manager	Vozza Agency	<b>David Vozza</b> <b>Randi Gerber</b>
Attorney	Dorsey & Semrau	<b>Edward Pasternak</b>
Claims Administrator	Aetna	<b>Jason Silverstein</b>
Dental Administrator	Delta Dental	<b>Brian Remlinger</b>
Prescription Administrator	Express Scripts	<b>Charles Yuk</b>
Treasurer	Michael Soccio	<b>Present</b>
Auditor	Nisivoccia	<b>Absent</b>
Actuary	John Vataha	<b>Absent</b>
Wellness Coordinator	Cavitas	<b>Absent</b>

#### **FLAG SALUTE**

**CORRESPONDENCE** – Chairman Heck opened the meeting and thanked the children that came as part of Take Your Child to Work Day.

#### **APPROVAL OF OPEN FEBRUARY 23, 2023 MINUTES:**

#### **MOTION TO APPROVE OPEN MINUTES OF FEBRUARY 23, 2023:**

<b>MOTION:</b>	Commissioner Meyer
<b>SECOND:</b>	Commissioner Esposito
<b>VOTE:</b>	12 Ayes, 0 Nays, 2 Abstains (Commissioners Shanahan & Sodermeyer)

#### **REPORTS:**

## **EXECUTIVE DIRECTOR'S REPORT**

**Fast Track Financial Reports** as of December 31, 2022, January 2023 & February 2023 - Executive Director reviewed the three fast tracks included in the agenda. He said that at the last meeting, the December 2023 was pulled as it appeared to be incorrect. The calculations were, in fact, correct but there were about 18 months of prescription rebates that were captured in December. This reduced the overall claims number and resulted in a \$1.7 million surplus in that one month. Claims ran normal that month. The Finance Committee had reviewed this and the rebate accrual will have a much shorter lag in the future.

As for the January financials, Executive Director said that the claims were under budget. The Fund earned over \$500,000 and the claims ran about 4% under budget in February, as well. The overall surplus position is \$13.4 million.

**NEW MEMBER - CHATHAM BOROUGH** - Executive Director said that the Operations Committee met and reviewed a new member - Borough of Chatham. The Committee is recommending an offer of membership. The Program Manager will discuss further. Resolution 16-23 ratifies this decision and is in consent.

**GASB 75 REPORTS** - The Fund contracts with an Actuary to provide GASB 75 reports on behalf of its medical members. Please reach out to Jordyn DeLorenzo if your audit requires a full report or update to last year's report. During its 'busy' season, reports can take up to 4 weeks to turn around.

**2023 MEL, MR HIF & NJCE JIF Educational Seminar:** The 12th annual seminar will be conducted virtually on 2 half-day sessions: Friday April 21<sup>st</sup> (completed) and Friday April 28th from 9AM to 12PM.

The seminar qualifies for Continuing Educational Credits including CFO/CMFO, Public Works, Clerks, Insurance Producers and Purchasing Agents. There is no fee for employees, insurance producers, as well as personnel who work for services companies associated with the Municipal Excess Liability Joint Insurance Fund (MEL JIF), Municipal Reinsurance Health Insurance Fund (MR HIF) and New Jersey Counties Excess Joint Insurance Fund (NJCE JIF). We are in the process of preparing to distribute this notice to all members and risk managers.

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

**INDEMNITY AND TRUST AGREEMENTS** - PERMA sent Indemnity and Trust Agreements and Resolutions to be adopted by the governing bodies to renew membership with the Fund for an additional 3 years. Below is a list of members who have renewing agreements that were due by December 31, 2022, and older. Please reach out to [jdelorenzo@permainc.com](mailto:jdelorenzo@permainc.com) for a blank form to be executed. The list was last updated on February 17, 2023. Ms. Koval said that Randolph did return its Indemnity and Trust since this was published.

MEMBER	I&T END DATE
TOWNSHIP OF ROXBURY	12/31/2022
TOWNSHIP OF RANDOLPH	12/31/2022
BOROUGH OF PROSPECT PARK	12/31/2022

**CLAIMS COMMITTEE** – Executive Director said the Claims Committee met earlier this month to discuss a few pre-litigation matters. The Fund Attorney will be addressing during his report. No action will be requested.

