

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND



**MARCH 26, 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) POSTING THE ANNUAL MEETING NOTICE ON THE FUND'S OFFICIAL WEBSITE WHERE ALL LEGAL NOTICES ARE MAINTAINED (2) FILING ADVANCE WRITTEN NOTICE OF THIS MEETING WITH THE CLERK/ ADMINISTRATOR OF EACH MEMBER MUNICIPALITY AND (3) PUBLICATION OF NOTICE IN THE FUND'S DEISGNATED NEWSPAPER DIRECTING THE PUBLIC TO THE WEBSITE WHERE LEGAL NOTICES ARE AVAILABLE

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
 AGENDA MEETING: MARCH 26, 2026
 RANDOLPH TOWNSHIP HALL
 9:30 AM**

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

FLAG SALUTE

ROLL CALL OF FUND COMMISSIONERS

2026 Executive Committee	
Carrine Piccolo- Kaufer, Chair	Township of Hardyston
Greg Poff, Secretary	Randolph Township
Barbara Russo	Township of Berkeley Heights
Tammy Smith	Knowlton BOE
Scott Heck	Borough of Ringwood
Deb Millikin	Township of Jefferson
Dina Valente - Stoel	Borough of Lincoln Park
Executive Committee Alternates:	
Mike Sondermeyer	Borough of Bloomingdale
James Zepp	Township of Sparta
Victoria Dobrusin	Township of Dover
2026 Fund Commissioners & Alternate	
Dana Vitz, Alternate	Township of Hardyston
Deborah Bonanno, Alternate	Randolph Township
William Egan, Alternate	Township of Jefferson
Perry Mayers, Alternate	Borough of Lincoln Park
Jasmin Azcona, Alternate	Township of Bloomingdale
Michele Landtau, Alternate	Township of Sparta
Edward Rameraz, Alternate	Township of Dover
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
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
Thomas S. Russo, Jr.	Town of Newton
Jennifer Dodd, Alternate	Town of Newton
Joe Sabatini	Township of Byram
Ashleigh Frueholz, Alternate	Township of Byram
Silvio Esposito	Township of Hanover
Andrew Fiore	Township of Harding
Katie Yanke	Township of Montville
Jennifer Storey, Alternate	Township of Montville
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
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

APPROVAL OF MINUTES: *January 22, 2026, Open..... Appendix I*

CORRESPONDENCE - None

MONTHLY COMMITTEE REPORTS:

CLAIMS COMMITTEE - Barbara Russo, Chair

CONTRACTS COMMITTEE - Tammy Smith, Chair

FINANCE COMMITTEE - Deb Milikin, Chair

March 16, 2026, Meeting.....Appendix II

OPERATIONS COMMITTEE - Scott Heck, Chair

March 5, 2026, MeetingAppendix III

WELLNESS COMMITTEE - Carrine Piccolo-Kaufer, Chair

FUND DOCUMENT REVIEW COMMITTEE - Carrine Piccolo-Kaufer, Chair

REPORTS:

EXECUTIVE DIRECTOR - (PERMA)

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PROGRAM MANAGER - (Conner Strong & Buckelew)

Monthly Report.....Page 15

TREASURER - (Michael Soccio)

February and March 2026 Voucher ListPage 19

Confirmation of Claims Paid/Certification of Transfers

ATTORNEY - (Dorsey & Semrau - Fred Semrau)

Monthly Report

NETWORK & THIRD-PARTY ADMINISTRATOR - (Aetna - Jason Silverstein)

Monthly Report.....Page 26

PRESCRIPTION ADMINISTRATOR - (Express Scripts-Hiteksha Patel)

Monthly ReportPage 31

DENTAL ADMINISTRATOR - (Delta Dental- Luhra Ebarle)

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CONSENT AGENDAPage 37

REVISED Resolution 26-6: Designation of 2026 Meeting DatesPage 38

REVISED Resolution 26-10: Approval of Risk Management Plan.....Page 39

Resolution 26-14: February and March 2026 Bills ListPage 51

OLD BUSINESS

NEW BUSINESS

**PUBLIC COMMENT - Motion to Open
Motion to Close**

MEETING ADJOURNED

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
EXECUTIVE DIRECTOR'S REPORT
MARCH 26, 2026**

FINANCE

PRO FORMA REPORTS

- **Preliminary Fast Track Financial Report** – as of December 31, 2025 (page 9)

OPERATIONS

UPDATED 2026 SUBCOMMITTEES

Listed below are the updated subcommittees elected by Chair Piccolo-Kaufer. Any Fund Commissioners interested in serving on one of the subcommittees, please contact Cait Perkins at cperkins@permainc.com.

Operations Committee

Scott Heck, Chair
Barbara Russo
Carrine Piccolo-Kaufer

Wellness Committee

Carrine Piccolo-Kaufer, Chair
Mike Sondermeyer
Greg Poff

Claims Committee

Barbara Russo, Chair
James Zepp
Michael Restel

Contracts Committee

Tammy Smith, Chair
Perry Mayers
Greg Poff

Finance Committee

Deb Millikin, Chair
Scott Heck
Carrine Piccolo-Kaufer
Mike Soccio
Julie McIver

Fund Document Review Committee

Carrine Piccolo-Kaufer, Chair
Scott Heck
Adam Brewer
Karen Fornaro

Motion to approve above updated subcommittees for Fund Year 2026.

REVISED RE-ORGANIZATION RESOLUTIONS

- 1. 2026 MEETING DATES** - At the last meeting, it was noted that the originally scheduled October meeting date conflicts with a statewide New Jersey convention. As a result, the meeting has been rescheduled from October 22nd to October 29th, which remains in compliance with the 28-day requirement for budget adoption. A revised Resolution 26-6 is included in consent agenda.
- 2. 2026 RISK MANAGEMENT PLAN (RMP) UPDATE** - As part of the Risk Management Plan Resolution approved at the last meeting, the plan has been updated to incorporate the New Jersey Out-of-Network Consumer Protection, Transparency, Cost Containment, And Accountability Act (P.L. 2018, c. 32). This addition strengthens the protections related to out-of-network services. A revised Resolution 26-10 is included in consent agenda.

WELLNESS CONTRACTS

After reviewing the current wellness contracts, the following is recommended:

1. Fitness Knocking – An extension as 2026 is the fifth year of the contract
2. Atlantic Health – An extension with an addendum for the additional derma scan component, as 2026 is three and a half year of the contract
3. Vernon Nutrition – This contract should have been procured for 2026 but is under the threshold. Since the contract is under the threshold, the contract may be processed outside of Fair and Open for a one-year appointment, with a bid for the 2027 contract year.

Motion: Allow QPA to go out for quotes for Wellness Nutrition Assessment and Counseling Provider

2026 MEL, MR HIF & NJCE JIF EDUCATIONAL SEMINAR

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

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

A copy of the invitation with a registration link was emailed to members, risk managers, and professionals on March 2nd. If you did not receive it, please contact HIFAdmin@permainc.com for the registration link.

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

GASB 102 DISCLOSURE

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

FINANCIAL DISCLOSURE STATEMENTS

The Financial Disclosure notice emails will be sent out in April. The deadline for filing is April 30, 2026. Please file as soon as you get the email.

Reminder: A separate filing will need to be done for each position – HIF Fund Commissioner, JIF Fund Commissioner, Local Elected Official, etc.

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 March 17, 2026. Please submit all completed I&T Agreements and BOR Resolutions to HIFAdmin@permainc.com.

Entity	I&T End Date	BOR ON FILE
Bloomingtondale	12/31/2025	YES
Boonton	12/31/2025	YES
Dover	12/31/2025	YES
Hardyston	12/31/2025	YES
Jefferson	12/31/2025	YES
Madison	12/31/2025	YES
Madison Housing Authority	12/31/2025	YES
Montville	12/31/2025	YES
Mountain Lakes	12/31/2025	YES
Pequannock	12/31/2025	YES
Roxbury	12/31/2025	YES
Woodland Park	12/31/2025	Requested
Berkeley Heights	12/31/2026	YES
Hanover	12/31/2026	YES
Knowlton BOE	12/31/2026	YES
Lincoln Park	12/31/2026	YES
Mt Olive	12/31/2026	YES
Netcong	12/31/2026	YES
Newton	12/31/2026	YES
Wantage	12/31/2026	YES
Wharton	12/31/2026	YES
Byram	12/31/2027	YES
Sparta	12/31/2027	YES
Chatham	12/31/2028	Requested
Kinnelon	12/31/2028	YES
Ringwood	12/31/2028	YES
Vernon	12/31/2028	Requested
Prospect Park	12/31/2028	Requested

West Milford	12/31/2028	Requested
Andover Township	12/31/2028	YES
Randolph	12/31/2028	Requested
Harding Township	Requested	YES

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND

FINANCIAL FAST TRACK REPORT

		AS OF	December 31, 2025			
		THIS	YTD	PRIOR	FUND	
		MONTH	CHANGE	YEAR END	BALANCE	
1.	UNDERWRITING INCOME	6,253,482	74,820,490	904,107,444	978,927,934	
2.	CLAIM EXPENSES					
	Paid Claims	6,917,381	71,565,568	757,428,998	828,994,566	
	IBNR	8,178	1,311,512	5,391,675	6,703,187	
	Less Specific Excess	(543,454)	(1,213,388)	(21,890,106)	(23,103,494)	
	Less Aggregate Excess	-	-	-	-	
	TOTAL CLAIMS	6,382,105	71,663,692	740,930,567	812,594,259	
3.	EXPENSES					
	MA & HMO Premiums	407,304	4,791,309	29,832,098	34,623,407	
	Excess Premiums	379,802	4,562,242	39,310,567	43,872,809	
	Administrative	247,002	3,082,520	58,909,172	61,991,692	
	TOTAL EXPENSES	1,034,108	12,436,071	128,051,837	140,487,908	
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)	(1,162,732)	(9,279,274)	35,125,040	25,845,766	
5.	INVESTMENT INCOME	17,570	300,558	6,076,848	6,377,406	
6.	DIVIDEND INCOME	-	777,532	6,212,250	6,989,782	
7.	STATUTORY PROFIT/(LOSS) (4+5+6)	(1,145,162)	(8,201,184)	47,414,138	39,212,954	
8.	DIVIDEND	-	-	42,501,592	42,501,592	
9.	Transferred Surplus IN	-	-	-	-	
10.	Transferred Surplus OUT	-	-	-	-	
	STATUTORY SURPLUS (7-8+9)	(1,145,162)	(8,201,184)	4,912,546	(3,288,638)	
SURPLUS (DEFICITS) BY FUND YEAR						
	Closed					
	Surplus	13,544	331,459	9,463,435	9,794,894	
	Cash	(8,600)	(330,855)	11,641,990	11,311,135	
	2024					
	Surplus	(394,637)	(2,859,724)	(4,550,891)	(7,410,615)	
	Cash	(117,155)	(6,050,177)	(1,484,861)	(7,535,038)	
	2025					
	Surplus	(764,068)	(5,672,919)		(5,672,919)	
	Cash	(2,158,026)	(1,225,928)		(1,225,928)	
	TOTAL SURPLUS (DEFICITS)	(1,145,162)	(8,201,184)	4,912,544	(3,288,640)	
	TOTAL CASH	(2,283,780)	(7,606,961)	10,157,129	2,550,168	
CLAIM ANALYSIS BY FUND YEAR						
	TOTAL CLOSED YEAR CLAIMS	101	677,433	683,333,761	684,011,194	
	FUND YEAR 2024					
	Paid Claims	256,745	8,804,303	52,453,922	61,258,225	
	IBNR	(32,349)	(5,391,675)	5,391,675	-	
	Less Specific Excess	170,498	(499,436)	(248,789)	(748,225)	
	Less Aggregate Excess	-	-	-	-	
	TOTAL FY 2024 CLAIMS	394,894	2,913,192	57,596,808	60,510,000	
	FUND YEAR 2025					
	Paid Claims	6,660,535	62,083,833		62,083,833	
	IBNR	40,527	6,703,187		6,703,187	
	Less Specific Excess	(713,952)	(713,952)		(713,952)	
	Less Aggregate Excess	-	-		-	
	TOTAL FY 2025 CLAIMS	5,987,110	68,073,068		68,073,068	
	COMBINED TOTAL CLAIMS	6,382,105	71,663,692	740,930,569	812,594,262	

