

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND



JANUARY 22, 2026
RANDOLPH TOWNSHIP HALL
9:30 AM
AGENDA AND REPORTS

Meeting Location: Township of Randolph Municipal Building

502 Millbrook Ave.
Randolph, NJ 07869
Tel: 973.989.7100
Fax: 973.989.7096

STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETINGS ACT

NOTICE OF THIS MEETING WAS GIVEN BY (1) SENDING SUFFICIENT NOTICE HEREWITH TO THE STAR LEDGER AND THE RECORD (2) FILING ADVANCE WRITTEN NOTICE OF THIS MEETING WITH THE CLERK/ADMINISTRATOR OF EACH MEMBER MUNICIPALITY AND (3) POSTING A COPY OF THE MEETING NOTICE ON THE PUBLIC BULLETIN BOARD OF ALL MEMBER MUNICIPALITIES.

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
 AGENDA MEETING: JANUARY 22, 2026
 RANDOLPH TOWNSHIP HALL
 9:30 AM**

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

FLAG SALUTE

Chairs vacated – Chair asks Executive Director to run meeting

MEETING OF FUND COMMISSIONERS CALLED TO ORDER

ROLL CALL OF FUND COMMISSIONERS

2025 Executive Committee	
Thomas S. Russo, Jr., Chair	Town of Newton
Carrine Piccolo- Kaufer, Secretary	Township of Hardyston
Barbara Russo, Executive Committee	Township of Berkeley Heights
Tammy Smith, Executive Committee	Knowlton BOE
Greg Poff, Executive Committee	Randolph Township
Scott Heck, Executive Committee	Borough of Ringwood
Executive Committee Alternates	
Dina Valente - Stoel	Borough of Lincoln Park
Mike Sondermeyer	Borough of Bloomingdale
Deb Millikin	Township of Jefferson
OPEN	
2026 Fund Commissioners & Alternate	
Jennifer Dodd, Alternate	Town of Newton
Dana Vitz, Alternate	Township of Hardyston
Deborah Bonanno, Alternate	Randolph Township
Perry Mayers, Alternate	Borough of Lincoln Park
Jasmin Azcona, Alternate	Township of Bloomingdale
William Egan, Alternate	Township of Jefferson
Karen Fornaro	Borough of Chatham
Stephen Williams, Alternate	Borough of Chatham
Craig Ambrosio	Borough of Kinnelon
James Freda, Alternate	Borough of Kinnelon
James Burnett	Borough of Madison
Sandra Emmerich, Alternate	Borough of Madison
Katie Yanke	Borough of Montville
Ralph Blakeslee	Borough of Netcong

Richard Proctor	Borough of Netcong
David Young	Borough of Wharton
Cheryl Muzzilo	Borough of Wharton
Samuel Yodice	Borough of Woodland Park
Sandra Olivola	Borough of Woodland Park
	Madison Housing Authority
Joyce Bushman	Mendham Borough
Erick Mesias, Alternate	Mendham Borough
Claudia Quinn	Mount Olive
Andrew Tatarenko, Alternate	Mount Olive
Mitchell Stern	Mountain Lakes
Shawn Bennett, Alternate	Mountain Lakes
Patricia Bussow	Township of Andover
Lorraine England	Township of Andover
Meghan Lynch	Town of Boonton
Neil Henry	Town of Boonton
Joe Sabatini	Township of Byram
Ashleigh Frueholz, Alternate	Township of Byram
Victoria Dobrusin	Township of Dover
Edward Rameraz, Alternate	Township of Dover
Silvio Esposito	Township of Hanover
Andrew Fiore	Township of Harding
Julie McIver	Township of Pequannock
Adam Brewer, Alternate	Township of Pequannock
	Township of Prospect Park
J.J. Murphy	Township of Roxbury
Valarie Wyble, Alternate	Township of Roxbury
James Zepp	Township of Sparta
Michele Lantau, Alternate	Township of Sparta
Tina Kraus	Township of Vernon
Keith Curry	Township of Vernon
Michael Restel	Township of Wantage
Nancy VanHorn, Alternate	Township of Wantage
Michele Dale	Township of West Milford
Cathy Shanahan, Alternate	Township of West Milford

ELECTION OF 2026 OFFICERS, EXECUTIVE COMMITTEE, & ALTERNATES

Executive Director asks for nominations. Attorney swears in Officers and Executive Committee. Oath is located in Appendix IV.

2026 HOUSEKEEPING ITEMS

- 1. **Voting Option** - the bylaws are vague regarding the powers granted to the Executive Committee. Historically, all Fund Commissioners have been permitted to vote. However, the Fund may choose to limit voting authority to the Executive Committee.
- 2. **Virtual Option** - a virtual meeting option has been requested. If the Fund moves forward with this option, parameters and next steps will need to be identified.

MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER

ROLL CALL OF 2026 EXECUTIVE COMMITTEE

APPROVAL OF MINUTES: *October 23, 2025 & December 8, 2025, Open Appendix I*

CORRESPONDENCE - Department of Banking and Insurance (DOBI)
Questionnaire and Response Appendix II

MONTHLY COMMITTEE REPORTS:

CLAIMS COMMITTEE - Thomas S. Russo Jr.

CONTRACTS COMMITTEE - Tammy Smith, Chair

FINANCE COMMITTEE - Thomas S. Russo Jr., Chair

OPERATIONS COMMITTEE - Scott Heck, Chair

WELLNESS COMMITTEE - Carinne Piccolo-Kaufer, Chair
December 19, 2025, Meeting Appendix III

FUND DOCUMENT REVIEW COMMITTEE - Thomas S. Russo, Jr., Chair

REPORTS:

EXECUTIVE DIRECTOR - (PERMA)
Monthly Report.....**Page 6**

PROGRAM MANAGER - (Conner Strong & Buckelew)
Monthly Report.....**Page 17**

TREASURER - (Michael Soccio)
November 2025, December 2025, and January 2026 Voucher List.....**Page 20**
Confirmation of Claims Paid/Certification of Transfers

ATTORNEY - (Dorsey & Semrau - Fred Semrau)
Monthly Report

NETWORK & THIRD-PARTY ADMINISTRATOR - (Aetna – Jason Silverstein)
Monthly Report.....Page 29

PRESCRIPTION ADMINISTRATOR - (Express Scripts-Charles Yuk)
Monthly ReportPage 33

DENTAL ADMINISTRATOR - (Delta Dental)
No Report

CONSENT AGENDA Page 37

- Resolution 26-1: Appointment of Professional and ContractorsPage 38
- Resolution 26-2: Compensating Producers.....Page 42
- Resolution 26-3: Designation of Service of Process.....Page 44
- Resolution 26-4: Designation of Secretary as Custodian of RecordsPage 45
- Resolution 26-5: Designation of Official Newspaper.....Page 46
- Resolution 26-6: Designation of Regular Meeting Times and PlacePage 47
- Resolution 26-7: Designation of Bank Depositories & CMPPage 48
- Resolution 26-8: Designation of Authorized SignatoriesPage 53
- Resolution 26-9: TD Wealth Management Account SignatoriesPage 54
- Resolution 26-10: Approval of Risk Management PlanPage 55
- Resolution 26-11: Appointment of MRHIF Fund Commissioners.....Page 65
- Resolution 26-12: Authorizing Treasurer to Process Contracted
Payments and Expenses.....Page 66
- Resolution 26-13: November 2025, December 2025, and
January 2026 Bills ListPage 67

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT - *Motion to Open*
Motion to Close

MEETING ADJOURNED

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
EXECUTIVE DIRECTOR'S REPORT
JANUARY 22, 2026**

FINANCE

PRO FORMA REPORTS

- **Fast Track Financial Report** – as of November 30, 2025 (page 11)

OPERATIONS

2026 REORGANIZATION

The Reorganization resolutions are included in the consent agenda for approval. Please note the following:

Resolution 26-1 awards the 2026 contracts, all of which are consistent with the approved Requests for Proposals (RFPs) and the budget adopted last year. This resolution will be advertised in accordance with Public Contract Law.

Resolution 26-2 adopts the Producer fees for each entity. Producer commissions will be paid directly to the firm through the Fund. Each entity's rates reflect its arrangement only. All Risk Managers please submit the entity resolution appointing your contract to PERMA.

Resolution 26-3 designates PERMA as the agent for the Fund to process of service.

Resolution 26-4 designates the elected Secretary as the Custodian of Fund Records. All records are retained at the Administrator's office and handle all OPRA request on behalf of the Secretary.

Resolution 26-5 designates The Star Ledger and The Record as the Official Fund Newspaper. As of March 1, 2026, all advertisements and legal notices will be available online at www.northjerseyhif.com and the Secretary of State's public notice webpage.

Resolution 26-6 sets meeting dates and times which will be posted on each entity's public bulletin board.

Resolution 26-7 sets for the Cash Management Plan and bank depositories for 2026. The Cash Management Plan is a standard banking and investment policy and procedure that is used in other Joint Insurance Funds administered by PERMA.

Revisions have been made to the Cash Management Plan setting a billing policy, inclusive of the interest penalty process. This plan has been reviewed by the Fund Treasurer and the Finance Committee.

Resolution 26-8 designates authorized signatories for Fund bank accounts.

Resolution 26-9 designates authorized signatories for TD Wealth Management account.

Resolution 26-10 is the 2026 Risk Management Plan which outlines the Fund’s stop loss limits, underwriting procedures, claim appeal processes, etc.

The revisions include clarification for the following sections:

- Methods of assessing contributions to members
- Initial and renewal rating methodologies
- Plan documentation information

The revisions include the following additions:

- Enrollment audits
- Qualifying and clinical plan management
- Out of Network fee schedule

Resolution 26-11 appoints the Fund Commissioner and Alternative Fund Commissioner to the MRHIF. Current MRHIF representatives are Tammy Smith and Thomas S. Russo, Jr.

Resolution 26-12 authorizes the Treasurer to pay contract fees and expenses during the months that the Fund does not meet, contingent upon ratification at the next meeting.

2026 SUBCOMMITTEES:

Listed below are the currently established subcommittees. Fund Commissioners interested in serving on any of the subcommittees, please contact Cait Perkins at cperkins@permainc.com.

Operations Committee

Scott Heck, Chair
Barbara Russo
Carrine Piccolo-Kaufer

Wellness Committee

Carinne Piccolo-Kaufer, Chair
Mike Sondermeyer
Greg Poff

Claims Committee

Thomas S. Russo, Jr., Chair
Barbara Russo
Jim Zepp

Contracts Committee

Tammy Smith, Chair
Perry Mayers
Greg Poff

Finance Committee

Thomas S. Russo, Jr., Chair
Scott Heck
Deb Millikin
Mike Soccio

Fund Document Review Committee

Thomas S. Russo, Jr., Chair
Carrine Kaufer
Scott Heck
Adam Brewer
Karen Fornaro

Motion to approve above subcommittees for Fund Year 2026.

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND - MEETING REPORT

The MRHIF met on December 10. Its major action item was to adopt its 2026 Budget as it was introduced in September.

The Express Scripts contract through the Level Pharmacy Coalition was extended for one final year due to the inability to issue a formal RFP. The Fund expects to begin that process in early spring for 2027.

The Commissioners were also provided an update on the Audit of Express Scripts claims from 2024 which should be starting shortly.

2026 BILLING UPDATES

1. **Direct Bills:** In July, WEX implemented changes to its direct bill service platform, and all direct-billed members were notified of these updates. The historical process previously used by WEX to generate files is no longer viable, requiring the development of a custom query. Once renewal information is provided, there is an estimated 20–30 business day processing period before updated coupons can be issued.

Members who are direct billed are encouraged to continue paying their 2025 rates at this time. We will provide a more definitive timeline as additional updates are received from WEX.

2. **Billing Invoices:** A new process has been implemented to send monthly billing invoices. Instead of being sent via email, invoices will now be provided through a secure OneDrive link. You will receive a separate email containing an authentication password to access the file; please note that this message may be directed to your spam or junk folder.

NEW JERSEY HEALTH INSURANCE FUND MARKETING UPDATE

PERMA is pleased to unveil a new and refreshed online branding and marketing landing page for the NJ Health Insurance Funds, where our firm is privileged to serve as the appointed Executive Director. This replaces the Hi Fund website, providing an easy to navigate gateway to your Health Insurance Fund.

This new rebrand reflects PERMA’s excitement and optimism for the future, showing our commitment to the on-going mission of delivering high value, affordable, and stable health benefit solutions.

PERMA, LLC NOTICE AND DISCLOSURE

Pursuant to N.J.A.C Title 11, Chapter 15, Subchapter 5, PERMA, LLC (“PERMA”), as administrator of the North Jersey Municipal Employee Benefits 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.

2026 PERMA MANAGEMENT TEAM UPDATES

As we continue to prepare for the future, the Executive Director’s office must continue to adapt and operate and maximum productivity. As of January 1, 2026, Mr. Brandon Lodics transitioned into the role overseeing the financial strategy and performance of the Funds while also focusing on new

products and services that can be implemented. Mr. Jim Rhodes has transitioned into the Executive Director, who will oversee day-to-day management, regulatory, and governance.

We are excited as this update to the Executive Director’s office will allow us to continue to operate at maximum capacity, focusing on financial management and governance while being mindful of the complexities of the business.

GASB 75 REPORTING

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

REQUIRED FUND DOCUMENTATION TRACKING LIST

PERMA requires updated Indemnity and Trust (I&T) Agreements and accompanying resolutions to be adopted by each governing body every three years in order to renew membership with the Fund. In addition, as a best practice, PERMA tracks each member group’s Broker of Record (BOR) letters that designate their servicing broker(s).

Outlined below is the current status as of January 15, 2026. Please submit all completed I&T Agreements and BOR Resolutions to HIFadmin@permainc.com.