## **CONTRACTS COMMITTEE**

Executive Director said the Contracts Committee will be meeting prior to the Executive Committee meeting to discuss Competitive Contracting and the Sleep Study Contract.

### **1. Competitive Contracting**

The MRHIF hired a QPA to handle the contract procurements for the Funds across the State. It is his recommendation to change the Fund's process to Competitive Contracting under the Local public contract laws. The MRHIF will release these services under a shared service agreement through Resolution 17-23.

The Fund does not have any RFPs to release at this time but would like to have the appropriate resolutions moved for when the Fund is in need. Executive Director said the Committee liked the idea of Competitive Contracting allowing for contracts to be at least 3 years.

Resolution 18-23 allows for the competitive contracting and releases the RFPs for the positions listed above. Resolution 19-23 allows for our QPA to use E-bidding.

### **2. Sleep Study Contract (Resolution 20-23) – Executive Director said this wellness contract was also reviewed and being ratified in consent.**

Chair Heck said that it is important that all members are aware of the Committee discussions and are highly involved. He said he is in the process of developing a flow chart from the Operations Committee of the application process. This should be presented at the next meeting.

In addition, Chair Heck said that exception for allowing groups under 25 lives to be allowed to apply to the Fund will be discussed. Although this is not a written rule, we may be able to help groups like Madison Housing Authority as long as the Fund is protected. These groups have less options than larger groups and the Fund may be able to help.

Chair Heck reminded all professionals to get reports to PERMA a week before the meeting.

**PRORAM MANAGER REPORT** - Program Manager reviewed the following items from the report included in the agenda:

**TOWN VISITS/MEETINGS/PLAN CHANGE REQUESTS** - Our office frequently works with towns for review of plan options for union negotiations. If anyone is entering union negotiations and needs assistance, please feel free to contact our office directly to discuss.

**ENROLLMENT, ELIGIBILITY, BILLING** - The funds policy is to limit retro corrections, including terminations to 60 days. Please check your monthly invoice for accuracy. If you find a discrepancy, please report it immediately to the NJHIF enrollment Team at [northernnjenrollments@permainc.com](mailto:northernnjenrollments@permainc.com)

*Use of the Benefits Express enrollment system is mandatory.*

**Online Enrollment System Training Schedule – 2023** - PERMA offers virtual training and a refresher class on the online enrollment system the third Wednesday of each month. The session provides an overview of the Fund's enrollment system and shows HR users how to perform tasks in the system. To gain access to the Fund's enrollment system, each HR user must complete a system access form.

Wednesday	May 17th	10:00 am - 11:00 am
Wednesday	June 21st	10:00 am - 11:00 am
Wednesday	July 19th	10:00 am - 11:00 am
Wednesday	August 16th	10:00 am - 11:00 am
Wednesday	September 20th	10:00 am - 11:00 am
Wednesday	October 18th	10:00 am - 11:00 am
Wednesday	November 15th	10:00 am - 11:00 am

Please email Austin Flinn at PERMA to join a training session.

In the subject line of the email, please include ***Training - Fund Name and Client Name***. Please be sure to add the date of the training you would like to attend to your email so an invite can be sent.

**Email:** [aflinn@permainc.com](mailto:aflinn@permainc.com)

**NEW MEMBERS** - The Borough of Madison is now fully implemented with the fund effective 4/1/2023. The Madison Housing Authority and the Town of Boonton are on target for a 5/1/2023 effective date. All member ID cards have been mailed.

Program Manager said that the State did not notify its direct bill retirees about 2 weeks ago and the town was unaware that the retirees were receiving benefits from the State. The Fund had to build a self insured plan until they could enroll in Medicare Advantage within the 60 day window.

### **NEW MEMBER SUBMISSIONS**

**We are requesting EC ratification of approval for the Borough of Chatham.**

**Borough of Chatham**

We received an application from the **Borough of Chatham** who is currently receiving their benefits through the SHBP. They have expressed an interest in becoming a member of the NJMEBF. We will duplicate the plans from the SHBP for which there is current enrollment. They have good claims with a typical 3% margin built in.