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	DEC
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	\$ 2,550,168
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	\$ 6,703,187
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	\$ 5,175,668
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	\$ 8,464,308
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)	\$ (3,288,640)
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	\$ 6,917,381
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	\$ 5,193,328
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	\$ 71,577,246
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	\$ 62,159,493
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	0.37
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	1.33
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	1.15
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	0.38
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	0.61
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	-0.63
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	1.29

North Jersey Municipal Employee Benefits Fund

CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 2025

BY FUND YEAR

	NJMEB 2025	NJMEB 2024	CLOSED YEAR	FUND BALANCE
ASSETS				
Cash & Cash Equivalents	(1,225,928)	(7,535,038)	11,311,135	2,550,168
Assesments Receivable (Prepaid)	803,829	745	(5,028)	799,546
Interest Receivable	1,810	(1,513)	2,960	3,257
Specific Excess Receivable	713,952	125,192	0	839,143
Aggregate Excess Receivable	-	-	-	-
Dividend Receivable	-	-	-	-
Prepaid Admin Fees	0	-	-	0
Other Assets	983,554	(0)	-	983,554
Total Assets	1,277,216	(7,410,615)	11,309,066	5,175,668
LIABILITIES				
Accounts Payable	83,232	(0)	59,071	142,302
IBNR Reserve	6,703,187	-	-	6,703,187
A4 Retiree Surcharge	-	-	-	-
Dividends Payable	-	-	(2)	(2)
Retained Dividends	-	-	1,455,104	1,455,104
Accrued/Other Liabilities	163,717	-	-	163,717
Total Liabilities	6,950,135	(0)	1,514,172	8,464,308
EQUITY				
Surplus / (Deficit)	(5,672,919)	(7,410,615)	9,794,894	(3,288,640)
Total Equity	(5,672,919)	(7,410,615)	9,794,894	(3,288,640)
Total Liabilities & Equity	1,277,216	(7,410,615)	11,309,066	5,175,668
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 DECEMBER 31, 2025

				Cumulative	\$ Variance	% Variance
	Cumulative	Annual	Latest Filed	Expensed		
LINE ITEMS						
Medical Claims Aetna	55,709,898	55,709,898	54,973,097			
Medical Claims Aetna BOEs	578,834	578,834	765,250			
Subtotal Medical Claims	56,288,732	56,288,732	55,738,347	60,881,556	(4,592,824)	-8%
Prescription Claims	6,020,203	6,020,203	6,294,793			
Prescription Rebates	(1,926,465)	(1,926,465)	(2,014,334)			
Subtotal Rx Claims	4,093,738	4,093,738	4,280,459	5,520,609	(1,426,871)	-35%
Dental Claims	1,777,023	1,777,023	1,756,672	1,670,903	106,120	6%
Subtotal	62,159,493	62,159,493	61,775,478	68,073,068	(5,913,575)	-10%
Medicare Advantage - United	526,207	526,207	686,131	Included in Medicare Advantage-Aetna below		
Medicare Advantage - Aetna	4,265,101	4,265,101	3,990,711	4,791,309	-	0%
Reinsurance						
Specific	4,562,242	4,562,242	4,494,560	4,562,242	0	0%
Wellness	220,000	220,000	220,000	219,999	1	0%
Total Loss Fund	71,733,044	71,733,044	71,166,880	77,646,618	(5,913,574)	-8%
Expenses						
Legal	20,900	20,900	20,900	34,648	(13,748)	-66%
Treasurer	22,974	22,974	22,974	22,974	-	0%
Administrator	552,820	552,820	545,654	552,820	-	0%
Program Manager	454,072	454,072	729,452	450,876	3,196	1%
Program Manager - Brokerage	706,992	706,992	720,446	702,194	4,798	1%
TPA - Aetna	999,571	999,571	1,036,763	1,000,250	(679)	0%
Claims Contingency	287,360	287,360	287,360	0	287,360	100%
Dental TPA	79,502	79,502	77,956	79,502	-	0%
Actuary	12,989	12,989	12,989	13,000	(11)	0%
Auditor	14,000	14,000	14,000	14,004	(4)	0%
Subtotal Expenses	3,151,181	3,151,181	3,468,493	2,870,268	280,913	9%
Miscellaneous and Special Services						
Misc/Cont(incl. A4 surcharge)	42,500	42,500	42,500	14,218	28,283	67%
Claims and Service Audits	40,000	40,000	40,000	0	-	0%
Affordable Care Act Taxes	14,460	14,460	14,284	18,415	(3,955)	-27%
Subtotal Misc/Sp Svcs	96,960	96,960	96,784	32,633	24,327	25%
Total Expenses	3,248,141	3,248,141	3,565,277	2,902,901	305,239.92	9%
Total Budget	74,981,185	74,981,185	74,732,157	80,549,519	(5,608,334)	-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	Y	Y	1/1/2026 - 12/31/2026
Executive Director	PERMA	Y	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

**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 & Bucklelew Companies, LLC, which is a servicing organization for the Fund.*

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

Agenda

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

Industry Updates

- Wegovy (Pill Form) - Express Scripts has completed their initial review of the new medication (standard practice) and determined the following:

On December 22, 2025, the FDA approved the Wegovy pill (oral semaglutide) for chronic weight management in adults. Beginning March 1, oral Wegovy will be added to all commercial formularies and removed from Exclude at Launch (EAL).

Oral Wegovy will remain blocked for clients enrolled in EncircleRx (ECRx) Weight Loss solution.

As the oral GLP 1 landscape continues to evolve, we will closely monitor new developments and keep you informed.

Evernorth Health Services

Fund Performance/Observations

Medical - Aetna

The following observations are derived from the attached utilization data review comparing CY 2025 over CY 2024:

- Total medical claims on a PMPM basis have increased +20.6%
- Total pharmacy claims (covered under medical plan) on a PMPM basis have decreased (1.2%)
- Inpatient medical claims on a PMPM basis have increased +28.5%
- Total admissions, per 1,000 members, have increased +25.0%
- Total days of care, per 1,000 members, have increased +14.9%
- Office visits, per 1,000 members, have increased +3.9%
- High dollar claimants (>\$50K) increased +40.5% from 131 to 184
- High dollar claims (>\$50K) have increased +46.6% from \$16.8M to \$24.7M
- Network provider utilization has decreased from 84.6% to 79.9%
- Unit costs for professional inpatient, surgery claims have increased 170.4%
- Unit costs for professional ambulatory, surgery claims have increased 35.8%

Pharmacy - Express Scripts (ESI)

The following observations are derived from the attached utilization data review from CY 2025 & CY 2024:

- Pharmacy claims on a PMPM basis have increased +24.1%
- Non-specialty claims on a PMPM basis have increased +4.2%
- Specialty claims on a PMPM basis have increased +65.9%
- Top pharmacy indication of weight loss, increased +62.6% year over year on PMPM basis and from \$1.2M to \$2.0M in total spend
- Top 10 indications account for 72.3% of total pharmacy spend

To address the increased level of utilization for both the medical and pharmacy programs, the following strategies have been put forward for consideration:

Medical

- Redirection of services to a more cost-effective place of service with no disruption to clinical outcomes - Immediate & ongoing engagement with Fund vendors to evaluate & optimize opportunities (Aetna/ESI)
- High performance provider network (Aetna Whole Health) - providing cost effective plan alternatives based on tightly managed network with no deterioration of benefit level

Pharmacy

- GLP-1 for weight loss clinical revision - BMI requirement to ≥ 35 & ≥ 27 with comorbidities - **Immediate Action Recommended (60 implementation)**
 - ALL scripts for GLP-1 for weight loss will require new requests for prior authorization (PA) - applies to existing & new scripts
 - For new scripts, the BMI requirements will be ≥ 35 , ≥ 27 for comorbidities & members will be required to enroll in the Omada program
 - For existing scripts, the BMI requirements will be ≥ 35 , ≥ 27 (baseline - when original script was requested) for comorbidities & member will be required to enroll in the Omada program (member will not be required to re-register, enrollment will automatically roll over)
 - Members with existing scripts will receive a communication (sample letter attached) to advise them of the clinical policy change and required action
 - Communication for Fund brokers will be developed and distributed to assist with the transition in the clinical policy
- GLP-1 Direct to Consumer - Vendors currently being evaluated to implement strategy which carves out GLP-1 medications for weight loss from pharmacy program and redirects plan participants directly to drug manufacturers to fill scripts

New Fund Member Request Activity

- 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-Duttton 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 Books** - All coupon booklets have been delivered

Carrier Appeals:

Submission Date	Appeal Type	Appeal Number	Reason	Determination	Determination Date
1/21/2026	Medical/ Aetna	NNJHIF 2026 01 01	Laboratory Services	Upheld	3/11/2026

IRO Submissions:

- **None to report**

Wellness & Population Health (2026 Program Calendar Attached)

2025 Program Year Wellness:

- All participants received their 2025 wellness gift cards and that each card has been successfully activated
- Fund members who supplement 2025 rewards will be invoiced

2026 Program Year Wellness:

- Wellness committee met on March 12th for their monthly meeting and focused on the 2026 wellness program, including:
 - Confirmed 2026 program vendors
 - Confirmed 2026 screenings for each participating Fund member
 - Confirmed 2026 wellness program completion deadline, November 15th
 - Confirmed all 2026 program components will be finalized in time to distribute gift cards before the end of the year
- Monthly wellness committee meetings to include quest speaker
- March’s guest speaker, Jill Ambrose, MBA,BSN, RN, & Department Head of Population Health, CSB, provided an overview of Workplace Wellness Benchmarking, highlighting the leading cost drivers by health condition.
- Topics discussed included:
 - Population-health approach focused on:
 - Specific medical conditions – channel solutions
 - At-home, noninvasive cancer screenings
 - At-home option for biometric screenings

