

SouthernSkylands ^{FUND}

**REORGANIZATION AGENDA
JANUARY 10, 2023
12:00 PM**

Join Zoom Meeting
<https://permainc.zoom.us/j/7737417209>

Meeting ID: 773 741 7209
One tap mobile
+13126266799,,7737417209# US (Chicago)
+19292056099,,7737417209# US (New York)

Meeting ID: 773 741 7209

OPEN PUBLIC MEETINGS ACT - STATEMENT OF COMPLIANCE

Pursuant to Executive Order Number 103 dated March 9, 2020, Governor Murphy declared a Public Health Emergency and a State of Emergency in New Jersey. On March 20, 2020 P.L. 2020 Chapter 11 amended the Open Public Meetings Act to allow local public bodies to conduct Remote Public Meetings by use of electronic communications technology during a period declared as a Public Health Emergency or a State of Emergency.

Adequate Notice and Electronic Notice of this meeting was given by:

1. Sending advance written notice to The Courier News
2. Filing advance written notice of this meeting with the Clerk/Administrator of each member.
3. Sending advance electronic mail notice of this meeting to the Clerk/Administrator of each member.
4. Posting electronic notice of this meeting on the Fund's website which notice provided the time, date and instructions for: (i) access to the Remote Public Meeting, (ii) how to provide public comment and (iii) how to access the agenda.
5. Posting a copy of the meeting notice on the public bulletin board of all members.
6. During the business session portion of this Remote Public Meeting the audio of all members of the public attending the meeting will be muted. At the end of the business session of the meeting, a time for public comment will be available. Members of the public who desire to provide comment shall raise their virtual hand in the Zoom application and/or submit a written comment via the text message section of the application. The meeting moderator will queue the members of the public that wish to provide comment and the Chairperson will recognize them in order. Public comment shall be concise and to the point and shall not contain abusive, defamatory, or obscene language.

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
AGENDA
OPEN PUBLIC MEETING:
JANUARY 10, 2023
12:00 PM**

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

ROLL CALL OF THE 2022 FUND COMMISSIONERS

William Hyncik, Chair
 Brian Auger, Secretary
 Geoffrey Soriano, Commissioner
 Sara Sooy, Commissioner

APPROVAL OF MINUTES – October 11, 2022 Open Public Meeting (*Appendix I*)

SINE DIE

ROLL CALL OF COMMISSIONERS OF SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

| MEMBER | COMMISSIONER | ALTERNATE |
|----------------------------------|---------------------|------------------|
| Somerset County | Colleen Mahr | Shanel Robinson |
| Somerset County Parks Commission | Geoffrey Soriano | Donna Umgelter |
| Somerset County Library | Brian Auger | Deanna Rivera |
| Somerset County VoTech | Adam Beder | Raelene Sipple |

ELECTION OF OFFICERS

ROLL CALL OF THE 2023 EXECUTIVE COMMITTEE

REPORTS:

EXECUTIVE DIRECTOR (PERMA)

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RESOLUTIONS

Resolution 1-23: Professional ContractsPage 6
 Resolution 2-23: Designation of Regular Meeting Times and Place.....Page 9
 Resolution 3-23: Designation of Bank Depositories & CMP..... Page 10
 Resolution 4-23: Approval of 2023 Risk Management Plan..... Page 14
 Resolution 5-23: Approval of Broker Contracts Page 25
 Resolution 6-23: Authorizing Treasurer to Process Contracted Expenses Page 26
 Resolution 7-23: Designation of Secretary as Custodian of Records Page 27
 Resolution 8-23: Designation of Official Newspaper Page 28
 Resolution 9-23: Designation of Authorized Signatories Page 29
 Resolution 10-23: Stop Loss Page 30

PROGRAM MANAGERS REPORT

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TREASURER - (Yvonne Childress)

November & December 2022 Voucher List.....Page 36

Resolution 11-23: December 2022 Bills List.....Page 41

Confirmation of Claims Paid/Certification of Transfers

Ratification of Treasurers Report

ATTORNEY - (Frank Whittlesey, Esq.)