Entity	I&T End Date	BOR ON FILE
Andover Township	12/31/2025	YES
Berkeley Heights	12/31/2026	YES
Bloomington	12/31/2025	YES
Boonton	12/31/2025	Requested
Byram	12/31/2027	YES
Chatham	12/31/2025	Requested
Dover	12/31/2025	YES
Hanover	12/31/2026	YES
Harding Township	Requested	YES
Hardyston	12/31/2025	YES
Jefferson	12/31/2025	YES
Kinnelon	12/31/2025	Requested
Knowlton BOE	12/31/2026	YES
Lincoln Park	12/31/2026	YES
Madison	12/31/2025	YES
Madison Housing Authority	12/31/2025	YES
Montville	12/31/2025	YES
Mountain Lakes	12/31/2025	YES
Mt Olive	12/31/2026	Requested
Netcong	12/31/2026	YES

Newton	12/31/2026	YES
Pequannock	12/31/2025	YES
Prospect Park	12/31/2025	Requested
Randolph	12/31/2028	Requested
Ringwood	12/31/2025	Requested
Roxbury	12/31/2025	YES
Sparta	12/31/2027	YES
Vernon	12/31/2025	Requested
Wantage	12/31/2026	YES
West Milford	12/31/2025	Requested
Wharton	12/31/2026	YES
Woodland Park	12/31/2025	Requested

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND

FINANCIAL FAST TRACK REPORT

		AS OF			November 30, 2025	
		THIS	YTD	PRIOR	FUND	
		MONTH	CHANGE	YEAR END	BALANCE	
1.	UNDERWRITING INCOME	6,262,368	68,567,008	904,107,444	972,674,452	
2.	CLAIM EXPENSES					
	Paid Claims	5,851,000	64,648,187	757,428,998	822,077,185	
	IBNR	6,169	1,303,334	5,391,675	6,695,009	
	Less Specific Excess	(170,487)	(669,934)	(21,890,106)	(22,560,040)	
	Less Aggregate Excess	-	-	-	-	
	TOTAL CLAIMS	5,686,682	65,281,587	740,930,567	806,212,154	
3.	EXPENSES					
	MA & HMO Premiums	406,838	4,384,004	29,832,098	34,216,102	
	Excess Premiums	384,290	4,182,441	39,310,567	43,493,008	
	Administrative	246,055	2,835,518	58,909,172	61,744,690	
	TOTAL EXPENSES	1,037,183	11,401,963	128,051,837	139,453,800	
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)	(461,496)	(8,116,542)	35,125,040	27,008,498	
5.	INVESTMENT INCOME	18,325	282,988	6,076,848	6,359,836	
6.	DIVIDEND INCOME	-	777,532	6,212,250	6,989,782	
7.	STATUTORY PROFIT/(LOSS) (4+5+6)	(443,172)	(7,056,022)	47,414,138	40,358,116	
8.	DIVIDEND	-	-	42,501,592	42,501,592	
9.	Transferred Surplus IN	-	-	-	-	
10.	Transferred Surplus OUT	-	-	-	-	
STATUTORY SURPLUS (7-8+9)		(443,172)	(7,056,022)	4,912,546	(2,143,476)	
SURPLUS (DEFICITS) BY FUND YEAR						
	Closed	Surplus	36,092	317,916	9,463,435	9,781,351
		Cash	16,196	(322,256)	11,641,990	11,319,734
	2024	Surplus	46,216	(2,465,087)	(4,550,891)	(7,015,978)
		Cash	(25,340)	(5,933,023)	(1,484,861)	(7,417,884)
	2025	Surplus	(525,480)	(4,908,850)		(4,908,850)
		Cash	391,388	932,097		932,097
TOTAL SURPLUS (DEFICITS)			(443,172)	(7,056,022)	4,912,544	(2,143,478)
TOTAL CASH			382,245	(5,323,181)	10,157,129	4,833,948
CLAIM ANALYSIS BY FUND YEAR						
TOTAL CLOSED YEAR CLAIMS			(21,410)	677,332	683,333,761	684,011,093
FUND YEAR 2024						
	Paid Claims	164,985	8,547,558	52,453,922	61,001,480	
	IBNR	(40,437)	(5,359,326)	5,391,675	32,349	
	Less Specific Excess	(170,487)	(669,934)	(248,789)	(918,723)	
	Less Aggregate Excess	-	-	-	-	
	TOTAL FY 2024 CLAIMS	(45,940)	2,518,298	57,596,808	60,115,106	
FUND YEAR 2025						
	Paid Claims	5,707,426	55,423,298		55,423,298	
	IBNR	46,606	6,662,660		6,662,660	
	Less Specific Excess	-	-		-	
	Less Aggregate Excess	-	-		-	
	TOTAL FY 2025 CLAIMS	5,754,032	62,085,958		62,085,958	
COMBINED TOTAL CLAIMS		5,686,682	65,281,587	740,930,569	806,212,156	

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.

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND												
RATIOS												
INDICES	2024	FY2025										
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV
Cash Position	10,157,130	\$ 8,492,235	\$ 9,125,835	\$ 9,986,769	\$ 8,529,906	\$ 8,164,796	\$ 7,015,582	\$ 7,326,809	\$ 7,015,860	\$ 5,400,233	\$ 4,451,703	\$ 4,833,948
IBNR	5,391,675	\$ 5,803,386	\$ 6,158,683	\$ 6,401,230	\$ 6,505,632	\$ 6,563,600	\$ 6,645,074	\$ 6,690,030	\$ 6,681,286	\$ 6,679,672	\$ 6,688,840	\$ 6,695,009
Assets	13,023,401	\$ 13,136,548	\$ 12,738,269	\$ 13,057,567	\$ 12,151,515	\$ 11,083,019	\$ 10,095,765	\$ 10,173,647	\$ 9,325,828	\$ 7,535,969	\$ 6,681,458	\$ 6,239,972
Liabilities	8,110,857	\$ 8,328,137	\$ 8,657,194	\$ 8,900,287	\$ 8,985,103	\$ 9,029,265	\$ 9,079,971	\$ 9,125,160	\$ 8,867,363	\$ 8,617,680	\$ 8,381,764	\$ 8,383,450
Surplus	4,912,544	\$ 4,808,411	\$ 4,081,075	\$ 4,157,280	\$ 3,166,412	\$ 2,053,754	\$ 1,015,793	\$ 1,048,487	\$ 458,465	\$ (1,081,711)	\$ (1,700,306)	\$ (2,143,478)
Claims Paid -- Month	5,111,699	\$ 4,985,739	\$ 5,515,379	\$ 5,088,501	\$ 6,211,272	\$ 6,111,771	\$ 6,180,213	\$ 5,970,794	\$ 5,941,694	\$ 6,893,425	\$ 5,910,078	\$ 5,851,000
Claims Budget -- Month	4,451,674	\$ 5,120,906	\$ 5,145,574	\$ 5,144,382	\$ 5,136,523	\$ 5,141,643	\$ 5,189,458	\$ 5,198,535	\$ 5,188,119	\$ 5,184,962	\$ 5,189,623	\$ 5,194,501
Claims Paid -- YTD	58,619,830	\$ 4,985,739	\$ 10,501,117	\$ 15,589,619	\$ 21,800,891	\$ 27,912,662	\$ 34,092,875	\$ 40,063,669	\$ 46,005,363	\$ 52,898,787	\$ 58,808,865	\$ 64,659,865
Claims Budget -- YTD	52,838,030	\$ 5,120,906	\$ 10,266,480	\$ 15,408,757	\$ 20,545,279	\$ 25,680,067	\$ 31,020,040	\$ 36,208,344	\$ 41,397,079	\$ 46,582,041	\$ 51,771,664	\$ 56,966,165
RATIOS												
Cash Position to Claims Paid	1.99	1.70	1.65	1.96	1.37	1.34	1.14	1.23	1.18	0.78	0.75	0.83
Claims Paid to Claims Budget -- Month	1.15	0.97	1.07	0.99	1.21	1.19	1.19	1.15	1.15	1.33	1.14	1.13
Claims Paid to Claims Budget -- YTD	1.11	0.97	1.00	1.0	1.1	1.1	1.1	1.11	1.11	1.14	1.14	1.14
Cash Position to IBNR	1.88	1.46	1.48	1.56	1.31	1.24	1.06	1.10	1.05	0.81	0.67	0.72
Assets to Liabilities	1.61	1.58	1.47	1.47	1.35	1.23	1.11	1.11	1.05	0.87	0.8	0.74
Surplus as Months of Claims	1.10	0.94	0.79	0.81	0.62	0.4	0.2	0.20	0.09	-0.21	-0.33	-0.41
IBNR to Claims Budget -- Month	1.21	1.13	1.20	1.24	1.27	1.28	1.28	1.29	1.29	1.29	1.29	1.29

North Jersey Municipal Employee Benefits Fund
CONSOLIDATED BALANCE SHEET

AS OF NOVEMBER 30, 2025

BY FUND YEAR

	NJMEB 2025	NJMEB 2024	CLOSED YEAR	FUND BALANCE
ASSETS				
Cash & Cash Equivalents	932,097	(7,417,884)	11,319,734	4,833,948
Assessments Receivable (Prepaid)	408,024	745	(5,028)	403,741
Interest Receivable	1,814	(1,513)	2,974	3,275
Specific Excess Receivable	-	295,690	0	295,690
Aggregate Excess Receivable	-	-	-	-
Dividend Receivable	-	-	-	-
Prepaid Admin Fees	1,083	-	-	1,083
Other Assets	562,901	139,333	-	702,235
Total Assets	1,905,920	(6,983,629)	11,317,681	6,239,972
LIABILITIES				
Accounts Payable	-	(0)	59,071	59,071
IBNR Reserve	6,662,660	32,349	-	6,695,009
A4 Retiree Surcharge	-	-	-	-
Dividends Payable	-	-	24,165	24,165
Retained Dividends	-	-	1,453,095	1,453,095
Accrued/Other Liabilities	152,111	-	-	152,111
Total Liabilities	6,814,771	32,349	1,536,330	8,383,450
EQUITY				
Surplus / (Deficit)	(4,908,850)	(7,015,978)	9,781,350	(2,143,478)
Total Equity	(4,908,850)	(7,015,978)	9,781,350	(2,143,478)
Total Liabilities & Equity	1,905,920	(6,983,629)	11,317,681	6,239,972
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.

North Jersey Municipal Employee Benefits Fund

2025 Budget Report

AS OF NOVEMBER 30, 2025

				Cumulative	\$ Variance	% Variance
	Cumulative	Annual	Latest Filed	Expensed		
LINE ITEMS						
Medical Claims Aetna	51,056,593	55,709,898	54,973,097			
Medical Claims Aetna BOEs	527,923	578,834	765,250			
Subtotal Medical Claims	51,584,516	56,288,732	55,738,347	55,532,054	(3,947,538)	-8%
Prescription Claims	5,519,551	6,020,203	6,294,793			
Prescription Rebates	(1,766,256)	(1,926,465)	(2,014,334)			
Subtotal Rx Claims	3,753,295	4,093,738	4,280,459	5,009,640	(1,256,345)	-33%
Dental Claims	1,628,354	1,777,023	1,756,672	1,544,264	84,090	5%
Subtotal	56,966,165	62,159,493	61,775,478	62,085,958	(5,119,793)	-9%
Medicare Advantage - United	484,941	526,207	686,131	Included in Medicare Advantage-Aetna below		
Medicare Advantage - Aetna	3,899,462	4,265,101	3,990,711	4,384,004	399	0%
Reinsurance						
Specific	4,179,933	4,562,242	4,494,560	4,182,441	(2,507)	0%
Wellness	201,667	220,000	220,000	201,666	1	0%
Total Loss Fund	65,732,168	71,733,044	71,166,880	70,854,068	(5,121,901)	-8%
Expenses						
Legal	19,158	20,900	20,900	32,981	(13,822)	-72%
Treasurer	21,060	22,974	22,974	21,060	-	0%
Administrator	506,432	552,820	545,654	506,395	37	0%
Program Manager	427,820	454,072	729,452	424,684	3,136	1%
Program Manager - Brokerage	648,375	706,992	720,446	644,293	4,082	1%
TPA - Aetna	915,865	999,571	1,036,763	917,019	(1,154)	0%
Claims Contingency	263,413	287,360	287,360	0	263,413	100%
Dental TPA	72,839	79,502	77,956	72,825	13	0%
Actuary	11,907	12,989	12,989	11,917	(10)	0%
Auditor	12,833	14,000	14,000	12,837	(4)	0%
Subtotal Expenses	2,899,702	3,151,181	3,468,493	2,644,010	255,692	9%
Miscellaneous and Special Services						
Misc/Cont(incl. A4 surcharge)	38,958	42,500	42,500	13,582	25,377	65%
Claims and Service Audits	36,667	40,000	40,000	0	-	0%
Affordable Care Act Taxes	13,249	14,460	14,284	18,415	(5,166)	-39%
Subtotal Misc/Sp Svcs	88,874	96,960	96,784	31,997	20,211	23%
Total Expenses	2,988,576	3,248,141	3,565,277	2,676,007	275,902.52	9%
Total Budget	68,720,744	74,981,185	74,732,157	73,530,076	(4,845,998)	-7%

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
FILING STATUS & CONTRACT COMPLIANCE**

Year: 2026

FILING STATUS

<u>Monthly Items</u>	<u>Filing Status</u>
Budget	Filed
Assessments	Filed
Actuarial Certification	Filed
Reinsurance Policies	Filed
Fund Commissioners	To Be Filed pending reorg
Fund Officers	To Be Filed pending reorg
Renewal Resolutions	To Be Filed pending reorg
Indemnity and Trust	To Be Filed pending reorg
New Members	N/A
Withdrawals	N/A
Risk Management Plan and By Laws	To Be Filed pending reorg
Cash Management Plan	To Be Filed pending reorg
Unaudited Financials	9/30/2024 Filed
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	To Be Filed pending reorg
Bylaw Amendments	N/A
Contracts	To Be Filed pending reorg
Benefit Changes	N/A

CONTRACT COMPLIANCE

Position	Vendor	Contract	Insurance	Term
Program Manager	Conner Strong & Buckelew	Y	Y	4/1/2025 - 12/31/2026
Medical TPA	Aetna	Y	Y	1/1/2026 - 12/31/2026
QPA	The Canning Group, LLC	In Legal Review	Y	1/1/2026 - 12/31/2026
Executive Director	PERMA	In Legal Review	Y	1/1/2026 - 12/31/2026
Treasurer	Michael Soccio	Y	Y	1/1/2024 - 12/31/2028
Attorney	Dorsey & Semrau	Y	Y	1/1/2024 - 12/31/2028
Auditor	Holman & Frenia	Y	Y	1/1/2024 - 12/31/2028
Actuary	Acturial Solutions, LLC	Y	Y	1/1/2024 - 12/31/2028

NORTH JERSEY 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

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

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

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

Role	Name	Email	Phone
Director of Client Services	Crystal Bailey	cbailey@connerstrong.com	856-552-4914
Director of Benefits Operations	Karen Kidd	kkidd@connerstrong.com	856-552-4644
Client Service Specialist	Peter Moore	pmoore@permainc.com	856-479-2158
Client Service Specialist	Shondell Holmes-Dutton	sholmesdutton@permainc.com	856-209-0636

**North Jersey Municipal Employee Benefit Fund
Program Manager**

Agenda

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

Industry Updates

- Food and Drug Administration approved the first oral version of Wegovy, Novo Nordisk's blockbuster GLP-1 weight-loss drug. This marks the first GLP-1 approved for weight loss in pill form. A competing oral GLP-1 from Eli Lilly is expected to receive approval in the coming months

Fund Performance/Observations

Medical - Aetna

- Effective January 1, 2026, the NJMEBF Executive Committee passed a resolution to unilaterally amend the out of network provider reimbursement schedules for all Fund member plans to 150%-provider & 175%-facility of Medicare. This action was taken to address the escalating out of network provider utilization and their disproportionate reimbursement levels. When available, out-of-net network utilization will be monitored and reported to the Executive Committee to assess the efficacy of the change

Pharmacy - Express Scripts (ESI)

- Absent plan changes, it is clear the Fund needs to address the rising utilization and associated costs with GLP-1 medications used specifically for weight loss. The following strategies are being evaluated for their efficacy and will be presented formally upon the conclusion of the evaluation
 - Implement tighter, clinically grounded utilization management protocols for GLP-1 medications used specifically for weight loss
 - Plan design options to exclude GLP-1 medications for weight loss on the Fund member level
 - Plan design options for increased member cost share for GLP-1 medications for weight loss on the Fund member level
 - Direct to consumer GLP-1 acquisition channel options

New Fund Member Request Activity

Prospective Employer	Current Carrier	Enrolled Lives	Proposed Effective Date	Line of Business	Status	Fund	Broker/Consultant
Borough of Hopatcong	SHBP	63	4/1/2026	Dental	Pending U/W Review	NORTH	Vozza Agency INC
Township of Lebanon	SHBP	20	4/1/2026	Medical/Rx	Pending U/W Review	NORTH	World Insurance Associates LLC

- All requests for new Fund member participation are coordinated by Sean Critchley, Senior Business Development Executive

Client Services/Eligibility/Enrollment Team

- Please direct all service requests to Peter Moore, Shondell Holmes-Dutton, and Crystal Bailey
- System training (new and refresher) is provided to all contacts with WEX access every 3rd Wednesday at 10AM. Please contact HIFtraining@permainc.com for additional information or to request an invite
- **2026 WEX Coupon Book Mailing** - As a result of a technical issue related to enhancements to the WEX coupon generation process, we have been advised there will be delays in the distribution of the 2026 coupons. The following steps have been taken to address the coupon delay:
 - Ongoing communications with WEX senior leadership to receive updates on the progress coupon distribution for the 2026 program year
 - Communication to all Fund brokers to advise their respective clients of the expected delays
 - Fund service team prepped to address questions from Fund members
 - Members should continue to pay based on 2025 coupons which will be reconciled once the 2026 coupons are issued
 - Members coverage will not be impacted

Carrier Appeals:

- **None to report**

IRO Submissions:

- **None to report**

Wellness & Population Health

- January Fund wellness newsletter delivered
- January Fund wellness schedule of webinars delivered
- December webinar attendance reconciliation distributed to participating Fund Members (Full 2025 Program Year)
- Gift Cards for 2025 program year requirements to be distributed to participating Fund Members once approved

- 2026 Wellness Strategy Meeting - December 19th – Presentation Attached
- Follow Up for 2026 Strategy Meeting Scheduled – January 29th

Previously Reported Information

Express Scripts

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

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

No Surprise Billing and Transparency Act

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

TO ALL FUND COMMISSIONERS

January 2026

Pursuant to N.J.A.C Title 11, Chapter 15, Subchapter 5, Conner Strong & Buckelew Companies, LLC, as a servicing organization of the **North Jersey Municipal Employee Benefit 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.