**The Operations Committee** on March 9th and approved membership for the Borough of Chatham.

1. **Size – 40 Actives**
2. **Current type of plan(s) – NJ Direct 10; NJ Direct; NJ Direct 1525; NJ Direct 2019; NJ Direct 2030; HD 1500 and Omnia**
3. **Medicare eligible Retirees – Medicare Advantage Plan**
4. **Commitment to JIF philosophy and Active Participation in the Fund – Yes**
5. **Town of Boonton Age/Sex Factor – 1.1863**
6. **Fund Average Age/Sex Factor- 1.2676**
7. **Relativity – 0.9359**

**Resolution 16-23 is in Consent**

**HHS ENDS PUBLIC HEALTH EMERGENCY** – Ms. Gerber said that On April 10, 2023, President Biden signed a resolution ending the COVID-19 national emergency that had been in place since 2020. The Biden administration had previously announced a May 11, 2023, end date to both the national emergency and the public health emergency (PHE), **but the signing of the bipartisan legislation terminates the national emergency as of April 10, 2023.** The PHE is still scheduled to end May 11, 2023.

#### **Impacted Deadlines**

Various employee benefit plan deadlines had been extended by disregarding an “outbreak period” from March 1, 2020, until 60 days after the announced end of the national emergency. Since the national emergency ended on April 10, 2023, **the outbreak period will end on June 9, 2023. Once the outbreak period ends, health plans can return to their nonextended deadlines.** Key deadlines extended during the outbreak period include:

**HIPAA time frames**—The 30-day period (or 60-day period, if applicable), to request special enrollment.

**COBRA time frames**—The period for qualified beneficiaries to elect COBRA coverage and make COBRA premium payments, as well as the date for individuals to notify the plan of a qualifying event or disability determination.

**Claims procedure time frames**—The date to file a benefit claim or an appeal of an adverse benefit determination under the plan’s claims procedure.

**External review process time frames**—The date claimants may request an external review following an adverse or final internal adverse benefit determination.

When the PHE ends, health plans will no longer be required to cover COVID-19 diagnostic tests and related services without cost sharing. Health plans will still be required to cover recommended preventive services, including COVID-19 immunizations, without cost sharing, but this coverage requirement will be limited to in-network providers.

Ms. Gerber said that Resolution 21-23 is in Consent which ends the health emergency on 7/1/2023.

**2023 SPECIALIZED AUDITS** - As approved through an RFP through the Executive Director’s contract, the HIFs has acquired the services of AIM to conduct specialized audits for NJMEBF Fund. AIM will begin to

complete audits for the Mental Health Parity and Addiction Equity Act (MHPAEA) and No Surprises Act (NSA) requirements. Aim will review plan language and Aetna's NQTL analysis performed for the NJMEBF to determine compliance with the MHPAEA.

Aim will review NJMEBF claims to determine if Aetna is adjudicating claims in accordance with the requirements and mandates of the No Surprises Act.

Later in 2023 Aim will review Gene Therapy cost for the NJMEBF Fund, confirming the claims carrier is administering the necessary care management programs specific to Gene Therapy.

### **WELLNESS PROGRAM**

Ms. Vozza said the Wellness Committee met via conference call on March 29th, 2023, to discuss the proposals received from the RFP for the new Wellness component for an onsite sleep screening to include a sleep apnea test, neck measurement and BMI calculations followed up with sleep hygiene education. We received one proposal from Atlantic Health System that matched the services requested and the pricing per person we were targeting and budgeted for.

Commissioner Kaufer said that the new component for 3 towns is the sleep study services. A schedule will be formalized so we can budget appropriately. She also reviewed the wellness policy allowing new members to join and how it would be impactful to the budget.

In response to Ms. Lantau, Ms. Vozza said that the timing and calendar change will not impact current members, it is only for new members that come in mid year. In response to Ms. Grant, Ms. Vozza said that if a new town entered the Fund in 2024, the sleep study would be in year 3, or 2026. There would be no need to have training on it now.

Ms. Vozza said that the RFP was sent to St. Joseph's, Hackensack Meridian and Valley Hospital.