PARTNERSHIP HEALTH CENTER - (Integrity Health)

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NETWORK & THIRD PARTY ADMINISTRATOR - (Aetna)

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PRESCRIPTION ADMINISTRATOR - (Express Scripts)

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OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

SCHEDULE NEXT MEETING -March 14, 2023

MEETING ADJOURNMENT

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
EXECUTIVE COMMITTEE MEETING
JANUARY REORGANIZATION MEETING
JANUARY 10, 2023
12:00 PM**

FINANCIAL REPORTS - COMMISSION AND HEALTH INSURANCE FUND

1. **Skylands Fund Financial Fast Track** - as of October 31, 2022 (page 3)
2. **Ratios Report** - as of October 31, 2022 (page 4)

2023 ORGANIZATION RESOLUTIONS (Page 6)

Resolutions are as follows:

Resolution 1-23 awards the professional contracts and compensation, as per the approved budget and RFQ responses. This resolution will be advertised as per the public contracts law.

Resolution 2-23 sets meeting dates and times which will be posted on each entity's public bulletin board. For now, a meeting has been set for every other month via Zoom. Should in-person meetings become possible, we will amend this resolution to include a location. Members will always be notified of any change no less than 48 hours prior.

Resolution 3-23 sets for the Cash Management Plan and bank depositories for 2023. The Cash Management Plan is a standard banking and investment policy and procedure that is used in other Commissions and Joint Insurance Funds administered by PERMA. This plan has been reviewed by the Treasurer.

Resolution 4-23 is the 2023 Risk Management Plan which outlines the Commission's stop loss limits, underwriting procedures, claim appeal processes, etc. The only change to this resolution is the new specific retention limit, which was approved in December.

Resolution 5-23 adopts the broker fees for each entity. Broker commissions will be paid directly to the firm through the Commission. Each entity's rates reflect its arrangement only.

Resolution 6-23 authorizes the Treasurer to pay contract fees and expenses during the months that the Commission does not meet, contingent upon ratification at the next meeting.

Resolution 7-23 designates the elected Secretary as the Custodian of Fund Records. All records are retained at the Administrator's office and handle all OPRA request on behalf of the Secretary.

Resolution 8-23 Designates the Courier News as the Official Fund Newspaper.

Resolution 9-22 changes will be made in light of the election.

2023 STOP LOSS

The stop loss for 2023 was provided after the last meeting. The incumbent carrier, HCC, provided a strong renewal increase of 6% over last year.

Resolution 10-23 awards the stop loss contract between HCC and the Fund.

WELLNESS

As in previous years, the Aetna contract includes a \$50,000 wellness credit. The below allocates the money for all members, based on the total annual census. The Fund will reimburse groups for all expenses and receive reimbursement from Aetna at the end of each year. Vouchers with approved wellness expenses can be submitted to Jordyn DeLorenzo by 12/31/2023.

| Wellness Grant Allotment | Lives | Total |
|---------------------------------|--------------|--------------|
| Somerset County | 16,692 | \$ 38,941.77 |
| Somerset County Library | 1,356 | \$ 3,163.49 |
| Somerset County Parks | 2,220 | \$ 5,179.17 |
| Somerset County Vo Tech | 1,164 | \$ 2,715.57 |