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND BILLS LIST

NOVEMBER 2025

Resolution No.

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that that North JerseyMunicipal Employee Benefit Fund’s Executive Board,
hereby
authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2025

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 11/25	365,571.50 365,571.50
UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 11/25	41,266.00 41,266.00
DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 11/25	6,496.30 6,496.30
AETNA	MEDICAL TPA 11/25	83,824.80
AETNA	AUGUST 2025 NAP CREDIT 11/25	-38,293.00 45,531.80
INSPIRA FINANCIAL HEALTH, INC	WOODLAND PK HSA 156496-2105114 10/25	24.00
INSPIRA FINANCIAL HEALTH, INC	RINGWOOD-HSA 156488-2107454 10/25	9.00
INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2105436 10/25	3.00
INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA - 150688-2105246 10/25	9.00
INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA - 156486-2107974 10/25	3.00 48.00
PERMA	ADMIN FEES 11/25	46,021.49
PERMA	POSTAGE 11/25	106.82 46,128.31
ACTUARIAL SOLUTIONS, LLC	ACTUARY FEES Q4 2025	3,250.00 3,250.00
CONNER STRONG & BUCKELEW	PROGRAM MANAGER FEES 11/25	26,210.00 26,210.00
KORE INSURANCE HOLDINGS, LLC	BROKER FEES 11/25	1,632.00 1,632.00
MICHAEL J. SOCCIO	TREASURER FEE 11/25	1,914.50 1,914.50
JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 11/25	26,722.02 26,722.02
DORSEY & SEMRAU	SPECIAL LITIGATION INV 22816 FOR 10/25	79.00
DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 11/25	1,667.00 1,746.00
EMPLOYEE BENEFITS CONSULTING	BROKER FEES 11/25	2,318.43 2,318.43
CORPORATE BENEFIT SOLUTIONS	BROKER FEES 11/25	2,323.64 2,323.64
SKYLANDS RISK MANAGEMENT	BROKER FEES 11/25	6,720.24 6,720.24
BROWN AND BROWN METRO LLC	20 BROKER FEES 11/25	4,985.37 4,985.37

WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 11/25	1,675.80 1,675.80
ACRISURE NJ PARTNERS INS SERVICES, LLC	BROKER FEES 11/25	10,427.42 10,427.42
ATLANTIC CORPORATE HEALTH	FOOT SCREENING-RANDOLPH 09/25	1,978.00 1,978.00
THE CANNING GROUP LLC	QPA FEES - NJMEBF - 2025-11	250.00 250.00
HQSI	CASE # 4413929 7/18/25	900.00
HQSI	CASE # 4502062 8/28/25	900.00
		1,800.00
ACCESS	INV 11802516 DEPT 421 9/30/25	249.29 249.29
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 11/25	384,289.82 384,289.82
	Total Payments FY 2025	983,534.44
	TOTAL PAYMENTS ALL FUND YEARS	983,534.44

Chairperson

Attest:

_____ Dated: _____

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

Treasurer

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND BILLS LIST

DECEMBER 2025

Resolution No.

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that that North JerseyMunicipal Employee Benefit Fund’s Executive Board,
hereby
authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2025

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 12/25	366,038.21 366,038.21
UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 12/25	41,266.00 41,266.00
DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 12/25	6,676.66 6,676.66
INSPIRA FINANCIAL HEALTH, INC	RINGWOOD HSA - 156488-2113848 11/25	9.00
INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA- 156486-2114136 11/25	3.00
INSPIRA FINANCIAL HEALTH, INC	WOODLAND PK HSA 156496-2113304 11/25	27.00
INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2113268 11/25	3.00
INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA- 150688-2114858 11/25	9.00
		51.00
PERMA	ADMIN FEES 12/25	46,425.08
PERMA	POSTAGE 11/25	54.76
		46,479.84
CONNER STRONG & BUCKELEW	PROGRAM MANAGER FEES 12/25	26,192.00 26,192.00
KORE INSURANCE HOLDINGS, LLC	BROKER FEES 12/25	1,632.00 1,632.00
MICHAEL J. SOCCIO	TREASURER FEE 12/25	1,914.50 1,914.50
JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 12/25	26,982.68 26,982.68
DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 12/25	1,667.00 1,667.00
EMPLOYEE BENEFITS CONSULTING	BROKER FEES 12/25	2,551.89 2,551.89
CORPORATE BENEFIT SOLUTIONS	BROKER FEES 12/25	2,323.64 2,323.64
BROWN AND BROWN METRO LLC	BROKER FEES 12/25	4,985.37 4,985.37
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 12/25	1,388.80 1,388.80
ACRISURE NJ PARTNERS INS SERVICES, LLC	BROKER FEES 12/25	10,161.62 10,161.62
ATLANTIC CORPORATE HEALTH	FOOT SCREENING - SPARTA 11/25	2,494.00 2,494.00
EBIX INC	2026 ONLINE NEWSLETTER INV 638529	5,400.00 5,400.00

THE CANNING GROUP LLC	QPA FEES - NJMEBF - 2025-12	250.00 250.00
SOUTHERN NEW JERSEY REG EBF	REIMB OSC REVIEW 12/25	1,525.64 1,525.64
GANNETT NEW YORK NJ LOCALIQ	A# 1509786 ORDER # 11890751 12/5/25	39.24 39.24
ACCESS	INV 11850562 DEPT 421 10/31/25	241.56
ACCESS	INV 11902902 DEPT 421 11/30/25	249.29
		490.85
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 12/25	379,801.89 379,801.89
SKYLANDS RISK MANAGEMENT	BROKER FEES 12/25	7,874.49 7,874.49
AETNA	DECEMBER HOLIDAY CREDIT 12/25	-83,231.70
AETNA	MEDICAL TPA 12/25	83,231.70
		0.00
	Total Payments FY 2025	938,187.32
	TOTAL PAYMENTS ALL FUND YEARS	938,187.32

Chairperson

Attest:

Dated: _____

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

Treasurer

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
BILLS LIST**

JANUARY 2026

Resolution No.

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that that North JerseyMunicipal Employee Benefit Fund’s Executive Board,
hereby
authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

FUND YEAR 2025

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
	INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2121568 12/25	3.00
	INSPIRA FINANCIAL HEALTH, INC	WOODLAND PK HSA 156496-2120814 12/25	27.00
	INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA- 150688-2121486 12/25	9.00
	INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA- 156486-2123496 12/25	3.00
	INSPIRA FINANCIAL HEALTH, INC	RINGWOOD HSA- 156488-2121932 12/25	9.00
			51.00
	PERMA	POST AGE 12/25	124.56
			124.56
	SOUTHERN NEW JERSEY REG EBF	FINAL 2025 REIMB FOR OSC REVIEW 01/26	216.73
			216.73
	NJ ADVANCE MEDIA	A# 51909 INV 3522048 9/30/25	49.84
	NJ ADVANCE MEDIA	A# 51909 INV 3697425-0011050751 12/5/25	22.25
			72.09
		Total Payments FY 2025	464.38

FUND YEAR 2026

<u>CheckNumber</u>	<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
	AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 01/26	368,068.88
			368,068.88
	UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 01/26	40,388.00
			40,388.00
	DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 01/26	6,649.94
			6,649.94
	AETNA	MEDICAL TPA 01/26	101,866.40
			101,866.40
	PERMA	ADMIN FEES 01/26	46,461.77
			46,461.77
	CONNER STRONG & BUCKELEW	PROGRAM MANAGER FEES 01/26	26,960.00
			26,960.00
	KORE INSURANCE HOLDINGS, LLC	BROKER FEES 01/26	1,929.50
			1,929.50
	MICHAEL J. SOCCIO	TREASURER FEE 01/26	1,952.75
			1,952.75
	JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 01/26	32,852.71
			32,852.71
	DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 01/26	1,667.00
			1,667.00
	EMPLOYEE BENEFITS CONSULTING	BROKER FEES 01/26	83.52
			83.52

CORPORATE BENEFIT SOLUTIONS	BROKER FEES 01/26	2,316.41 2,316.41
SKYLANDS RISK MANAGEMENT	BROKER FEES 01/26	8,944.49 8,944.49
BROWN AND BROWN METRO LLC	BROKER FEES 01/26	5,041.36 5,041.36
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 01/26	1,419.60 1,419.60
ACRISURE NJ PARTNERS INS SERVICES, LLC	BROKER FEES 01/26	10,543.67 10,543.67
THE CANNING GROUP LLC	QPA FEES - NJEMBF - 2026-01	250.00 250.00
ACCESS	INV 11949062 12/31/25 FOR 01/26	249.29 249.29
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 01/26	399,928.20 399,928.20
	Total Payments FY 2026	1,057,573.49
	TOTAL PAYMENTS ALL FUND YEARS	1,058,037.87

Chairperson

Attest:

Dated: _____

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

Treasurer

North Jersey Municipal Employee Benefits Fund
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED

Current Fund Year: 2025										
Month Ending: November										
	Medical	Dental	Rx	Reinsurance	Dividend Reserve	LFC	Admin	0	0	TOTAL
OPEN BALANCE	5,950,681.58	305,920.21	(3,336,409.09)	(293,977.52)	1,450,290.62	193,925.49	181,263.73	0.00	0.00	4,451,695.01
RECEIPTS										
Assessments	5,757,346.19	155,105.75	385,315.88	422,484.02	0.00	27,328.84	290,375.58	0.00	0.00	7,037,956.26
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	19,478.71	512.94	0.00	0.00	2,431.70	325.15	303.93	0.00	0.00	23,052.43
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	19,478.71	512.94	0.00	0.00	2,431.70	325.15	303.93	0.00	0.00	23,052.43
Other *	275,236.03	0.00	123,230.23	0.00	0.00	0.00	0.00	0.00	0.00	398,466.26
TOTAL	6,052,060.93	155,618.69	508,546.11	422,484.02	2,431.70	27,653.99	290,679.51	0.00	0.00	7,459,474.95
EXPENSES										
Claims Transfers	5,404,081.04	116,727.18	548,720.88	0.00	0.00	0.00	0.00	0.00	0.00	6,069,529.10
Expenses	406,837.50	0.00	0.00	384,289.82	0.00	0.00	192,407.12	0.00	0.00	983,534.44
Other *	(14,126.33)	0.00	0.00	0.00	0.00	0.00	38,293.00	0.00	0.00	24,166.67
TOTAL	5,796,792.21	116,727.18	548,720.88	384,289.82	0.00	0.00	230,700.12	0.00	0.00	7,077,230.21
END BALANCE	6,205,950.29	344,811.72	(3,376,583.86)	(255,783.32)	1,452,722.32	221,579.48	241,243.12	0.00	0.00	4,833,939.75

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES

North Jersey Municipal Employee Benefits Fund

Month		November							
Current Fund Year		2025							
Policy Year	Coverage	1.	2.	3.	4.	5.	6.	7.	8.
		Calc. Net Paid Thru Last Month	Monthly Net Paid November	Monthly Recoveries November	Calc. Net Paid Thru November	TPA Net Paid Thru November	Variance To Be Reconciled	Delinquent Unreconciled Variance From	Change This Month
2025	Medical	45,964,476.26	5,361,960.07	0.00	51,326,436.33	0.00	51,326,436.33	45,964,476.26	5,361,960.07
	Dental	1,300,070.52	116,314.18	0.00	1,416,384.70	0.00	1,416,384.70	1,300,070.52	116,314.18
	Rx	6,069,419.59	548,720.88	0.00	6,618,140.47	0.00	6,618,140.47	6,069,419.59	548,720.88
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	53,333,966.37	6,026,995.13	0.00	59,360,961.50	0.00	59,360,961.50	53,333,966.37	6,026,995.13
2024	Medical	7,971,284.32	63,531.27	0.00	8,034,815.59	0.00	8,034,815.59	7,971,284.32	63,531.27
	Dental	60,135.21	413.00	0.00	60,548.21	0.00	60,548.21	60,135.21	413.00
	Rx	257,928.34	0.00	0.00	257,928.34	0.00	257,928.34	257,928.34	0.00
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	8,289,347.87	63,944.27	0.00	8,353,292.14	0.00	8,353,292.14	8,289,347.87	63,944.27
2023	Medical	322,132.29	0.00	0.00	322,132.29	0.00	322,132.29	322,132.29	0.00
	Dental	430.80	0.00	0.00	430.80	0.00	430.80	430.80	0.00
	Rx	815.69	0.00	0.00	815.69	0.00	815.69	815.69	0.00
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	323,378.78	0.00	0.00	323,378.78	0.00	323,378.78	323,378.78	0.00
2022	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
	0	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
Closed Year	Medical	31,745.21	(21,410.30)	0.00	10,334.91	0.00	10,334.91	31,745.21	(21,410.30)
	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
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	31,745.21	(21,410.30)	0.00	10,334.91	0.00	10,334.91	31,745.21	(21,410.30)
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
	0	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
	0	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		61,978,438.23	6,069,529.10	0.00	68,047,967.33	0.00	68,047,967.33	61,978,438.23	6,069,529.10

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS				
North Jersey Municipal Employee Benefits Fund				
ALL FUND YEARS COMBINED				
CURRENT MONTH	November			
CURRENT FUND YEAR	2025			
Description:		CASH MANAGEMENT FUND	TD BANK ASSET MANAGEMENT	CITIZENS
ID Number:				
Maturity (Yrs)				
Purchase Yield:				
TOTAL for All Accts & instruments				
Opening Cash & Investment Balance	\$4,451,695.02	22,021.17	1,021,674.00	3,407,999.85
Opening Interest Accrual Balance	\$5,841.99	-	5,841.99	-
1 Interest Accrued and/or Interest Cost	-2,566.95	\$0.00	-\$2,566.95	\$0.00
2 Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00
3 (Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00
4 Accretion	\$0.00	\$0.00	\$0.00	\$0.00
5 Interest Paid - Cash Instr.s	\$23,052.43	\$71.13	\$5,841.99	\$17,139.31
6 Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00
7 Realized Gain (Loss)	\$0.00	\$0.00	\$0.00	\$0.00
8 Net Investment Income	\$20,485.48	\$71.13	\$3,275.04	\$17,139.31
9 Deposits - Purchases	\$7,412,255.70	\$0.00	\$0.00	\$7,412,255.70
10 (Withdrawals - Sales)	-\$7,053,063.54	\$0.00	\$0.00	-\$7,053,063.54
Ending Cash & Investment Balance	\$4,833,939.61	\$22,092.30	\$1,027,515.99	\$3,784,331.32
Ending Interest Accrual Balance	\$3,275.04	\$0.00	\$3,275.04	\$0.00
Plus Outstanding Checks	\$4,657,719.72	\$0.00	\$0.00	\$4,657,719.72
(Less Deposits in Transit)	-\$768,292.00	\$0.00	\$0.00	-\$768,292.00
Balance per Bank	\$8,723,367.33	\$22,092.30	\$1,027,515.99	\$7,673,759.04



