

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND



**SEPTEMBER 24, 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 DESIGNATED NEWSPAPER DIRECTING THE PUBLIC TO THE WEBSITE WHERE LEGAL NOTICES ARE AVAILABLE

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
AGENDA MEETING: SEPTEMBER 24, 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
Tammeisha 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
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
Edward Rameraz, Alternate	Township of Dover
Karen Fornaro	Borough of Chatham
Stephen Williams, Alternate	Borough of Chatham
	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
	Borough of Prospect Park
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
J.J. Murphy	Township of Roxbury
Valarie Wyble, Alternate	Township of Roxbury
Roxanne Landy	Township of Sparta
Michele Landtau, Alternate	Township of Sparta
Tina Kraus	Township of Vernon
Keith Curry	Township of Vernon
Michael Restel	Township of Wantage
Nancy VanHorn, Alternate	Township of Wantage
Michele Dale	Township of West Milford
Cathy Shanahan, Alternate	Township of West Milford

APPROVAL OF MINUTES: *July 23, 2026, Open Appendix I*

CORRESPONDENCE - DOBI NJHIF Presentation..... Sent as an Attachment

MONTHLY COMMITTEE REPORTS:

CLAIMS COMMITTEE - Barbara Russo, Chair

CONTRACTS COMMITTEE - Tammy Smith, Chair

FINANCE COMMITTEE - Deb Millikin, Chair

September 16, 2026, ... Appendix II (Page 57)

OPERATIONS COMMITTEE - Scott Heck, Chair

September 10, 2026, ... Appendix II (Page 59)

WELLNESS COMMITTEE - Carrine Piccolo-Kaufer, Chair

September 10, 2026, ... Appendix II (Page 61)

FUND DOCUMENT REVIEW COMMITTEE - Carrine Piccolo-Kaufer, Chair

REPORTS:

EXECUTIVE DIRECTOR - (PERMA)

Monthly Report.....Page 5

PROGRAM MANAGER - (Conner Strong & Buckelew)

Monthly Report.....Page 15

TREASURER - (Michael Soccio)

August and September 2026 Voucher List.....Page 25

Confirmation of Claims Paid/Certification of Transfers

ATTORNEY - (Dorsey & Semrau - Fred Semrau)

Monthly Report

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

Monthly Report.....Page 32

PRESCRIPTION ADMINISTRATOR - (Express Scripts - Hiteksha Patel)

Monthly Report

DENTAL ADMINISTRATOR - (Delta Dental- Luhra Ebarle)

Monthly Report Page 37

CONSENT AGENDA Page 39

Resolution 26-26: Introduction of 2027 Budget.....Page 40

Resolution 26-27: Professionals RFP Reject and Reissue.....Page 41

Resolution 26-28: Awarding Auditor Services.....Page 42

Resolution 26-29: Authorizing Wellness Consultant RFP Page 43

Resolution 26-30: August and September Bills List Page 44

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT - Motion to Open & Motion to Close

MEETING ADJOURNED

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
EXECUTIVE DIRECTOR'S REPORT
SEPTEMBER 24, 2026**

FINANCE

PRO FORMA REPORTS

- **Fast Track Financial Report** – as of July 31, 2026 (page 9)

OPERATIONS

2027 NORTH JERSEY HIF BUDGET – INTRODUCTION

The 2027 proposed budget and proposed assessments are located on page 8 of this report. A 2027 budget presentation is included as an attachment to the agenda which will be reviewed at the meeting.

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

Resolution: 26-26 formalizes the budget introduction.

Motion: *Motion to introduce the 2027 North Jersey Regional Employee Benefits Fund budget in the amount of \$103,835,694 and to advertise a public hearing of the budget adoption on October 29, 2026.*

MUNICIPAL REINSURANCE HEALTH INSURANCE FUND (MRHIF) UPDATES

The MRHIF met on September 9, 2026, where the following agenda items were discussed:

- 1) Introduced the 2027 budget with an overall increase of ~22%
- 2) Bylaw amendment is in process of being filed with the State of New Jersey
- 3) Medical TPA RFP is still with the Office of State Comptroller for pre-advertisement approval
- 4) Reviewing possible new County membership for MRHIF

REQUEST FOR PROPOSAL (RFP) UPDATES

- 1) At the May meeting, the Fund authorized the release of a RFP for Actuary, Attorney, Auditor and Treasurer services. The Contracts Committee reviewed the submissions received and is recommending the following:
 - a. Reject all submissions received for Actuary, Attorney, and Treasurer as they exceeded budget, and reissue the RFP for these services.
 - b. Award the Auditor contract to PKF O'Connor Davies (Bowman), following a fair and open RFP process.

Resolution 26-27 reflects the reissuing of the Professionals and Resolution 26-28 awards the Auditor.

- 2) All wellness consultant contracts are set to expire at the end of the year. The Wellness Committee and Contracts Committee have reviewed the draft RFP and are recommending its release. Resolution 26-29 is in consent agenda and authorizes the issuance of the RFP.

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

Entity	I&T End Date	BOR ON FILE
Dover	12/31/2025	YES
Mountain Lakes	12/31/2025	YES
Roxbury	12/31/2025	YES
Woodland Park	12/31/2025	YES
Boonton	12/31/2026	YES
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
Hardyston	12/31/2028	YES
Madison Housing Authority	12/31/2028	YES
Jefferson	12/31/2028	YES
Bloomingtondale	12/31/2028	YES
Madison	12/31/2028	YES
Pequannock	12/31/2028	YES
Chatham	12/31/2028	YES
Kinnelon	12/31/2028	YES
Ringwood	12/31/2028	YES
Vernon	12/31/2028	YES
Prospect Park	12/31/2028	YES
West Milford	12/31/2028	YES
Andover Township	12/31/2028	YES

Randolph	12/31/2028	YES
Hopatong	12/31/2028	YES
Mendham	12/31/2028	
Montville	12/31/2028	YES
Harding Township	Requested	YES

North Jersey Municipal Employee Benefits Fund
2027 Certified Budget

Census:

Medical Aetna	2,287	27,444
Rx	1,118	13,416
Dental	2,102	25,224
Medicare Advantage - Medical	1,022	12,264
Rx No Medical (Incl in Rx above)	27	324
Dental Only (Incl in Dental above)	638	7,656
Medicare Advantage Only	1,018	12,216

	LINE ITEMS	2026 Annualized Budget	2027 Proposed Budget	\$ Change	% Change
1	Medical Claims Aetna	\$ 68,838,674	\$ 75,262,222	\$ 6,423,548	9.33%
2	Medical Claims Aetna BOEs	\$ 790,812	\$ 893,050	\$ 102,238	12.93%
3	Subtotal Medical Claims	\$ 69,629,486	\$ 76,155,272	\$ 6,525,786	9.37%
4	Prescription Claims	\$ 10,955,023	\$ 9,525,588	\$ (1,429,435)	-13.05%
5	Prescription Rebates	\$ (3,505,607)	\$ (2,381,397)	\$ 1,124,210	-32.07%
6	Dental Claims	\$ 1,877,310	\$ 1,864,742	\$ (12,568)	-0.67%
7					
8	Subtotal	\$ 78,956,212	\$ 85,164,205	\$ 6,207,993	7.86%
9					
10	Medicare Advantage - United	\$ 619,057	\$ 779,137	\$ 160,080	25.86%
11	Medicare Advantage - Aetna	\$ 5,401,548	\$ 5,690,466	\$ 288,917	5.35%
12	Subtotal Medicare Advantage EGWP	\$ 6,020,605	\$ 6,469,602	\$ 448,997	7.46%
13	Reinsurance				
14	Specific	\$ 4,921,807	\$ 4,634,743	\$ (287,064)	-5.83%
15					
16	Wellness	\$ 220,000	\$ 220,000	\$ -	0.00%
17					
18	Claims Contingency	\$ 1,911,858	\$ 1,911,858	\$ -	0.00%
19	Trust Fund Contingency	\$ -	\$ 2,100,000	\$ 2,100,000	
20	Total Loss Fund	\$ 92,030,482	\$ 100,500,408	\$ 8,469,926	9.20%
21					
22					
23	Expenses				
24	Legal	\$ 21,325	\$ 21,324	\$ (1)	0.00%
25	Treasurer	\$ 23,433	\$ 23,902	\$ 469	2.00%
26	Administrator	\$ 582,637	\$ 594,290	\$ 11,653	2.00%
27	Program Manager	\$ 335,184	\$ 341,888	\$ 6,704	2.00%
28	Risk Management Consultants	\$ 812,888	\$ 829,130	\$ 16,242	2.00%
29	TPA - Aetna	\$ 1,253,642	\$ 1,278,715	\$ 25,073	2.00%
30	Dental TPA	\$ 84,248	\$ 84,248	\$ -	0.00%
31	Actuary	\$ 13,260	\$ 13,525	\$ 265	2.00%
32	Auditor	\$ 14,280	\$ 14,566	\$ 286	2.00%
33	QPA	\$ 3,000	\$ 3,000	\$ -	0.00%
34					
35	Subtotal Expenses	\$ 3,143,898	\$ 3,204,588	\$ 60,690	1.93%
36					
37	Miscellaneous and Special Services				
38	Misc/Cont(Incl. A4 surcharge)	\$ 100,000	\$ 75,000	\$ (25,000)	-25.00%
39	Claims Audit	\$ 40,000	\$ 40,000	\$ -	0.00%
40	Affordable Care Act Taxes	\$ 15,698	\$ 15,698	\$ -	0.00%
41	Subtotal Misc/Sp Svcs	\$ 155,698	\$ 130,698	\$ (25,000)	-16.06%
42					
43	Total Expenses	\$ 3,299,596	\$ 3,335,285	\$ 35,690	1.08%
44					
45	Total Budget	\$ 95,330,078	\$ 103,835,694	\$ 8,505,616	8.92%