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**

FEBRUARY 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>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
SKYLANDS RISK MANAGEMENT		
SKYLANDS RISK MANAGEMENT	VOID AND REISSUE	-7,874.49
		-7,874.49
PERMA	2025 AATRIX 1099 FILING FEE	63.39
		63.39
SKYLANDS RISK MANAGEMENT	BROKER FEES 12/25	7,874.49
SKYLANDS RISK MANAGEMENT	BROKER FEES 12/25	-6,311.42
		1,563.07
ATLANTIC CORPORATE HEALTH	FOOT SCREENING - RANDOLPH 08/25	4,530.00
ATLANTIC CORPORATE HEALTH	FOOT SCREENING - RANDOLPH 10/25	6,106.00
		10,636.00
HQSI	CASE# 4661112 INV 251015-MRHIF-1 10/25	500.00
		500.00
	Total Payments FY 2025	4,887.97

FUND YEAR 2026

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 02/26	492,060.48
		492,060.48
UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 02/26	62,788.16
		62,788.16
DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 02/26	6,616.54
		6,616.54
AETNA	MEDICAL TPA 02/26	103,602.24
		103,602.24
INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2132764 01/26	6.00
INSPIRA FINANCIAL HEALTH, INC	RINGWOOD HSA- 156488-2131392 01/26	9.00
INSPIRA FINANCIAL HEALTH, INC	WHARTON HSA 157782-2131638 01/26	3.00
INSPIRA FINANCIAL HEALTH, INC	W. MILFORD HSA 136726-2131056 01/26	12.00
INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA- 150688-213234 01/26	12.00
INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA- 156486-2132304 01/26	9.00
		51.00
PERMA	POSTAGE 01/26	163.76
PERMA	ADMIN FEES 02/26	46,522.92
		46,686.68
ACTUARIAL SOLUTIONS, LLC	ACTUARY FEES Q1 2026	3,315.00
		3,315.00
CONNOR STRONG & BUCKELEW	PROGRAM MANAGER FEES 02/26	27,270.00
		27,270.00
KORE INSURANCE HOLDINGS, LLC	BROKER FEES 02/26	1,929.50
		1,929.50
MICHAEL J. SOCCIO	TREASURER FEE 02/26	1,875.00
		1,875.00

JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 02/26	32,938.12 32,938.12
EMPLOYEE BENEFITS CONSULTING	BROKER FEES 02/26	83.52 83.52
CORPORATE BENEFIT SOLUTIONS	BROKER FEES 02/26	2,316.41 2,316.41
BROWN AND BROWN METRO LLC	BROKER FEES 02/26	5,041.36 5,041.36
VALLEY PHYSICIAN SERVICES PC	INV 7297K5622 WELL. WEBINAR 01/26	2,200.00 2,200.00
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 02/26	1,384.11 1,384.11
ACRISURE NJ PARTNERS INS SERVICES, LLC	BROKER FEES 02/26	10,769.62 10,769.62
USI INSURANCE SERVICES LLC	BROKER FEES 02/26	162.87 162.87
THE CANNING GROUP LLC	QPA FEES - NJEMBF - 2026-02	250.00 250.00
NJ ADVANCE MEDIA	AD# 11069109 PUBLIC NOTICE 02/18/26	200.00
NJ ADVANCE MEDIA	AD# 11064910 PUBLIC NOTICE 01/30/26	200.00 400.00
USA TODAY MEDIA CORP.	ORDER # 11995854 A# 1509786 01/26	49.36 49.36
ACCESS	INV 12013803 01/31/26 FOR 02/26	226.48 226.48
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 02/26	406,743.12 406,743.12
	Total Payments FY 2026	1,208,759.57
	TOTAL PAYMENTS ALL FUND YEARS	1,213,647.54

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

MARCH 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>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
ACCESS	VOID AND REISSUE	-241.56
ACCESS	VOID AND REISSUE	-249.29
		-490.85
AETNA	MEDICAL TPA 12/25	83,231.70
		83,231.70
ACCESS	INV 11902902 DEPT 421 11/30/25	249.29
ACCESS	INV 11850562 DEPT 421 10/31/25	241.56
		490.85
	Total Payments FY 2025	83,231.70

FUND YEAR 2026

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 03/26	432,078.08
		432,078.08
UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 03/26	51,588.08
		51,588.08
DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 03/26	6,706.72
		6,706.72
AETNA	MEDICAL TPA 03/26	102,871.36
		102,871.36
INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2140120 02/26	9.00
INSPIRA FINANCIAL HEALTH, INC	WOODLAND PK HSA 156496-2141362 02/26	45.00
INSPIRA FINANCIAL HEALTH, INC	WHARTON HSA 157782-2140430 02/26	3.00
INSPIRA FINANCIAL HEALTH, INC	W. MILFORD HSA 136726-2138612 02/26	15.00
INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA- 150688-2140854 02/26	12.00
INSPIRA FINANCIAL HEALTH, INC	RINGWOOD HSA- 156488-2139042 02/26	42.00
INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA- 156486-2141578 02/26	9.00
		135.00
PERMA	POSTAGE 02/26	155.13
PERMA	ADMIN FEES 03/26	46,779.75
		46,934.88
CONNER STRONG & BUCKELEW	PROGRAM MANAGER 03/26	27,204.00
		27,204.00
KORE INSURANCE HOLDINGS, LLC	BROKER FEES 03/26	1,929.50
		1,929.50
MICHAEL J. SOCCIO	TREASURER FEE 03/26	1,875.00
		1,875.00
JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 03/26	34,123.89
		34,123.89
DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 03/26	1,667.00
DORSEY & SEMRAU	SPECIAL REVIEW INV 23093 02/26	1,153.40
DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 02/26	1,667.00
		4,487.40

EMPLOYEE BENEFITS CONSULTING	BROKER FEES 03/26	83.52 83.52
CORPORATE BENEFIT SOLUTIONS	BROKER FEES 03/26	2,154.80 2,154.80
BROWN AND BROWN METRO LLC	BROKER FEES 03/26	4,867.52 4,867.52
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 03/26	1,299.41 1,299.41
ACRISURE NJ PARTNERS INS SERVICES, LLC	BROKER FEES 03/26	10,272.53 10,272.53
USI INSURANCE SERVICES LLC	BROKER FEES 03/26	162.87 162.87
USA CONNECT, INC dba PREPAID-USA	VISA PREPAID CARDS INV 7732403 03/26	27,978.02
USA CONNECT, INC dba PREPAID-USA	VISA PREPAID CARDS INV 7732403 03/26	8,448.05
USA CONNECT, INC dba PREPAID-USA	VISA PREPAID CARDS QT 00118248 03/26	165,840.20
USA CONNECT, INC dba PREPAID-USA	VISA PREPAID CARDS INV 7732336 03/26	4,637.87
		206,904.14
THE CANNING GROUP LLC	QPA FEES - NJEMBF - 2026-03	250.00 250.00
NJ ADVANCE MEDIA	AD# 11065186 STATE MANDATE 02/28/26	200.00 200.00
USA TODAY MEDIA CORP.	ORDER # 12017044 A# 1509786 02/26	49.36 49.36
ACCESS	INV 12060830 DEPT 421 2/28/26 FOR 03/26	249.68 249.68
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 03/26	403,873.68 403,873.68
	Total Payments FY 2026	1,340,301.42
	TOTAL PAYMENTS ALL FUND YEARS	1,423,533.12

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: December										
	Medical	Dental	Rx	Reinsurance	Dividend Reserve	LFC	Admin	0	0	TOTAL
OPEN 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
RECEIPTS										
Assessments	4,714,972.26	127,179.13	315,943.76	346,103.01	0.00	22,388.07	237,870.48	0.00	0.00	5,764,456.71
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	16,468.34	477.27	0.00	0.00	2,010.78	306.70	333.92	0.00	0.00	19,597.01
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	16,468.34	477.27	0.00	0.00	2,010.78	306.70	333.92	0.00	0.00	19,597.01
Other *	341,059.06	0.00	165,172.55	0.00	0.00	0.00	0.00	0.00	0.00	506,231.61
TOTAL	5,072,499.66	127,656.40	481,116.31	346,103.01	2,010.78	22,694.77	238,204.40	0.00	0.00	6,290,285.33
EXPENSES										
Claims Transfers	6,940,995.04	120,907.70	549,808.70	0.00	0.00	0.00	0.00	0.00	0.00	7,611,711.44
Expenses	407,304.21	6,676.66	0.00	379,801.89	0.00	0.00	144,404.56	0.00	0.00	938,187.32
Other *	24,166.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24,166.71
TOTAL	7,372,465.96	127,584.36	549,808.70	379,801.89	0.00	0.00	144,404.56	0.00	0.00	8,574,065.47
END BALANCE	3,905,983.99	344,883.76	(3,445,276.25)	(289,482.20)	1,454,733.10	244,274.25	335,042.96	0.00	0.00	2,550,159.61

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES

North Jersey Municipal Employee Benefits Fund

Month		December								
Current Fund Year		2025								
Policy Year	Coverage	1.	2.	3.	4.	5.	6.	7.	8.	
		Calc. Net Paid Thru Last Month	Monthly Net Paid December	Monthly Recoveries December	Calc. Net Paid Thru December	TPA Net Paid Thru December	Variance To Be Reconciled	Delinquent Unreconciled Variance From	Change This Month	
2025	Medical	51,326,436.33	6,823,402.42	0.00	58,149,838.75	0.00	58,149,838.75	51,326,436.33	6,823,402.42	
	Dental	1,416,384.70	120,907.70	0.00	1,537,292.40	0.00	1,537,292.40	1,416,384.70	120,907.70	
	Rx	6,618,140.47	549,808.70	0.00	7,167,949.17	0.00	7,167,949.17	6,618,140.47	549,808.70	
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total	59,360,961.50	7,494,118.82	0.00	66,855,080.32	0.00	66,855,080.32	59,360,961.50	7,494,118.82	
2024	Medical	8,034,815.59	117,411.45	0.00	8,152,227.04	0.00	8,152,227.04	8,034,815.59	117,411.45	
	Dental	60,548.21	0.00	0.00	60,548.21	0.00	60,548.21	60,548.21	0.00	
	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	8,353,292.14	117,411.45	0.00	8,470,703.59	0.00	8,470,703.59	8,353,292.14	117,411.45	
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	10,334.91	181.17	0.00	10,516.08	0.00	10,516.08	10,334.91	181.17	
	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	10,334.91	181.17	0.00	10,516.08	0.00	10,516.08	10,334.91	181.17	
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	68,047,967.33	7,611,711.44	0.00	75,659,678.77	0.00	75,659,678.77	68,047,967.33	7,611,711.44	