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

FINANCIAL FAST TRACK REPORT

| | | AS OF | October 31, 2022 | | | |
|--|---|------------------|-------------------------|--------------------|--------------------|--------------------|
| | | THIS | YTD | PRIOR | FUND | |
| | | MONTH | CHANGE | YEAR END | BALANCE | |
| 1. | UNDERWRITING INCOME | 3,426,152 | 34,879,849 | 177,480,689 | 212,360,538 | |
| 2. | CLAIM EXPENSES | | | | | |
| | Paid Claims | 2,422,856 | 24,524,483 | 151,437,748 | 175,962,231 | |
| | IBNR | 16,787 | 275,621 | 2,607,000 | 2,882,621 | |
| | Less Specific Excess | - | (34,415) | (3,824,569) | (3,858,984) | |
| | Less Aggregate Excess | - | - | - | - | |
| | TOTAL CLAIMS | 2,439,643 | 24,765,688 | 150,220,179 | 174,985,868 | |
| 3. | EXPENSES | | | | | |
| | MA & HMO Premiums | 75,584 | 1,642,949 | 4,495,752 | 6,138,701 | |
| | Excess Premiums | 107,914 | 1,096,336 | 9,264,366 | 10,360,702 | |
| | Administrative | 383,410 | 4,010,501 | 13,374,540 | 17,385,041 | |
| | TOTAL EXPENSES | 566,908 | 6,749,786 | 27,134,658 | 33,884,444 | |
| 4. | UNDERWRITING PROFIT/(LOSS) (1-2-3) | 419,601 | 3,364,375 | 125,852 | 3,490,227 | |
| 5. | INVESTMENT INCOME | 7,281 | 19,037 | 151,429 | 170,466 | |
| 6. | DIVIDEND INCOME | 0 | 0 | 0 | 0 | |
| 7. | STATUTORY PROFIT/(LOSS) (4+5+6) | 426,882 | 3,383,412 | 277,281 | 3,660,693 | |
| 8. | DIVIDEND | 0 | 0 | 0 | 0 | |
| 9. | Transferred Surplus | 0 | 0 | 0 | 0 | |
| STATUTORY SURPLUS (7-8+9) | | 426,882 | 3,383,412 | 277,281 | 3,660,693 | |
| SURPLUS (DEFICITS) BY FUND YEAR | | | | | | |
| | Closed | Surplus | (5,367) | (158,221) | 1,666,934 | 1,508,713 |
| | | Cash | (5,367) | 6,857 | 1,463,540 | 1,470,398 |
| | 2021 | Surplus | 36,534 | (235,614) | (1,389,653) | (1,625,267) |
| | | Cash | 36,534 | (2,391,309) | 470,694 | (1,920,615) |
| | 2022 | Surplus | 395,715 | 3,777,247 | | 3,777,247 |
| | | Cash | 504,849 | 4,297,448 | | 4,297,448 |
| TOTAL SURPLUS (DEFICITS) | | | 426,882 | 3,383,412 | 277,281 | 3,660,693 |
| TOTAL CASH | | | 536,016 | 1,912,997 | 1,934,234 | 3,847,231 |
| CLAIM ANALYSIS BY FUND YEAR | | | | | | |
| TOTAL CLOSED YEAR CLAIMS | | | 6,645 | 89,840 | 117,329,448 | 117,419,288 |
| FUND YEAR 2021 | | | | | | |
| | Paid Claims | (1,647) | 2,924,060 | 30,979,310 | 33,903,370 | |
| | IBNR | 0 | (2,607,000) | 2,607,000 | - | |
| | Less Specific Excess | 0 | (43,140) | (695,578) | (738,718) | |
| | Less Aggregate Excess | 0 | 0 | 0 | 0 | |
| | TOTAL FY 2021 CLAIMS | (1,647) | 273,921 | 32,890,732 | 33,164,652 | |
| FUND YEAR 2022 | | | | | | |
| | Paid Claims | 2,417,857 | 21,519,307 | | 21,519,307 | |
| | IBNR | 16,787 | 2,882,621 | | 2,882,621 | |
| | Less Specific Excess | 0 | 0 | | 0 | |
| | Less Aggregate Excess | 0 | 0 | | 0 | |
| | TOTAL FY 2022 CLAIMS | 2,434,644 | 24,401,928 | | 24,401,928 | |
| COMBINED TOTAL CLAIMS | | 2,439,643 | 24,765,688 | 150,220,180 | 174,985,868 | |

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.

| SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND | | | | | | | | | | | | |
|---|------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--|
| RATIOS | | | | | | | | | | | | |
| INDICES | 2021 | FY2022 | | | | | | | | | | |
| | | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | |
| Cash Position | 1,934,234 | \$ 3,054,537 | \$ 559,281 | \$ 256,527 | \$ 1,581,048 | \$ 2,261,880 | \$ 137,803 | \$ 3,231,607 | \$ 3,077,114 | \$ 3,311,215 | \$ 3,847,231 | |
| IBNR | 2,607,000 | \$ 2,704,996 | \$ 2,776,734 | \$ 2,814,361 | \$ 2,831,063 | \$ 2,832,307 | \$ 2,833,529 | \$ 2,837,099 | \$ 2,847,309 | \$ 2,865,834 | \$ 2,882,621 | |
| Assets | 4,226,953 | \$ 6,195,319 | \$ 4,862,497 | \$ 4,536,686 | \$ 4,732,763 | \$ 5,830,038 | \$ 5,214,003 | \$ 5,838,112 | \$ 6,039,332 | \$ 6,411,534 | \$ 6,841,602 | |
| Liabilities | 3,949,672 | \$ 5,412,466 | \$ 3,989,972 | \$ 3,763,061 | \$ 3,276,582 | \$ 3,599,790 | \$ 3,130,665 | \$ 3,103,040 | \$ 3,199,093 | \$ 3,177,723 | \$ 3,180,909 | |
| Surplus | 277,281 | \$ 782,852 | \$ 872,525 | \$ 773,625 | \$ 1,456,181 | \$ 2,230,248 | \$ 2,083,337 | \$ 2,735,072 | \$ 2,840,239 | \$ 3,233,811 | \$ 3,660,693 | |
| Claims Paid -- Month | 3,354,724 | \$ 2,089,934 | \$ 2,698,215 | \$ 2,956,446 | \$ 2,127,313 | \$ 2,028,456 | \$ 2,953,586 | \$ 2,219,236 | \$ 2,632,348 | \$ 2,396,091 | \$ 2,422,856 | |
| Claims Budget -- Month | 2,674,016 | \$ 2,914,875 | \$ 2,898,944 | \$ 2,887,529 | \$ 2,874,349 | \$ 2,863,137 | \$ 2,860,223 | \$ 2,867,783 | \$ 2,859,682 | \$ 2,853,405 | \$ 2,848,877 | |
| Claims Paid -- YTD | 33,168,456 | \$ 2,089,934 | \$ 4,788,149 | \$ 7,744,596 | \$ 9,871,909 | \$ 11,900,365 | \$ 14,853,951 | \$ 17,073,187 | \$ 19,705,535 | \$ 22,101,627 | \$ 24,524,483 | |
| Claims Budget -- YTD | 32,302,210 | \$ 2,914,875 | \$ 5,813,819 | \$ 8,701,348 | \$ 11,575,697 | \$ 14,438,835 | \$ 17,299,058 | \$ 20,166,841 | \$ 23,026,523 | \$ 25,879,928 | \$ 28,728,805 | |
| RATIOS | | | | | | | | | | | | |
| Cash Position to Claims Paid | 0.58 | 1.46 | 0.21 | 0.09 | 0.74 | 1.12 | 0.05 | 1.46 | 1.17 | 1.38 | 1.59 | |
| Claims Paid to Claims Budget -- Month | 1.25 | 0.72 | 0.93 | 1.02 | 0.74 | 0.71 | 1.03 | 0.77 | 0.92 | 0.84 | 0.85 | |
| Claims Paid to Claims Budget -- YTD | 1.03 | 0.72 | 0.82 | 0.89 | 0.85 | 0.82 | 0.86 | 0.85 | 0.86 | 0.85 | 0.85 | |
| Cash Position to IBNR | 0.74 | 1.13 | 0.20 | 0.09 | 0.56 | 0.8 | 0.05 | 1.14 | 1.08 | 1.16 | 1.33 | |
| Assets to Liabilities | 1.07 | 1.14 | 1.22 | 1.21 | 1.44 | 1.62 | 1.67 | 1.88 | 1.89 | 2.02 | 2.15 | |
| Surplus as Months of Claims | 0.10 | 0.27 | 0.30 | 0.27 | 0.51 | 0.78 | 0.73 | 0.95 | 0.99 | 1.13 | 1.28 | |
| IBNR to Claims Budget -- Month | 0.97 | 0.93 | 0.96 | 0.97 | 0.98 | 0.99 | 0.99 | 0.99 | 1.00 | 1 | 1.01 | |

SOUTHERN SKYLAND REGIONAL HIF
CONSOLIDATED BALANCE SHEET
AS OF OCTOBER 31, 2022
BY FUND YEAR

| | SSRHIF 2022 | SSRHIF 2021 | SSRHIF Closed Year | FUND BALANCE |
|---------------------------------------|------------------|--------------------|-----------------------|------------------|
| ASSETS | | | | |
| Cash & Cash Equivalents | 4,297,448 | (1,920,615) | 1,470,398 | 3,847,231 |
| Assesments Receivable (Prepaid) | 199,788 | - | - | 199,788 |
| Interest Receivable | - | - | - | - |
| Specific Excess Receivable | - | 55,950 | 38,316 | 94,266 |
| Aggregate Excess Receivable | - | - | - | - |
| Dividend Receivable | - | - | - | - |
| Prepaid Admin Fees | 1,367 | - | - | 1,367 |
| Other Assets | 2,448,950 | 250,000 | - | 2,698,950 |
| Total Assets | 6,947,553 | (1,614,664) | 1,508,713 | 6,841,602 |
| LIABILITIES | | | | |
| Accounts Payable | 0 | (0) | - | 0 |
| IBNR Reserve | 2,882,621 | 0 | - | 2,882,621 |
| A4 Retiree Surcharge | 15,982 | - | - | 15,982 |
| Dividends Payable | - | - | - | - |
| Accrued/Other Liabilities | 271,703 | 10,603 | - | 282,306 |
| Total Liabilities | 3,170,306 | 10,603 | - | 3,180,909 |
| EQUITY | | | | |
| Surplus / (Deficit) | 3,777,247 | (1,625,267) | 1,508,713 | 3,660,693 |
| Total Equity | 3,777,247 | (1,625,267) | 1,508,713 | 3,660,693 |
| Total Liabilities & Equity | 6,947,553 | (1,614,664) | 1,508,713 | 6,841,602 |
| 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.