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND						
FINANCIAL FAST TRACK REPORT						
			AS OF	July 31, 2026		
			THIS MONTH	YTD CHANGE	PRIOR YEAR END	FUND BALANCE
1.	UNDERWRITING INCOME		7,953,466	55,242,576	978,927,934	1,034,170,510
2.	CLAIM EXPENSES					
	Paid Claims		7,377,915	48,263,782	828,892,900	877,156,682
	IBNR		(29,343)	(1,598,521)	9,968,994	8,370,473
	Less Specific Excess		-	(1,683,384)	(23,103,494)	(24,786,878)
	Less Aggregate Excess		-	-	-	-
	TOTAL CLAIMS		7,348,572	44,981,877	815,758,400	860,740,277
3.	EXPENSES					
	MA & HMO Premiums		495,167	3,431,514	34,623,407	38,054,921
	Excess Premiums		410,330	2,866,750	43,872,809	46,739,559
	Administrative		278,948	1,815,393	61,965,173	63,780,565
	TOTAL EXPENSES		1,184,445	8,113,657	140,461,388	148,575,046
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)		(579,551)	2,147,042	22,708,145	24,855,187
5.	INVESTMENT INCOME		19,163	94,687	6,377,406	6,472,093
6.	DIVIDEND INCOME		-	-	6,989,782	6,989,782
7.	STATUTORY PROFIT/(LOSS) (4+5+6)		(560,388)	2,241,729	36,075,333	38,317,062
8.	DIVIDEND		-	-	42,501,592	42,501,592
9.	Transferred Surplus IN		-	-	-	-
10.	Transferred Surplus OUT		-	-	-	-
STATUTORY SURPLUS (7-8+9)			(560,388)	2,241,729	(6,426,259)	(4,184,530)
SURPLUS (DEFICITS) BY FUND YEAR						
Closed		Surplus	10,155	78,313	9,794,894	9,873,207
		Cash	(4,817)	(84,505)	11,311,135	11,226,630
2024		Surplus	(55,272)	(155,879)	(7,410,615)	(7,566,495)
		Cash	(55,272)	(31,468)	(7,535,038)	(7,566,506)
2025		Surplus	(433,971)	1,425,168	(8,810,540)	(7,385,372)
		Cash	(574,537)	(6,619,556)	(1,225,928)	(7,845,485)
2026		Surplus	(81,300)	894,128		894,128
		Cash	140,859	7,766,217		7,766,217
TOTAL SURPLUS (DEFICITS)			(560,388)	2,241,729	(6,426,261)	(4,184,532)
TOTAL CASH			(493,767)	1,030,688	2,550,168	3,580,856
CLAIM ANALYSIS BY FUND YEAR						
TOTAL CLOSED YEAR CLAIMS			86	38,255	684,011,194	684,049,448
FUND YEAR 2024						
	Paid Claims		55,464	221,046	61,258,225	61,479,271
	IBNR		-	-	-	-
	Less Specific Excess		-	(64,093)	(748,225)	(812,319)
	Less Aggregate Excess		-	-	-	-
TOTAL FY 2024 CLAIMS			55,464	156,952	60,510,000	60,666,952
FUND YEAR 2025						
	Paid Claims		574,048	9,793,620	61,982,167	71,775,787
	IBNR		(139,566)	(9,535,345)	9,968,994	433,649
	Less Specific Excess		-	(1,619,290)	(713,952)	(2,333,242)
	Less Aggregate Excess		-	-	-	-
TOTAL FY 2025 CLAIMS			434,482	(1,361,015)	71,237,209	69,876,194
FUND YEAR 2026						
	Paid Claims		6,748,318	38,210,861		38,210,861
	IBNR		110,223	7,936,824		7,936,824
	Less Specific Excess		-	-		-
	Less Aggregate Excess		-	-		-
TOTAL FY 2026 CLAIMS			6,858,541	46,147,685		46,147,685
COMBINED TOTAL CLAIMS			7,348,572	44,981,877	815,758,403	860,740,280

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND								
RATIOS								
INDICES	2025	FY2026						
		JAN	FEB	MAR	APR	MAY	JUN	JUL
Cash Position	2,550,168	\$ 1,770,763	\$ 2,483,376	\$ 1,947,138	\$ 1,180,932	\$ 1,308,856	\$ 4,074,623	\$ 3,580,856
IBNR	9,968,994	\$ 9,536,310	\$ 8,360,482	\$ 8,349,949	\$ 8,359,724	\$ 8,382,781	\$ 8,399,816	\$ 8,370,473
Assets	5,372,709	\$ 5,379,226	\$ 6,714,792	\$ 6,223,610	\$ 7,218,702	\$ 6,906,245	\$ 6,232,717	\$ 5,646,539
Liabilities	11,798,970	\$ 11,310,558	\$ 10,136,022	\$ 9,839,901	\$ 9,843,432	\$ 9,857,752	\$ 9,856,861	\$ 9,831,071
Surplus	(6,426,261)	\$ (5,931,332)	\$ (3,421,230)	\$ (3,616,291)	\$ (2,624,731)	\$ (2,951,507)	\$ (3,624,145)	\$ (4,184,532)
Claims Paid -- Month	6,815,715	\$ 6,278,907	\$ 5,892,292	\$ 7,428,113	\$ 6,315,752	\$ 7,025,713	\$ 7,945,089	\$ 7,377,915
Claims Budget -- Month	5,193,328	\$ 6,413,034	\$ 6,425,600	\$ 6,536,605	\$ 6,557,136	\$ 6,579,897	\$ 6,575,310	\$ 6,548,335
Claims Paid -- YTD	71,475,580	\$ 6,278,907	\$ 12,171,200	\$ 19,599,312	\$ 25,915,064	\$ 32,940,777	\$ 40,885,866	\$ 48,263,782
Claims Budget -- YTD	62,159,493	\$ 6,413,034	\$ 12,840,230	\$ 19,376,835	\$ 25,931,543	\$ 32,674,715	\$ 39,250,025	\$ 45,788,460
RATIOS								
Cash Position to Claims Paid	0.37	0.28	0.42	0.26	0.19	0.19	0.51	0.49
Claims Paid to Claims Budget -- Month	1.31	0.98	0.92	1.14	0.96	1.07	1.21	1.13
Claims Paid to Claims Budget -- YTD	1.15	0.98	1.0	1.0	1.0	1.0	1.0	1.05
Cash Position to IBNR	0.26	0.19	0.3	0.23	0.14	0.16	0.49	0.43
Assets to Liabilities	0.46	0.48	0.66	0.63	0.73	0.7	0.63	0.57
Surplus as Months of Claims	(1.24)	(0.92)	-0.53	-0.55	-0.4	-0.45	-0.55	(0.64)
IBNR to Claims Budget -- Month	1.92	1.49	1.3	1.28	1.27	1.27	1.28	1.28

North Jersey Municipal Employee Benefits Fund
CONSOLIDATED BALANCE SHEET
AS OF JULY 31, 2026
BY FUND YEAR

	NJMEB 2026	NJMEB 2025	NJMEB 2024	CLOSED YEAR	FUND BALANCE
ASSETS					
Cash & Cash Equivalents	7,766,217	(7,845,485)	(7,566,506)	11,226,630	3,580,856
Assesmtments Receivable (Prepaid)	311,258	(10,367)	745	(5,028)	296,608
Interest Receivable	(117)	1,629	(1,559)	153	105
Specific Excess Receivable	-	872,904	826	0	873,730
Aggregate Excess Receivable	-	-	-	-	-
Dividend Receivable	-	-	-	-	-
Prepaid Admin Fees	2,210	-	-	-	2,210
Other Assets	856,405	36,625	-	-	893,030
Total Assets	8,935,973	(6,944,694)	(7,566,494)	11,221,755	5,646,539
LIABILITIES					
Accounts Payable	-	-	-	-	-
IBNR Reserve	7,936,824	433,649	-	-	8,370,473
A4 Retiree Surcharge	(8,142)	(5,985)	-	-	(14,127)
Dividends Payable	-	-	-	81,352	81,352
Retained Dividends	-	-	-	1,267,196	1,267,196
Accrued/Other Liabilities	113,163	13,014	-	-	126,177
Total Liabilities	8,041,845	440,678	-	1,348,548	9,831,071
EQUITY					
Surplus / (Deficit)	894,128	(7,385,372)	(7,566,494)	9,873,207	(4,184,532)
Total Equity	894,128	(7,385,372)	(7,566,494)	9,873,207	(4,184,532)
Total Liabilities & Equity	8,935,973	(6,944,694)	(7,566,494)	11,221,755	5,646,539
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 JULY 31, 2026						
				Cumulative	\$ Variance	% Variance
	Cumulative	Annual	Latest Filed	Expensed		
LINE ITEMS						
Medical Claims Aetna	40,067,636	68,638,386	64,539,478			
Medical Claims Aetna BOEs	386,323	711,328	733,734			
Subtotal Medical Claims	40,453,959	69,349,714	65,273,212	41,254,797	(800,838)	-2%
Prescription Claims	6,280,291	10,807,198	9,051,371			
Prescription Formulary Rebates	(2,009,693)	(3,458,303)	(2,896,439)			
Subtotal Rx Claims	4,270,598	7,348,895	6,154,932	3,895,671	374,927	9%
Dental Claims	1,063,903	1,842,774	1,782,899	997,217	66,686	6%
Subtotal	45,788,460	78,541,383	73,211,043	46,147,685	(359,226)	-1%
Medicare Advantage - United	361,117	610,646	645,972	Included in Medicare Advantage-Aetna below		
Medicare Advantage - Aetna	3,069,559	5,342,432	5,019,343	3,431,514	(839)	0%
Reinsurance						
Specific	2,858,859	4,894,547	4,540,889	2,866,750	(7,891)	0%
Wellness, Disease, Case Management	128,333	220,000	220,000	128,332	2	0%
Loss Fund Contingency	1,115,251	1,911,858	1,911,858	0	1,115,251	100%
Total Loss Fund	53,321,578	7,254,290	6,931,201	52,445,950	1,115,251	2%
Expenses						
Legal	12,440	21,325	21,325	15,524	(3,085)	-25%
Treasurer	13,670	23,433	23,433	13,402	268	2%
Administrator	332,411	574,101	554,166	332,338	73	0%
Program Manager	192,870	331,964	313,392	193,140	(270)	0%
Risk Management Consultants	462,557	799,099	721,640	444,027	18,530	4%
TPA - Aetna	728,185	1,246,699	1,156,618	730,195	(2,010)	0%
TPA - Dental	47,548	82,438	79,398	47,465	84	0%
Actuary	7,735	13,260	13,260	7,735	-	0%
Auditor	8,330	14,280	14,280	8,330	-	0%
QPA	1,750	3,000	3,000	1,750	-	0%
Subtotal Expenses	1,807,496	3,106,598	2,897,513	1,792,155	13,590	1%
Miscellaneous and Special Services						
Misc/Cont	58,333	100,000	100,000	13,171	45,162	77%
Claims Audit	23,333	40,000	40,000	0	-	0%
Affordable Care Act Taxes	9,118	15,611	14,483	0	9,118	100%
Subtotal Misc/Sp Svcs	90,785	155,611	154,483	13,171	54,280	60%
Total Expenses	1,898,281	3,262,209	3,051,996	1,805,327	67,870.59	4%
Total Budget	55,219,859	3,262,209	3,051,996	1,805,327	67,871	0%

**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	Filed
Fund Officers	Filed
Renewal Resolutions	Filed
Indemnity and Trust	To Be Filed as received
New Members	N/A
Withdrawals	N/A
Risk Management Plan and By Laws	Filed
Cash Management Plan	Filed
Unaudited Financials	Filed
Annual Audit	12/31/2025 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 as changes occur
Bylaw Amendments	N/A
Contracts	Filed
Benefit Changes	N/A

CONTRACT COMPLIANCE

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

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
Assistant Account Manager	Jordyn Robinson	jrobinson@permainc.com	856-446-9287

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
Consultant	Jacqueline Maddren	jmaddren@connerstrong.com	856-552-4688
Senior Business Development Executive	Sean Critchley, Esq.	Scritchley@connerstrong.com	973-736-6511

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

Role	Name	Email	Phone
Senior Director	Lenka Bystrianska	lbystrianska@permainc.com	856-479-2214
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	Zoe Rogers	zrogers@permainc.com	856-479-2238
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 & Buckelew Companies, LLC, which is a servicing organization for the Fund.*



NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
Program Manager Report – September 24, 2026

Agenda

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

Executive Overview

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

Industry Information

Medical

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

Leapfrog evaluates hospitals on numerous evidence-based measures related to patient safety, quality, outcomes, and clinical practices, and assigns each participating hospital a simple letter grade (A through F). This straightforward grading system allows patients to quickly compare hospitals and better understand how facilities perform against nationally recognized quality and safety standards. The 2026 publication represents the largest reporting effort in Leapfrog's 26-year history, measuring results for more than 2,400 hospitals – representing over 80% of all inpatient hospital beds in the US

– publicly reporting quality and safety information. In addition, more than 3,900 ambulatory surgery centers are now participating through Leapfrog's expanded public reporting program, bringing the total number of facilities reporting to more than 6,000 nationwide.