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS					
North Jersey Municipal Employee Benefits Fund					
ALL FUND YEARS COMBINED					
CURRENT MONTH	December				
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	\$4,833,939.61	22092.3	1027515.99	3784331.32	
Opening Interest Accrual Balance	\$3,275.04	0	3275.04	0	
1	Interest Accrued and/or Interest Cost	-\$18.04	\$0.00	-\$18.04	\$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	\$19,597.01	\$70.96	\$3,275.04	\$16,251.01
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	\$19,578.97	\$70.96	\$3,257.00	\$16,251.01
9	Deposits - Purchases	\$6,246,521.61	\$0.00	\$0.00	\$6,246,521.61
10	(Withdrawals - Sales)	-\$8,549,898.76	\$0.00	\$0.00	-\$8,549,898.76
	Ending Cash & Investment Balance	\$2,550,159.47	\$22,163.26	\$1,030,791.03	\$1,497,205.18
	Ending Interest Accrual Balance	\$3,257.00	\$0.00	\$3,257.00	\$0.00
	Plus Outstanding Checks	\$1,852,261.12	\$0.00	\$0.00	\$1,852,261.12
	(Less Deposits in Transit)	-\$272,222.00	\$0.00	\$0.00	-\$272,222.00
	Balance per Bank	\$4,130,198.59	\$22,163.26	\$1,030,791.03	\$3,077,244.30



**NORTH JERSEY MUNICIPAL
EMPLOYEE BENEFITS FUND**

Monthly Claim Activity Report

MARCH 26, 2026



NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND

	MEDICAL CLAIMS PAID 2025	# OF EES	PER EE	MEDICAL CLAIMS PAID 2026	# OF EES	PER EE
JANUARY	\$4,047,634	2,090	\$ 1,937	\$4,937,114	2,255	\$ 2,189
FEBRUARY	\$4,492,106	2,100	\$ 2,139			
MARCH	\$4,136,850	2,102	\$ 1,968			
APRIL	\$5,002,556	2,105	\$ 2,377			
MAY	\$4,842,581	2,107	\$ 2,298			
JUNE	\$5,033,400	2,117	\$ 2,378			
JULY	\$4,401,898	2,122	\$ 2,074			
AUGUST	\$4,761,805	2,123	\$ 2,243			
SEPTEMBER	\$5,710,025	2,128	\$ 2,683			
OCTOBER	\$4,614,222	2,114	\$ 2,183			
NOVEMBER	\$4,563,369	2,117	\$ 2,156			
DECEMBER	\$6,103,499	2,105	\$ 2,900			
TOTALS	\$57,709,946			\$4,937,114		
				2026 Average	2,255	\$2,189
				2025 Average	2,111	\$2,278

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

	Paid Amt	Diagnosis/Treatment
	\$144,358.41	DIAPHRAGMATIC HERNIA WITH OBSTRUCTION <input type="checkbox"/>
	\$139,825.26	OTHER SPECIFIED DISORDERS OF BREAST
	\$137,146.19	MALIGNANT NEOPLASM OF SIGMOID COLON
	\$116,532.97	DIVERTICULITIS OF LARGE INTESTINE WITH
	\$106,794.78	ENCOUNTER FOR ANTINEOPLASTIC <input type="checkbox"/>
	\$102,618.46	ENCOUNTER FOR ANTINEOPLASTIC <input type="checkbox"/>
Total:	\$747,276.07	

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

	Paid Amt	Diagnosis/Treatment
	\$240,086.83	BACTEREMIA □
	\$147,000.98	FOOT DROP, LEFT FOOT
	\$133,585.19	MALIGNANT NEOPLASM OF UNSPECIFIED SITE OF
	\$118,780.40	TWIN LIVEBORN INFANT, DELIVERED BY CESAREAN
	\$101,635.45	MALIGNANT NEOPLASM OF CARDIA □
Total:	\$741,088.85	



Medical Claims Paid:
January 2026- January 2026

Total Medical Paid per EE: **\$2,189**

Network Discounts

Inpatient:	68.5%
Ambulatory:	70.0%
Physician/Other:	68.3%
TOTAL:	69.4%

Provider Network

% Admissions In-Network:	97.8%
% Physician Office:	93.2%

Aetna Book of Business:
Admissions 98.0%; Physician 91.0%

Top Facilities Utilized (by total Medical Spend)

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

Catastrophic Claim Impact
January 2026- January 2026

Number of Claims Over \$50,000: **11**
 Claimants per 1000 members: **1.9**
 Avg. Paid per Claimant: **\$106,013**
 Percent of Total Paid: **25.4%**

- Aetna BOB- HCC account for an average of **46.4%** of total Medical Cost

Aetna One Flex Care Mgmt Member Outreach:

Total Members Identified: **1,241**
 Members Targeted for 1:1 Nurse Support : **293**
 Members identified for Digital Activity: **948**
 Members receiving Aetna Advice: **1,415**
 Average Aetna Advice outreaches per member: **1.4**

CVSHealth. CVS Virtual Care

Completed Visits: **17**
 Unique Patients: **16**
 Completed Visits in 2026 : **17**
 Unique Patients in 2026: **16**
 Total Scheduled Visits in 2026: **22**
 BoB: Average First Available 24/7 Care: **24** minutes
 BoB: Average First Available MH: **7** Days

Service Center Performance Goal Metrics YTD 2025

Customer Service Performance

1 st Call Resolution:	93.68%
Abandonment Rate:	0.43%
Avg. Speed of Answer:	12.0 sec

Claims Performance

Financial Accuracy:	97.76%
<small>*Q3 2025</small>	
-	
90% processed w/in:	7.4 days
95% processed w/in:	15.3 days

Claims Performance (Monthly)
(December 2025)

90% processed w/in:	6.9 days
95% processed w/in:	13.6 days
<small>(Note: This is not a PG metric)</small>	

Performance Goals

1 st 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

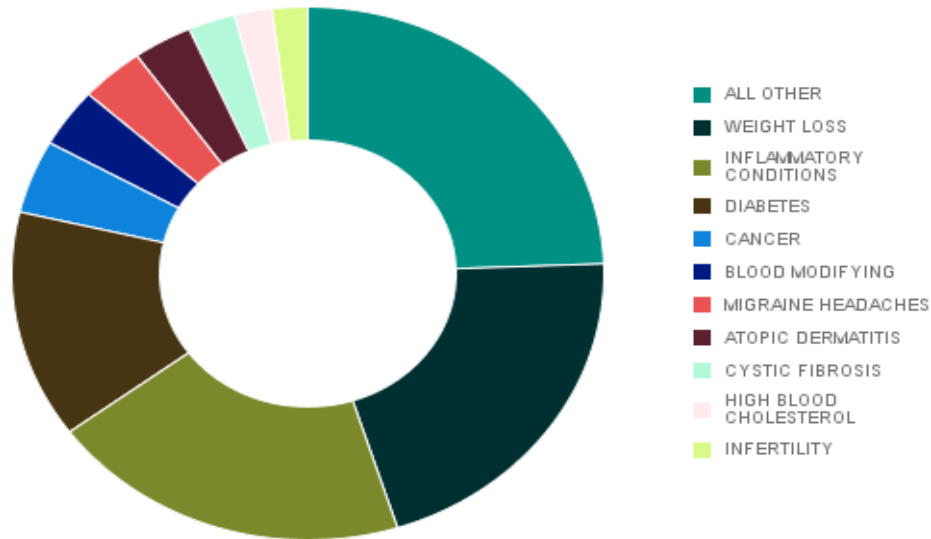
Total Component/Date of Service (Month)	2025 01	2025 02	2025 03	2025 Q1	2025 04	2025 05	2025 06	2025 Q2	2025 07	2025 08	2025 09	2025 Q3	2025 10	2025 11	2025 12	2025 Q4	2025 YTD
Membership	5,396	5,412	5,303	5,370	5,307	5,310	5,338	5,318	5,335	5,320	5,332	5,329	5,334	5,321	5,297	5,317	5,334
Total Days	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	233,890	670,027	2,627,536
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	2,310	3,246	4,514
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	\$1,632,993	\$4,341,468	16,160,737
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%	83.3%	82.7%	83.9%
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	\$308.29	\$272.16	252.49
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	\$664,371	\$1,737,243	\$6,669,139
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%	40.7%	40.0%	41.3%

Total Component/Date of Service (Month)	2026 01	2026 02	2026 03	2026 Q1	2026 04	2026 05	2026 06	2026 Q2	2026 07	2026 08	2026 09	2026 Q3	2026 10	2026 11	2026 12	2026 Q4	2026 YTD
Membership	5,560	5,586															
Total Days	231,962	212,006															
Total Patients	2,293	2,211															
Total Plan Cost	\$1,214,924	\$1,314,063															
Generic Fill Rate (GFR) - Total	85.2%	84.5%															
Plan Cost PMPM	\$218.51	\$235.24															
% Change Plan Cost PMPM	9.0%	14.4%															
Total Specialty Plan Cost	\$445,494	\$530,881															
Specialty % of Total Specialty Plan Cost	36.7%	40.4%															

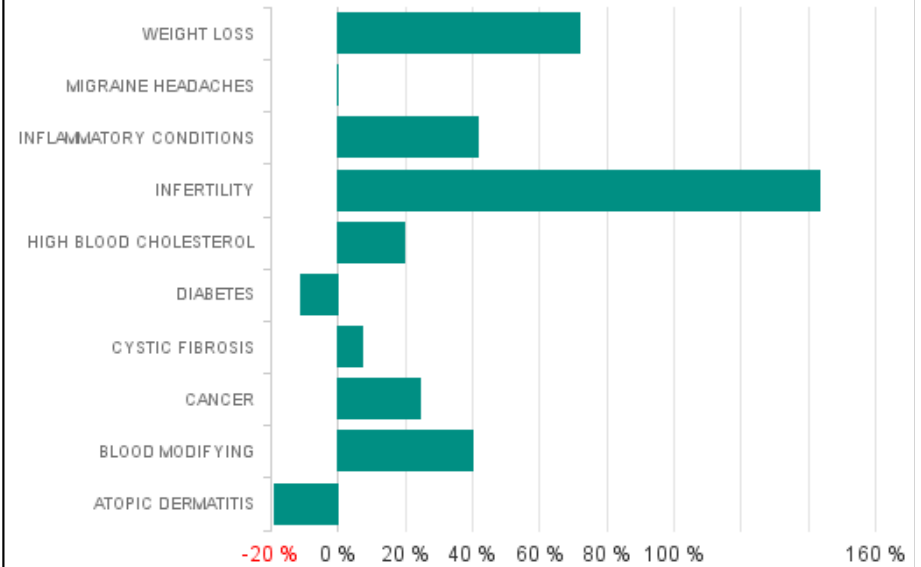
Top Indications

N. JERSEY MUNI EMPLOY BNFT FD (Current Period 01/2026 - 02/2026 vs. Previous Period 01/2025 - 02/2025) Peer = Government - National Preferred Formulary