**NORTH JERSEY MUNICIPAL
EMPLOYEE BENEFITS FUND**

Monthly Claim Activity Report

January 22, 2026

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND

	MEDICAL CLAIMS PAID 2024	# OF EES	PER EE	MEDICAL CLAIMS PAID 2025	# OF EES	PER EE
JANUARY	\$3,931,217	1,920	\$ 2,048	\$4,047,634	2,090	\$ 1,937
FEBRUARY	\$3,769,432	1,881	\$ 2,004	\$4,492,106	2,100	\$ 2,139
MARCH	\$2,964,735	2,084	\$ 1,423	\$4,136,850	2,102	\$ 1,968
APRIL	\$4,417,158	2,094	\$ 2,109	\$5,002,556	2,105	\$ 2,377
MAY	\$4,419,584	2,098	\$ 2,107	\$4,842,581	2,107	\$ 2,298
JUNE	\$3,489,075	2,091	\$ 1,669	\$5,033,400	2,117	\$ 2,378
JULY	\$4,264,290	2,087	\$ 2,043	\$4,401,898	2,122	\$ 2,074
AUGUST	\$3,899,598	2,086	\$ 1,869	\$4,761,805	2,123	\$ 2,243
SEPTEMBER	\$3,622,277	2,076	\$ 1,745	\$5,710,025	2,128	\$ 2,683
OCTOBER	\$4,935,236	2,079	\$ 2,374	\$4,614,222	2,114	\$ 2,183
NOVEMBER	\$3,436,587	2,073	\$ 1,658	\$4,563,369	2,117	\$ 2,156
DECEMBER	\$4,506,772	2,075	\$ 2,172			
TOTALS	\$47,655,960			\$51,606,447		
				2025 Average	2,111	\$2,221
				2024 Average	2,054	\$1,935

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

Plan Sponsor Unique ID : All
 Customer: North Jersey Municipal Employee Benefits Fund
 Group / Control: 00727848,00866355,SI220763

Paid Dates: 10/01/2025 - 10/31/2025
 Service Dates: 01/01/2011 - 10/31/2025
 Line of Business: All

	Paid Amt	Diagnosis/Treatment
	\$139,185.62	SPONDYLOSIS WITHOUT MYELOPATHY OR
	\$109,539.17	MALIGNANT NEOPLASM OF OVERLAPPING SITES
	\$102,204.88	CLONIC HEMIFACIAL SPASM, LEFT
Total:	\$350,929.67	

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

Plan Sponsor Unique ID : All
 Customer: North Jersey Municipal Employee Benefits Fund
 Group / Control: 00727848,00866355,SI220763

Paid Dates: 11/01/2025 - 11/30/2025
 Service Dates: 01/01/2011 - 11/30/2025
 Line of Business: All

	Paid Amt	Diagnosis/Treatment
	\$169,185.46	BACTEREMIA ☐
	\$133,891.36	UNILATERAL PRIMARY OSTEOARTHRITIS, RIGHT ☐
	\$123,372.67	OTHER SPECIFIED DISORDERS OF BREAST ☐
Total:	\$414,382.69	



Medical Claims Paid:
January 2025- November 2025

Total Medical Paid per EE: **\$2,221**

Network Discounts

Inpatient: **67.6%**
 Ambulatory: **69.8%**
 Physician/Other: **68.8%**
TOTAL: 68.9%

Provider Network

% Admissions In-Network: **97.8%**
 % Physician Office: **93.5%**

Aetna Book of Business:
 Admissions 98.1%; Physician 91.0%

Top Facilities Utilized (by total Medical Spend)

- Morristown Medical Center
- MSK
- Newton Medical Center
- Chilton Medical Center
- Saint Clare's Hospital

Catastrophic Claim Impact
January 2025- November 2025

Number of Claims Over \$50,000: **164**
 Claimants per 1000 members: **30.8**
 Avg. Paid per Claimant: **\$130,052**
 Percent of Total Paid: **44.8%**

- Aetna BOB- HCC account for an average of 46.2% of total Medical Cost

Aetna One Flex Care Mgmt
Member Outreach:

Total Members Identified: **1,287** (22.4%)
 Members Targeted for 1:1 Nurse Support : **285** (26% engaged)
 Members identified for Digital Activity: **1,002** (80.0%)
 Members receiving Aetna Advice: **1,415** (29%)
 Average Aetna Advice outreaches per member: **1.4**

CVSHealth. CVS Virtual Care
January 2025 – November 2025

Completed Visits: **13**
 Unique Patients: **13**
 Completed Visits in 2025 : **149**
 Unique Patients in 2025: **109**
 Total Scheduled Visits in 2025: **189**
 Average visit duration: **8** Minutes
 BoB: Average First Available: **38** minutes
 BoB: Average First Available (6am-6pm) **36** Minutes

Service Center Performance Goal
Metrics YTD 2024

Customer Service Performance

1st Call Resolution: **93.68%**
 Abandonment Rate: **0.46%**
 Avg. Speed of Answer: **12.6 sec**

Claims Performance

Financial Accuracy: **97.76%***
*Q3 2025

90% processed w/in: **7.4 days**
 95% processed w/in: **15.4 days**

Claims Performance (Monthly)
 (November 2025)

90% processed w/in: **6.6 days**
 95% processed w/in: **13.4 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®

North Jersey Municipal Employee Benefits Fund

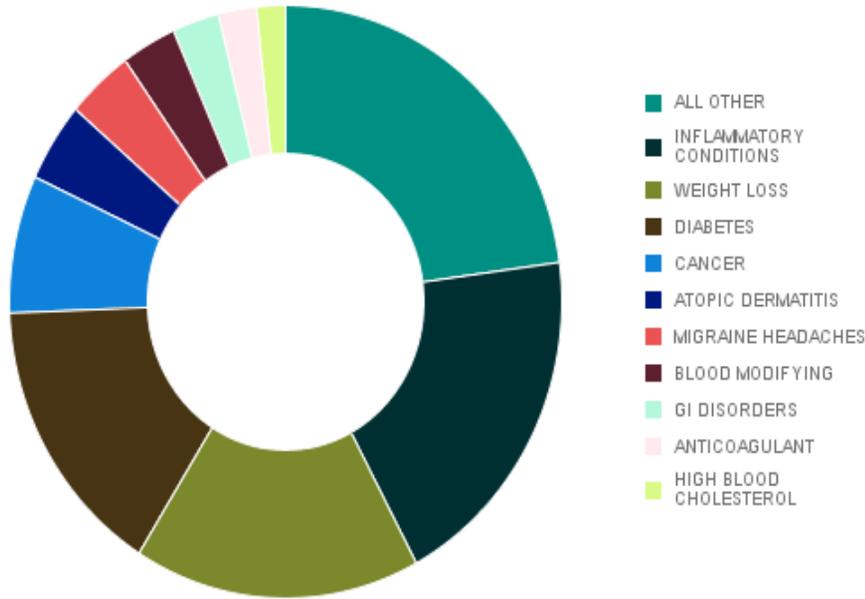
Total Component/Date of Service (Month)	2024 01	2024 02	2024 03	2024 Q1	2024 04	2024 05	2024 06	2024 Q2	2024 07	2024 08	2024 09	2024 Q3	2024 10	2024 11	2024 12	2024 Q4	2024 YTD
Membership	4,905	4,873	5,422	5,067	5,440	5,436	5,427	5,434	5,406	5,395	5,382	5,394	5,402	5,387	5,382	5,390	5,321
Total Days	203,129	186,437	209,955	599,521	224,419	220,536	206,816	651,771	238,244	212,391	215,612	666,247	231,275	209,076	225,116	665,467	2,583,006
Total Patients	1,970	1,908	2,198	3,207	2,174	2,117	2,096	3,246	2,164	2,062	2,105	3,202	2,270	2,187	2,259	3,348	4,505
Total Plan Cost	\$865,276	\$792,398	\$1,083,188	\$2,740,862	\$1,119,123	\$1,186,041	\$1,238,550	\$3,543,714	\$1,182,586	\$1,304,102	\$1,314,231	\$3,800,919	\$1,289,845	\$1,162,456	\$1,316,182	\$3,768,483	\$13,853,978
Generic Fill Rate (GFR) - Total	86.0%	87.0%	86.5%	86.5%	85.9%	85.8%	84.9%	85.5%	84.4%	83.7%	81.7%	83.3%	81.8%	83.8%	84.4%	83.3%	84.6%
Plan Cost PMPM	\$176.41	\$162.61	\$199.78	\$180.32	\$205.72	\$218.18	\$228.22	\$217.37	\$218.75	\$241.72	\$244.19	\$234.87	\$238.77	\$215.79	\$244.55	\$233.04	\$216.95
Total Specialty Plan Cost	\$308,439	\$274,926	\$466,401	\$1,049,766	\$481,465	\$510,693	\$521,653	\$1,513,811	\$354,254	\$525,688	\$522,866	\$1,402,808	\$489,981	\$428,573	\$464,731	\$1,383,285	\$5,349,670
Specialty % of Total Specialty Plan Cost	35.6%	34.7%	43.1%	38.3%	43.0%	43.1%	42.1%	42.7%	30.0%	40.3%	39.8%	36.9%	38.0%	36.9%	35.3%	36.7%	38.6%

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	5,396	5,412	5,303	5,370	5,307	5,310	5,338	5,318	5,335	5,320	5,332	5,329	5,334	5,321			
Total Days	232,616	199,457	217,914	649,987	224,470	210,187	210,438	645,095	232,348	211,342	218,669	662,359	229,417	206,628			
Total Patients	2,220	2,061	2,086	3,283	2,098	2,045	2,014	3,137	2,122	1,989	2,059	3,111	2,097	2,041			
Total Plan Cost	\$1,081,914	\$1,112,629	\$1,241,559	\$3,436,103	\$1,321,722	\$1,395,322	\$1,322,517	\$4,039,560	\$1,549,748	\$1,162,099	\$1,631,744	\$4,343,591	\$1,567,963	\$1,140,381			
Generic Fill Rate (GFR) - Total	85.9%	85.4%	85.0%	85.5%	85.3%	84.3%	84.0%	84.6%	84.3%	83.7%	81.2%	83.0%	81.3%	83.5%			
Plan Cost PMPM	\$200.50	\$205.59	\$234.12	\$213.28	\$249.05	\$262.77	\$247.76	\$253.18	\$290.49	\$218.44	\$306.03	\$271.70	\$293.96	\$214.32			
% Change Plan Cost PMPM	13.7%	26.4%	17.2%	18.3%	21.1%	20.4%	8.7%	16.5%	33.4%	-8.9%	27.1%	16.8%	24.3%	0.5%			
Total Specialty Plan Cost	\$369,247	\$454,191	\$475,569	\$1,299,006	\$564,385	\$629,852	\$561,736	\$1,755,973	\$728,521	\$356,924	\$791,472	\$1,876,917	\$707,576	\$365,296			
Specialty % of Total Specialty Plan Cost	34.1%	40.8%	38.3%	37.8%	42.7%	45.1%	42.5%	43.5%	47.0%	30.7%	48.5%	43.2%	45.1%	32.0%			

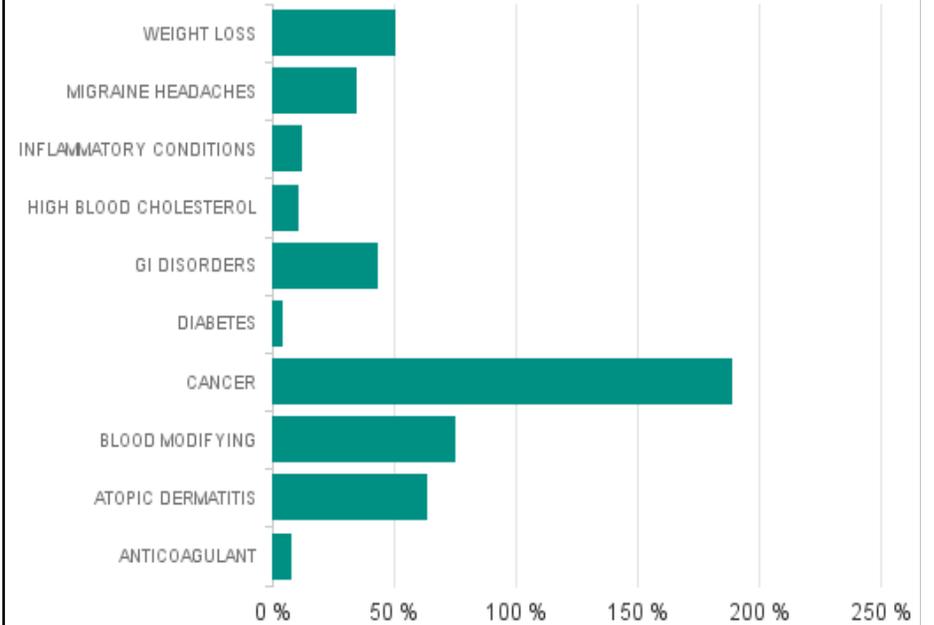
Top Indications

N. JERSEY MUNI EMPLOY BNFT FD (Current Period 01/2025 - 11/2025 vs. Previous Period 01/2024 - 11/2024) Peer = Government - National Preferred Formulary

Top Indications by Plan Cost



Plan Cost PMPM Trend



			Current Period						Previous Period						Trend
Rank	Peer Rank	Indication	Market Share	Adjusted Rx's	Plan Cost	Plan Cost PMPM	GFR	Peer GFR	Market Share	Adjusted Rx's	Plan Cost	Plan Cost PMPM	GFR	Peer GFR	Plan Cost PMPM
1	2	INFLAMMATORY CONDITIONS	25.0 %	707	\$2,800,757	\$47.71	39.9 %	28.7 %	29.4 %	661	\$2,501,731	\$42.78	38.1 %	32.4 %	11.5 %
2	4	WEIGHT LOSS	21.7 %	2,349	\$2,432,161	\$41.43	3.7 %	3.8 %	18.9 %	1,591	\$1,611,285	\$27.56	2.7 %	5.1 %	50.3 %
3	1	DIABETES	20.1 %	6,584	\$2,250,529	\$38.33	31.3 %	23.4 %	25.3 %	6,767	\$2,156,542	\$36.88	32.4 %	25.5 %	3.9 %
4	3	CANCER	9.7 %	485	\$1,091,496	\$18.59	90.1 %	75.1 %	4.4 %	464	\$376,769	\$6.44	95.0 %	75.7 %	188.5 %
5	5	ATOPIC DERMATITIS	5.6 %	960	\$629,334	\$10.72	75.5 %	79.1 %	4.5 %	822	\$384,576	\$6.58	82.1 %	83.1 %	63.0 %
6	6	MIGRAINE HEADACHES	5.0 %	762	\$564,706	\$9.62	36.0 %	51.0 %	4.9 %	657	\$420,264	\$7.19	40.3 %	52.8 %	33.8 %
7	10	BLOOD MODIFYING	4.2 %	30	\$466,853	\$7.95	76.7 %	99.5 %	3.1 %	18	\$265,790	\$4.55	72.2 %	99.8 %	75.0 %
8	8	GI DISORDERS	3.5 %	489	\$397,195	\$6.77	48.1 %	57.8 %	3.3 %	493	\$276,904	\$4.74	44.0 %	56.8 %	42.9 %
9	7	ANTICOAGULANT	2.9 %	681	\$324,285	\$5.52	12.0 %	18.3 %	3.5 %	678	\$301,939	\$5.16	13.3 %	18.7 %	7.0 %
10	9	HIGH BLOOD CHOLESTEROL	2.2 %	8,748	\$246,608	\$4.20	96.0 %	96.2 %	2.6 %	8,529	\$223,677	\$3.83	97.2 %	97.1 %	9.8 %
Total Top 10				21,795	\$11,203,926	\$190.84	57.8 %	49.8 %		20,680	\$8,519,477	\$145.69	60.3 %	52.6 %	31.0 %

Top Drugs

N. JERSEY MUNI EMPLOY BNFT FD (Current Period 01/2025 - 11/2025 vs. Previous Period 01/2024 - 11/2024) Peer = Government - National Preferred Formulary