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

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

Pharmacy

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

Key Headlines

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

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

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

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

The survey confirms that rising costs continue to drive employer decision-making. GLP-1 medications represented 6.9% of annual health plan claims in 2023, increasing to 11.4% in 2026. When

evaluating coverage for GLP-1 medications for weight loss, employers identified the following as their top considerations:

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

NJ State Health Benefits Program (SHBP) – 2027 Rate Evaluation - FINAL

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

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

These proposed increases will be extraordinarily difficult for participating local government entities to absorb and budget for. Over the past several years, there has been a steady exodus of employers from both the SHBP and the SEHBP as a result of escalating costs and repeated large premium increases. The below are preliminary and are expected to be considered for final approval on or about July 27th.

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

NJ Schools Employee Health Benefits Program (SEHBP) – 2027 Rate Evaluation – PENDING

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

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

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

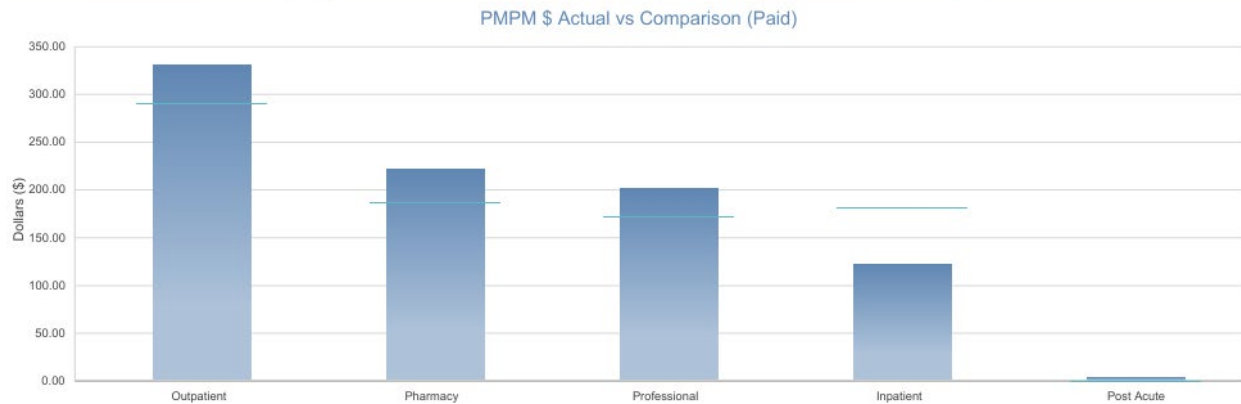
Fund Performance/Observations

Medical & Pharmacy – Aetna/ESI

Data Review - Key metrics compares Fund years January-June 2026 vs. January-June 2025.

Cost & Utilization Variance:

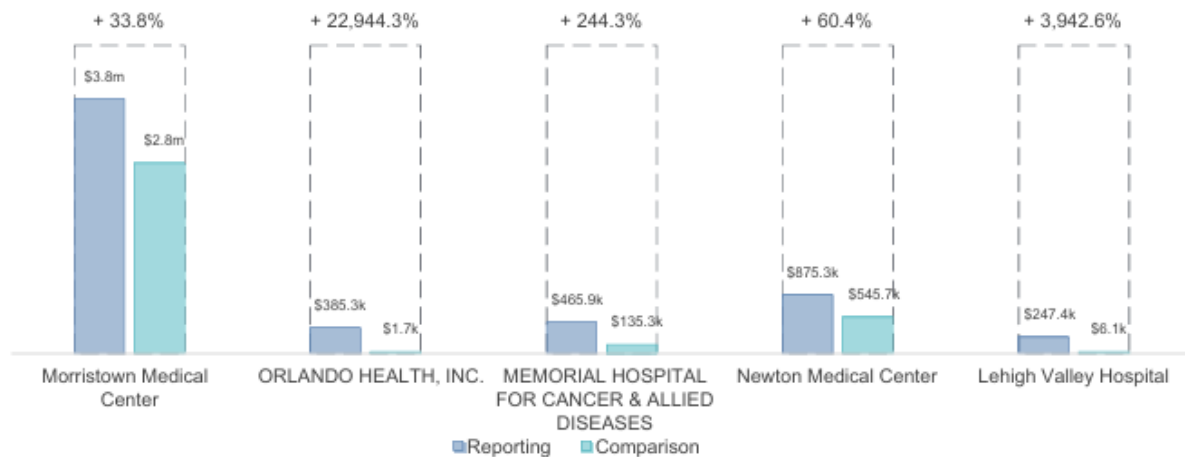
A health insurance risk score (often called a Risk Adjustment Factor or RAF score) is a numerical value assigned to a patient, typically between 0.0 and 2.0+, indicating their expected healthcare costs compared to the average patient. Higher scores reflect more chronic conditions or higher risk, leading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



Top 20 Providers – Comparison:

This report presents the top highest paid providers during the reporting and comparison periods. Claims paid for a single provider ID are grouped under that provider in the report. Both institutional and individual providers are included in the ranking. The chart shows the top providers that had the most growth in terms of amount paid between the comparison and reporting periods.

Largest Dollar Increase from Comparison Period



Top 20 Drugs – Comparison:

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

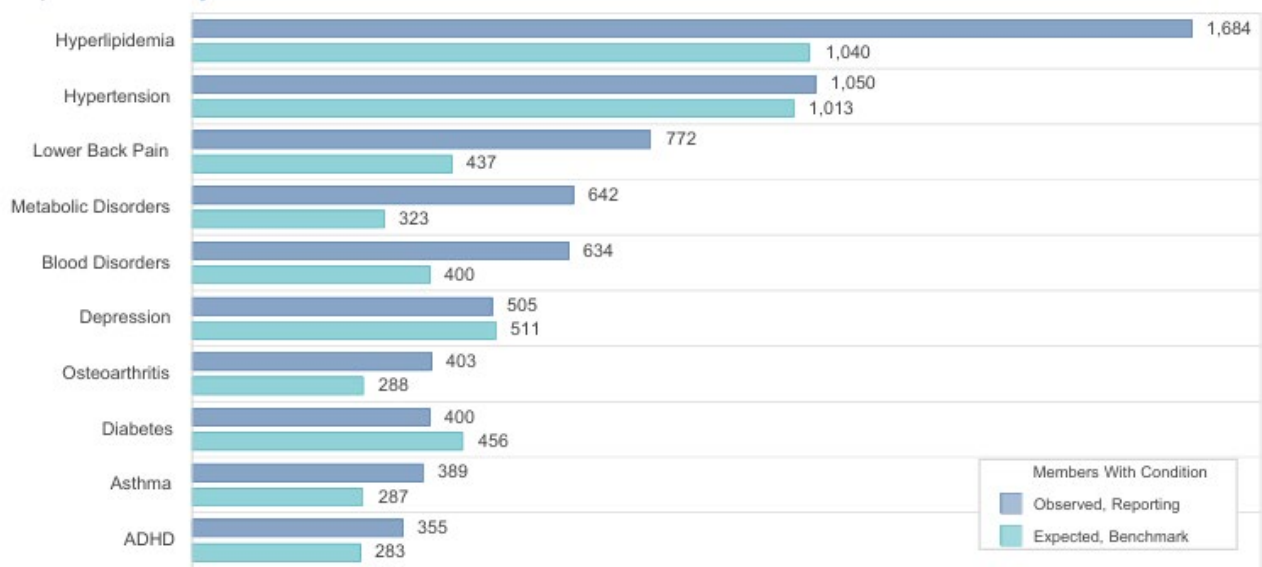
SN	Drug	Generic	Reporting Period Jan 2026 - Jun 2026				Comparison Period Jan 2025 - Jun 2025	%Δ	Prior Period Rank
			Total Paid Amount	Script Count	Member Count*	PMPM	Total Paid Amount		
1	Zepbound	No	\$1,166,504	1,009	232	\$29.11	\$604,518	93%	1
2	Wegovy	No	\$655,207	450	105	\$16.35	\$464,059	41%	2
3	Mounjaro	No	\$545,760	395	99	\$13.62	\$429,637	27%	3
4	Ruconest	No	\$479,935	4	1	\$11.98	\$314,731	52%	4
5	Skyrizi Pen	No	\$287,855	15	7	\$7.18	\$250,122	15%	6
6	Taltz Autoinjector	No	\$252,016	29	7	\$6.29	\$209,901	20%	8
7	Voranigo	No	\$245,370	6	1	\$6.12	\$123,795	98%	11
8	Stelara	No	\$240,166	9	2	\$5.99	\$223,477	7%	7
9	Ozempic	No	\$208,753	148	44	\$5.21	\$278,382	-25%	5
10	Dupixent Pen	No	\$186,971	25	8	\$4.67	\$161,084	16%	9
11	Dupixent Syringe	No	\$161,816	32	11	\$4.04	\$91,120	78%	18
12	Skyrizi On-Body	No	\$155,116	8	3	\$3.87	\$15,267	916%	74
13	Enbrel Sureclick	No	\$142,393	11	3	\$3.55	\$99,833	43%	16
14	Tremfya	No	\$136,322	7	2	\$3.40	--	--	>5000
15	Repatha Sureclick	No	\$120,793	121	46	\$3.01	\$63,935	89%	26
16	Rinvoq	No	\$112,420	7	4	\$2.81	\$108,919	3%	12
17	Gonal-F Rff Redi-Ject	No	\$91,027	9	7	\$2.27	\$31,164	192%	44
18	Kesimpta Pen	No	\$88,133	7	1	\$2.20	--	--	>5000
19	Qulipta	No	\$85,563	51	17	\$2.14	\$73,134	17%	23
20	Nurtec Odt	No	\$81,395	55	18	\$2.03	\$65,388	24%	25
	All Others		\$3,472,429	29,759	4,058		\$3,746,675	-7%	
	Total		\$8,915,943	32,157	4,102		\$7,355,143		

*Values are approximate.

Chronic Conditions Prevalence:

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

Top Conditions by Prevalence



Out of Network Claims Tracking:

Effective January 1, 2026, the Fund Executive Committee passed a resolution to amend the out of network provider reimbursement schedules for all Fund member plans to 150%-professional & 175%-facility of Medicare.