The Wellness program added a dental component in 2020. We are pleased to report that our 2022 Dental Action report shows our healthy members are 3% above peers and our no visit is 3% below peers. We anticipate these numbers to keep improving as routine cleanings and exams get back on track after the COVID office closings 2020-21. We will continue to monitor the year-over-year progress as our wellness participation increases. We encourage all members to visit their dentist regularly for routine checkups.

Researchers report that periodontal (gum) disease caused by poor oral hygiene can not only result in pain and tooth loss, but it also can lead to heart disease and stroke. People with gum disease have nearly double the risk for heart disease as those with healthy gums, according to the American Academy of Periodontology. Gum infection also is more prevalent in people who suffer a certain type of stroke. Bacteria from infected gums may enter the blood and attach to fatty plaque in the heart's blood vessels. Or the inflammation from gum disease may increase plaque buildup.

In heart disease, fatty proteins build up and thicken the walls of the arteries and can lead to restricted blood flow. This may then lead to a heart attack or stroke. "Gum Disease and Heart Disease." American Academy of Periodontology. [http://www.perio.org/consumer/heart\\_disease](http://www.perio.org/consumer/heart_disease)

May is mental health awareness month, 1 in 5 Americans experience mental illness each year, please see the attached May Newsletter for tips on boosting your mental health.

## **Resolution 20-23 is in Consent**

### **EXPRESS – SCRIPTS**

Express – Scripts has issued their Formulary Changes for 7/1/2023. Copies of the new formulary and formulary exclusion list is being distributed with the agenda for your reference.

Flovent HFA for the treatment of Asthma will no longer be covered. Ms. Gerber said that there are 18 members impacted by this change. Express-Scripts will notify each member prior to the formulary change to discuss alternate medications.

**TREASURER:** Mr. Soccio reviewed the bills list for the months of March and April 2023.

**AETNA:** Mr. Silverstein reviewed the claims report for the months of January and February 2023. He said that there are no more COVID reports, but will continue to include the dashboard.

**EXPRESS SCRIPTS:** Mr. Yuk reviewed the February 2023 report included in the agenda.

**DELTA DENTAL:** Mr. Remlinger reviewed the reports included in the agenda. He reviewed the impact of the no visits category to the financials of the Fund. Program Manager said he reviewed these reports in other Funds and NJHIF had the least No Visits. This could be a category to review for the Wellness Program.

**ATTORNEY:** Fund Attorney stated that there are a few pre-litigation claims that were reviewed by the claims committee but none are ready for a decision.

**CONSENT AGENDA:**

**MOTION TO APPROVE CONSENT AGENDA:**

Resolution 16-23: Offer New Membership  
Resolution 17-23: MRHIF Shared Services QPA  
Resolution 18-23: Competitive Contracting  
Resolution 19-23: Use of E-Procurement  
Resolution 20-23: Wellness Sleep Screening Contract  
Resolution 21-23: Contract Amendment after PHE Termination  
Resolution 22-23: Approval of the February, March and April 2023 and Bills List

Mr. Brewer asked that Resolution 17-23 include "Sean Canning, QPA" in the body of the resolution

**MOTION TO APPROVE CONSENT AGENDA, AS AMENDED**

<b>MOTION:</b>	Commissioner Meyer
<b>SECOND:</b>	Commissioner Brewer



**VOTE:**

14 Ayes, 0 Nays

**OLD BUSINESS:** None.

**NEW BUSINESS:** Ms. Landtau said she completed the sleep study part of the wellness program and if she hadn't had it through the NJHFI, she would have never had done it.

**PUBLIC COMMENT:** None.

Chair Heck said there is a small group meeting after this meeting and brokers are welcome to attend.