Top Indications by Plan Cost



Plan Cost PMPM Trend



Rank	Peer Rank	Indication	Current Period						Previous Period						Trend
			Market Share	Adjusted Rxs	Plan Cost	Plan Cost PMPM	GFR	Peer GFR	Market Share	Adjusted Rxs	Plan Cost	Plan Cost PMPM	GFR	Peer GFR	
1	3	WEIGHT LOSS	27.4 %	502	\$526,907	\$47.27	3.4 %	3.5 %	20.0 %	312	\$297,194	\$27.50	2.2 %	5.9 %	71.9 %
2	2	INFLAMMATORY CONDITIONS	26.1 %	136	\$503,490	\$45.17	38.2 %	33.1 %	23.2 %	108	\$344,400	\$31.87	39.8 %	33.6 %	41.8 %
3	1	DIABETES	18.3 %	1,100	\$353,072	\$31.68	34.4 %	25.8 %	26.0 %	1,148	\$386,094	\$35.72	31.6 %	26.6 %	-11.3 %
4	4	CANCER	5.9 %	112	\$113,017	\$10.14	96.4 %	80.1 %	5.9 %	81	\$88,306	\$8.17	93.8 %	77.8 %	24.1 %
5	10	BLOOD MODIFYING	4.7 %	8	\$91,104	\$8.17	87.5 %	99.2 %	4.2 %	4	\$63,033	\$5.83	75.0 %	100.0 %	40.1 %
6	6	MIGRAINE HEADACHES	4.6 %	126	\$88,510	\$7.94	32.5 %	52.4 %	5.8 %	122	\$86,168	\$7.97	36.9 %	55.2 %	-0.4 %
7	5	ATOPIC DERMATITIS	4.3 %	167	\$82,387	\$7.39	80.2 %	82.0 %	6.6 %	158	\$98,362	\$9.10	75.9 %	83.9 %	-18.8 %
8	7	CYSTIC FIBROSIS	3.4 %	5	\$65,565	\$5.88	40.0 %	8.2 %	4.0 %	5	\$59,469	\$5.50	40.0 %	6.3 %	6.9 %
9	8	HIGH BLOOD CHOLESTEROL	2.7 %	1,686	\$51,970	\$4.66	94.8 %	95.9 %	2.8 %	1,578	\$42,194	\$3.90	96.8 %	96.9 %	19.4 %
10	9	INFERTILITY	2.6 %	37	\$49,806	\$4.47	64.9 %	67.0 %	1.3 %	42	\$19,859	\$1.84	83.3 %	57.3 %	143.2 %
Total Top 10				3,879	\$1,925,826	\$172.78	60.9 %	51.5 %		3,558	\$1,485,079	\$137.41	62.5 %	53.4 %	25.7 %

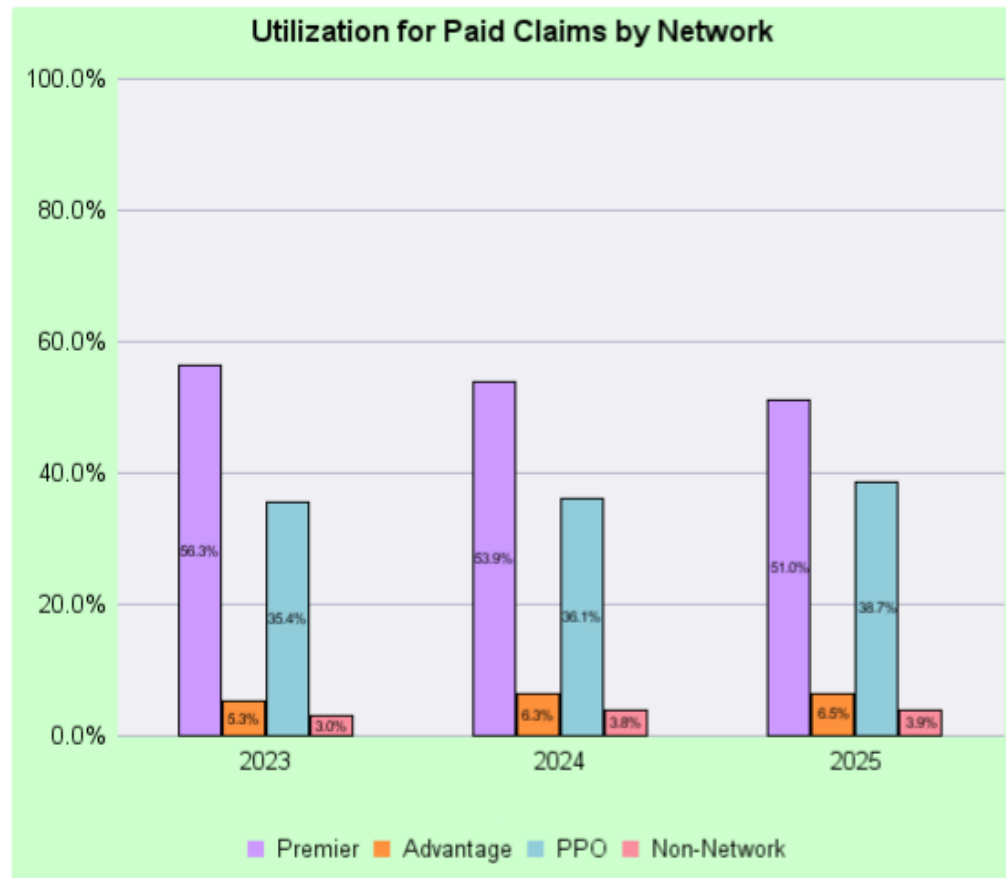
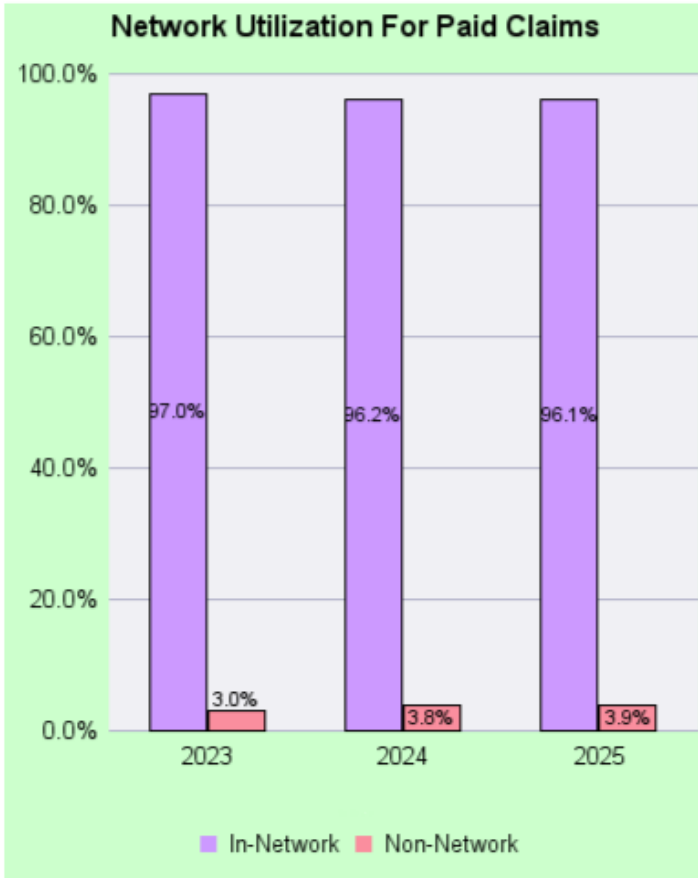
Top Drugs

N. JERSEY MUNI EMPLOY BNFT FD (Current Period 01/2026 - 02/2026 vs. Previous Period 01/2025 - 02/2025) 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	3	ZEPBOUND	WEIGHT LOSS	N	322	167	\$322,818	\$28.96	191	95	\$173,597	\$16.06	80.3 %
2	8	WEGOVY	WEIGHT LOSS	N	161	81	\$202,754	\$18.19	106	57	\$121,588	\$11.25	61.7 %
3	1	MOUNJARO	DIABETES	N	172	78	\$177,288	\$15.91	136	60	\$133,111	\$12.32	29.1 %
4		RUCONEST	BLOOD MODIFYING	Y	1	1	\$90,798	\$8.15	1	1	\$62,946	\$5.82	39.9 %
5	139	VORANIGO	CANCER	Y	2	1	\$73,433	\$6.59	NA	NA	NA	NA	NA
6	23	SKYRIZI ON-BODY	INFLAMMATORY CONDITIONS	Y	7	3	\$72,007	\$6.46	NA	NA	NA	NA	NA
7	34	STELARA	INFLAMMATORY CONDITIONS	Y	4	2	\$71,581	\$6.42	13	5	\$89,476	\$8.28	-22.4 %
8	10	SKYRIZI PEN	INFLAMMATORY CONDITIONS	Y	12	4	\$64,046	\$5.75	3	1	\$15,267	\$1.41	306.8 %
9	5	OZEMPIC	DIABETES	N	67	31	\$63,212	\$5.67	93	48	\$82,763	\$7.66	-25.9 %
10	127	ALYFTREK	CYSTIC FIBROSIS	Y	3	1	\$59,947	\$5.38	NA	NA	NA	NA	NA
11	25	TALTZ AUTOINJECTOR	INFLAMMATORY CONDITIONS	Y	10	5	\$54,978	\$4.93	13	5	\$64,152	\$5.94	-16.9 %
12	18	ENBREL SURECLICK	INFLAMMATORY CONDITIONS	Y	8	3	\$51,427	\$4.61	8	4	\$43,497	\$4.02	14.6 %
13	45	REPATHA SURECLICK	HIGH BLOOD CHOLESTEROL	N	74	28	\$38,587	\$3.46	35	15	\$17,624	\$1.63	112.3 %
14	71	TREMFYA	INFLAMMATORY CONDITIONS	Y	3	2	\$35,180	\$3.16	NA	NA	NA	NA	NA
15	39	DUPIXENT SYRINGE	A TOPIC DERMATITIS	Y	12	5	\$30,727	\$2.76	13	5	\$32,202	\$2.98	-7.5 %
16	12	DUPIXENT PEN	A TOPIC DERMATITIS	Y	8	3	\$28,177	\$2.53	18	8	\$54,006	\$5.00	-49.4 %
17	174	GONAL-F RFF REDI-JECT	INFERTILITY	Y	3	3	\$26,826	\$2.41	2	1	\$8,145	\$0.75	219.4 %
18	33	OTEZLA	INFLAMMATORY CONDITIONS	Y	6	4	\$25,739	\$2.31	4	2	\$15,707	\$1.45	58.9 %
19	44	QULIPTA	MIGRAINE HEADACHES	N	24	11	\$25,456	\$2.28	15	8	\$15,166	\$1.40	62.8 %
20	28	NURTEC ODT	MIGRAINE HEADACHES	N	17	13	\$24,263	\$2.18	12	9	\$17,480	\$1.62	34.6 %
21	80	CABOMETYX	CANCER	Y	1	1	\$21,169	\$1.90	2	1	\$48,626	\$4.50	-57.8 %
22	209	TALTZ AUTOINJECTOR (2 PACK)	INFLAMMATORY CONDITIONS	Y	2	1	\$20,802	\$1.87	NA	NA	NA	NA	NA
23	30	TRULICITY	DIABETES	N	19	8	\$17,528	\$1.57	20	10	\$17,781	\$1.65	-4.4 %
24	268	MENOPUR	INFERTILITY	Y	3	3	\$17,197	\$1.54	1	1	\$5,862	\$0.54	184.5 %
25	19	JARDIANCE	DIABETES	N	55	19	\$17,001	\$1.53	64	23	\$36,386	\$3.37	-54.7 %
Total Top 25					996		\$1,632,943	\$146.50	750		\$1,055,383	\$97.65	50.0 %



Network Utilization



**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
CONSENT AGENDA
MARCH 26, 2026**

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

Resolutions

Subject Matter

Motion _____ **Second** _____

REVISED Resolution 26-6: Designation of 2026 Meeting DatesPage 36
REVISED Resolution 26-10: Approval of Risk Management Plan.....Page 37
Resolution 26-14: February and March 2026 Bills ListPage 49

REVISED 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 29, 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 on the Fund website.