DOS	EE Count	In Network				OON				OON TOTALS	
		Claimant Count	Claim Count	Net Paid	PEPM	Claimant Count	Claim Count	Net Paid	PEPM	% Utilization	% Net Paid
Jan-24	1,834	2131	7606	\$3,557,410	\$1,940	550	1839	\$278,850	\$152	19.5%	7.3%
Feb-24	1,848	2113	7137	\$2,578,961	\$1,396	542	1508	\$230,770	\$125	17.4%	8.2%
Mar-24	2,063	2395	7998	\$3,891,488	\$1,886	646	2184	\$491,952	\$238	21.4%	11.2%
Apr-24	2,073	2324	7632	\$3,150,275	\$1,520	601	1866	\$577,202	\$278	19.6%	15.5%
May-24	2,076	2368	7996	\$3,828,894	\$1,844	591	1872	\$506,879	\$244	19.0%	11.7%
Jun-24	2,069	2302	7253	\$3,242,509	\$1,567	549	1595	\$883,308	\$427	18.0%	21.4%
Jul-24	2,069	2310	7689	\$3,374,066	\$1,631	586	1647	\$467,699	\$226	17.6%	12.2%
Aug-24	2,062	2276	7379	\$2,771,049	\$1,344	535	1610	\$406,280	\$197	17.9%	12.8%
Sep-24	2,049	2268	7354	\$2,967,062	\$1,448	530	1458	\$434,165	\$212	16.5%	12.8%
Oct-24	2,055	2430	8343	\$3,316,904	\$1,614	564	1998	\$564,847	\$275	19.3%	14.6%
Nov-24	2,049	2377	7795	\$3,537,991	\$1,727	548	1586	\$414,684	\$202	16.9%	10.5%
Dec-24	2,059	2424	7936	\$4,052,182	\$1,668	536	1614	\$344,184	\$167	16.9%	7.8%
Jan-25	2,087	2496	8529	\$4,340,128	\$2,080	505	1728	\$479,613	\$230	16.8%	10.0%
Feb-25	2,095	2356	7664	\$4,007,789	\$1,913	513	1691	\$365,411	\$174	18.1%	8.4%
Mar-25	2,100	2377	8742	\$3,833,392	\$1,825	575	1753	\$372,490	\$177	16.7%	8.9%
Apr-25	2,105	2395	8597	\$4,079,506	\$1,938	555	1774	\$400,812	\$190	17.1%	8.9%
May-25	2,109	2375	8283	\$3,405,753	\$1,615	514	1666	\$391,632	\$186	16.7%	10.3%
Jun-25	2,116	2278	7909	\$3,651,916	\$1,726	521	1584	\$494,519	\$234	16.7%	11.9%
Jul-25	2,119	2396	8270	\$3,861,495	\$1,822	497	1493	\$384,686	\$182	15.3%	9.1%
Aug-25	2,115	2300	7577	\$4,227,265	\$1,999	516	1438	\$423,608	\$200	16.0%	9.1%
Sep-25	2,110	2376	8431	\$4,241,817	\$2,010	521	1604	\$514,140	\$244	16.0%	10.8%
Oct-25	2,112	2450	9221	\$4,624,988	\$2,190	532	1729	\$524,352	\$248	15.8%	10.2%
Nov-25	2,110	2389	8100	\$3,541,344	\$1,678	534	1524	\$442,860	\$210	15.8%	11.1%
Dec-25	2,109	2503	8305	\$4,485,394	\$2,127	504	1657	\$434,188	\$206	16.6%	8.8%
Jan-26	2,251	2513	8619	\$3,827,086	\$1,700	494	1581	\$233,415	\$104	15.5%	5.7%
Feb-26	2,256	2480	8783	\$4,468,219	\$1,981	472	1444	\$231,862	\$103	14.1%	4.9%
Mar-26	2,295	2687	9401	\$4,226,476	\$1,842	512	1662	\$301,836	\$132	15.0%	6.7%
Apr-26	2,300	2556	8761	\$3,539,536	\$1,539	473	1564	\$324,625	\$141	15.1%	8.4%
May-26	2,300	2438	7862	\$3,699,432	\$1,608	420	1235	\$250,241	\$109	13.6%	6.3%
Jun-26	2,296	2220	6298	\$1,981,724	\$863	289	686	\$148,624	\$65	9.8%	7.0%
Average 2024	2,026	2310	92118	\$40,268,792	\$1,657	565	20777	\$5,600,820	\$229	18.4%	12.2%
Average 2025	2,107	2391	99628	\$48,300,786	\$1,910	524	19641	\$5,228,309	\$207	16.5%	9.8%
Average 2026	2,283	1241	49724	\$21,742,474	\$1,589	222	8172	\$1,490,603	\$109	13.9%	6.5%

Fund Strategic Initiatives

Through an extensive review of the historical medical & pharmacy utilization of the Funds, opportunities to impact key cost drivers were identified, vetted, and presented to multiple Fund Subcommittees for discussion and consideration.

A detailed utilization review with corresponding cost containment options was presented to the Fund Finance Committee on September 10th. A copy of the presentation is included with this report.

Key recommendation addresses the utilization of GLP-1 medications for weight loss and includes an option to amend the BMI requirement for the medication from ≥ 32 to ≥ 35 , comprehensive cancer testing & cutting-edge treatment option for musculoskeletal (MSK) conditions.

Legislative Updates

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

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

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

Client Services/Eligibility/Enrollment Team

Client Service Contacts & Systems Training

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

System training (new and refresher) is provided to all contacts with WEX access every 3rd Wednesday at 10AM. Please contact HIFtraining@permainc.com for additional information or to request an invite.

2027 Fund Year Open Enrollment

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

To ensure the appropriate amount of time to implement new Fund members and amendments to existing Fund members plans, notification deadline for the aforementioned is October 15th for January 1, 2027, effective date.

Fund Member Billing Process & Training Materials

The office of Program Manager has developed a comprehensive voiceover training resource for North Fund Member entities. The voice-over training covers several key topics, including:

- Billing audits
- Accuracy expectations
- Timelines for the release and processing of billing information
- Methods for improving overall accuracy
- Guidance on Fund Member training requirements

In addition, the material provides practical explanations and examples designed to help staff better understand the billing process and reduce common errors or misunderstandings.

In addition, the monthly WEX training is being updated to include a voiceover component as well. Once completed, it will serve as an additional reference resource that staff can access at their convenience for ongoing training and reinforcement of enrollment procedures.

The goal is to provide practical, easy-to-use resources that support both new and experienced team members and help ensure greater accuracy and efficiency throughout the billing process.

Attached is a PowerPoint presentation as well as a link to the voiceover training below.

<https://bcove.video/4ziZick>

Wellness

3rd Quarter 2026 wellness newsletters delivered to participating Fund members.

3rd Quarter 2026 schedule of webinars delivered to participating Fund members.

3rd Quarter 2026 webinars attendance delivered to participating Fund members.

Previously Reported Information

Medical: Aetna

Provider network -Hackensack Meridian contract renewal 7/1/2026 (2-week extension)
 -Ailities in Action – Par in all networks excluding AWH effective 5/1/2026

Medical – AHA

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

Pharmacy - ESI

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

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

Annual Notice of Creditable Coverage (NOCC)

Express Scripts (ESI) has been provided with all information required for them to send the 2027 NOCC letters. CMS Annual Enrollment Period is October 15, 2026, through December 7, 2026.

A sample letter is included with this report that ESI will be sending to all members, ages 65 and older who enrolled in CJHIF pharmacy benefits. The highlighted sections will be completed by ESI and mailed beginning the week of September 21, 2026.

No Surprise Billing and Transparency Act

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

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

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

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

TO ALL FUND COMMISSIONERS:

January 2026

Pursuant to N.J.A.C Title 11, Chapter 15, Subchapter 5, Conner Strong & Buckelew Companies, LLC, as a servicing organization of the **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 PERMA, LLC, which is the Administrator for the Fund.

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND

BILLS LIST

AUGUST 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 CLOSED

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
WEST MILFORD TOWNSHIP	2026 RETAINED DIVIDEND RELEASE	845,382.00
		845,382.00
	Total Payments FY CLOSED	845,382.00

FUND YEAR 2025

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
HOLMAN, FRENIA, ALLISON, PC	PROG- FINANCIAL STMT AUDIT Y/E 2025	13,782.20
		13,782.20
	Total Payments FY 2025	13,782.20

FUND YEAR 2026

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 08/26	451,069.87
		451,069.87
UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 08/26	50,466.60
		50,466.60
DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 08/26	7,164.30
		7,164.30
AETNA	MEDICAL TPA 08/26	103,419.52
		103,419.52
INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2186634 07/26	9.00
INSPIRA FINANCIAL HEALTH, INC	WOODLAND PK HSA 156496-2177476 07/26	48.00
INSPIRA FINANCIAL HEALTH, INC	WHARTON HSA 157782-2183434 07/26	3.00
INSPIRA FINANCIAL HEALTH, INC	W. MILFORD HSA 136726-2186916 07/26	12.00
INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA- 150688-2185352 07/26	12.00
INSPIRA FINANCIAL HEALTH, INC	RINGWOOD HSA- 156488-2184358 07/26	42.00
INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA- 156486-2183308 07/26	12.00
		138.00
PERMA	POSTAGE 07/26	37.32
PERMA	ADMIN FEES 08/26	48,920.00
		48,957.32
CONNER STRONG & BUCKELEW	PROGRAM MANAGER 08/26	27,848.00
CONNER STRONG & BUCKELEW	BROKER FEES 08/26	3,319.77
		31,167.77
KORE INSURANCE HOLDINGS, LLC	BROKER FEES 08/26	2,006.68
		2,006.68
MICHAEL J. SOCCIO	TREASURER FEE 08/26	1,914.50
		1,914.50
JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 08/26	34,216.92
		34,216.92
DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 08/26	1,667.00
		1,667.00

EMPLOYEE BENEFITS CONSULTING	BROKER FEES 08/26	86.40 86.40
CORPORATE BENEFIT SOLUTIONS	BROKER FEES 08/26	2,262.54 2,262.54
SKYLANDS RISK MANAGEMENT	BROKER FEES 08/26	7,668.84 7,668.84
BROWN AND BROWN METRO LLC	BROKER FEES 08/26	4,954.44 4,954.44
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 08/26	1,465.97 1,465.97
ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 07/26	10,860.00
ACRISURE EAST INSURANCE SERVICES, LLC	BROKER FEES 07/26	10,995.57 21,855.57
USI INSURANCE SERVICES LLC	BROKER FEES 08/26	165.54 165.54
ATLANTIC CORPORATE HEALTH	FOOT & DERM SCREEN INV 710445 08/26	15,425.00 15,425.00
THE CANNING GROUP LLC	QPA FEES - NJEMB - 2026-08	250.00 250.00
SOUTHERN NEW JERSEY REG EBF	REIMBURSE OSC REVIEW 04/26-06/26	505.36 505.36
NJ ADVANCE MEDIA	AD# 11074104 INV 4290942 07/31/26	200.00 200.00
USA TODAY MEDIA CORP.	ORDER# 12017188 A# 1509786 07/26	49.36 49.36
ACCESS	INV 12306740 DEPT 421 07/31/26 FOR 08/26	300.43 300.43
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 08/26	406,025.76 406,025.76
	TOTAL CHECKS 2026	1,193,403.69
DEPARTMENT OF TREASURY	2026 PCORI FEES 08/26	20,382.72 20,382.72
	TOTAL ACH/WIRES 2026	20,382.72
	Total Payments FY 2026	1,213,786.41
	TOTAL PAYMENTS ALL FUND YEARS	2,072,950.61