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
(Hereinafter referred to as the “FUND”)

**APPOINTING CERTAIN PROFESSIONALS AND SERVICE ORGANIZATIONS
FOR FUND YEAR 2023**

WHEREAS, the Southern Skyland Regional Health Insurance Fund is duly constituted as a Health Benefits Fund and is subject to certain requirements of the Local Public Contracts Law and the Local Unit Pay-to-Play Law; and;

WHEREAS, the Fund found it necessary and appropriate to obtain certain professional services and other extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-12 et. seq.) for the 2023 Fund year; and,

WHEREAS, the Fund resolved to award Professional Service Agreements in accordance with a fair and open process pursuant to NJSA 19:44A-20.4 et. seq.; and,

WHEREAS, a notice soliciting proposals was published on the Fund’s website; and,

WHEREAS, responses were received from professional service providers and service organizations as listed below were received at the Fund office by August 11, 2022 and;

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

WHEREAS, the Fund resolves to appoint the Professionals – noted below –commencing on January 1, 2023 and ending on December 31, 2023 (unless otherwise noted) at its January 2023 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.;

- I. **Actuarial Solutions LLC** is hereby appointed as **Actuary**. \$8,364 is the annual amount that will be expended in connection with the Actuary for 2023.
- II. **Frank Whittlesey of Scholl & Whittlesey, LLC** is hereby appointed as **Attorney** to the Fund. The per hour fee is \$150 at a limit not to exceed \$10,000 for 2023. The annual amount has been appropriated in the Attorney Line Item of the 2023 budget.
- III. **Mercadien, P.C.** hereby is appointed to serve as the Fund’s **Auditor**. \$20,370 has been appropriated in the Auditor Line Item of the 2023 budget.

WHEREAS, responses were received from extraordinary and other unspecifiable services, as defined in the Local Public Contracts Law, (N.J.S.A. 40A-12 et. seq.) for the 2023 Fund year; and, as listed below were received at the Fund office by August 11, 2022 and;

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

WHEREAS, the Fund resolves to appoint the extraordinary and other unspecifiable services contracts commencing on January 1, 2023 and ending on December 31, 2023 (unless otherwise noted) at its January 2022 Reorganization Meeting in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq.;

- I. **PERMA Risk Management Services as Executive Director and Program Manager** is hereby appointed as **agents for process of service**. \$428,743 is the estimated dollars that will be expended in connection with this contract for 2023. The per employee, per month fee for 2023 is \$18.36 for administration and \$4.00 per employee per month for enrollment vendor. In addition, \$40,000 will be paid for special claim and operation audits.
- II. **Aetna** hereby is appointed to serve as Fund's Medical Third Party Administrator at an administrative fee of \$37.33, per medical employee, per month. The annual amount of \$662,085 has been appropriated in the Medical TPA Line Item of the 2023 budget.
- III. **United Healthcare Medicare Advantage** is hereby appointed to serve as a Medicare Advantage service provider in the amount of \$101.36 per County Medicare retiree, per month, \$89.18 per Parks Commission Medicare retiree, per month and \$263.33 per Library medical and prescription. The annual amount of \$648,715 has been appropriated for this Line Item of the 2023 budget.
- IV. **Integrity Health** hereby is appointed to serve as the Partnership Health Center administrator at an amount of \$27.50 per employee, per month. The annual amount of \$607,740 has been appropriated for this Line Item of the 2023 budget.

All other center expenses are a pass through as incurred. The annual amount of \$2,739,357 has been appropriated for this Line Item of the 2023 budget.

Somerville Urban Renewal, LLC is hereby paid \$16,333.33 a month for rental space for the Partnership Health Center.

- V. **Conner Strong & Buckelew** hereby is appointed to serve as the Fund's **Marketing Director**. \$75,000 has been appropriated in the Marketing Line Item of the 2022 budget.

BE IT FURTHER RESOLVED, all Professional Service Providers and Service Organizations appointed pursuant to this Resolution shall service the Fund in accordance with the terms and conditions of the Professional Service Agreements

BE IT FURTHER RESOLVED, that in accordance with NJSA 19:44A-20.7, the decision of the Fund's Executive Committee that the procurement process utilized constitutes a fair and open process, shall be final.