					Current Period				Previous Period				Trend
Rank	Peer Rank	Brand Name	Indication	Specialty Drug	Adjusted Rxs	Patients	Plan Cost	Plan Cost PMPM	Adjusted Rxs	Patients	Plan Cost	Plan Cost PMPM	Plan Cost PMPM
1	6	ZEPBOUND	WEIGHT LOSS	N	1,445	184	\$1,446,464	\$24.64	690	114	\$616,925	\$10.55	133.5 %
2	13	WEGOVY	WEIGHT LOSS	N	776	104	\$972,062	\$16.56	809	139	\$978,972	\$16.74	-1.1 %
3	1	MOUNJARO	DIABETES	N	846	95	\$850,129	\$14.48	561	81	\$549,480	\$9.40	54.1 %
4	10	STELARA	INFLAMMATORY CONDITIONS	Y	55	7	\$539,698	\$9.19	69	7	\$653,256	\$11.17	-17.7 %
5	440	RUCONEST	BLOOD MODIFYING	Y	7	1	\$465,802	\$7.93	5	1	\$264,891	\$4.53	75.1 %
6	4	OZEMPIC	DIABETES	N	506	71	\$463,604	\$7.90	639	86	\$557,733	\$9.54	-17.2 %
7	9	SKYRIZI PEN	INFLAMMATORY CONDITIONS	Y	60	8	\$427,485	\$7.28	38	4	\$246,855	\$4.22	72.5 %
8	226	VORANIGO	CANCER	Y	9	1	\$363,565	\$6.19	NA	NA	NA	NA	NA
9	23	TALTZ AUTOINJECTOR	INFLAMMATORY CONDITIONS	Y	55	6	\$320,997	\$5.47	32	6	\$163,137	\$2.79	96.0 %
10	8	DUPIXENT PEN	ATOPIC DERMATITIS	Y	91	12	\$296,626	\$5.05	71	8	\$202,756	\$3.47	45.7 %
11	108	CABOMETYX	CANCER	Y	11	1	\$277,288	\$4.72	NA	NA	NA	NA	NA
12	22	ELIQUIS	ANTICOAGULANT	N	408	54	\$221,087	\$3.77	393	59	\$205,184	\$3.51	7.3 %
13	28	SKYRIZI ON-BODY	INFLAMMATORY CONDITIONS	Y	18	3	\$213,743	\$3.64	NA	NA	NA	NA	NA
14	12	RINVOQ	INFLAMMATORY CONDITIONS	Y	33	3	\$204,281	\$3.48	35	4	\$224,895	\$3.85	-9.5 %
15	34	DUPIXENT SYRINGE	ATOPIC DERMATITIS	Y	71	7	\$185,931	\$3.17	52	5	\$137,768	\$2.36	34.4 %
16	11	JARDIANCE	DIABETES	N	313	40	\$179,684	\$3.06	326	38	\$178,538	\$3.05	0.2 %
17	18	ENBREL SURECLICK	INFLAMMATORY CONDITIONS	Y	28	4	\$174,279	\$2.97	46	5	\$276,777	\$4.73	-37.3 %
18	26	FARXIGA	DIABETES	N	307	35	\$169,108	\$2.88	295	35	\$154,344	\$2.64	9.1 %
19	492	RUBRACA	CANCER	Y	10	1	\$160,123	\$2.73	1	1	\$17,507	\$0.30	811.0 %
20	31	OTEZLA	INFLAMMATORY CONDITIONS	Y	33	5	\$154,045	\$2.62	37	7	\$130,271	\$2.23	17.8 %
21		COPIKTRA	CANCER	Y	2	1	\$148,270	\$2.53	NA	NA	NA	NA	NA
22	45	UBRELVY	MIGRAINE HEADACHES	N	107	19	\$143,079	\$2.44	72	17	\$89,941	\$1.54	58.4 %
23	44	QULIPTA	MIGRAINE HEADACHES	N	132	19	\$140,858	\$2.40	107	16	\$106,710	\$1.82	31.5 %
24	33	NURTEC ODT	MIGRAINE HEADACHES	N	95	20	\$140,797	\$2.40	95	19	\$124,781	\$2.13	12.4 %
25	54	REPATHA SURECLICK	HIGH BLOOD CHOLESTEROL	N	258	32	\$136,485	\$2.32	181	17	\$93,580	\$1.60	45.3 %
Total Top 25					5,676		\$8,795,493	\$149.82	4,554		\$5,974,303	\$102.17	46.6 %

RESOLUTION NO. 26-1

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
APPOINTING PROFESSIONALS AND AWARDING CONTRACTS
FOR FUND YEAR 2026**

WHEREAS, the North Jersey Municipal Employee Benefits Fund is duly constituted as a Health Benefits Joint Insurance Fund and is subject to certain requirements of the Local Public Contracts Law and the Local Unit Pay-to-Play Law; and,

WHEREAS, the Fund found it necessary and appropriate to obtain certain professional services and other extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A:11-4.1 et seq.) for the 2025 Fund year; and,

WHEREAS, the Fund recommended the award of contracts to the below listed Professional Service Providers and service organizations based on a review of their; responses, experience and prior service provided at the rates established by the Executive Committee; and,

WHEREAS, the process was administered as required by law by the Qualified Purchasing Agent who has concurred with the legality of the purchase in accord with the New Jersey Local Publics Contract Law (N.J.S.A. 40A:11-1 et seq.); and,

WHEREAS, the term of contract is allowable for up to five (5) years as authorized under N.J.S.A.40A:11-4.1 et. Seq.,

WHEREAS, the Fund resolves to appoint the Professionals - noted below -commencing on January 1, 2024 (unless otherwise noted) with four option additional one-year extensions at its January 2026 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.,

NOW THEREFORE BE IT RESOLVED by the Executive Committee that the following professional service appointments and contract awards are hereby made for 2026:

- I. **Delta Dental** is hereby appointed to serve as the FUND's **Dental Claims Administrator**. \$3.34 per medical employee, per month will be expended to the TPA. The estimated annual amount of \$79,799 has been appropriated in the Dental TPA line item of the 2026 budget.
- II. **Actuarial Solutions LLC (John Vataha)** is hereby is appointed to serve as the FUND's **Fund Actuary**. The annual amount of \$13,260 has been appropriated in the Actuary line item of the 2026 budget.
- III. **Dorsey & Semrau (Fred Semrau)** is hereby appointed to serve as the FUND's **Attorney**. The annual amount of \$21,325 has been appropriated in the Attorney line item of the 2026 budget.

- IV. **Holman & Frenia (Lauren Holman)** is hereby appointed to serve as the FUND's **Auditor**. The annual amount of \$14,280 has been appropriated in the Auditor line item of the 2026 budget.
- V. **Michael Soccio** is hereby is appointed to serve as the FUND's **Treasurer**. The annual amount of \$23,433 has been appropriated in the Treasurer line item of the 2026 budget.
- VI. **Aetna** is hereby appointed to provide fully insured Medicare Advantage / Employer Group Waiver Plans with the following per member, per month fees:

PlanName	Premium	Renewal_Premium
Aetna Medicare Advantage w/ 10% Rx 2000 - MAPDP (Township of Randolph)	382.09	444.77
Aetna Medicare Advantage w/ 10% Rx 400 - MAPDP (Township of Randolph)	447.92	517.98
Aetna Medicare Advantage - MA (Borough of Bloomingdale)	215.76	259.79
Aetna Medicare Advantage - MA (Borough of Lincoln Park)	215.76	259.79
Aetna Medicare Advantage - MA (Borough of Ringwood)	215.76	259.79
Aetna Medicare Advantage - MA (Borough of Wharton)	215.76	259.79
Aetna Medicare Advantage - MA (Borough of Woodland Park)	215.76	259.79
Aetna Medicare Advantage - MA (Town of Dover)	215.76	259.79
Aetna Medicare Advantage - MA (Town of Newton)	215.76	259.79
Aetna Medicare Advantage - MA (Township of Hanover)	215.76	259.79
Aetna Medicare Advantage - MA (Township of Randolph)	447.92	517.98
Aetna Medicare Advantage - MA (Township of Sparta)	215.76	259.79
Aetna Medicare Advantage - MA (Township of Wantage)	215.76	259.79
Aetna Medicare Advantage - MA (Township of West Milford)	215.76	259.79
Aetna Medicare Advantage \$0 w/ \$6/\$12/\$24 Rx (Mount Olive Township)	398.87	463.43
Aetna Medicare Advantage \$0 w/ Rx \$6/\$12/\$24 (Borough of Kinnelon)	398.87	463.43
Aetna Medicare Advantage \$0 w/ Rx (Borough of Chatham)	398.87	463.43
Aetna Medicare Advantage \$0 w/ Rx (Township of Vernon)	447.92	517.98
Aetna Medicare Advantage w/ \$1/\$1 Rx - MAPDP (Town of Dover)	437.92	506.86
Aetna Medicare Advantage w/ \$3/\$10 Rx - MAPDP (Town of Dover)	424.4	491.82
Aetna Medicare Advantage w/ \$3/\$3 Rx - MAPDP (Borough of Ringwood)	429.56	497.56
Aetna Medicare Advantage w/ \$3/\$3 Rx - MAPDP (Town of Dover)	429.56	497.56
Aetna Medicare Advantage w/ \$5/\$10/\$20 Rx - MAPDP (Town of Dover)	395.36	459.53
Aetna Medicare Advantage w/ \$5/\$5/\$5 Rx- MAPDP (Township of Sparta)	416.44	482.97
Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Borough of Bloomingdale)	398.87	463.43
Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Borough of Wharton)	398.87	463.43
Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Town of Dover)	398.87	463.43
Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Town of Newton)	398.87	463.43
Aetna Medicare Advantage w/ \$6/\$12/\$24 Rx - MAPDP (Township of Wantage)	398.87	463.43
Aetna Medicare Advantage w/ 10% Rx - MAPDP (Borough of Ringwood)	382.09	444.77
Aetna Medicare Advantage w/ 10% Rx - MAPDP (Borough of Woodland Park)	447.92	517.98
Aetna Medicare Advantage w/ 10% Rx - MAPDP (Township of Randolph)	382.09	444.77
Aetna Medicare Advantage w/ 10% Rx- MAPDP (Borough of Lincoln Park)	447.92	517.98
Aetna Medicare Advantage w/ 20% Rx- MAPDP (Township of Hanover)	429.56	497.56
Aetna Medicare Advantage w/ 20% Rx- MAPDP (Township of West Milford)	420.56	487.55

PlanName	Premium	Renewal_Premium
Aetna Medicare Advantage w/ Rx \$5/\$5 (Township of Pequannock)	416.44	482.97
Aetna Medicare Advantage w/ Rx (Borough of Madison)	398.87	463.43
Aetna Medicare Advantage w/ Rx (Madison Housing Authority)	398.87	463.43
Aetna Medicare Advantage w/ Rx (Town of Boonton)	398.87	463.43
Aetna Medicare Advantage w/ Rx (Township of Jefferson)	424.4	491.82
Aetna Medicare Advantage w/10% Rx - MAPDP (Township of Hanover)	382.09	444.77
Aetna Medicare Advantage w/10% Rx - MAPDP (Township of West Milford)	382.09	444.77
Aetna Medicare Advantage w Rx MDPDP (Township of Berkeley Heights)	440.17	509.57

The estimated annual expenditure of \$5,019,343 for Aetna such amount is appropriated in the 2026 budget.

VII. **United HealthCare** is hereby appointed to provide fully insured Medicare Advantage/Employer Group Waiver Plans with the flexibility per member, per month fees:

PlanName	Premium	Renewal_Premium
UHC Medicare Advantage w/ Rx - MAPDP (Borough of Woodland Park)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Town of Dover)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Town of Newton)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of Berkeley Heights)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of Hanover)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of Montville)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of Randolph)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of West Milford)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of Berkeley Heights)	439	560.74
UHC Medicare Advantage w/ Rx - MAPDP (Township of West Milford)	439	560.74

The estimated annual expenditure of \$645,972 for United HealthCare such amount is appropriated in the 2026 budget.

WHEREAS, the Fund resolves to appoint the Professionals - noted below - commencing on April 1, 2025, and ending on December 31, 2026, and its January 2026 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.,

I. **Conner Strong & Buckelew (John Lajewski)** is hereby appointed to serve as the FUND's **Program Manager** and as **agent for process of service**: \$8.00 per employee, per month will be expended to the Program Manager. The estimated annual amount of \$313,392 has been appropriated in the Program Manager line item of the 2026 budget.

WHEREAS, at the December 8, 2025, Fund Executive Committee meeting, the Fund approved Resolution 25-37, awarding the appointment of the Medical TPA via an emergency procurement process, commencing on January 1, 2026, and ending on December 31, 2026, at its January 2026 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 40A:11-1 et Seq.;

I. **Aetna** is hereby appointed to serve as the FUND's **Medical Claims Administrator**. \$45.68 per employee, per month will be expended to the Claims Administrator. The estimated

annual amount of \$1,156,618 has been appropriated in the Medical TPA line item of the 2026 budget.

WHEREAS, the Fund has determined that it is in best interest to extend the contract for Executive Director services for the period from January 1, 2026, through December 21, 2026, under the same terms and conditions as the existing contract, at its January 2026 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 40A:11-2 et Seq.;

VIII. **PERMA Risk Management Services as Administrator** is hereby appointed as **Executive Director (James Rhodes, Executive Director and Emily Koval, Associate Executive Director)** and as **agent for process of service**: \$12.23 per employee, per month will be expended to the Administrator. The estimated annual amount of \$577,260 has been appropriated in the Administrator line item of the 2026 budget. In addition, \$40,000 will be paid for special claims and operation audits.

BE IT FURTHER RESOLVED that each of the above shall serve pursuant to a Professional Service Contract, which will be entered into and a copy of which will be on file in the Fund's office, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054;

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-2

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
ESTABLISHING PLAN FOR COMPENSATING PRODUCERS LICENSED PURSUANT TO
N.J.S.A. 17:22A-1 ET SEQ AND REPRESENTING MEMBER ENTITIES**

WHEREAS, The North Jersey Municipal Employee Benefits Fund permits member entities that designate a producer or risk manager to represent them in dealings with the Fund through subcontracts with the Fund; and

WHEREAS, Pursuant to N.J.A.C. 11:15-3.6 (e) 15, producer arrangements must be formally determined by the Fund and filed with the Department of Banking and Insurance; and

NOW THEREFORE BE IT RESOLVED, that the North Jersey Municipal Employee Benefits Fund establishes the following producer plan for 2026;

1. The Fund will include producer compensation in each entity’s assessments using the compensation levels as disclosed to and approved by each member entity.
2. Each Producer contract directly with the group and will provide the Broker of Record (BOR) letter to the Fund.
3. The following sub-producers with the designated compensation levels, stated in per employee per month contractual amounts, are approved for 2026:

Group Name	Broker Name	Med/Rx Agg	Medicare Advantage Agg	Dental Agg
Andover Township	World Insurance Associates LLC			3.11
Berkeley Heights	Brown and Brown Metro	43.46	43.46	
Bloomington	Vozza Agency	36.62	36.62	11.90
Byram	Skylands Risk Management			2.67
Dover Town	Acisure, LLC	45.19	45.19	2.88
Harding Township	Corporate Benefit Solutions	53.87	53.87	
Jefferson Township	Vozza Agency	37.38	37.38	5.44
Knowlton Board of Education	Kore	77.18	77.18	
Madison	Vozza Agency	38.20	38.20	6.83
Madison Housing Authority	Vozza Agency	38.20	38.20	6.83
Montville	Vozza Agency	38.00	38.00	9.48
Mountain Lakes Borough	Employee Benefits Consulting Services			2.88
Netcong	Vozza Agency	49.00	49.00	3.95
Newton	Vozza Agency	38.44	38.44	11.49
Pequannock	Vozza Agency	35.00	35.00	4.50
Prospect Park	World Insurance Associates LLC			3.42
Sparta	Skylands Risk Management	50.68	30.60	3.94
Wantage	Vozza Agency	52.22	52.22	6.19
Wharton	World Insurance Associates LLC	29.27	29.27	

4. This schedule may be amended upon the written notification of each listed member entity.
5. This compensation is subject to receiving authorization for the member.

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
ADOPTED: JANUARY 22, 2026**

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-3

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
APPOINTING PERMA RISK MANAGEMENT SERVICES
AS AGENT FOR THE FUND
FOR PROCESS OF SERVICE FOR THE YEAR 2026**

BE IT RESOLVED by the Executive Committee of the North Jersey Municipal Employee Benefits Fund that PERMA Risk Management Services (PERMA) is hereby appointed as agent for process of service upon the Fund, at its office located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054 for the year 2026 or until its successor has be appointed and qualified.