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

SEPTEMBER 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 2026

<u>VendorName</u>	<u>Comment</u>	<u>InvoiceAmount</u>
AETNA HEALTH MANAGEMENT, LLC	MEDICARE ADVANTAGE 09/26	455,738.41 455,738.41
UNITED - MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 09/26	52,148.82 52,148.82
DELTA DENTAL OF NEW JERSEY INC	DENTAL TPA 09/26	6,973.92 6,973.92
AETNA	MEDICAL TPA 09/26	102,780.00 102,780.00
INSPIRA FINANCIAL HEALTH, INC	CHATHAM HSA 156514-2200714 08/26	9.00
INSPIRA FINANCIAL HEALTH, INC	WOODLAND PK HSA 156496-2199186 08/26	45.00
INSPIRA FINANCIAL HEALTH, INC	WHARTON HSA 157782-2197684 08/26	3.00
INSPIRA FINANCIAL HEALTH, INC	W. MILFORD HSA 136726-2198426 08/26	12.00
INSPIRA FINANCIAL HEALTH, INC	RANDOLPH HSA- 150688-2200204 08/26	12.00
INSPIRA FINANCIAL HEALTH, INC	RINGWOOD HSA- 156488-2197962 08/26	42.00
INSPIRA FINANCIAL HEALTH, INC	KINNELON HSA- 156486-2198350 08/26	12.00
		135.00
PERMA	POSTAGE 08/26	285.74
PERMA	ADMIN FEES 09/26	48,381.88
		48,667.62
CONNER STRONG & BUCKELEW	PROGRAM MANAGER 09/26	27,724.00
CONNER STRONG & BUCKELEW	BROKER FEES 09/26	3,157.83
		30,881.83
KORE INSURANCE HOLDINGS, LLC	BROKER FEES 09/26	2,006.68
		2,006.68
MICHAEL J. SOCCIO	TREASURER FEE 09/26	1,914.50
		1,914.50
JOSEPH L. VOZZA AGENCY INC.	BROKER FEES 09/26	33,610.47
		33,610.47
DORSEY & SEMRAU	ATTORNEY MONTHLY RETAINER 09/26	1,667.00
		1,667.00
EMPLOYEE BENEFITS CONSULTING	BROKER FEES 09/26	86.40
		86.40
CORPORATE BENEFIT SOLUTIONS	BROKER FEES 09/26	2,316.41
		2,316.41
SKYLANDS RISK MANAGEMENT	BROKER FEES 09/26	7,668.84
		7,668.84
BROWN AND BROWN METRO LLC	BROKER FEES 09/26	4,824.06
		4,824.06
WORLD INSURANCE ASSOCIATES, LLC	BROKER FEES 09/26	1,465.97
		1,465.97

USI INSURANCE SERVICES LLC	BROKER FEES 09/26	165.54 165.54
ATLANTIC CORPORATE HEALTH	BIOMET. SCREEN KINNELON INV 710511 09/26	2,400.00 2,400.00
THE CANNING GROUP LLC	QPA FEES - NJEMB - 2026-09	250.00 250.00
NJ ADVANCE MEDIA	AD# 11074106 INV 4365761 08/31/26	200.00 200.00
PRINCETON STRATEGIC COMMUNICATIONS GROUP LLC	HOSTING FEES Q3 2026 INV 6637 09/26	225.00 225.00
USA TODAY MEDIA CORP.	ORDER# 12017239 A# 1509786 08/26	49.36 49.36
HQSI	INV 260815-MRHIF-1 CASE# 6033433 08/26	500.00
HQSI	INV 260731-MRHIF-2 CASE# 5956512 07/26	900.00 1,400.00
ACCESS	INV 12358643 DEPT 421 08/31/26 FOR 09/26	356.94 356.94
MUNICIPAL REINSURANCE H.I.F.	SPECIFIC REINSURANCE 09/26	403,515.00 403,515.00
Total Payments FY 2026		1,161,447.77
TOTAL PAYMENTS ALL FUND YEARS		1,161,447.77

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: 2026 Month Ending: June										
	Medical	Dental	Rx	Reinsurance	Dividend Reserve	LFC	Admin	0	0	TOTAL
OPEN BALANCE	2,286,169.35	408,231.80	(3,859,362.56)	(428,675.34)	1,264,699.06	1,134,343.59	503,441.50	0.00	0.00	1,308,847.40
RECEIPTS										
Assessments	7,492,639.84	164,681.50	736,652.38	471,598.33	0.00	214,002.26	330,609.13	0.00	0.00	9,410,183.44
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	14,484.35	380.61	0.00	0.00	1,179.11	1,057.58	469.37	0.00	0.00	17,571.02
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	14,484.35	380.61	0.00	0.00	1,179.11	1,057.58	469.37	0.00	0.00	17,571.02
Other *	2,390,999.27	0.00	489,402.31	0.00	0.00	0.00	60,042.84	0.00	0.00	2,940,444.42
TOTAL	9,898,123.46	165,062.11	1,226,054.69	471,598.33	1,179.11	215,059.84	391,121.34	0.00	0.00	12,368,198.88
EXPENSES										
Claims Transfers	7,361,414.39	162,827.58	819,609.30	0.00	0.00	0.00	0.00	0.00	0.00	8,343,851.27
Expenses	563,942.00	0.00	0.00	414,634.08	0.00	0.00	263,733.09	0.00	0.00	1,242,309.17
Other *	16,270.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,270.83
TOTAL	7,941,627.22	162,827.58	819,609.30	414,634.08	0.00	0.00	263,733.09	0.00	0.00	9,602,431.27
END BALANCE	4,242,665.59	410,466.33	(3,452,917.17)	(371,711.09)	1,265,878.17	1,349,403.43	630,829.75	0.00	0.00	4,074,615.01

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES										
North Jersey Municipal Employee Benefits Fund										
Month		June								
Current Fund Year		2026								
Policy Year	Coverage	1.	2.	3.	4.	5.	6.	7.	8.	
		Calc. Net Paid Thru Last Month	Monthly Net Paid June	Monthly Recoveries June	Calc. Net Paid Thru June	TPA Net Paid Thru June	Variance To Be Reconciled	Delinquent Unreconciled Variance From	Change This Month	
2026	Medical	21,796,842.95	7,054,591.97	0.00	28,851,434.92	0.00	28,851,434.92	21,796,842.95	7,054,591.97	
	Dental	600,370.75	161,559.18	0.00	761,929.93	0.00	761,929.93	600,370.75	161,559.18	
	Rx	3,180,098.51	819,609.30	0.00	3,999,707.81	0.00	3,999,707.81	3,180,098.51	819,609.30	
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total	25,577,312.21	8,035,760.45	0.00	33,613,072.66	0.00	33,613,072.66	25,577,312.21	8,035,760.45	
2025	Medical	8,830,858.90	248,113.06	0.00	9,078,971.96	0.00	9,078,971.96	8,830,858.90	248,113.06	
	Dental	64,279.69	1,268.40	0.00	65,548.09	0.00	65,548.09	64,279.69	1,268.40	
	Rx	317,314.09	0.00	0.00	317,314.09	0.00	317,314.09	317,314.09	0.00	
	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Total	9,212,452.68	249,381.46	0.00	9,461,834.14	0.00	9,461,834.14	9,212,452.68	249,381.46	
2024	Medical	123,236.88	42,344.86	0.00	165,581.74	0.00	165,581.74	123,236.88	42,344.86	
	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	123,236.88	42,344.86	0.00	165,581.74	0.00	165,581.74	123,236.88	42,344.86	
2023	Medical	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Rx	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	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	22,364.65	16,364.50	0.00	38,729.15	0.00	38,729.15	22,364.65	16,364.50	
	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	22,364.65	16,364.50	0.00	38,729.15	0.00	38,729.15	22,364.65	16,364.50	
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		34,935,366.42	8,343,851.27	0.00	43,279,217.69	0.00	43,279,217.69	34,935,366.42	8,343,851.27	

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS				
North Jersey Municipal Employee Benefits Fund				
ALL FUND YEARS COMBINED				
CURRENT MONTH	June			
CURRENT FUND YEAR	2026			
Description:		CASH MANAGEMENT FUND	TD BANK ASSET MANAGEMENT	CITIZENS
ID Number:				
Maturity (Yrs)				
Purchase Yield:				
TOTAL for All Accts & instruments				
Opening Cash & Investment Balance	\$1,308,847.24	22,496.97	34,865.29	1251484.98
Opening Interest Accrual Balance	\$103.83	0	103.83	0
1 Interest Accrued and/or Interest Cost	-\$2.47	\$0.00	-\$2.47	\$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	\$17,571.03	\$66.93	\$103.83	\$17,400.27
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	\$17,568.56	\$66.93	\$101.36	\$17,400.27
9 Deposits - Purchases	\$12,334,357.02	\$0.00	\$0.00	\$12,334,357.02
10 (Withdrawals - Sales)	-\$9,586,160.44	\$0.00	\$0.00	-\$9,586,160.44
Ending Cash & Investment Balance	\$4,074,614.85	\$22,563.90	\$34,969.12	\$4,017,081.83
Ending Interest Accrual Balance	\$101.36	\$0.00	\$101.36	\$0.00
Plus Outstanding Checks	\$4,041,102.17	\$0.00	\$0.00	\$4,041,102.17
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00
Balance per Bank	\$8,115,717.02	\$22,563.90	\$34,969.12	\$8,058,184.00



**NORTH JERSEY MUNICIPAL
EMPLOYEE BENEFITS FUND**

Monthly Claim Activity Report

SEPTEMBER 24, 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	\$4,739,915	2,263	\$2,095
MARCH	\$4,136,850	2,102	\$1,968	\$6,129,205	2,304	\$2,660
APRIL	\$5,002,556	2,105	\$2,377	\$4,832,845	2,307	\$2,095
MAY	\$4,842,581	2,107	\$2,298	\$6,015,259	2,306	\$2,609
JUNE	\$5,033,400	2,117	\$2,378	\$6,447,274	2,305	\$2,797
JULY	\$4,401,898	2,122	\$2,074	\$6,046,068	2,318	\$2,608
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	\$4,739,915	2,105	\$2,252			
TOTALS	\$56,346,362			\$39,147,681		
				2026 Average	2,294	\$2,436
				2025 Average	2,111	\$2,224

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

Plan Sponsor Unique ID : All
Customer: NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS
Group / Control: 00727848,00866355

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

	Paid Amt	Diagnosis/Treatment
	\$324,585.58	ENCOUNTER FOR ANTINEOPLASTIC
	\$212,957.43	SEPSIS, UNSPECIFIED ORGANISM
	\$134,877.26	UNILATERAL FEMORAL HERNIA, WITH
	\$128,176.77	SPINAL STENOSIS, LUMBAR REGION WITH NEUROGENIC
	\$121,841.67	HYPERTROPHY OF BREAST
	\$113,317.69	SPONDYLOSIS WITHOUT MYELOPATHY OR
	\$110,223.60	ACUTE LEUKEMIA OF UNSPECIFIED CELL TYPE, IN
Total:	\$1,145,980.00	

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

Plan Sponsor Unique ID : All
Customer: NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS
Group / Control: 00727848,00866355

Paid Dates: 07/01/2026 - 07/31/2026
Service Dates: 01/01/2011 - 07/31/2026
Line of Business: All

	Paid Amt	Diagnosis/Treatment
	\$240,333.72	ST ELEVATION (STEMI) MYOCARDIAL INFARCTION
	\$198,975.42	SPONDYLOSIS WITHOUT MYELOPATHY OR
	\$175,305.34	SINGLE LIVEBORN INFANT, DELIVERED BY CESAREAN
	\$133,630.79	ACUTE LEUKEMIA OF UNSPECIFIED CELL TYPE, IN
	\$126,770.81	ENCOUNTER FOR ANTINEOPLASTIC
	\$123,283.75	OTHER CERVICAL DISC DISPLACEMENT AT C4-C5
Total:	\$998,299.83	

Medical Claims Paid
Average Per Employee Per Month (PEPM)
January 2026 – July 2026

Total Medical Paid per Employee: **\$2,436**
Network Discounts

Inpatient: **61.8%**
 Ambulatory: **71.2%**
 Physician/Other: **68.9%**
TOTAL: 69.3%

Provider Network

% Admissions In-Network: **98.3%**
 % Physician Office: **92.6%**

Aetna Book of Business:

Admissions 98.1%; Physician 91.5%

Top Facilities Utilized

(by total Medical Spend)

- Morristown Medical Center
- Memorial Sloan Kettering Cancer Center
- Newton Medical Center
- Saint Clare's Hospital
- Chilton Medical Center

Catastrophic Claim Impact

(January 2026 - July 2026)

Number of Claims Over \$50,000: **110**
 Claimants per 1000 members: **19.4**
 Avg. Paid per Claimant: **\$145,703**
 Percent of Total Paid: **44.5%**
 • Aetna BOB- HCC account for an average of 45.7% of total Medical Cost

Aetna One Flex Care Mgmt
Member Outreach:

Total Members Identified: **1,298**
 Members Targeted for 1:1 Nurse Support : **289**
 Members identified for Digital Activity: **1,009**
 Members receiving Aetna Advice: **5,622**
 Average Aetna Advice outreaches per member: **2.2**


CVS Virtual Care

Completed Visits this month : **8**
 Unique Patients this month : **8**
 Completed Visits in 2026 : **101**
 Unique Patients in 2026: **77**

BoB Average First Available 24/7 Care: **32 Minutes**
 BoB Average First Available MH : **5 Days**

Service Center Performance Goal Metrics YTD 2026
Customer Service Performance

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

Claims Performance

 Financial Accuracy: **98.53%**

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

Claims Performance (Monthly) (June 2026)

90% processed w/in: **8.2 days**
 95% processed w/in: **14.9 days**
 (Note: This is not a PG metric)

Performance Goals

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

 Financial Accuracy: **99%**
Turnaround Time

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





Carryover Max

Carryover Max Accumulation Within Benefit Period

Accumulated Carryover Maximum	Value
Total Members enrolled	492
Members that qualify for Carryover Max	274
Accumulated Carryover amount for all members that qualify	\$158,629

Note: Carryover Max threshold is 50% of Annual Plan Maximum

Accumulated Carryover Max By Dollar Ranges	Qualifying Members
\$0-\$250	90
\$251-\$500	58
\$501-\$750	42
\$751-\$1000	38
\$1001-\$1250	7
\$1251-\$1500	24
\$1501-\$1750	5
\$1751-\$2000	10
Total:	274

Carryover Max Utilization Within Benefit Period

Carryover Max(sm) Paid Out During Benefit Period	Member Utilization	Total Dollars Paid Out
\$0-\$250	6	\$952
\$251-\$500	5	\$1,980
\$501-\$750	2	\$1,212
Over \$1000	1	\$1,207
Total:	14	\$5,351

Carryover Max allows members who qualify to carry over a portion of their unused standard calendar year maximum for use in the future.

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
 CONSENT AGENDA
 SEPTEMBER 24, 2026**

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

Resolutions	Subject Matter
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Motion _____	Second _____
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Resolution 26-26: Introduction of 2027 Budget.....	Page 40
Resolution 26-27: Professionals RFP Reject and Reissue.....	Page 41
Resolution 26-28: Awarding Auditor Services.....	Page 42
Resolution 26-29: Authorizing Wellness Consultant RFP	Page 43
Resolution 26-30: August and September Bills List	Page 44

RESOLUTION NO. 26-26

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
INTRODUCTION OF THE 2027 PROPOSED BUDGET**

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

WHEREAS, a quorum of the Executive Committee met on September 24, 2026, in Public Session to introduce the proposed budget for the 2027 Fund Year; and

BE IT FURTHER RESOLVED that a hearing on the 2027 budget in the amount of **\$103,835,694** shall be held at the Fund's regularly scheduled and advertised meeting of October 29, 2026, to be held at the Randolph Township Hall, 502 Millbrook Ave, Randolph, NJ 07869. The 2027 budget shall be considered for adoption at a second reading at that time and after the completion of a public hearing.

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

ADOPTED: SEPTEMBER 24, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-27

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
REJECTING SUBMITTALS FOR PROFESSIONAL SERVICES FOR
TREASURER, ATTORNEY, AND ACTUARY**

WHEREAS, The North Jersey Municipal Employee Benefits Fund (hereinafter the "Fund") received proposals for professional services on September 1, 2026, for the positions of Treasurer, Attorney, and Actuary; and

WHEREAS, the Fund received one (1) proposal for each position in an amount vastly greater than the budget for each position; and

WHEREAS, the New Jersey Local Public Contracts Law at N.J.S.A. 40A:11-13.2(a) allows for rejection of bids where the lowest bid substantially exceeds the cost estimates for the goods or services.

NOW, THEREFORE BE IT RESOLVED, by the Board of Fund Commissioners of the North Jersey Municipal Employee Benefits Fund, that the proposal submitted by Priority Groups for the positions of Treasurer, Attorney, and Actuary are hereby rejected in accordance with N.J.S.A 40A:11-13.2(a).

ADOPTED: SEPTEMBER 24, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-28

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
AUTHORIZING AWARD OF PROFESSIONAL SERVICES CONTRACT FOR AUDITING
SERVICES TO PKF O' CONNOR DAVIES, LLP**

WHEREAS, The North Jersey Municipal Employee Benefits Fund (hereinafter the "Fund") has a need for auditing professional services in accordance with N.J.S.A. 40A:11-5 for the daily operations of the Fund; and

WHEREAS, a Fund sought and received professional service submittals for auditing services on September 1, 2026, at 11:00 AM; and

WHEREAS, PKF O'Connor Davies, LLP, 601 White Horse Road, Voorhees, NJ 08043 submitted a proposal deemed the most advantageous, price and other factors considered by the committee; and

WHEREAS, it is the recommendation of the committee that PKF O'Connor Davies, LLP, 601 White Horse Road, Voorhees, NJ 08043, be awarding the position of the 2027 to 2029 Fund year,

NOW, THEREFORE BE IT RESOLVED, by the Board of Fund Commissioners of the North Jersey Municipal Employee Benefits Fund, that PKF O'Connor Davies, LLP, 601 White Horse Road, Voorhees, NJ 08043, be awarded the position for a three-year contract for auditor services in the amounts set forth in its submitted proposal.

ADOPTED: SEPTEMBER 24, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-29

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
RESOLUTION AUTHORIZING THE PROCUREMENT OF WELLNESS CONSULTANTS
THROUGH THE COMPETITIVE CONTRACT PROCESS**

WHEREAS, The North Jersey Municipal Employee Benefits Fund (hereinafter the “Fund”) has a need for wellness consultants focusing on nutritional counseling, fitness coaching, and sleep screening for the members of the Fund; and

WHEREAS, such services are currently available to be provided through the competitive contracting process under the New Jersey Local Publics Contracts Law, N.J.S.A. 40A:11-4.1; and

WHEREAS, the Fund desires to evaluate such service offerings from vendors within the procedures set forth in the New Jersey Local Publics Contracts Law (N.J.S.A. 40A:11-1 et. seq. and N.J.A.C. 5:34-4 et. seq.) of price and other factors; and

WHEREAS, the Fund desires to enter into a contract that will satisfy the needs of the Fund members; and

WHEREAS, per statute the process will be administered by the Qualified Purchasing Agent (N.J.S.A. 40A:11-4.5(d)).

NOW, THEREFORE BE IT RESOLVED, by the Board of Fund Commissioners of the North Jersey Municipal Employee Benefits Fund, as follows: The Qualified Purchasing Agent is hereby authorized to commence the competitive contract/procurement for consulting services of wellness consultants focusing on nutritional counseling, fitness coaching, and sleep screening, as allowable under the New Jersey Local Publics Contracts Law allowing for a minimum of 20 days’ notice after advertisement to receive responses, per Local Publics Contracts Law.

ADOPTED: SEPTEMBER 24, 2026

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 26-30

**NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE AUGUST AND SEPTEMBER 2026 BILLS LISTS**

WHEREAS, the North Jersey Municipal Employee Benefits Fund held a Public Meeting on **SEPTEMBER 24, 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 August and September 2026 for consideration and approval of the Executive Committee; and

WHEREAS, The Treasurer for the Fund presented a Treasurer's Report which detailed the claims payments and imprest transfers for the Fund for the Month of June 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 August and September 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: SEPTEMBER 24, 2026

BY:

CHAIRPERSON

ATTEST:

SECRETARY

APPENDIX I

NORTH JERSEY MUNICIPAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
JULY 23, 2026
RANDOLPH MUNICIPAL HALL- 9:30 AM

Meeting of Fund Commissioners called to order by Carrine Piccolo-Kaufer, Chair. Open Public Meetings notice read into record.

ROLL CALL OF 2026 FUND COMMISSIONERS

2026 Executive Committee		Attendance
Carrine Piccolo- Kaufer, Secretary	Township of Hardyston	Present
Greg Poff, Secretary	Randolph Township	Present
Barbara Russo, Executive Committee	Township of Berkeley Heights	Present
Tammeisha Smith, Executive Committee	Knowlton BOE	Present
Scott Heck, Executive Committee	Borough of Ringwood	Present
Deb Millikin	Township of Jefferson	Present
Dina Valente - Stoel	Borough of Lincoln Park	Absent
Executive Committee Alternates:		
Mike Sondermeyer	Borough of Bloomingdale	Present
James Zepp	Township of Sparta	Present
Victoria Dobrusin	Township of Dover	Present
2026 Fund Commissioners & Alternate		
Dana Vitz, Alternate	Township of Hardyston	Absent
Deborah Bonanno, Alternate	Randolph Township	Absent
William Egan, Alternate	Township of Jefferson	Absent
Perry Mayers, Alternate	Borough of Lincoln Park	Absent
Jasmin Azcona, Alternate	Township of Bloomingdale	Absent
Michele Landtau, Alternate	Township of Sparta	Absent
Edward Rameraz, Alternate	Township of Dover	Absent
Karen Fornaro	Borough of Chatham	Present
Stephen Williams, Alternate	Borough of Chatham	Absent
Eric Colvin	Borough of Kinnelon	Present
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	Absent
	Madison Housing Authority	Absent
Joyce Bushman	Mendham Borough	Present
Erick Mesias, Alternate	Mendham Borough	Absent
Claudia Quinn	Mount Olive	Present
Andrew Tatarenko, Alternate	Mount Olive	Absent
Mitchell Stern	Mountain Lakes	Absent
Shawn Bennett, Alternate	Mountain Lakes	Absent
Patricia Bussow	Township of Andover	Absent
Lorraine England	Township of Andover	Absent
Meghan Lynch	Town of Boonton	Present
Neil Henry	Town of Boonton	Absent
Thomas S. Russo, Jr.	Town of Newton	Absent
Jennifer Dodd, Alternate	Town of Newton	Absent
Joe Sabatini	Township of Byram	Absent
Ashleigh Frueholz, Alternate	Township of Byram	Absent
Silvio Esposito	Township of Hanover	Present
Andrew Fiore	Township of Harding	Absent
Katie Yanke	Township of Montville	Absent
Jennifer Storey, Alternate	Township of Montville	Present
Julie McIver	Township of Pequannock	Present
Adam Brewer, Alternate	Township of Pequannock	Absent
	Township of Prospect Park	Absent
J.J. Murphy	Township of Roxbury	Absent
Valarie Wyble, Alternate	Township of Roxbury	Absent
Tina Kraus	Township of Vernon	Present
Keith Curry	Township of Vernon	Absent
Michael Restel	Township of Wantage	Present
Nancy VanHorn, Alternate	Township of Wantage	Absent
Michele Dale	Township of West Milford	Absent
Cathy Shanahan, Alternate	Township of West Milford	Present

APPOINTED OFFICIALS PRESENT:

Executive Director	PERMA Risk Management Services	Emily Koval Caitlin Perkins
Program Manager	Conner Strong & Buckelew	John Lajewski Jacque Maddren
Attorney	Dorsey & Semrau	Ed Pasternak
Claims Administrator	Aetna	Jason Silverstein
Dental Administrator	Delta Dental	Luhra Ebarle
Prescription Administrator	Express Scripts	Packy Costello
Treasurer	Michael Soccio	Present

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

FLAG SALUTE

MOTION TO APPROVE OPEN MINUTES OF MAY 21, 2026:

MOTION:	Commissioner Smith
SECOND:	Commissioner Heck
VOTE:	All in favor

MONTHLY COMMITTEE REPORTS -

CLAIMS COMMITTEE- No Report

CONTRACTS COMMITTEE- No Report

FINANCE COMMITTEE- Commissioner Millikin reported there was a meeting in June at the PERMA office where an overview of the billing process and WEX system training from the Fund professionals. It is recommended that training on the billing system to be offered to all Commissioners and staff, not only finance staff. Additionally, the committee reviewed the Fund's payment policy that payments are due by the 15th of the month, with interest beginning to accrue on unpaid balances from the first of the month.