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 2-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
FIXING PUBLIC MEETING DATES
FOR THE YEAR 2023**

WHEREAS, under the Open Public Meetings Act of New Jersey, each public entity is required to publish the date and place for its public meetings;

NOW THEREFORE BE IT RESOLVED, by the Executive Committee of the Southern Skyland Regional Health Insurance Fund that the Fund shall hold public meetings via Zoom during the year 2023 at 12:00 pm.

March 14, 2023
May 9, 2023
July 11, 2023
September 12, 2023
October 10, 2023
January 9, 2024

BE IT FURTHER RESOLVED that the Secretary of the Fund is hereby directed to publish a copy of this Resolution in the Courier News and post on the Fund website

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 3-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
DESIGNATING AUTHORIZED DEPOSITORIES FOR FUND ASSETS
AND ESTABLISHING CASH MANAGEMENT PLAN**

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

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

2023 CASH MANAGEMENT AND INVESTMENT POLICY

1.) *Cash Management and Investment Objectives*

The Southern Skyland Regional Health Insurance Fund (hereinafter referred to as the Fund) objectives in this area are:

- a.) Preservation of capital.
- b.) Adequate safekeeping of assets.
- c.) Maintenance of liquidity to meet operating needs, claims settlements and dividends.
- d.) Diversification of the Fund portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h.) Where legally permissible, cooperation with other local municipal County entities, and the New Jersey Division of Investment in the planning and execution of investments in order to achieve economies of scale.
- i.) Stability in the value of the FUND economic surplus.

2.) *Permissible Investments*

Investments shall be limited to the following:

- a.) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
- b.) Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.

- c.) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; or
- d.) Bonds or other obligations, having a maturity date not exceeding 397 days, approved by the Division of Investment of the Department of Treasury for investment by local units.
- e.) Debt obligations of federal agencies or government corporations with maturities not greater than five (5) years from the date of purchase, excluding mortgage backed obligations, providing that such investments are purchased through the New Jersey Division of Investment and are consistent the Division's own investment guidelines, and providing that the investment a fixed rate of interest not dependent on any index or external factors.
- f.) Repurchase agreements of fully collateralized securities, subject to rules and conditions establish by the N.J. Department of Community Affairs.

No investment or deposit shall have a maturity longer than five (5) years from date of purchase.

3.) **Authorized Depositories**

In addition to the above, the FUND is authorized to deposit Funds in certificates of deposit and other time deposits in banks covered by the Governmental Unit Depository Protection Act, NJSA 18:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:

Investors Bank

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

4.) **Authority for Investment Management**

The Treasurer is authorized and directed to make investments, with a maturity of three months or longer, through asset managers that may be selected by the FUND. Such asset managers shall be discretionary trustees of the FUND.

Their actions and decisions shall be consistent with this plan and all appropriate regulatory constraints.

In executing investments, asset managers shall minimize transaction costs by querying prices from at least three (3) dealers and purchasing securities on a competitive basis. When possible, federal securities shall be purchased directly from the US Treasury. Transactions shall not be processed through brokerages which are organizationally affiliated with the asset manager. Transactions may also be processed through the New Jersey Division of Investment by the FUND asset managers.

5.) **Preservation of Capital**

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

6.) **Safekeeping**

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

7.) **Selection of Asset Managers, Custodial Banks and Operating Banks**

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

8.) **Reporting**

Asset managers will submit written statements to the treasurer and executive director describing the proposed investment strategy for achieving the objectives identified herein. Asset managers shall also submit revisions to strategy when justified as a result of changing market conditions or other factors. Such statements shall be provided to the Treasurer and Executive Director. The statements shall also include confirmation that all investments are made in accordance with this plan. Additionally, the Investment Manager shall include a statement that verifies the Investment Manager has reconciled and determined the appropriate fair value of the FUND's portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

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

9.) **Audit**

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

10.) **Cash Flow Projections**

Asset maturity decisions shall be guided by cash flow factors payout factors supplied by the FUND Actuary and reviewed by the Executive Director and the Treasurer.

11.) **Cash Management**

All moneys turned over to the Treasurer shall be deposited within forty-eight (48) hours in accordance with NJSA 40A:5-15.