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-4

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
DESIGNATING CUSTODIAN OF FUND RECORDS**

BE IT RESOLVED that _____, the Secretary of the North Jersey Municipal Employee Benefits Fund is hereby designated as the custodian of the Fund records which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
DESIGNATING THE STAR LEDGER and THE RECORD
THE OFFICIAL NEWSPAPER FOR THE FUND YEAR 2026**

WHEREAS, the Executive Committee of the North Jersey Municipal Employee Benefits Fund designates the Asbury Park Press as the official newspaper for the North Jersey Municipal Employee Benefits Fund for the year 2026; and

WHEREAS, in the case of special meetings or emergency meetings, the Secretary of the North Jersey Municipal Employee Benefits Fund shall provide notice of said meetings to the Asbury Park Press; and

WHEREAS, pursuant to P.L. 2025, c. 72, effective March 1, 2026, public entities are required to publish all legal notices on their official websites, displaying the hyperlink on the homepage; and

WHEREAS, said law further requires public entities to advertise the hyperlink to the webpage for official notices on the Secretary of State’s public notice webpage, when available, twice a month for Fund Year 2026.

NOW, THEREFORE, BE IT RESOLVED that the North Jersey Municipal Employee Benefits Fund public notice will be available at www.northjerseyhif.com starting March 1, 2026, in compliance with P.L. 2025, c. 72.

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-6

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
FIXING PUBLIC MEETING DATES
FOR THE YEAR 2026**

WHEREAS, under the New Jersey Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. (“OPMA”), a public entity is required to publish and prominently post an annual notice with the dates and locations for its public meetings; and

WHEREAS, the Emergency Remote Meeting Protocol for Local Public Bodies, N.J.A.C. 5:39-1.1 et seq. (“Emergency Protocol”), requires that a public entity holding meetings remotely during a declared emergency, without physical attendance by members of the public, must provide additional notice by posting same on the public entity’s website and on the main access door of the building where in-person meetings are normally held, and that such notice must include instructions for accessing the remote meetings, the means for making public comment, and where relevant documents are available.

NOW THEREFORE BE IT RESOLVED, by the Executive Committee of the North Jersey Municipal Employee Benefits Fund that the Fund shall hold public meetings during the year 2026 at the Randolph Township Hall - 502 Millbrook Ave, Randolph, NJ 07869 on the following dates:

- March 26, 2026
- May 21, 2026
- July 30, 2026
- September 24, 2026
- October 22, 2026
- January 28, 2027

Meeting information can be found on the Fund website at www.northjerseyhif.com

BE IT FURTHER RESOLVED that the Secretary of the Fund is hereby directed to publish a copy of this Resolution in Star Ledger, The Record and online.

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-7

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS
AND ESTABLISHING CASH MANAGEMENT PLAN FOR 2026**

BE IT FURTHER RESOLVED that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

1.) **Cash Management and Investment Objectives**

The North Jersey Municipal Employee Benefits Fund (hereinafter referred to as the FUND) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the FUND's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.

2.) **Permissible Investments**

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
or

- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than ten (10) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent with the Division's own investment guidelines, and providing that the investment is a fixed rate of interest not dependent on any index or external factors.
- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions established by the N.J. Department of Community Affairs.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

Citizens Bank
 TD Wealth Management
 State of New Jersey Cash Management Fund

The FUND is also authorized to invest its assets in the New Jersey Cash Management Fund.

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to manage the FUND's cash and investments in a manner consistent with this plan and all appropriate regulatory constraints.

5.) **Preservation of Capital**

Securities shall be purchased with the ability to hold until maturity.

6.) **Safekeeping**

Securities purchased on behalf of the FUND shall be delivered electronically or physically to the FUND's custodial bank, which shall maintain custodial and/or safekeeping accounts for such securities on behalf of the FUND.

7.) **Selection of Custodial and Operating Banks**

Custodial and operating banks shall be retained for contract periods of one (1) year. Additionally, the FUND shall maintain the ability to change asset managers and/or custodial banks more frequently based upon performance appraisals and upon reasonable notice, and based upon changes in policy or procedures.

8.) **Reporting**

The Treasurer shall report to the Executive Board at all regular meetings on all investments. This report shall include information on the balances in all bank and investment accounts, and purchases, sales, and redemptions occurring in the prior month.

9.) **Audit**

This plan, and all matters pertaining to the implementation of it, shall be subject to the FUND's annual audit.

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors prepared by the FUND's Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours.

In the event a check is made payable to the Treasurer rather than the Fund, the following procedure is to be followed:

- a.) The Treasurer endorses the check to the Fund and deposits it into the Fund account.
- b.) The Treasurer notifies the payer and requests that in the future any check be made payable to the Fund.

The Treasurer shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly swept into the investment portfolio.

The method of calculating banking fees and compensating balances shall be documented to the Executive Board at least annually.

Cash may be withdrawn from investment pools under the discretion of asset managers only to fund operations, claims-impres accounts, or approved dividend payments.

The Treasurer shall escheat to the State of New Jersey checks which remain outstanding for twelve or more months after the date of issuance. However, prior to implementing such procedures, the Treasurer, with the assistance of the claims agent, as needed, shall confirm that the outstanding check continues to represent a valid claim against the FUND.

The rate of interest on delinquent assessments shall be 10% per annum from the due date for any such assessment.

12.) **Member Monthly Billing**

To ensure timely billing and preservation of cashflow the Fund will follow this timeline and protocols as it relates to monthly invoices.

All enrollment changes must be entered into the system by the 15th of the month to reflect on the bill.

16th of the month – PERMA’s Operations team will run and review all pre-bill audits.

Upon completion of the pre-bill audits – PERMA’s Operations team will generate all invoices and associated billing reports. Review of adjustments are completed within 2 business days of being generated

Bills are sent to accounting for review and approval, thereafter.

Upon receipt of accountings approval, invoices are sent to members within two business days

Bills are due the 15th of the billed month. Payments not received by the 15th are subject to a 10% interest penalty. The penalty will start accruing on the 1st of that billed month until the payment is received by the Fund Treasurer.

EXAMPLE: March 2026 bill for \$100,000

Bill sent to member: February 15, 2026

Due Date: March 15, 2026

Member payment received: March 25, 2026.

Interest: March 1, 2026 – March 25, 2026: \$27.40 per day = **\$657.53**

**Interest will be added as a line-item adjustment on the next possible bill.*

If any of the dates outlined above fall on a weekend or holiday, the due date will be the next business day. If there is a delay on one client’s bill, this will not hold up the distribution of any other of the Fund member bills.

All clients should review their bills immediately and report any discrepancies so they can be addressed before the next invoice is generated.

The Fund’s policy is to pay as billed and necessary adjustments will be reflected on a future invoice.

The client will receive a delinquent notice via email if payment is not made within a reasonable amount of time.

To assure timely payment of monthly assessments, the Fund shall implement a process of automatically initiating transfers from member entity bank accounts into the Fund accounts after detailed monthly assessment invoices are supplied to the member entities.

BE IT FURTHER RESOLVED that the attached Cash and Investment Management Plan, which includes the designation of authorized depositories, be and is hereby adopted.

ADOPTED: JANUARY 22, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-8

**NORTH JERSEY MUNICIPAL EMPLOYEES BENEFIT FUND
RESOLUTION DESIGNATING
AUTHORIZED SIGNATURES FOR FUND BANK ACCOUNTS**

BE IT RESOLVED by the North Jersey Municipal Employee Benefits Fund that all funds of the North Jersey Municipal Employee Benefits Fund shall be withdrawn from the official named depositories by check, which shall bear the signatures of at least two (2) of the following persons who are duly authorized pursuant to this Resolution.

_____	- Chairperson
_____	- Secretary
Michael Soccio	- Treasurer

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-9

**NORTH JERSEY MUNICIPAL EMPLOYEES BENEFIT FUND
RESOLUTION ALLOWING SIGNATORIES FOR
TD WEALTH MANAGEMENT ACCOUNT**

The undersigned, the duly elected and qualified secretary/clerk of North Jersey Municipal Employees Benefits Fund, a corporation (hereinafter referred to as the "Corporation"), hereby certifies that the following Resolutions were duly adopted by the Board of Directors of said Corporation, said Resolutions having been adopted on the 22nd day of January 2026, and that said Resolutions have not been modified or rescinded and are still in full force and effect as of the date hereof.

RESOLVED, that the Board of Directors of North Jersey Municipal Employees Benefits Fund hereby appoints TD Bank, N.A. (hereinafter referred to as the "Bank") as Agent of certain financial assets of the Corporation; and

FURTHER RESOLVED, that the persons designated below are hereby authorized and empowered to take such actions and to execute and deliver such documents as may be necessary to discharge the Corporation's obligations with respect to the appointment of the Bank as Agent and with respect to issuing instructions to enable the Bank to discharge its obligations as Agent of the Corporation's assets:

Printed Name	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

IN WITNESS WHEREOF, the undersigned has executed this Certificate on the 22nd day of January 2026.

Printed Name:
Title:

STATE OF NEW JERSEY
COUNTY OF MORRIS

Personally, appeared the above-named _____, the Secretary of North Jersey Municipal Employees Benefits Fund who made oath that the foregoing Certificate by him/her subscribed is true.

Printed Name:
Notary Public/ Attorney at Law

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
RISK MANAGEMENT PLAN 2026

NOW, THEREFORE, BE IT RESOLVED that the following shall be the Fund's Risk Management Plan for the 2025 Fund year:

1.) **COVERAGE OFFERED**

- Medical

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

- Dental

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

- Prescription

The Fund offers customized prescription plans, including Employer Group Waiver Plans, as required by the members, including plans that are coordinated with the low cost medical plan options.

- Vision

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

2.) **LIMITS OF COVERAGE**

Limits of coverage vary by member plan design.

3.) **RISK RETAINED BY THE FUND**

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

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

Medical and Prescription:

- **Specific Coverage:** The Fund self-insures for the first \$475,000 per person per agreement year and obtains reinsurance through its membership in the Municipal Reinsurance Health Insurance Fund “MRHIF” for claims in excess of its self-Insured Retention “SIR” to an unlimited maximum per person per contract period (incurred in 12 months paid in 24 months).
- Specific Limit Unlimited
- Basis: Incurred 12 months, paid 24 months.

Extra contractual claims are excluded from reinsurance coverage.

4.) ASSUMPTIONS AND METHODOLOGY TO CALCULATE CLAIM RESERVES.

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

5.) METHODS OF ASSESSING CONTRIBUTIONS TO MEMBERS

At least one month before the end of the year, the Fund adopts a budget for the upcoming year based on the most recent census. Per covered person rates are computed for each line of coverage for each Fund member, and are approved by the Fund as a part of the budget adoption and rate certification process. Entities may receive rate adjustments of +-2.5% in addition to normal increases to reflect loss ratio experience. These rates are used to compute the members’ monthly assessment based on the updated census, and are mailed to the members approximately 15 days before the beginning of the month. The billing also includes the member’s updated census for verification each month by the local entity. Retroactive adjustments for enrollment changes are limited to 2 months. Former employees (COBRA, Conversion and some retirees) and Dependent Age 31 participants are billed directly by the Fund.

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

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

The Fund provides coverage on a self-insured basis, and secures excess insurance to cap the Funds’ specific (i.e. per covered person per policy year) retention. The Fund is a member of the Municipal Reinsurance Health Insurance Fund (MRHIF). The MRHIF retains claims above the Fund’s local

specific retention and purchases an excess insurance policy that is filed with the Department of Banking and Insurance in accordance with the applicable regulations.

7.) THE INITIAL AND RENEWAL RATING METHODOLOGIES

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

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

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

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

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

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

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

8.) RATING PERIODS

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

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

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

10.) PROVISION FOR PPOs, etc.

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

11.) OPEN ENROLLMENT PROCEDURES

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

12.) COBRA AND CONVERSION OPTIONS

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

13.) DISCLOSURE OF BENEFIT LIMITS

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

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

All assessments, including additional assessments and dividends, are the responsibility of the member, not the employee or former employee. Employee contributions, if any, are solely an internal policy of the member which shall not impact on the member's obligations to the Fund or

confer any additional rights to the employees. Where the Fund directly bills an employee, (i.e. COBRA, Direct bill retiree, etc.), this shall be considered as a service to reduce the member's administrative burden, and the member shall be responsible in the event of non-payment.

15.) RETIREES

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

16.) NEWBORN CHILDREN

All plan documents will have the following language:

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

17.) PLAN DOCUMENT

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

A.) General Information

- * Enrollment procedures and eligibility.
- * Dependent eligibility.
- * When coverage begins.
- * When can coverage be changed.
- * When does coverage end.
- * COBRA provisions.
- * Conversion privilege
- * Enrollment forms and instructions.

B.) Benefits

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

C.) Claims Procedures

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

D.) Cost Containment Programs

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

18.) PROCEDURES FOR THE CLOSURE OF FUND YEARS

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

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

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

- * A reserve is established by the actuary to cover any unpaid claims or IBNR.
- * The Fund decides on the final dividend or supplemental assessment.
- * A closure resolution is adopted transferring all remaining assets and liabilities of that Fund year to the "Closed Fund Year/Contingency Account".
- * Each member's pro rata share of the residual assets are computed and added to its existing balance in the Closed fund Year/Contingency Account. Any member who has withdrawn

from the Fund shall receive its remaining share of the Closed fund Year/Contingency Account six years after the date of its withdrawal.

19.) "RUN-IN" or "RUN-OUT" LIABILITY

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

20.) CLAIMS, OPERATIONS AND ENROLLMENT AUDITS

The Fund retains a claim auditor experienced in auditing self-insured claims and operations. Claims and/or operational audits will be performed after the first year of operation and at least every three (3) years thereafter.

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

21.) CLAIMS - ADMINISTRATIVE ADJUSTMENTS

Fund policy is to delegate these decisions to the program manager and fund chairman. The program manager will include a report on any approved adjustments in his monthly report. The report will include a listing of adjusted items, the amount, and a year to date total of all such adjustments. Memoranda explaining and documenting such adjustments will be supplied, without "protected health information", to the fund attorney and executive director. Such memoranda shall be part of the fund's claims records and shall be subject to review and audit by executive committee members, auditors, and examiners.

If the Program Manager and Fund Chair deny a requested adjustment, the claimant will be advised accordingly and will be able to file a claims appeal if necessary. The Executive Committee will not routinely review claims exceptions or adjustments and will limit its role to reviewing claim appeals.

22.) CLAIM APPEALS

The following procedures are to be followed in regard to claims appeals:

Claim appeals are to be summarized 10 days prior to a meeting by the Program Manager for review by the fund attorney and executive director.

Claim appeal synopses will be included in agendas after review and mailed to executive committee members 7 days prior to the meeting.

Synopses will include a summary of contractual issues, the financial impact upon the fund, reinsurance implications, the results of similar prior appeals, and a recommended disposition. Less emphasis will be placed upon the medical details of individual cases.

For appeals requiring medical judgment or expertise, professional assistance will be sought and summarized. Sources of such assistance are: Nurse case managers, claims agent medical directors, utilization management professionals accessible through the MRHIF and its reinsurers, and medical experts that might be retained by the fund on an as needed basis. The Program Manager has recommended CSG as the primary source for such independent advice. This firm can also be used to provide independent advice for other claims where intervention is requested or required.

For appeals having implications on reinsurance reimbursements, the effected reinsurer will be given the opportunity to provide input, including medical review by its agents.

Commissioners should recuse themselves from claim appeals if they have knowledge that it pertains to an employee from their respective municipality.

Employees may appeal executive committee decisions to the Independent Appeal Organizations designated by the Fund.

23.) ENROLLMENTS AND TERMINATIONS PAST 60 DAYS

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

24.) MEDICARE ADVANTAGE/EGWP ONLY

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

25.) DIVIDEND CAP POLICY

The targeted surplus range is between 2.5 months of claims to 5 months of claims. The Finance Committee will periodically review the Fund's surplus position. If the surplus exceeds a total 5

months of claims, a dividend recommendation of 50% of the surplus over the retention cap will be presented to the Executive Committee.