Ms. Brown from the Program Manager team, commented how interest will not be charged where a billing error originates from a delay on the bill being distributed.

OPERATIONS COMMITTEE- Commissioner Heck reported a committee meeting was held earlier in the week to review two prospective members and discussed underwriting practices intended to protect the Fund and existing members. He noted the committee is recommending the two new members join the Fund, which Mr. Lajewski will provide further details. He noted there have been fewer applications than in prior years, but the flow of new-member applications continues to be monitored.

WELLNESS COMMITTEE- Chair Piccolo-Kaufer noted a meeting was held in the middle of June to introduce Jacque to the wellness ambassadors and confirm program plans for the year. She noted a follow-up meeting will be held in September and confirmed monthly newsletters and Valley Health webinars are underway.

FUND DOCUMENT COMMITTEE- No Report

PROFESSIONAL REPORTS -

EXECUTIVE DIRECTOR'S REPORT

CORRESPONDENCE – Ms. Koval reported on a letter received from the NJ Department of Banking and Insurance (DOBI) in response to the Fund's 2025 audit filing, which reflected a deficit. The letter, included with the meeting materials, summarizes steps taken by the Fund, and a resolution is included in acknowledging the response and submit to the State. Commissioner Smith commented that the letter was written very politely.

MOTION TO APPROVE RESOLUTION 20-26, ACKNOWLEDGING THE RESPONSE LETTER TO DOBI:

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

FAST TRACK FINANCIAL REPORT – Ms. Koval reviewed the April Fast Track, which produced a surplus of nearly \$1 million for the month, reflecting favorable claims experience, including a fifth Thursday pull that is not separately budgeted. She noted the Fund balance still reflects an overall deficit of approximately \$2.6 million; however, the Fund year 2026 alone is showing almost a \$2 million surplus, with the hope that this trend continues.

Ms. Koval gave kudos to the Fund Commissioners for making difficult decisions such as the out-of-network fee schedule change and the No Surprises Act claims change to help turn the financials around.

MRHIF UPDATE – MRHIF is proposing two bylaw changes. The first is remaining the entity to include public schools since they make up more than half of the membership and the second is revising the list of the contracted professionals to align with the State regulations, which requires moving "Program Manager" out of the Professional Services category to the Servicing Organization category. Ms. Koval commented there is no operational impact on the Fund. Ms. Koval reported due to the change requiring approval from at least 75% of the membership, a resolution is included in consent to approve the proposed bylaw amendment.

Ms. Koval reported that MRHIF was approved to issue an RFP to Medical TPA for services. She confirmed the procurement document is with the MRHIF Attorney and will go to the State of the Comptroller's office for review given the size before release, targeted for MRHIF's September meeting.

The last update for MRHIF is regarding the 2025 pharmacy rebates, a third-party auditor is currently underway but delayed as it is a large audit.

MONTHLY BILLING LATE PAYMENT INTEREST – Ms. Koval referred to Commissioner Millikin's finance reports, stating that a trial run of late-payment notifications was completed for June and July billing cycles; members who were late received advanced notice. Interest penalties on late payments are expected to begin appearing on November bills covering late August payments. Ms. Koval confirmed members will be notified in advance of any penalty and thanked the Fund Treasurer and Ms. Perkins on collaborating and finalizing the process.

WELLNESS NUTRITIONAL COUNSELING VENDOR – The Wellness Committee recommended renewing the incumbent vendor, Vernon Nutrition Counseling, a modest fee increase. Resolution 26-23 is included in consent agenda to approve the renewal.

Ms. Koval noted the remainder of the report on the agenda is informational, highlighting the PCORI and A4 surcharge fees and Fund Documentation Tracking List. In response to Commissioner Smith, Ms. Koval confirmed the A4 surcharge is currently 1.7%. There were no additional questions for the Executive Director report.

PROGRAM MANAGER REPORT

MARKET TREND AND COSTS – Mr. Lajewski referenced projections from the Centers for Medicare & Medicaid Services (CMS) that U.S. healthcare spending will rise from approximately \$5.8 trillion in 2024 to approximately \$9 trillion by 2034, and noted that plan sponsors nationally are shifting focus away from traditional deductible and co-pay plan design changes, towards alternative funding arrangements, pharmacy optimization, population health initiatives, provider contracting strategies, reference-based pricing, and clinical navigation/advocacy programs, all areas the Fund is already exploring.

Mr. Lajewski highlighted that GLP-1 medications remain the top pharmacy cost driver, primarily for weight loss. Express Scripts data suggests a coming shift toward GLP-1 use for additional indications, including Alzheimer's disease and substance-use and addiction-related conditions. The Fund will continue to monitor this with Express Scripts.

Mr. Lajewski provided an update on the NJ State Health Benefits Program's preliminary 2027 renewal rates, which is a trend that the Fund expects will drive increased interest from prospective new members, reinforcing the importance of disciplined underwriting.

MEDICARE ADVANTAGE – Mr. Lajewski announced there are additional subsidies available under an "unbundled" Medicare Advantage structure (separating medical from prescription drug

coverage). After discussion of the administrative complexity of transitioning the entire retiree population, the uncertainty of subsidies continuing beyond 2027, and the desire to minimize disruption to retirees, the recommendation is to remain on the current bundled Medicare Advantage program for now.

UTILIZATION SNAPSHOT – Mr. Lajewski reviewed the illustrations in his report showing the utilization trends, highlighting the below:

- Risk score essentially flat (up less than 1%); overall program cost up approximately 4.25%; PMPM cost up less than 0.5%; total claims up approximately 3.3%.
- Top utilized drug categories: GLP-1/weight-loss medications and anti-inflammatories.
- Top prevalent conditions across the membership: hyperlipidemia, hypertension, and pain-related diagnoses – consistent with trends across comparable public-sector funds.
- Out-of-Network reimbursement levels have dropped from as high as 20% to the mid-to-low single digits with minimal member inquiries about the change since January 1, 2026, effective date.

PLAN DOCUMENT UPDATE – Mr. Lajewski announced the project to restate all member plan documents is nearing completion, with one or two outstanding items; remaining documents are in risk-manager review pending final signature.

NEW FUND MEMBER ACTIVITY – Mr. Lajewski alluded to Commissioner Heck’s Operations Committee report, providing a quick overview of the process of the initial review by the Operations Committee, rate development and actuarial sign-off prior to releasing the rates to the prospective member for its own evaluation.

Commissioner Heck agreed that as the NJ State Health Benefits Program continues to deteriorate on the quality of the risk, the Fund does not want to take on any member but wants to review the data in depth since the risk impacts every member in the Fund. Ms. Brown added that the Chief Underwriter looks at every prospect to ensure there is no deterioration of the Fund either. Commissioner Heck agreed the current process is working but wants to ensure that all members understand that the Operations Committee is also reviewing the prospective members to protect the Fund. Chair Piccolo-Kaufer appreciates the process that is being followed and the effort to continue to bring in prospective members that will continue to help the Fund.

He reviewed the two members included in Resolution 26-25 to join the Fund on or about October 1, 2026:

- Township of Mansfield – approximately 32 eligible active employees and 7 retirees, transitioning from the NJ State Health Benefits Program for medical and prescription drug coverage.
- Two Bridges Sewerage Authority – dental coverage only

MOTION TO APPROVE RESOLUTION 26-25, APPROVING THE TWO NEW MEMBERS:

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

NEW JERSEY NEWBORN MANDATE - New Jersey has extended its newborn-coverage mandate, increasing the period of automatic newborn coverage under applicable health plans from 60 days to 90 days. It was recommended that the Fund's plan documents be amended to comply with, effective July 1, 2026, or January 1, 2027, depending on the plan renewal.

MOTION TO AMEND THE MEMBER PLAN DOCUMENTS TO COMPLY WITH THE NEW JERSEY STATE NEWBORN-COVERAGE MANDATE:

MOTION:	Commissioner Smith
SECOND:	Commissioner Russo
VOTE:	All in favor

CLIENT SERVICES REPORT - Mr. Lajewski provided an update on Ms. Lenka Bystrianska, who is the Senior Director of the HIF Operations. He noted the annual Notices of Creditable Coverage are being issued by Express Scripts and expected to be distributed around September 21st. He reviewed the appeals and IRO submissions.

Commissioner Poff thanked Ms. Brown, Mr. Lajewski, and Ms. Bailey, for all their efforts concerning the late bills and their substantive responses are appreciated. There were no additional questions or comments for the Program Managers report.

TREASURER: Mr. Soccio reviewed the June and July 2026 bills list. He noted the summary of cash transactions report, certification and reconciliation of claims and payments, and the allocation of the cash, which are all included in the agenda.

ATTORNEY: Mr. Pasternak discussed MRHIF bylaw amendment, he noted that on a Fund level, there would be an independent review by the Attorney and action by the Fund's Fund Commissioners. He reminded that RFP procedures, prohibit communication with members and prospective vendors outside the formal process to preserve procurement integrity.

He ended his reporting by stating there is no active litigation and no pending pre-litigation claims involving the Fund at this time.

AETNA: Mr. Silverstein reviewed the claims for the months of April and May. The High claimant report for claims above \$100,000 showed three claims for April and six claims in May. Mr. Silverstein happily reported that the dashboard metrics continue to perform well. He provided a network update, stating that Aetna continues to be in active negotiations with Hackensack Meridian, as an

extension was granted for September 1, 2026, retro back to July 1, 2026. He stated in the Southern part of the State, they are in active negotiations with Virtua Hospital system.

EXPRESS SCRIPTS: Mr. Costello reviewed the report on the agenda, noting the total plan cost per member per month had a 4.8% increase year-over year but the generic rate continues to remain strong at 84%. He highlighted the continuing shift of members moving from diabetes-specific GLP-1 medications to weight-loss indicated versions. He noted that Stelara was removed from the plan's formulary effective July 1, 2026, utilization is expected to decline in future reporting.

DELTA DENTAL: Ms. Ebarle reviewed the report on the agenda, highlighting the carryover maximum provision for members who complete at least one routine visit during the plan year can roll over their benefits to the following year. As for the reporting period, approximately 492 members qualified and 14 members utilized the carryover benefit.