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

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

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

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

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

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

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

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 4-23

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

HEALTH BENEFITS RISK MANAGEMENT PLAN

Effective: JANUARY 1, 2023

Adopted: JANUARY 10, 2023

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

2023 HEALTH BENEFITS RISK MANAGEMENT PLAN

NOW, THEREFORE, BE IT RESOLVED that the following shall be the Fund's Risk Management Plan for the 2023 Fund year for health benefits:

1.) COVERAGE OFFERED

- Medical

The Fund offers a "point of service" and "open access" plan designs. These plans have both in network and out of network benefit. The Fund can offer other plans as may meet the needs of the members. The Fund also offers "low cost plans" to allow members options to comply with contribution requirements under Chapter 78. The Fund also offers Medicare Advantage programs and/or Medicare Supplement programs for retirees.

- Dental

The Fund plans to offer customized dental plans as required by the members but does not do so at the current time. The Fund allows for members to pass fully insured dental products through the budget.

- Prescription

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

- Vision

The Fund plans to offer customized vision plans as required by the members but does not do so at this time.

2.) LIMITS OF COVERAGE

Limits of coverage vary by member and plan design.

3.) RISK RETAINED BY THE FUND

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

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

Medical and Prescription:

- **Specific Coverage:** The Fund self-insures for the first \$325,000 per person, per agreement year and obtains reinsurance through HCC Life Insurance Company.
- **Aggregate Coverage:** The Fund does not purchase aggregate coverage and retains the risk for medical, prescription, dental and vision claims except those claims that may be reimbursed under its specific Coverage listed above.
- **Aggregate Limit** Not applicable.
- **Basis:** Incurred in 12 months, paid 36 months thereafter

Dental Aggregate Retention: None – Self-insured with all risk retained by Fund

Vision Aggregate Retention: None – Self-insured with all risk retained by Fund

Extra contractual claims are excluded from reinsurance coverage.

4.) **ASSUMPTIONS AND METHODOLOGY TO CALCULATE CLAIM RESERVES.**

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

5.) **METHODS OF ASSESSING CONTRIBUTIONS TO MEMBERS**

At least one month before the end of the year, the Fund adopts a budget for the upcoming year based on the most recent census. Per employee rates are computed for each line of coverage for each Fund member, and are approved by the Fund as a part of the budget adoption and rate certification process. These rates are used to compute the members' monthly assessment based on the updated census, and are provided to the members approximately 15 days before the beginning of the month. The billing also includes the member's updated census for verification each month by the local entity. Retroactive adjustments for enrollment changes are limited to 60 days. Former participants (COBRA, Conversion, Dependents to Age 31 and some retirees) are billed directly by the Fund's enrollment vendor.

6.) **COVERAGE PURCHASED FROM INSURERS**

The Fund provides medical and Rx coverage on a self-insured basis, and secures excess insurance to cap the Funds' specific (i.e. per enrolled covered person per policy year) retention. The Fund

also purchases Medicare Advantage, Employer Group Waiver Programs from the commercial market for Medicare retirees and dental coverage.

7.) THE INITIAL AND RENEWAL RATING METHODOLOGIES

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

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

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

Rates for all members are adjusted at the beginning of each Fund year to reflect the new budget. However, entities operating on a fiscal year basis (July 1 to June 30) have the option to receive rates that are certified for a period corresponding to their fiscal year. Rates reflect the overall cash flow needs of the Fund, and actuarial factors needed to assure that individual entity rates reflect the risk profile of the member. The Fund may implement individual entity loss ratio adjustments based upon recommendations from the Fund actuary. The Fund may also adopt mid Fund year rate changes to reflect changes in plan design, participation in lines of coverage, or a budget amendment. Additionally, if a member terminates a line of coverage but continues membership for other lines of coverage, the rates for the other lines of coverage may be adjusted and the member shall not be eligible for membership in the dropped line of coverage for up to three years.

Loss experience data used by the Fund to determine loss ratio adjustments will be made available twice per year to members at no additional cost. "Loss experience data" is defined as monthly claims and assessments for a three year period including de-identified specific claims at 50% of the Fund's self insured retention. Requests for additional claims data from Fund members will be considered based upon the availability of data, the feasibility of extracting the data, and conditioned upon the member reimbursing the Fund or its vendors for data extraction and formatting costs.

8.) PARTNERSHIP HEALTH CENTER

The Fund has created a Patient Centered Health Center for its employees. The financial impact of this service model can be evaluated by the Fund actuary and prospective rates and assessments may be modified to reflect savings. To the extent that there are measurable savings or other impacts that can be attributed to Health Center's impact on the population, such savings/impact shall be attributed the member's claims.

New members within a reasonable geographic area of Somerville, NJ will have access to the Partnership Health Center and be charged on a 3 year phase in scale as utilization grows. Members outside of this geographic region will have access to the Health Center's satellite service center at a management fee only.