**EXECUTIVE SESSION:**

**MOTION TO ADJOURN:**

**MOTION:**

Commissioner T. Russo

**SECOND:**

Commissioner Poff

**VOTE:**

All in Favor

**MEETING ADJOURNED AT: 10:33 am**

**NEXT MEETING: June 22, 2023, 9:30 am  
RANDOLPH MUNICIPAL BUILDING**

---

Emily Koval  
For

---

**Tom Russo, Secretary**

**Date Prepared: 6/12/2023**

# APPENDIX II

## **NJMEBF Claims Committee Meeting**

**May 16, 2023 – 9:30am**

**Zoom**

Silvio Esposito, Executive Committee Member

Barbara Russo, Executive Committee Member

Perry Mayers, Fund Commissioner

Ed Pasternak, Fund Attorney

Dave Vozza, The Vozza Agency

Randi Gerber, The Vozza Agency

Jordyn DeLorenzo, PERMA

Fund Attorney brought the Committee together to discuss a Settlement Recommendation for Pre-Litigation Demands. There is an individual that received an emergency surgery and was treated through the Emergency room. In the ER, no plan language is necessary. Unlike where surgeries are planned under an Out of Network (“OON”) analysis purposely. The On call surgeon charged \$54,921 for his services and the patients plan paid \$11,799. The demand seeks an additional \$36,895 for the services rendered. He stated that it is our recommendation that the Fund attempt to settle this matter for some portion of the pre-litigation demand, but for no more than \$26,000.00. He stated that this surgery was medically necessary and in response to an emergency medical condition. With that being said, he was unable to seek in-network physicians and patients are unable to make that decision on only getting an in-network doctor.

Mrs. Gerber added that this should no longer be an issue going forward due to the No Surprises Act. The Claims Committee agreed to continue with the Attorney’s Recommendation.

## **NJHIF Operations Committee**

**June 1, 2023**

**Zoom**

### **Attendees:**

Adam Brewer, Pequannock, Committee Chair

Scott Heck, Ringwood, Fund Chair

Carrine Kauffer, Executive Committee

Dave Voza, Program Manager

Mr. Voza opened the meeting with the list of the groups that have been reviewed and their status. He said that Denville is one group that is in discussion.

He said that he talked to the Sussex County League of Municipalities that went very well. There many groups that are under 25 that he said he'd come back to the Fund to discuss. He reviewed the groups that look good that are under 25.

Mr. Voza included the status of new member growth. He said there is about \$13 million in surplus, which still brings in over 4 months of surplus. Over 24% growth overall. Annualized in the second year is about 13%.

Mr. Lodics said that the Fund is in a very good position. Are we in a good position to add more lives, in particular smaller members. We expect the new members to come in and use surplus but then begin to see surplus gain. He said the question is do we take the opportunity now since the State position. Growth is good, when underwritten properly. Mr. Voza said it is important to have a higher level of surplus, the actuary may be more conservative and your not in a panic mode. For Funds with not a lot of surplus is connected to the level premium increases.

Mr. Brewer said he would much rather have surplus and avoid supplemental assessments. Mr. Lodics said there are no other Funds with a strict rule about the 25 life minimum. He said we are not sure how much is worth the premium. There can be a lot of administrative burden for a small group. He said that building one plan for a small amount of people can be a lift and can be as much as a larger group. Ms. Koval said the smaller groups only have the option of the State and Funds were designed to

Mr. Heck said that if we want to set parameters, that is fine. Larger groups may require more servicing. Mr. Heck suggested the goal is to keep our new member growth and keep within a range. Mr. Voza reviewed the territory of the Fund being about being over Route 78.

Mr. Brewer said it doesn't really matter the size if the group has good experience, it is good. He said he is ok with disregarding the guild line as long as there is a additional cushion. Mr. Lodics said groups under 25 could include 8-10% margin, instead of 5%, or set range.

PERMA will develop a sliding scale of margin with the underwriting and come back to the committee.

Mr. Lodics reviewed the flow chart that was developed. The idea is to keep the Committee continuously in the loop. After each phase, the Committee will be notified. He reviewed each step of the process and whom is responsible. Mr. Vozza recommended one change to advise the operations committee prior to releasing any quote to a broker.

Mr. Heck said that he believes the Attorney should be involved, especially if there are special exceptions. IN response to mr. Brewer, Mr. Vozza said that small groups like Housing Authorities and libraries can be included with the underwriting of the town and would leave if the town left. We must set up separate if there differing tax IDs. Mr. Heck suggested that the tax id set up be included on the application.