CONSENT AGENDA

Resolution 26-21: MRHIF Bylaw Amendment
Resolution 26-22: Imposing the Late Penalty Fee
Resolution 26-23: Appointing Nutritional Counseling Vendor
Resolution 26-24: Approving New Membership
Resolution 26-25: June and July Bills List

MOTION TO APPROVE THE CONSENT AGENDA:

MOTION:	Commissioner Heck
SECOND:	Commissioner Poff
VOTE:	23 Ayes, 0 Nays, 1 Abstention (<i>Commissioner Shanahan abstained Resolution 26-21</i>)

OLD BUSINESS: None

NEW BUSINESS: None

MOTION TO OPEN PUBLIC COMMENT:

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

PUBLIC COMMENT: None.

MOTION TO CLOSE PUBLIC COMMENT:

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

MOTION TO ADJOURNED THE MEETING AT 10:31am:

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

NEXT MEETING: September 24, 2026, 9:30 am
RANDOLPH MUNICIPAL BUILDING

Caitlin Perkins, Account Manager

For

Greg Poff, Secretary

PERMA

RISK
MANAGEMENT
SERVICES

SIGN IN SHEET

NJHIF – July 23, 2026

NAME	AGENCY
Mike Soccio	Treasures
Dave Vozza	RMC
Brittany Vozza	RMC
Victoria Dobrusin	Town of Dover
MICHAEL REISTEL	WANTAGE
Tammy Smith	KTES BOE
Barbara Russo	Berkeley Hgts
Ernest Reigstad	Steyland, Risk Mgmt
Wendy Klein	Acresure
Michele Landtau	Middleford State
Debra Miller	Jefferson
Lana Dikore	Randolph
Joyce Bushman	Mendham Boro
JAMES KELLY	Mendham Boro
Staci Grewt	Acresure / HOB
John/Elvira	Delta Dental NJ
Jen Storey	Montville Twp
Lois Mammella Marchetta	Ftner Knocking

APPENDIX II

Deb Millikin, Committee Chair

Carrine Piccolo-Kaufer, Executive Committee Chair

Scott Heck, Committee Member

Julie McIver, Committee Member

Emily Koval, PERMA

Jim Rhodes, PERMA

Caitlin Perkins, PERMA

John Lajewski, Conner Strong & Buckelew

2027 Budget and Renewal Presentation

Ms. Koval presented the 2027 budget and renewal analysis based on the updated claims data provided to the Fund's Actuary for the projections. Based on the Actuary findings, the following 2027 budget information was highlighted:

- The medical claims trend for 2027 is projected at approximately 9.37%, lower than recent prior years
- The prescription claims trend is projected to decrease by approximately 13%, reflecting slowing GLP-1 utilization growth
- Medical and prescription trends are blended, as in recent years, because a significant share of members carry embedded prescription coverage. The blended trend is approximately 7%.
- Medicare Advantage trend is projected at approximately 7.5%, which is lower than the past two years as following the expiration of the CMS inflation-related legislation
- Expenses currently have a 2% placeholder for professionals, where there were three that are being rejected and reissuing the RFP due to the submissions being overbudget.
- The Medical TPA has a 5% placeholder, as the RFP is currently pending with the Office of State Comptroller.
- The overall proposed budget increase is 8.9%, including expenses.

Ms. Koval provided further details regarding the MRHIF renewal, which shows a reduction for the Fund. This follows a multi-year rebalancing of experience-based pricing. The renewal assumes the increase to the Self-Insured Retention (SIR) of \$50,000, bringing the SIR to \$475,000. Ms. Koval confirmed this is reasonable for the Fund's current size and claims exposure.

Deficit and Surplus Strategy

Ms. Koval outlined a two-part strategy, consistent with prior discussions with the Department of Banking and Insurance (DOBI) regarding the Fund's prior year deficits. The Claims Contingency, or Surplus Regeneration, line is consistent with prior years to help build up surplus and unused amounts at year-end roll into the Fund's surplus balance. A new contingency account, the Trust Fund Account, is available to offset prior-year deficits over time. Ms. Koval noted this amount is subjective and would need to be sustained over a handful of years to fully address the deficit.

In response to Chair Piccolo-Kaufer, Ms. Koval clarified that members who joined the Fund after the deficit years would share proportionally in the Trust Fund Account Contingency line but could retain unused portion for their own account. Commissioner McIver raised a concern regarding the communication to employees, particularly around Chapter 78 contribution. Mr. Rhodes noted this would help assist the deficits with hopes that we will not need to add a supplemental assessment. He commented it shows the Fund continues to find solutions to address the deficits.

The Committee recommended additional plain-language explanation and additional slides to help the members understand in deeper detail. Commissioner Heck requested the historical data, which was shown during the five-year history. Ms. Koval agreed that the 8.9% overall increase is not ideal, but better than it has been and shows that the Fund is trending in the right direction. Commissioner Millikin agreed that historical data is important to show to the members.

Assessment Strategy Discussion

Ms. Koval presented two illustrations to allocating the overall renewal across individual member towns based on their experience for the past thirty months. She noted a Fund Commissioner previously requested a review of the allocating at a meeting earlier in the year.

Illustration A (status quo): a standard $\pm 2.5\%$ adjustment from the average increase based on whether a member is contributing to or drawing from Fund surplus.

Illustration B (alternative, presented for discussion): members running above 110% loss ratio would receive a +4% adjustment; members running below 75% would receive a -4% adjustment; members within that range would continue to receive the standard $\pm 2.5\%$ adjustment. Members in the Fund for less than three years (30 months) are excluded from either adjustment and receive the average increase, consistent with past practice, because their rates already include a contingency component from underwriting. The data shows there are five members for both the +4% adjustment and -4% adjustment. The final line is essentially neutral comparing both illustrations.

Committee members discussed the rationale for illustration B, it more clearly recognizes members with consistently favorable experience while placing chronically underperforming members on notice, without penalizing experience that is largely outside a members' control. The Committee also discussed benchmarking the Fund's renewal against the New Jersey State Health Benefits Plan. In response to Commissioner Heck, Mr. Lajewski noted there are other direct carriers that have self-funded pools, such as Horizon, which can be compared to the Fund. The State also is a good comparison as majority of the entities come from the State.

Committee Recommendation

Following discussion, the Finance Committee reached consensus to recommend Illustration B, including the $\pm 4\%$ variable allocation, to the Fund Commissioners, together with both the claims contingency/surplus regeneration and trust fund contingency lines as presented.

Scott Heck, Committee Chair

Carrine Piccolo-Kaufer, Executive Committee Chair

John Lajewski, Program Manager

Jacquelyn Maddren, Program Manager Consultant

James Rhodes, Executive Director

Jordyn Robinson, Assistant Account Manager

Ed Pasternak, Fund Attorney

Legal Matter Update

Mr. Pasternak opened the meeting by providing a legal matter update regarding a newly filed complaint in Superior Court for Passaic County on behalf of three individuals. Mr. Pasternak provided a brief background of the complaint and requested authorization to file a 60-day extension of time and direct Mr. Lajewski, the Program Manager, to conduct due diligence with Aetna to confirm or deny the allegations. In response to Commissioner Heck, the claimants were associated with the same provider/facility.

New Member Requests

Mr. Lajewski reviewed the status of five pending requests for entry into the Fund, evaluated against the Fund's underwriting review process. The five pending requests include Sussex County MUA, Township of Belvedere, Hackettstown MUA, Morristown Library, Boonton Township. A discussion regarding a minimum enrollment threshold should be considered, as was previously discussed on the committee level. There has been no formula adoption by the Executive Committee regarding the minimum enrollment threshold, as Ms. Robinson researched past agendas and minutes.

The committee determined that Mr. Lajewski will release the underwriting proposal to Hackettstown MUA and issue a decline-to-quote of Sussex County MUA, Belvedere Township, and Boonton Township. Morristown Library withdrew their submission.

Utilization Review and Cost Containment Update

Mr. Lajewski presented a high-level overview of the current utilization compared to the first half of 2025, noting this presentation will also be shared with the Finance Committee. Some of the key utilization metrics include the following:

- Average enrolled members: increased less than 1%
- Total paid claims: increased approximately 7-8%
- Per-member-per-month (PMPM) claims: increased approximately 5% (roughly half of the annual trend rate)
- Largest dollar increases by diagnosis: cancer and gynecological/breast disorders; spine-related/musculoskeletal conditions showed the largest deviation from benchmark

- Top chronic conditions: hyperlipidemia, hypertension, and lower back pain (consistent with broader employer-sponsored plan trends)
- Top pharmacy spends: GLP-1 medications (Zepbound, Wegovy, Mounjaro)
- Preventive screenings (colon, cervical, flu, mammography): utilization trending positively fund wide.

Mr. Lajewski reviewed some cost containment initiatives such as the site of care, which continues the redirection of services, such as image and infusion therapies, to lower-cost sites of services. The out-of-network reimbursement that the Fund made has produced a substantial positive financial impact. The optional Aetna Whole Health Network that is available to members and provides high-performing provider network but offers an estimated savings of 10-12% and lastly, the continuing of the wellness committee to target top preventable conditions through wellness programming.

Regarding GLP-1's, which continue to be the top pharmacy spend, Mr. Lajewski provided several additional options for consideration including adjusting the body mass index (BMI) prior-authorization for the Encircle program, excluding GLP-1's entirely, managing the formulary by continuing to exclude oral versions of GLP-1's, and the direct-to-consumer manufacturer purchase options. The primary recommendation discussed was amending the BMI threshold from 32 to 35 for members without comorbidities effective January 1, 2027. Mr. Lajewski clarified this change carries no direct administrative cost, would not affect manufacturer rebates, and includes savings reconciliation mechanism through Express Scripts.

Commissioner Piccolo-Kaufer asked whether the Committee's role was to make a recommendation to the Executive Committee or to factor this into the current budget cycle, which Mr. Lajewski noted would be best for the recommendation as it is difficult to project the first-year savings from a newly implemented clinical protocol. Mr. Rhodes confirmed Mr. Lajewski's statement.

Commissioner Piccolo-Kaufer noted the timing sensitivity of this discussion relative to open enrollment, given a 60-day implementation period. Given the time constraints, the committee has agreed to discuss the protocol change with the Finance Committee when discussing the 2027 budget.

Wellness Ambassadors Meeting
September 10, 2026, via Teams
10:00am

Ms. Maddren reviewed the meeting cadence adjustment, noting it has been updated to quarterly meetings.

Ms. Perkins provided a status of the wellness RFP, noting that a resolution will be included in the September agenda authorizing the release. She commented that the Contracts Committee approved of the RFP and the Wellness Committee is still reviewing. It is expected to be released in October for a January 1, 2027, start date.

There was a discussion regarding the 2026 gift card deadline, noting some confusion between November 1st and December 1st. As the process continues to be improved, an earlier deadline will allow for the gift cards to be processed prior to the end of the year and avoid future delays.

Regarding the 2027-2028 wellness program, the guidelines and program will stay the same as it is a large uplift to redo the entire wellness program. Chair Piccolo-Kaufer noted these meetings are important to provide updates on each specific town so they can use the feedback and data to continue to improve the program in the future without uplifting the entire program at once.

Ms. Maddren confirmed the distribution list for the wellness newsletter and the attendance audit was released early September for the Valley Health webinar. A few wellness ambassadors noted errors in the attendance, which Ms. Maddren noted she will discuss with the vendor. She reviewed the vendor management and communications, along with the ambassador's engagement survey.