ADOPTED: MARCH 26, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

REVISED RESOLUTION NO. 26-10

**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.

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

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

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

1. Involuntary and inadvertent out-of-network services

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

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

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

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

2. Medically necessary treatment on an emergency or urgent basis

You have additional protections from balance bills by any New Jersey facility involving medically necessary treatment on an emergency or urgent basis. Under this heading, “emergency and urgent care basis” means all emergency and urgent care services including, but not limited to, the services required pursuant to N.J.A.C. 11:24-5.3, which includes: (1) medical and psychiatric care, which shall be available 24 hours a day, seven days a week; (2) coverage for trauma services at any designated Level I or II trauma center as medically necessary (such coverage shall continue at least until, in the judgment of the attending physician, you are medically stable, no longer require critical care, and can be safely transferred to another facility); (3) coverage for out-of-service area medical care when

medically necessary for urgent or emergency conditions where you cannot reasonably access in-network services; (4) prehospital care and hospital services regardless of location when medically necessary for injury or emergency illness; and (5) upon a your arrival in a hospital, coverage of a medical screening examination, as required by the Federal Emergency Medical Treatment and Active Labor Act, 42 U.S.C. § 1395dd, and as specified in N.J.A.C. 8:43G-12.

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

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

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

ADOPTED: MARCH 26, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-14

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE FEBRUARY AND MARCH 2026 BILLS LISTS**

WHEREAS, the North Jersey Municipal Employee Benefits Fund held a Public Meeting on **MARCH 26, 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 February and March 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 December 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 February and March 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: MARCH 26, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND

OPEN MINUTES

January 22, 2026

RANDOLPH MUNICIPAL HALL- 9:30 AM

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

ROLL CALL OF 2025 FUND COMMISSIONERS

Thomas S. Russo Jr.	Town of Newton	Present
Carrine Piccolo- Kaufer	Township of Hardyston	Present
Barbara Russo	Township of Berkeley Heights	Present
Tammy Smith	Knowlton BOE	Present
Greg Poff	Randolph Township	Present
Scott Heck	Borough of Ringwood	Present
Dina Valente - Stoel	Borough of Lincoln Park	Present
Mike Sondermeyer	Borough of Bloomingdale	Present
Deb Millikin	Township of Jefferson	Present
Jennifer Dodd, Alternate	Town of Newton	Present
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	Absent
Stephen Williams, Alternate	Borough of Chatham	Present
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
Ralph Blakeslee	Borough of Netcong	Present
Richard Proctor	Borough of Netcong	Absent
David Young	Borough of Wharton	Present
Cheryl Muzzilo	Borough of Wharton	Absent
Samuel Yodice	Borough of Woodland Park	Absent
Sandra Olivola	Borough of Woodland Park	Present
Joyce Bushman	Mendham Borough	Present
Erick Mesias, Alternate	Mendham Borough	Absent
Claudia Quinn	Mount Olive	Present
Andrew Tatarenko, Alternate	Mount Olive	Present

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	Present
Neil Henry	Town of Boonton	Present
Joe Sabatini	Township of Byram	Absent
Ashleigh Frueholz, Alternate	Township of Byram	Absent
Victoria Dobrusin	Township of Dover	Present
Edward Rameraz, Alternate	Township of Dover	Absent
Silvio Esposito	Township of Hanover	Present
Andrew Fiore	Township of Harding	Absent
Katie Yanke	Township of Montville	Present
Jennifer Storey, Alternate	Township of Montville	Absent
Julie McIver	Township of Pequannock	Absent
Adam Brewer, Alternate	Township of Pequannock	Present
J.J. Murphy	Township of Roxbury	Absent
Valarie Wyble, 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 Curry	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	Jim Rhodes Emily Koval Caitlin Perkins
Program Manager	Vozza Agency	John Lajewski
Attorney	Dorsey & Semrau	Ed Pasternak
Claims Administrator	Aetna	Jason Silverstein
Dental Administrator	Delta Dental	Absent
Prescription Administrator	Express Scripts	Charles Yuk
Treasurer	Michael Soccio	Present
Auditor	Nisivoccia	Absent
Actuary	John Vataha	Absent

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

FLAG SALUTE

ELECTION OF OFFICERS, EXECUTIVE COMMITTEE & ALTERNATES

Executive Director asks for nominations. Attorney swears in Officers and Executive Committee.

MOTION TO OPEN THE FLOOR FOR 2026 EXECUTIVE COMMITTEE NOMINATIONS:

MOTION: Commissioner Russo
SECOND: Commissioner Poff

MOTION TO NOMINATE THE RECOMMENDED SLATE 1 BELOW:

MOTION: Commissioner Brewer
SECOND: Commissioner Esposito

Recommended Slate 1:

2026 Executive Committee	
Carrine Piccolo-Kaufer, Chair	Township of Hardyston
Greg Poff, Secretary	Randolph Township
Barbara Russo	Township of Berkeley Heights
Tammy Smith	Knowlton BOE
Scott Heck	Borough of Ringwood
Deb Millikin	Township of Jefferson
Dina Valente-Stoel	Borough of Lincoln Park
Executive Committee Alternates:	
Mike Sondermeyer	Borough of Bloomingdale
James Zepp	Township of Sparta
Victoria Dobrusin	Township of Dover

MOTION TO NOMINATE THE RECOMMENDED SLATE 2 BELOW:

MOTION: Commissioner T. Russo
SECOND: Commissioner B. Russo

Recommended Slate 2:

2026 Executive Committee	
Thomas S. Russo Jr., Chair	Town of Newton
Carrine Piccolo-Kaufer, Secretary	Township of Hardyston
Barbara Russo	Township of Berkeley Heights

Tammy Smith	Knowlton BOE
Greg Poff	Randolph Township
Scott Heck	Borough of Ringwood
Executive Committee Alternates:	
Dina Valente-Stoel	Borough of Lincoln Park
Mike Sondermeyer	Borough of Bloomingdale
Deb Millikin	Township of Jefferson
Claudia Quinn	Mt Olive

VOTE TO APPROVE THE 2026 RECOMMENDED SLATE ONE PRESENTED:

VOTE:

21 Ayes, 3 Nays

Thomas S. Russo Jr.	Town of Newton	No
Carrine Piccolo- Kaufer	Township of Hardyston	Yes
Barbara Russo	Township of Berkeley Heights	No
Tammy Smith	Knowlton BOE	No
Greg Poff	Randolph Township	Yes
Scott Heck	Borough of Ringwood	Yes
Dina Valente - Stoel	Borough of Lincoln Park	Yes
Mike Sondermeyer	Borough of Bloomingdale	Yes
Deb Millikin	Township of Jefferson	Yes
Stephen Williams	Borough of Chatham	Yes
Ralph Blakeslee	Borough of Netcong	Yes
David Young	Borough of Wharton	Yes
Sandra Olivola	Borough of Woodland Park	Yes
Joyce Bushman	Mendham Borough	Yes
Claudia Quinn	Mount Olive	Yes
Meghan Lynch	Town of Boonton	Yes
Victoria Dobrusin	Township of Dover	Yes
Silvio Esposito	Township of Hanover	Yes
Katie Yanke	Township of Montville	Yes
Adam Brewer, Alternate	Township of Pequannock	Yes
James Zepp	Township of Sparta	Yes
Tina Kraus	Township of Vernon	Yes
Michael Restel	Township of Wantage	Yes
Michele Dale	Township of West Milford	Yes

**OATH OF FUND COMMISSIONERS
MEETING OF EXECUTIVE COMMITTEE CALLED TO ORDER**

ROLL CALL OF 2026 EXECUTIVE COMMITTEE

2026 Executive Committee		
Carrine Piccolo-Kaufer, Chair	Township of Hardyston	Present
Greg Poff, Secretary	Randolph Township	Present
Barbara Russo	Township of Berkeley Heights	Present
Tammy Smith	Knowlton BOE	Present
Scott Heck	Borough of Ringwood	Present
Deb Millikin	Township of Jefferson	Present
Dina Valente-Stoel	Borough of Lincoln Park	Present
Executive Committee Alternates:		
Mike Sondermeyer	Borough of Bloomingdale	Present
James Zepp	Township of Sparta	Present
Victoria Dobrusin	Township of Dover	Present

Chair Piccolo-Kaufer thanked everyone for their vote of confidence and believes the hard work that the Fund is doing the Fund will continue to move in a positive direction.

MOTION TO APPROVE OPEN MINUTES OF OCTOBER 23, 2025 & DECEMBER 8, 2025:

MOTION: Commissioner Poff
SECOND: Commissioner Sondermeyer
VOTE: All in favor

2026 HOUSEKEEPING ITEMS:

An open discussion occurred regarding the voting powers limited to just the Executive Committee or all Fund Commissioners. Chair Piccolo-Kaufer summarized previous conversations regarding how when it is just the Executive Committee does that allow others not to have a voice or participate. Commissioner Heck noted if the goal is to continue to increase involvement in the Fund, to continue to allow all Fund Commissioners to vote. Commissioner Brewer agreed, noting it is a tough sale to ask people to show but not allow to vote but in the absent of a quorum, to authorize the Executive Committee to vote. The Fund Attorney confirmed that this style of voting is legal but mentioned it could be helpful to tighten up the bylaws moving forward since this is a conversation that occurs annually.

MOTION TO ALLOW ALL FUND COMMISSIONERS TO VOTE ON ANY ACTIONS. IN THE ABSENT OF A QUORUM OF THE COMMISSIONERS, THE EXECUTIVE COMMITTEE IS AUTHORIZED TO PROCEED WITH VOTING:

MOTION: Commissioner Blakeslee
SECOND: Commissioner Poff
VOTE: All in Favor

An open discussion occurred regarding of adding a virtual option, where the Fund Attorney noted there is no legal requirement to have a virtual option but believes it could be a good idea. In response to Commissioner Poff, could it be limited to just the Fund Professionals and Fund Commissioners, the Fund Attorney noted that legally the link would have to be posted but can provide alternatives such as not allowing comments or get involved. Chair Piccolo-Kaufer questioned if it could be a live stream set up and the Fund Attorney stated the language would be required to be included on the agenda. A discussion continued regarding the virtual option for just emergencies or additional meetings that need to be held.