Mr. Vozza asked the Committee how they felt about FSA arrangements that was brought up at the last meeting. The Committee said they would be against offering this at the Fund level and it should be for the individual.

## **NJMEBF Finance Committee Meeting**

**June 13, 2023 – Zoom**

**2:00pm**

Tom Russo, Netwon - Chair

Adam Brewer, Pequannock

Scott Heck , Ringwood

Mike Soccio, Fund Treasurer

Dave Voza, The Voza Agency

Bud Jones, Nisivoccia

Matt Sylvester, Nisivoccia

Brandon Lodics, PERMA

Emily Koval, PERMA

Jordyn DeLorenzo, PERMA

Mr. Bud Jones from Nisivoccia reviewed the 2022 NJMEBF Audit. He reviewed the Statement of Revenue Expenses and Changes in Net Position that was distributed to the committee. He stated that the Fund is in good financial position with a net position ending December 31, 2022 of a little over \$13 Million. He noted that this has been lower than the previous year. He said his only comment would be that over the past few years, the net position has lowered.

Mr. Brewer asked about the decreased net position and the growth of the fund, and if there is a specific target that the Fund should put a cap on the dividend distribution.

Mr. Lodics stated that in past practices, the Fund will start the dividend declaration conversation when surplus is over 2.5 months worth of claims. He stated that he believes the Fund would remain solvent with holding those months worths of claims. Mrs. Koval stated that the risk management plan stated that 2.5-5 months of surplus is when we can declare a dividend but once the Fund hits over 5 months worth of claims in surplus, half of the surplus in excess of 5 months is to be released. But, in 2022, more than half of the available surplus was released.

Mr. Voza stated that the Finance Committee is always reviewing the surplus and keeping an eye on it. Mr. Heck stated that now that we are growing and numbers in surplus are fluctuating, it would be a good idea to bring that topic of conversation up more often.

Mr. Russo stated that we are always conscience about managing the dividends in the finance committee, but there was also a need in light of COVID for available funds for the members. Although,

the management at the local level had to consider how to release this surplus to the employees that contribute. He said it is a delicate balance.

Ms. Koval stated that the Audit and Affidavit will be included in this months agenda.

Mrs. Koval stated that there was a marketing conversation with the brokers in April. The request was to bring the marketing consultant at the MRHIF level to listen to the needs of the Commissioners on how to market the local Fund to the employees. The reason that she brought it up at this Committee is there may be a cost. She said she is listing the needs of the Committee that was understood at that meeting and will get a cost from the Consultant. Mr. Russo suggested some marketing concepts to bring the carrier logos with the Fund and provide to the employees.

# **APPENDIX III**



## North Jersey HIF – New Member Consideration Process

### Prospect Request for Consideration:

1. Prospect/ Risk Manager submits submission request to Program Manager
2. Program Manager reviews for completeness and accuracy.
3. Program Manager advises Operations Committee of new opportunity
4. Preliminary review of loss experience and if claims high DTQ
5. Program Manager develops HIF Underwriting Workbook and submits to Executive Director
6. Program Manager advises Operations Committee of prospect review outcome (decline to quote or proceed to proposal development)

### Proposal Development and Delivery

1. Chief HIF Underwriter develops prospect proposal or declination utilizing actuarially approved trend and margins
2. Executive Director submits proposal development to Actuary for review and Certification
3. Actuary reviews and certifies or suggests adjustments
4. Executive Director's office develops rates based on Actuarially Certified premium requirement
5. Workbook with certified rates sent back to Program Manager for HIF and results discussed sales or prospective member
6. Program Manager presents proposal summary to Operations Committee for approval prospect delivery
7. Proposal presents and reviews approved proposal to prospect/prospect broker for considerations

### HIF Review and Approval

1. If preliminary indication looks good prospective member is presented to Operations Committee by the Program Manager for review and consideration
2. The recommendation of the Operations Committee is presented to the Fund Executive Committee for final determination or ratification if previously authorized
3. If approved for membership, formal offer of membership presented and entities must pass a resolution to join and indemnity and trust and complete the Fund membership agreement to officially join.

\* Should the need arise the Fund Attorney may be consulted at any point in the process