26.) ENROLLMENTS AND TERMINATIONS PAST 60 DAYS

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

27.) PARTIAL MONTH ENROLLMENTS

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

28.) OUT OF NETWORK MEDICARE SCHEDULE APPEAL PROCESS

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

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

The Executive Director will conduct a preliminary review within five (5) business days of receipt of the request for a Third-party review and notify the member and/or representing broker, the request is being forwarded to a Third-Party Review Organization solely responsible for reviewing Out of Network claims reimbursement.

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

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

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

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

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

29.) QUALITY AND CLINICAL PLAN MANAGEMENT

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

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

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
APPOINTING OF FUND COMMISSIONER, ALTERNATE FUND COMMISSIONER TO
THE MUNICIPAL REINSURANCE HEALTH INSURANCE FUND**

WHEREAS, The North Jersey Municipal Employee Benefits Fund has agreed to join the Municipal Reinsurance Health Insurance Fund; and

WHEREAS, by virtue of the conditions of membership contained in the by-laws of the fund, the North Jersey Municipal Employee Benefits Fund must appoint a Fund Commissioner, and Alternate;

NOW THEREFORE BE IT RESOLVED, North Jersey Municipal Employee Benefits Fund as follows:

1. That _____ is hereby appointed as Fund Commissioner.
2. That _____ is hereby appointed as Alternate to the Fund Commissioner.

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-12

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
AUTHORIZING COMMISSION TREASURER TO PROCESS
CONTRACTED PAYMENTS AND EXPENSES**

WHEREAS, the Executive Committee has deemed it necessary and appropriate to provide authorization to the Fund Treasurer to pay certain Fund contracted payments and expenses during the month(s) when the Commission does not meet; and

WHEREAS, payment by the Fund Treasurer of contracted payments and expenses for the month(s) in which the Fund does not meet shall be ratified by the Fund at its next regularly scheduled meeting; now, therefore,

BE IT RESOLVED by the Executive Committee of the North Jersey Municipal Employee Benefits Fund that the Fund Treasurer is hereby authorized to process the contracted payments and Fund expenses for all months in which the Fund does not meet during the year 2026.

BE IT FURTHER RESOLVED that the Executive Committee of the North Jersey Municipal Employee Benefits Fund shall ratify the contracted payments and Fund expenses so paid by the Fund Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-13

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE NOVEMBER 2025, DECEMBER 2025, AND JANUARY 2026 BILLS LISTS**

WHEREAS, the North Jersey Municipal Employee Benefits Fund held a Public Meeting on **JANUARY 22, 2026**, 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 months November 2025, December 2025, and January 2026 for consideration and approval of the Executive Committee; and

WHEREAS, The Treasurer for the Fund presented a Treasurers Report which detailed the claims payments and imprest transfers for the Fund for the Month of November for all Fund Years 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 North Jersey Municipal Employee Benefits Fund hereby approve the Bills List for November 2025, December 2025, and January 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.

NOW, THEREFORE BE IT FURTHER RESOLVED, the Commissioners of the Executive Committee of the North Jersey Municipal Employee Benefits Fund hereby approve the Treasurers Report as furnished by the Treasurer of the Fund and concur with actions undertaken by the Treasurer, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

ADOPTED: JANUARY 22, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
October 23, 2025
RANDOLPH MUNICIPAL HALL- 9:30 AM**

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

ROLL CALL OF 2025 FUND COMMISSIONERS

2025 Executive Committee		Attendance
Thomas S. Russo, Chair	Town of Newton	Present
Carrine Piccolo- Kaufer, Secretary	Township of Hardyston	Present
Barbara Russo, Executive Committee	Township of Berkeley Heights	Present
Tammy Smith, Executive Committee	Knowlton BOE	Present
Greg Poff, Executive Committee	Randolph Township	Present
Scott Heck, Executive Committee	Borough of Ringwood	Absent
Executive Committee Alternates:		
Dina Valente - Stoel	Borough of Lincoln Park	Absent
Mike Sondermeyer	Borough of Bloomingdale	Present
Deb Millikin	Township of Jefferson	Present
Fund Commissioners & Alternate		
Jennifer Dodd, Alternate	Town of Newton	Absent
Dana Vitz, Alternate	Township of Hardyston	Absent
Deborah Bonanno, Alternate	Randolph Township	Absent
Perry Mayers, Alternate	Borough of Lincoln Park	Absent
Jasmin Azcona, Alternate	Township of Bloomingdale	Absent
William Egan, Alternate	Township of Jefferson	Absent
Karen Fornaro	Borough of Chatham	Present
Stephen Williams, Alternate	Borough of Chatham	Absent
Craig Ambrosio	Borough of Kinnelon	Absent
James Freda, Alternate	Borough of Kinnelon	Absent
James Burnett	Borough of Madison	Absent
Sandra Emmerich, Alternate	Borough of Madison	Absent
Katie Yanke	Borough of Montville	Absent
Ralph Blakeslee	Borough of Netcong	Present
Gabby Evangelista	Borough of Wharton	Absent
Joseph Kovalcik, Alternate	Borough of Wharton	Absent
Samuel Yodice	Borough of Woodland Park	Absent
Sandra Olivola	Borough of Woodland Park	Present

Claudia Quinn	Mount Olive	Absent
Andrew Tatarenko, Alternate	Mount Olive	Absent
Mitchell Stern	Mountain Lakes	Absent
Shawn Bennett, Alternate	Mountain Lakes	Absent
Patricia Bussow	Township of Andover	Absent
Lorraine England	Township of Andover	Absent
Meghan Lynch	Town of Boonton	Absent
Neil Henry	Town of Boonton	Absent
Joe Sabatini	Township of Byram	Absent
Ashleigh Frueholz, Alternate	Township of Byram	Absent
Victoria Dobrusin	Township of Dover	Present
Adam Cruz, Alternate	Township of Dover	Absent
Silvio Esposito	Township of Hanover	Absent
Andrew Fiore	Township of Harding	Absent
Julie McIver	Township of Pequannock	Absent
Adam Brewer, Alternate	Township of Pequannock	Absent
John Shepherd	Township of Roxbury	Absent
Lisa Spring, Alternate	Township of Roxbury	Absent
James Zepp	Township of Sparta	Present
Michele Lantau, Alternate	Township of Sparta	Absent
Tina Kraus	Township of Vernon	Present
Keith Kurry	Township of Vernon	Present
Michael Restel	Township of Wantage	Present
Nancy VanHorn, Alternate	Township of Wantage	Absent
Michele Dale	Township of West Milford	Present
Cathy Shanahan, Alternate	Township of West Milford	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director	PERMA Risk Management Services	Brandon Lodics Emily Koval Jordyn Robinson
Program Manager	Conner Strong & Buckelew	John Lajewski
Attorney	Dorsey & Semrau	Ed Pasternak Fred Semrau
Claims Administrator	Aetna	Jason Silvestein
Dental Administrator	Delta Dental	Luhra Ebarle
Prescription Administrator	Express Scripts	Absent
Treasurer	Michael Soccio	Present
Auditor	Holman & Frenia	Absent
Actuary	John Vataha	Absent

PRESENT FUND PROFESSIONALS:

Renee Gear, World Insurance	Randi Gerber, Vozza Associates
Joe Rude, EBCSG	Staci Grant, Acrisure
David Young, Wharton	Lois Manzella-Marchetto, Fitness Knocking

FLAG SALUTE

APPROVAL OF OPEN MINUTES:

MOTION TO APPROVE OPEN MINUTES:

MOTION: Commissioner Poff
SECOND: Commissioner Smith
VOTE: 14 Ayes, 0 Nays, 1 Abstain - Russo

MONTHLY COMMITTEE REPORTS:

CLAIMS COMMITTEE- No Report

CONTRACTS COMMITTEE- No Report

FINANCE COMMITTEE- No Report

OPERATIONS COMMITTEE- The Operations Committee provided minutes from its October 20, 2025, meeting. During this meeting, the committee discussed a proposal to change the out-of-network claims processing for members not currently using the Medicare-based fee schedule. The analysis, conducted by Conner Strong & Buckelew, highlighted an uptick in out-of-network utilization, particularly among plans not indexed to Medicare rates. The committee noted that certain providers were targeting governmental employees with rich out-of-network benefits, sometimes waiving co-pays and deductibles, resulting in no out-of-pocket expenses for members and higher costs for the Fund. The recommendation was to standardize the out-of-network reimbursement schedule to 150% of Medicare for professionals and 175% for facilities, effective January 1, 2026, for affected members. The committee reviewed access to in-network providers and found superior access levels, mitigating concerns about network adequacy. Provisions exist for appeals and exceptions if members cannot access needed care in-network. The committee also discussed the impact on administrative fees paid to Aetna, noting that while the NAP fee would decrease, the overall administrative fee would increase, but net savings to the Fund would remain significant. The Operations Committee supported moving forward with the recommendation, emphasizing the need for communication and education for affected members.

WELLNESS COMMITTEE- No Report

FUND DOCUMENT REVIEW COMMITTEE- The Fund Document Review Committee reported ongoing efforts to review bylaws and other key policies. The committee is scheduling meetings to begin this process, with all recommendations to be vetted by the Fund Attorney before presentation to the Executive Committee.

PROFESSIONAL REPORTS:

EXECUTIVE DIRECTOR’S REPORT

FAST TRACK FINANCIAL REPORT - The Executive Director reviewed the Fast Track Financial Report as of July 31, 2025, noting earnings of approximately \$32,000, offset by a previously approved \$7 million dividend. The Fund maintains a quarter’s worth of reserves, and cash flow is being closely monitored in anticipation of the new budget year

2026 NJHIF BUDGET ADOPTION - The 2026 budget was presented for adoption, with two versions considered: one as introduced and one adjusted for the out-of-network fee schedule change. The adjustment would reduce out-of-network claims exposure and spend, with an associated increase in Aetna’s administrative fee, offset by a reduction in claims contingency. The bottom line of the budget remained unchanged. After discussion, the public hearing was opened and closed without comment, and the budget was adopted via Resolution 25-32 in the amount of \$88,408,851.

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

Discussion of Budget and Assessments

Motion: *Motion to close the Public Hearing*

MOTION TO ADOPT THE 2026 NORTH JERSEY REGIONAL EMPLOYEE BENEFITS FUND IN THE AMOUNT OF \$88,408,851.

MOTION:	Commissioner Smith
SECOND:	Commissioner Piccolo-Kaufer
VOTE:	15 Ayes, 0 Nays,

MEDICAL THIRD-PARTY ADMINISTRATOR & PHARMACY BENEFIT MANAGER CONTRACTS

The Fund Attorney addressed the status of the Medical TPA contract. Due to delays in the state-level procurement process, the Fund was unable to issue a new RFP for 2026. An emergency unspecified service contract extension with Aetna was proposed and discussed with the Fund Attorney and relevant stakeholders. The recommendation was to proceed with an emergency procurement rather than the standard extension, as this approach is more defensible and does not require pre-approval from the Comptroller’s office. The Executive

Committee agreed to adopt a resolution declaring an emergency and authorizing the solicitation of quotes for third-party administrator services for 2026, replacing the previously proposed contract extension. The motion carried unanimously.

Resolution 25-33 approves the Emergency Medical TPA Procurement.

MOTION:	Commissioner Poff
SECOND:	Commissioner B. Russo
VOTE:	15 Ayes, 0 Nays

PRORAM MANAGER REPORT:

Mr. John Lajewski reviewed the following report in the agenda:

The Program Manager, Conner Strong & Buckelew, provided an update on ongoing projects and fund performance. The recommendation to amend the out-of-network provider payment schedule was reiterated, with supporting documentation provided to the Executive Committee. The committee was asked to consider and move Resolution 25-34, revising member plan documents to reflect the new out-of-network fee schedule.

RESOLUTION 25-34

MOTION:	Commissioner Poff
SECOND:	Commissioner Smith
VOTE:	15 Ayes, 0 Nays

The Program Manager also reported on new member requests for the 2026 program year. The Boroughs of Mendham and Netcong were recommended for admission, having met all underwriting requirements. The Executive Committee approved Resolution 25-35, offering membership to both entities for medical and prescription coverage effective January 1, 2026.

RESOLUTION 25-35

MOTION:	Commissioner Smith
SECOND:	Commissioner Piccolo-Kaufer
VOTE:	15 Ayes, 0 Nays

Additional updates included the SaveOn co-pay assistance program, which saved the Fund \$283,970 in the first half of 2025, and details on open enrollment for 2026, which will be passive and for which materials have already been distributed. Two carrier appeals were reported, both upheld, and one IRO submission remains under review. Wellness initiatives

continue, with newsletters and webinar schedules distributed and ongoing strategy discussions planned.

TREASURER: The Treasurer reviewed the October 2025 voucher list and confirmation of claims paid and transfers. The total payments for October 2025 amounted to \$962,199.76, with an additional dividend payment of \$236,440.00. The summary of cash transactions for August was presented, showing a combined fund balance of \$7,015,051.96. The Executive Committee approved Resolution 25-36, authorizing payment of the bills and acceptance of the Treasurer’s report..

MOTION TO APPROVE RESOLUTIO 25-36 APPROVING THE BILLS LIST AND TREASURERS REPORTS

MOTION:	Commissioner Piccolo-Kaufer
SECOND:	Commissioner Millikin
VOTE:	15 Ayes, 0 Nays

ATTORNEY: he Fund Attorney provided an update on outstanding claims and litigation, reporting no pending litigation or complaints. The Fund continues to operate cooperatively with the Program Manager’s office. The Attorney also clarified language in the emergency procurement resolution to reference delays through the state agency rather than specifically attributing them to the Comptroller’s office. The amendment was accepted and reflected in the record.

MOTION:	Commissioner Poff
SECOND:	Commissioner Piccolo Kaufer
VOTE:	All in Favor

AETNA: Aetna presented the monthly claims activity report, highlighting claim volumes, high-cost claimants, and network utilization metrics. The Fund continues to experience strong network discounts and high in-network utilization rates. Catastrophic claims and outreach efforts through Aetna’s care management programs were also summarized.

EXPRESS SCRIPTS: Express Scripts provided a detailed pharmacy utilization report, including plan costs, specialty drug trends, and the impact of the SaveOn and Omada programs. The Fund saw continued growth in GLP-1 weight loss medication utilization, with compliance requirements enforced through Omada. The report also compared plan costs and utilization trends to peer benchmarks.

DELTA DENTAL: No Report

OLD BUSINESS: None.

NEW BUSINESS: None.