MONTHLY COMMITTEE REPORTS -

CLAIMS COMMITTEE- No Report

CONTRACTS COMMITTEE- Commissioner Smith reported that the Committee voted to extend the Administrator contract for the year 2026 and where the RFP will be released for 2027, which is reflected in Resolution 26-1.

FINANCE COMMITTEE- No Report

OPERATIONS COMMITTEE- Commissioner Heck noted there is no report but would like to get an Operations Committee meeting scheduled to discuss a few member issues that have arisen.

WELLNESS COMMITTEE- Commissioner Piccolo-Kaufer reported that a discussion of the future of the program and how to proceed in the 2026 Fund year. There will be a meeting with all wellness ambassadors to get a sense of the current program and how to improve and develop the program for the future. She noted the program should hopefully be rolled out by mid-February and the gift cards should be forthcoming in February due to cash flow, which is always a challenge this time of year due to the January premiums payments being delayed.

FUND DOCUMENT COMMITTEE- Commissioner Piccolo-Kaufer reported that they met back in September and currently reviewing the bylaws and suggestions for changes, which will be brought to the Fund in the future for discussion.

PROFESSIONAL REPORTS -

EXECUTIVE DIRECTOR'S REPORT

CORRESPONDENCE – Ms. Koval reviewed the correspondence included in the agenda, highlighting that the New Jersey Department of Banking and Insurance reached out with questions regarding the Fund's financial position for 2024 during the audit review. She noted the Funds response, which included the Fund's action plan, that went into effect last year and that a Finance Committee will be scheduled to discuss year end financials and strategies to

address the challenges the Fund has been facing. She thanked the Fund Attorney and Chair for reviewing the response and commented there has been no response from the State.

FAST TRACK FINANCIAL REPORT – Ms. Koval reviewed the financial fast track through November 2025, noting that it continues to show a loss. Regarding the DOBI letter in the correspondence, the loss for 2024 Fund year is around \$7 million. Although the 2025 Fund year is not as bad and there are still pending items such as stop loss reimbursements and IBNR (Incurred by not reported) that will hopefully reduce the deficit.

In response to Commissioner Heck, Ms. Koval noted that generally speaking the stop loss reimbursements depend on the year and will provide that information once confirmation has been provided.

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

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

2026 SUBCOMMITTEE APPOINTMENTS:

Ms. Koval noted the current subcommittee's appointments below.

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 SUBCOMMITTEE APPOINTMENTS UNTIL CHAIR PICCOLO-KAUFER HAS AN OPPORUNITY TO REVIEW AND UPDATE AT MARCH MEETING:

MOTION:	Commissioner Heck
SECOND:	Commissioner Brewer
VOTE:	All in Favor

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

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

Ms. Koval noted the remainder of the report in the agenda is informational and there were no other questions for the Executive Directors report. Ms. Perkins commented on the Indemnity and Trust Agreement list, noting there were a handful that expired at the end of 2025 and to reach out if a blank template is needed.

PRORAM MANAGER REPORT

Mr. Lajewski reviewed the agenda in report, highlighting industry updates including emerging GLP-1 weight loss medications and anticipated cost pressures. Fund observations addressing the rising of utilization for the GLP-1 medications to ensure they are being distributed correctly, noting this can be done on a member level. Strategies under review include clinical criteria adjustments, cost-sharing changes, exclusions, and direct-to-consumer options.

Mr. Lajewski reported favorable early results following the Fund’s change to a Medicare based out-of-network fee schedule, noting reduced per employee per month (PEPM) costs. He highlighted new member activity, including the Borough of Hopatcong and Township of Lebanon, which are both pending underwriting review. He provided a reminder of the client services contact information for eligibility and enrollment inquiries and noted six upheld carrier appeals and two upheld IRO appeals.

Mr. Lajewski provided a quick update on the wellness aspect, stating the schedule of webinars were delivered and webinar attendance was also distributed. He commented that as previously discussed, the gift cards will be released once cash flow has improved. He provided kudos to the current wellness program, as the Fund has a robust wellness program

and a meeting is scheduled to discussed the 2026 Fund year strategy to continue to improve and expand the program.

Commissioner Heck commented since an Operations Committee is going to be scheduled for the Program Manager to provide a list of member operational issues that are occurring so the Operations Committee can review.

The remainder of the report had been previously addressed, and there were no further questions regarding the Program Manager's report.

TREASURER: Mr. Soccio reviewed the November 2025, December 2025, and January 2026 bills list. He noted the summary of cash transactions report, certification and reconciliation of claims and payments, and the allocation of the cash.

Mr. Soccio also reviewed the updated Member Monthly Billing process that is included in the Cash Management Plan, Section 12, stating that the Treasurer's met earlier in the month regarding cash flow issues and this was implemented to encourage timely payments for their monthly invoices to ensure cash flow is sufficient to pay claims. He highlighted that it is important to pay the bill as present, as any enrollment changes will be reflected in future bills.

ATTORNEY: Mr. Pasternak stated there was no report.

AETNA: Mr. Silverstein congratulated the new Executive Committee. Mr. Silverstein reviewed the claims for the months of October and November. The High claimant report for claims above \$100,000 showed three claims for October and November. Mr. Silverstein happily reported that the dashboard metrics continue to perform well. He provided a network update, stating that Aetna is in active negotiations with Hackensack Meridian for a July 1, 2026, start date.

EXPRESS SCRIPTS: Mr. Yuk reviewed the monthly utilization tracking report for the month of November 2025, nothing there was a 0.5% change plan cost PMPM from November 2024. He noted there has been no changes in the top cost drivers or top drugs. Mr. Yuk confirmed there have been discussions regarding updating the BMI to 35 for the Omada program.

DELTA DENTAL: No report.

Commissioner Smith commented that the Member Monthly Billing process, included in Resolution 26-7, will result in a financial penalty for her School Board, since the board approves the bills after the date that is included in the process. A discussion occurred regarding the bills being a month ahead, how health insurance can be approved without board approval for payment.

CONSENT AGENDA

Resolution 26-1: Appointment of Professional and Contractors	Page 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 Records..... Page 45
 Resolution 26-5: Designation of Official Newspaper Page 46
 Resolution 26-6: Designation of Regular Meeting Times and Place Page 47
 Resolution 26-7: Designation of Bank Depositories & CMP Page 48
 Resolution 26-8: Designation of Authorized Signatories Page 53
 Resolution 26-9: TD Wealth Management Account Signatories..... Page 54
 Resolution 26-10: Approval of Risk Management Plan..... Page 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 List Page 67

MOTION TO APPROVE THE CONSENT AGENDA, PULLING RESOLUTION 26-7:

MOTION: Commissioner Heck
SECOND: Commissioner Brewer
VOTE: 23 Ayes, 0 Nays

Carrine Piccolo- Kaufer	Township of Hardyston	Yes
Barbara Russo	Township of Berkeley Heights	Yes
Tammy Smith	Knowlton BOE	Yes
Greg Poff	Randolph Township	Yes
Scott Heck	Borough of Ringwood	Yes
Dina Valente - Stoel	Borough of Lincoln Park	Yes
Mike Sondermeyer	Borough of Bloomingdale	Yes
Deb Millikin	Township of Jefferson	Yes
Stephen Williams	Borough of Chatham	Yes
Ralph Blakeslee	Borough of Netcong	Yes
David Young	Borough of Wharton	Yes
Sandra Olivola	Borough of Woodland Park	Yes
Joyce Bushman	Mendham Borough	Yes
Claudia Quinn	Mount Olive	Yes
Meghan Lynch	Town of Boonton	Yes
Victoria Dobrusin	Township of Dover	Yes
Silvio Esposito	Township of Hanover	Yes
Katie Yanke	Township of Montville	Yes
Adam Brewer, Alternate	Township of Pequannock	Yes
James Zepp	Township of Sparta	Yes
Tina Kraus	Township of Vernon	Yes

Michael Restel	Township of Wantage	Yes
Michele Dale	Township of West Milford	Yes

Commissioner Bushman requested including clarifying language in the Cash Management Plan that refers to the statutory that allows payment to be made for Health Insurance without board approval. The Fund Attorney confirmed that this includes both entities and school boards.

MOTION TO APPROVE RESOLUTION 26-7:

MOTION: Commissioner Heck
SECOND: Commissioner Brewer
VOTE: 22 Ayes, 0 Nays, 1 Abstained

Carrine Piccolo- Kaufer	Township of Hardyston	Yes
Barbara Russo	Township of Berkeley Heights	Yes
Tammy Smith	Knowlton BOE	Abstain
Greg Poff	Randolph Township	Yes
Scott Heck	Borough of Ringwood	Yes
Dina Valente - Stoel	Borough of Lincoln Park	Yes
Mike Sondermeyer	Borough of Bloomingdale	Yes
Deb Millikin	Township of Jefferson	Yes
Stephen Williams	Borough of Chatham	Yes
Ralph Blakeslee	Borough of Netcong	Yes
David Young	Borough of Wharton	Yes
Sandra Olivola	Borough of Woodland Park	Yes
Joyce Bushman	Mendham Borough	Yes
Claudia Quinn	Mount Olive	Yes
Meghan Lynch	Town of Boonton	Yes
Victoria Dobrusin	Township of Dover	Yes
Silvio Esposito	Township of Hanover	Yes
Katie Yanke	Township of Montville	Yes
Adam Brewer, Alternate	Township of Pequannock	Yes
James Zepp	Township of Sparta	Yes
Tina Kraus	Township of Vernon	Yes
Michael Restel	Township of Wantage	Yes
Michele Dale	Township of West Milford	Yes

OLD BUSINESS: None.

NEW BUSINESS: Commissioner Brewer commented that currently there is only a 2.5% increase or decrease in the loss ratio, which supports stability in the budget, but noted that if a group

consistently runs below or above, they may be interested in leaving the Fund depending on their loss ratio. Ms. Koval noted we can discuss this with the Finance Committee when it gets closer to budget time as there are possible options.

MOTION TO OPEN PUBLIC COMMENT:

MOTION:	Commissioner Heck
SECOND:	Commissioner Sondermeyer
VOTE:	All in Favor

PUBLIC COMMENT: None.

MOTION TO CLOSE PUBLIC COMMENT:

MOTION:	Commissioner Poff
SECOND:	Commissioner Heck
VOTE:	All in Favor

MOTION TO ADJOURN:

MOTION:	Commissioner Blakeslee
SECOND:	Commissioner Brewer
VOTE:	All in Favor

MEETING ADJOURNED AT: 9:41 am

NEXT MEETING: March 26, 2026, 9:30 am
RANDOLPH MUNICIPAL BUILDING

Caitlin Perkins, Account Manager

For

Greg Poff, Secretary

SIGN IN SHEET

NJHIF - January 22, 2026

NAME	AGENCY
Steve Williams	Chatham Boro
Mike Soccio	Treasurer
Brittany Vozza	Vozza
Dave Vozza	Vozza
MICHAEL RESTEL	WANTAGE
Renee Gear	World Ins Assoc.
Meghan Lynch	Town of Boonton
Neil Henry	Town of Boonton
David Young	Wharton
RALPH BLAKESLEE	NET CONG
Sandra Olivola	Woodland Park
Charles Yule	ESI
Selora MILLIKIN	Jefferson
Aden Brewer	Regional Tr. & P.
Tammeisha Smith	Knowlton BOE
Victoria DeBene	Town of Dover
Jennifer Dorso	Town of Newton
Lois Manzella Marchitto	Fire & Knocking
Ernie Reigstal	Skylands Risk Mgmt
John Drake	Skylands Risk Mgmt

APPENDIX II

NJHIF Finance Committee
March 16, 2026, at 2:00pm
TEAMS

Deb Millikin, Committee Chair
Carrine Piccolo-Kaufer, Committee Member
Scott Heck, Committee Member
Julie McIver, Committee Member
Mike Soccio, Fund Treasurer
James Rhodes, PERMA
John Lajewski, Conner Strong & Buckelew
Emily Koval, PERMA
Brandon Lodics, PERMA
Caitlin Perkins, PERMA
Gerard Torsiello, PERMA

Ms. Koval opened the meeting by thanking attendees and framing the purpose: to discuss the year-end financial situation, current cash flow issues in response to the DOBI letter, and to explore possible solutions and recommendations.

Mr. Lajewski presented the Year-End Utilization Review (included as an attachment to the NJHIF March agenda), covering projected trend vs. actual trend analysis, program utilization for medical and pharmacy demographics, including overall costs and frequency for both categories and a high-level overview of medical catastrophic claimants.

Mr. Lajewski outlined cost containment opportunities achievable on a low- or no-cost basis, including member educational campaigns, working with the TPA/PBM to redirect place of service where no deterioration in care level occurs, nurse advocacy programs, plan design modifications. He noted an overall increase in preventive services utilization, attributed to the wellness committee's ongoing focus on member wellness. Currently implemented strategies include the Advanced Utilization Management program and the SaveOn program. Additional strategies under consideration include high-performance provider network options, such as Aetna Whole Health, a reference-based pricing model, which sets prices prior to services being rendered rather than after, and wellness/population health challenge solutions tailored to specific member populations. Mr. Lajewski discussed the possibility of increasing the BMI threshold for the Omada program, which will decrease the number of members that are in the program.

Commissioner Millikin asked how an increase in the BMI threshold would affect members currently on in the Omada program and Mr. Lajewski explained that current members of the program would be required to submit a new Prior Authorization. If the member's original BMI falls below the new threshold of 35, they would no longer be eligible for the medication, regardless of prior enrollment.

Commissioner Piccoli-Kaufer inquired whether the Fund has analyzed the full impact of excluding GLP-1s entirely and whether sufficient notice would be provided to current members to allow tapering. Mr. Lajewski noted that ESI (Express Scripts) has both cost savings data and clinical research supporting a BMI increase, and that grandfathering existing members would create administrative complexity. Commissioner Piccolo-Kaufer emphasized that a clear transition process must be established before implementation. Mr. Rhodes noted that another Fund is moving to a BMI greater than 35 Fund-wide.

Commissioner Heck raised the question of whether utilization continues to rise given emerging clinical studies noting negative side effects of GLP-1s. Mr. Lajewski indicated he would follow up with ESI to gather that data. Commissioner Millikin asked whether GLP-1s have contributed to increased hospitalization claims due to side effects; Mr. Lajewski noted that the data may not yet be available given how recently these medications came to market.

Ms. Koval commented that the GLP-1 and medication policy items are more appropriately handled by the Operations Committee, and the possibility of having a representative from ESI to be included on the call. Commissioner Heck agreed and suggested scheduling a focused discussion.

Commissioner Millikin asked about projected cost savings for member towns if they elected the Aetna Whole Health Network option. Mr. Lajewski indicated estimated savings of approximately 10%, with potential for additional savings depending on town-specific factors such as Chapter 78 applicability and whether participation is voluntary. Commissioner Piccolo-Kaufer raised concerns about provider and hospital accessibility within the Aetna Whole Health Network, noting that members may have limited access to multiple providers. Mr. Lajewski agreed to circulate the hospital network exhibit for review. He noted that if discussions advance, Aetna can provide a disruption report. Mr. Lodics confirmed that Atlantic Health would be designated as a Tier 1 provider, and that the exhibit breaks network access out by county.

Commissioner Heck noted that while pharmacy has been a primary cost driver, network provider costs are also significant. He suggested that encouraging HDHP enrollment may help, as out-of-pocket exposure increases member awareness of cost. Mr. Lajewski acknowledged that a combination of strategies is needed for meaningful savings, and Commissioner Heck agreed that no single program will achieve the needed cost containment.

Ms. Koval reviewed the preliminary December Financial Fast Track, highlighting how the No Surprises Act had a significant impact on the IBNR (Incurred But Not Reported) calculation, causing a delay in IBNR but a conservative IBNR estimate was submitted for December, pending the certified number from the Fund Actuary. She noted that the 2025 year-end reflects another statutory surplus deficit. As for current cash flow, she noted that member assessments were delayed due to administrative issues, including problems with OneDrive but the Fund Treasurer, Mike Soccio, noted that claims remain consistent and current cash flow is stable.

Ms. Koval explained that it is possible to close a year in a deficit, and that options exist to address the statutory surplus deficit, including supplemental assessments. She described the process of determining the supplemental assessment. Commissioner Heck raised concern for smaller municipalities with constrained budgets, noting that a supplemental assessment could create significant hardship. Mr. Rhodes indicated the matter could be revisited later in the year for planning in 2027. Commissioner Heck requested that a report showing closed surplus balances by municipality be provided so the committee has full information. The committee reached consensus that implementation of a supplemental assessment at this time is not feasible given the difficulty of the current budget year for municipalities. Mr. Rhodes confirmed that something will need to be done to address the surplus deficits and that the committee is being informed in anticipation of potential future action. Commissioner Heck emphasized the importance of advance notice and if a supplemental assessment becomes necessary, municipalities will need to know by October at the latest to prepare their budgets accordingly.

Mr. Lodics noted that the 2026 budget was developed without assumed reductions, and that items the Fund already approved, such as the out of network fee schedule, should help regenerate the lost surplus over time. Continued improvement in cash flow will help determine the specific amount that needs to be addressed.

APPENDIX III

NJHIF Operations Committee

March 5, 2026, at 11:00am

Teams

Scott Heck, Chair of Committee

Carrine Piccolo-Kaufer, Chair of Executive Committee

Barbara Russo, Executive Committee Member

Tammy Brown, Conner Strong & Buckelew

John Lajewski, Conner Strong & Buckelew

Emily Koval, PERMA

Caitlin Perkins, PERMA

Ms. Koval opened the meeting by confirming two housekeeping items previously discussed at the January meeting. The October meeting date will be moved from October 22 to October 29, and a virtual attendance option will only be available for emergencies or special meetings going forward.

Ms. Brown provided a brief overview of the meeting's purpose, explaining that, based on previously communicated service issues, the service team had gathered data to develop appropriate resolutions. Mr. Lajewski then led the discussion, which covered service issues, updates on plan documents, and the wellness program.

Regarding service issues, the discussion focused on WEX coupons and plan audits; changes to the billing process, including the transition to OneDrive and reminders regarding billing guidelines. Mr. Lajewski confirmed that some emails from the client services team had been missed but they have since been addressed. In response to Commissioner Heck, it was noted that WEX has been the benefits administrator program since 2010 and a discussion followed regarding the user-friendliness of the WEX system. Commissioner Heck noted there have been complaints of the system not allowing members to make the necessary enrollment updates. Commissioner Russo commented there are updates made to the system that is not always communicated so she can understand if someone is not in the system daily, there may be confusion on how to process the enrollments. Commissioner Piccolo-Kaufer provided that the program is not always intuitive and can understand how members may get confused or input something incorrectly. Ms. Brown proposed the possibility of creating a training video that members can access for those who do not use the WEX system daily or in the event of staff turnover. Commissioner Heck asked whether retraining could be mandated for all HR staff and whether an instructional manual can be distributed. Mr. Lajewski confirmed that an instructional manual can be provided and with the support of the Executive Committee, a training initiative for all entities could be finalized.

Mr. Lajewski reviewed the standard process of setting up new plans, noting that some plans were not set up correctly in the WEX system and with various vendors, which was identified through an audit.

Commissioner Heck emphasized his concerns regarding billing accuracy, noting the importance of correct billing for cash flow purposes. He further noted that subsequent adjustments would reduce cash flow later, when the bills are being corrected. Mr. Lajewski responded that while a billing review process is in place, not all enrollments are being captured before the bills are issued due to the timing lag. In response to Commissioner Heck, Ms. Koval commented that the contract with WEX is currently held by PERMA. Ms. Brown added that internal discussions have taken place regarding if it is time to issue a Request for Proposal for a new benefits administrator system, given the ongoing issues and growth of the Health Insurance Fund. Ms. Brown noted that while cash flow varies by Fund, the operational issues are consistent across all Funds and are not unique to the North Fund. She also confirmed that she has recently met with the WEX team to discuss these operational issues. Commissioner Heck requested that all updates regarding a new benefits administrator system be included in future Operations Committee agendas. Mr. Lajewski closed the service issues discussion by reviewing a one-off issue with an auto refill processed through Express Scripts but noted it has been resolved. Commissioner Heck noted that Conner Strong has done a thorough job reviewing discrepancies and processing adjustments. Mr. Lajewski added that internal processes continue to be reviewed to reduce the likelihood of these issues in future open enrollment issues.

Regarding plan documents, Mr. Lajewski stated that the initial project plan draft was distributed at the end of 2025. Discussions are underway with third-party vendors to improve efficiency, with updates plan documents anticipated by the end of the first quarter of 2026.

For the wellness program, Mr. Lajewski confirmed that gift cards for the 2025 program have been distributed. He provided a high-level overview of the current program and noted that monthly discussions are being held to discuss strategies to increase engagement and implement new strategies for the 2027 program. Commissioner Heck suggested the possibility of shifting the program to a June-to-June cycle rather than January to January cycle to improve funding flexibility and allow more time for feedback. Commissioner Piccolo-Kaufer added that while participants prefer to receive their gift cards as soon as the program ended, vendor agreements typically begin mid-year. She noted the gift cards are the main issue with the cash flow being strained in the beginning of the year. In closing, Commissioner Heck emphasized the goal of resolving these issues to create smoother operational processes and reduce the volume of service-related

APPENDIX IV



16TH ANNUAL MEL, MRHIF & NJCE EDUCATIONAL SEMINAR

SAVE THE DATES

FRIDAY, APRIL 24 ▶ 9:00 AM – 12:00 PM

FRIDAY, MAY 1 ▶ 9:00 AM – 12:00 PM

Available Online at No Cost to Members

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

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

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

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**NEW JERSEY COUNTIES
EXCESS JOINT INSURANCE FUND**

AGENDA

FRIDAY, APRIL 24

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

FRIDAY, MAY 1

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

TO REGISTER

Connect to njmel.org
or email Jaine Testa at jainet@permainc.com

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APPENDIX V

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

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

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

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

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