MOTION TO ADJOURN:

MOTION:

SECOND:

VOTE:

Commissioner Poff

Commissioner Smith

All in Favor

MEETING ADJOURNED AT: 10:21am

Jordyn Robinson

For

Carrine Piccolo-Kaufer, Secretary

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
December 8, 2025
ZOOM - 9:30 AM**

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

ROLL CALL OF 2025 FUND COMMISSIONERS

2025 Executive Committee		Attendance
Thomas S. Russo, Chair	Town of Newton	Present
Carrine Piccolo- Kaufer, Secretary	Township of Hardyston	Absent
Barbara Russo, Executive Committee	Township of Berkeley Heights	Present
Tammy Smith, Executive Committee	Knowlton BOE	Present
Greg Poff, Executive Committee	Randolph Township	Present
Scott Heck, Executive Committee	Borough of Ringwood	Present
Executive Committee Alternates:		
Dina Valente - Stoel	Borough of Lincoln Park	Present
Mike Sondermeyer	Borough of Bloomingdale	Present
Deb Millikin	Township of Jefferson	Present
Fund Commissioners & Alternate		
Jennifer Dodd, Alternate	Town of Newton	Absent
Dana Vitz, Alternate	Township of Hardyston	Absent
Deborah Bonanno, Alternate	Randolph Township	Absent
Perry Mayers, Alternate	Borough of Lincoln Park	Present
Jasmin Azcona, Alternate	Township of Bloomingdale	Absent
William Egan, Alternate	Township of Jefferson	Absent
Karen Fornaro	Borough of Chatham	Present
Stephen Williams, Alternate	Borough of Chatham	Absent
Craig Ambrosio	Borough of Kinnelon	Absent
James Freda, Alternate	Borough of Kinnelon	Absent
James Burnett	Borough of Madison	Absent
Sandra Emmerich, Alternate	Borough of Madison	Absent
Katie Yanke	Borough of Montville	Absent
Ralph Blakeslee	Borough of Netcong	Present
Gabby Evangelista	Borough of Wharton	Absent
Joseph Kovalcik, Alternate	Borough of Wharton	Absent
Samuel Yodice	Borough of Woodland Park	Absent

Sandra Olivola	Borough of Woodland Park	Absent
Claudia Quinn	Mount Olive	Present
Andrew Tatarenko, Alternate	Mount Olive	Absent
Mitchell Stern	Mountain Lakes	Absent
Shawn Bennett, Alternate	Mountain Lakes	Absent
Patricia Bussow	Township of Andover	Absent
Lorraine England	Township of Andover	Absent
Meghan Lynch	Town of Boonton	Absent
Neil Henry	Town of Boonton	Absent
Joe Sabatini	Township of Byram	Absent
Ashleigh Frueholz, Alternate	Township of Byram	Absent
Victoria Dobrusin	Township of Dover	Present
Adam Cruz, Alternate	Township of Dover	Absent
Silvio Esposito	Township of Hanover	Absent
Andrew Fiore	Township of Harding	Absent
Julie McIver	Township of Pequannock	Present
Adam Brewer, Alternate	Township of Pequannock	Absent
John Shepherd	Township of Roxbury	Absent
Lisa Spring, Alternate	Township of Roxbury	Absent
James Zepp	Township of Sparta	Present
Michele Lantau, Alternate	Township of Sparta	Absent
Tina Kraus	Township of Vernon	Absent
Keith Kurry	Township of Vernon	Absent
Michael Restel	Township of Wantage	Present
Nancy VanHorn, Alternate	Township of Wantage	Absent
Michele Dale	Township of West Milford	Absent
Cathy Shanahan, Alternate	Township of West Milford	Absent

APPOINTED OFFICIALS PRESENT:

Executive Director	PERMA Risk Management Services	Brandon Lodics Emily Koval Caitlin Perkins Jordyn Robinson
Program Manager	Conner Strong & Buckelew	John Lajewski Melissa Appleby
Attorney	Dorsey & Semrau	Ed Pasternak Fred Semrau
Treasurer	Michael Soccio	Present

PRESENT FUND PROFESSIONALS:

Renee Gear, World Insurance	Brittany Vozza, Vozza Associates
Lisa Sabato, World Insurance	Dave Vozza, Vozza Associates
Frank Covelli, World Insurance	Randi Gerber, Vozza Associates
Staci Grent, Acrisure	Lindsay Klein, Acrisure
Jim Rhodes, PERMA	Joe Rude, Employee Benefits Consulting

FLAG SALUTE

MONTHLY COMMITTEE REPORTS:

CLAIMS COMMITTEE- No Report

CONTRACTS COMMITTEE- No Report

OPERATIONS COMMITTEE- No Report

WELLNESS COMMITTEE- No Report

FUND DOCUMENT REVIEW COMMITTEE- Chair Russo discussed that the review process has begun on the bylaws that have not been updated in a couple decades. The meeting minutes are included in the agenda for any additional information.

PROFESSIONAL REPORTS:

EXECUTIVE DIRECTOR'S REPORT

FAST TRACK FINANCIAL REPORT - The Executive Director reviewed the Fast Track Financial Report as of August 2025, noting that there has been a deficit. She noted a Finance Committee meeting will be scheduled when the final year end financials are finalized to review the deficits in 2024 and 2025 to discuss any future strategies that might be of interest to implement. Additionally, the 2026 rates are in the final audit step for being updated in WEX so there no expected delay in the monthly invoices at this point.

EMERGENCY PROCUREMENT RESULTS - TPA - The Executive Director noted that an emergency procurement process was completed for Medical TPA for the year 2026. There was one submittal from the incumbent, whom were able to keep their fees flat. Additionally, better terms regarding the NAP program and stop loss was also included in the submission, which will provide a little bit more shared savings towards the Fund. Resolution 25-27 is in the agenda for approval.

**MOTION TO APPROVE RESOLUTION 25-37 APPROVING EMERGENCY
PROCUREMENT RESOLUTIONS**

MOTION: Commissioner Heck
SECOND: Commissioner Sondermeyer
VOTE: 16 Ayes, 0 Nays,

INTEGRATED PRESCRIPTION RATE INITIATIVE - The Executive Director recommended a motion to approve the review to split the medical and prescription rates in the monthly bills. As the prescription rates continue to have an exponential increase, the recommendation to split the rates will help keep track of the data to allow more opportunities for analyzing the data.

**MOTION TO AUTHORIZE PERMA TO DEVELOP RATES BY LINE OF
COVERAGE (MEDICAL/PRESCRIPTION) FOR GROUPS CURRENTLY BILLED
JOINTLY**

MOTION: Commissioner B. Russo
SECOND: Commissioner Sondermeyer
VOTE: 16 Ayes, 0 Nays,

PRORAM MANAGER REPORT

The Program Manager reviewed the report on the agenda, highlighting the out-of-network schedule change for the Borough of Bloomingdale.

The Program Manager also reported that Express Scripts did release the Save-On and Formulary list for 2026. Any individuals that are impacted by changes will be contacted directly from Express Scripts to notify them of the specific change and provide other possible options for the member.

TREASURER

The Treasurer reviewed the November 2025 voucher list and confirmation of claims paid and transfers. The summary of cash transactions for September was presented. The Executive Committee approved Resolution 25-38, authorizing payment of the bills and acceptance of the Treasurer's report.

**MOTION TO APPROVE RESOLUTION 25-38 APPROVING THE NOVEMBER
BILLS LIST AND TREASURERS REPORTS**

MOTION: Commissioner B. Russo
SECOND: Commissioner Sondermeyer
VOTE: 16 Ayes, 0 Nays

OLD BUSINESS: None.

NEW BUSINESS: None.

MOTION TO ADJOURN:
MOTION: Commissioner Heck
SECOND: Commissioner B. Russo
VOTE: All in Favor

MEETING ADJOURNED AT: 10:19am

Caitlin Perkins, Account Manager
For

Carrine Piccolo-Kaufer, Secretary

APPENDIX II



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE
OFFICE OF SOLVENCY REGULATION
PO BOX 325
TRENTON, NJ 08625-0325

PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

JUSTIN ZIMMERMAN
Commissioner

TEL (609) 292-7272
FAX (609) 292-6765

November 19, 2025

TO: North Jersey Municipal Employee Benefits Fund
Attn: Chairman of Fund
Executive Director and/or Administrator

FROM: Carolina Chong
Insurance Examiner

RE: 2025 Health Insurance Joint Insurance Fund Questionnaire

The Department of Banking and Insurance ("DOBI") has reviewed the Fund's 2024 audit report.

Please provide responses to the following questions.

Financial:

1. If the fund has a decrease in net position from the prior year or a negative net position in the current year, please explain the cause(s).
 - a) Pursuant to N.J.A.C. 11:15-3.16(b), if the fund has a negative net position, the fund commissioners shall submit to the Commissioner and the Commissioner of the Department of Community Affairs a report of the causes of the account's insufficiency, the assessments necessary to replenish it and the steps taken to prevent a recurrence of such circumstances. As such, please detail the plan to address the cause(s) of the fund's net position and any steps the fund intends to take to prevent the circumstances that resulted in the negative net position.
 - b) If the fund is in a negative net position and intends to increase the annual assessment, please explain the actuarial methodology that was used to develop the rate increase.
 - c) If the plan does not include any planned supplemental assessments or interfund year transfer, please explain the rationale for this position.
2. If the plan does not include an increase for the subsequent annual assessment, please explain the rationale for this position.

3. Has the fund returned dividends/refunds to members in the past three years? If so, please detail.
4. If a member has not paid an assessment, what are the fund's process to follow up with the member?
5. Do the fund's bylaws include requirements for payment of supplemental assessments for departing members? If so, please detail.
6. How does a fund's supplemental assessment or interfund year transfer impact the ability of the fund to compare rates for the subsequent policy year? Are the fund commissioners and members aware of the fund's net position in time to appropriately analyze proposed rates for the subsequent policy year?

Governance:

1. A. Pursuant to N.J.A.C. 11:15-3.6(e)3, please provide the applicable documentation as of January 1, 2025. Copies of the fund's prospective and executed agreements or contracts, and any renewal or new agreements or contracts with any administrator, servicing organization or program manager. Such agreements or contracts shall specify the duties of, and the compensation to be paid to, each such entity. Copies of the above shall be accompanied by a list of all parties having or deriving any interest, right or benefit in the servicing organization, program manager or administrator, as well as any services to be performed which are subcontracted. **Provide current agreements or contracts – do not provide Exhibit A.**

B. In addition to A above, to the extent the terms and conditions of any renewal agreement or contract and the parties thereto remained unchanged from prior years, please indicate when the original agreement(s) or contract(s) were established.
2. A. Pursuant to N.J.A.C. 11:15-3.6(e)10, please provide a completed and updated Exhibit B for all senior officers and directors of the administrator and servicing organizations providing services to the fund in 2025. **Do not provide Exhibit C.**

B. In addition to A above, to the extent the information contained in the data forms remained unchanged from prior years, please indicate when the original data form(s) were completed.

Please email the Fund's responses to carolina.chong@dobi.nj.gov by December 5, 2025. If there are any questions, please feel free to contact me. Thank you.

Copies to: David Wolf, Aileen Egan, William Leach [DOBI]
Michael Rogers, Nick Bennett [DCA]



Date: December 12, 2025

To: Ms. Carolina Chong, Department of Banking and Insurance, Insurance Examiner

Re: Inquiry of November 19, 2025, on the North Jersey Municipal Employee Benefits Fund financial position through 12/31/24

Dear Ms. Chong,

The North Jersey Municipal Employee Benefits Fund (the "Fund") is in receipt of your November 19, 2025 correspondence inquiring into the Fund's financial position through December 31, 2024. Below are the Fund's responses to your inquiry.

1. a) As of September 30, 2025, Fund Year (FY) 2024 is running at surplus deficit of \$2,232,100. The Executive Committee has reviewed the challenges that the Fund saw in 2024, some of which occurred in 2025.

The following challenges surfaced, particularly in the second half of 2024:

Large Hospital Contract Negotiations - These hospital negotiations are intensifying statewide. In this Fund's region of the State, the Atlantic Health System received a material increase in reimbursement which is having a direct and immediate impact on the Fund's claim costs. These contract negotiations are proprietary to our Third-Party Administrators and difficult to budget.

High - Cost Claimants increased substantially in 2024. There were 24 high cost claimants over 50% of the \$450,000 specific deductible in 2024, and only receiving \$650,000 in reimbursements from the Reinsurance Fund. The total net paid in claimants over \$100,000 was over \$15 million.

GLP-1 Utilization (weight loss drug) for non-type II diabetic care has increased dramatically over the past year(s). The impact of GLP-1s for weight loss has contributed to an estimated 24% of the 2025 prescription increase. These drugs are expected to be approved for additional indications, which will likely continue to drive increased prescription costs. Although a cost containment program was

adopted in 2024 which should help reduce some of the costs borne by the Fund, it will not completely reduce utilization and cost.

No Surprises Act Claims - In addition to utilization and unit cost increases, claims resulting from the Federal Government's No Surprises Act (NSA) had a significant impact on the Fund's financials in the second quarter of 2025, for claims that were incurred in 2022-2024. Out of Network claims originally processed and included in the Fund's experience used by the Actuary to project the 2023, 2024 and 2025 budgets did not include the unforeseen NSA awards. NSA awards arbitrated years after they were incurred, were reprocessed at a much higher amount in 2025. The additional awards that the out-of-net network providers received were not considered or trended forward in these budgets.

b) The Fund did not elect to increase the annual assessment in 2024.

c) The Fund will continue to monitor the financials after the closing of the 2025 Fund year and may have a discussion about supplemental assessments on any year with a deficit in early 2026. The 2026 Budget includes a surplus regeneration line to help offset prior deficits.

2. To determine the FY 2024 budget, the Fund Actuary used data through June 30, 2023, and recommended a medical increase of 5.21% and prescription of 5.26%. Claims increases began to surface in the second half of 2024, after the budget had been adopted. Accordingly, the Fund did not elect to do a subsequent annual assessment and included surplus regeneration in the 2025 and 2026 budgets.

3. The Fund returned \$2.7 million dollars in the dividends in the past 3 years.

4. The Treasurer would be responsible for following up and recovering the outstanding assessments from the member entities. The Fund rarely has outstanding receivables past 30 days.

5. Yes, the below excerpt has been pulled from the Fund bylaws to address surplus/deficits for terminated members:

A member that has been terminated or does not continue as a member of the Fund shall nevertheless share in any surplus in the appropriate trust accounts for that Fund Year pro rata according to its participation and remain jointly and severally liable for claims incurred by the Fund and its members during the period of its membership, including, but not limited to, being subject to and liable for supplemental assessments.

Prior to the conclusion of the Fund's current fiscal year, the Fund shall provide written notification to a member that has been terminated by or withdrawn from the Fund, of the estimated surplus or estimated supplemental assessment for which the member may share or be liable pursuant to 4 above.

6. The Fund has never instituted an assessment. The Fund Commissioners and members are aware of the Fund's net position through monthly financial reports delivered in the Fund meetings and distributed to all members. The Financial reports include cash and surplus positions for all Fund Year.

We continue to closely monitor the Fund's financial position and will escalate efforts if necessary to ensure the continued strength and liquidity of the Fund.

As for the governance, attached with this letter is a listing of the Fund professionals and their contract and bio form status. The completed documents are also included in a zip file. If there is a missing document due to a delay in a signature or legal review with the vendor, we will be diligently following up and expect to have all outstanding documents filed with DOBI by January 31, 2026.

Please let us know if you have any questions on the above response.

Respectfully submitted,

Emily Koval

Associate Executive Director

Cc: Aileen Egan, Manager
William Leach, Supervising Insurance Examiner
Nick Bennett, Regulatory Office
Thomas Russo, Fund Chair
Fred Semrau, Fund Attorney

APPENDIX III

NJHIF Wellness Committee

December 19, 2025

11:30am via Teams

Carrine Piccolo-Kaufer, Committee Chair

Greg Poff, Executive Committee Member

Michael Sondermeyer, Executive Committee Member

Melissa Appleby, Senior Associate Consultant

Caitlin Perkins, Account Manager

Commissioner Piccolo-Kaufer opened the meeting to gather input on how to move forward in 2026 regarding the Wellness Program. Discussion focused on whether to continue with the current model or explore opportunities to refresh the program, as it has begun to feel stagnant for entities that have participated since its inception.

Commissioner Poff commented that the Fund's Wellness Program is one of the most established and sophisticated programs he has encountered. While acknowledging the program's fatigue, he agreed that it may be an appropriate time to revisit its structure. Due to the current timeframe, he recommended continuing the program as-is for 2026 while collaborating throughout the year on potential enhancements. He also suggested that Ms. Appleby meet with his colleague, Jenny, who has implemented creative and innovative wellness initiatives in Randolph Township and could provide valuable insight.

Ms. Appleby proposed developing a Fund-wide survey to gather direct feedback from members. Commissioner Piccolo-Kaufer agreed, noting that Randolph Township has successfully implemented a variety of wellness challenges that could be considered. She also suggested inviting municipal wellness ambassadors to participate in a brainstorming session following a Fund meeting.

Commissioner Piccolo-Kaufer emphasized the importance of ensuring the program remains fiscally sustainable on an annual basis, particularly as new groups join the Wellness Program. The committee discussed the status of current wellness vendor contracts, noting that three contracts are in extension periods and one vendor will be submitting a proposal for committee review. In response, Commissioner Poff noted that due to participant turnover, reintroducing or recycling certain initiatives may be effective for long-standing participants. It was agreed that budget considerations, based on estimated participation levels, would help determine which early screening options could be offered.

The meeting concluded with confirmation that a wellness meeting with municipal ambassadors will be scheduled for January 29th via Microsoft Teams to gather feedback on the 2025 Wellness Program.

APPENDIX IV