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

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

10.) PROVISION FOR PLAN DESIGN OPTIONS

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

11.) OPEN ENROLLMENT PROCEDURES

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

12.) COBRA AND CONVERSION OPTIONS

The Fund provides COBRA coverage at a rate equal to the member's current rate and benefit plan design, plus the appropriate administrative charge. The Fund has arranged for a COBRA administrator to enroll eligible participants and to collect the premium. The Fund's coverage for individuals covered under COBRA shall terminate effective the date the member withdraws from the Fund, or otherwise ceases to be a member of the Fund.

13.) DISCLOSURE OF BENEFIT LIMITS

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

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

All assessments, including additional assessments and dividends, are the responsibility of the member, not the employee or former employee. Employee contributions, if any, are solely an

internal policy of the member which shall not impact on the member's obligations to the Fund or confer any additional rights to the employees. Where the Fund directly bills an employee, (i.e. COBRA, etc.), this shall be considered as a service to reduce the member's administrative burden, and the member shall be responsible in the event of non-payment.

15.) RETIREES

The Fund duplicates coverage for eligible retirees not eligible or enrolled in a Medicare Advantage Plan. The Fund's coverage of a retiree shall terminate effective the date the member local unit withdraws from the Fund for a specific line of coverage, or otherwise ceases to be a member of the Fund.

16.) NEWBORN CHILDREN

You may remove family members from the policy at any time, but you may only add members within sixty (60) days of the change in family status (marriage, birth of a child, etc.). It is your responsibility to notify your employer of needed changes. If family members cease to be eligible, claims will not be paid. The actual change in coverage (and the corresponding change in premium) will not take place until you have formally requested that change. Newborn children, but not grandchildren of an eligible employee, shall be automatically covered from birth for thirty-one (31) days, even if not enrolled within the required sixty (60) days. In the event of an eligible dependent giving birth to a child, (a grandchild) benefits for any hospital length of stay in connection with childbirth for the mother or newborn grandchild will apply for up to 48 hours following a vaginal delivery, or 96 hours following a cesarean section. However, the mother's or newborn grandchild's attending provider, after consulting with the mother, may discharge the mother or her newborn grandchild earlier than 48 hours (or 96 hours as applicable).

17.) PLAN DOCUMENT

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

A.) General Information

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

B.) Benefits

- Definitions.
- Description of benefits.

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

C.) Claims Procedures

- Submission of claim.
- Proof of loss.
- Appeal procedures.

D.) Cost Containment Programs

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

18.) PROCEDURES FOR THE CLOSURE OF FUND YEARS

Approximately six months after the end of a Fund year, the Fund evaluates the results to determine if dividends or additional assessments are warranted. Most claims are paid within twelve months of year end, and at that time the Fund begins to consider closing the year, unless excess insurance recoveries are pending or litigation is likely. A member entity will be eligible to participate in the dividend provided that its pro rata share of the Fund's surplus account is greater than two (2) months of said member entity's projected claims expense (the "retention amount") and shall be paid from amounts in excess of the established retention amount.

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

- A reserve is established by the actuary to cover any unpaid claims or IBNR
- The Fund decides on the final dividend or supplemental assessment.
- A closure resolution is adopted transferring all remaining assets and liabilities of that Fund year to the "Closed Fund Year/Contingency Account".

- Each member's pro rata share of the residual assets are computed and added to its existing balance in the Closed Fund Year/Contingency Account. Any member who has withdrawn from the Fund shall receive its remaining share of the Closed Fund Year/Contingency Account six years after the date of its withdrawal.

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

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

20) CLAIMS AND OPERATIONS AUDITS

The Fund retains a claim auditory experienced in auditing self-insured claims and operations. Annual claims and/or operational audits will be performed annually specific to the needs of the Fund and other variables impacting the health insurance market.

21.) CLAIM APPEAL PROCESS

- The Third Party Administrator (TPA) shall initially review all appeals and shall prepare a memo summarizing the relevant facts and issues involved in the appeal.
- The TPA shall provide the Executive Director (or his or her designee) and the Fund Attorney with a copy of the memo, which has been prepared concerning the appeal.
- The TPA, Executive Director (or his or her designee) and Fund Attorney shall confer concerning the merits of an appeal and they shall render a decision concerning the appeal provided that the appeal has been reviewed and recommended for approval by an independent, third party medical review consultant..
- If the decision of the TPA, Executive Director (or his or her designee) and Fund Attorney is to pay the claim, then the TPA is hereby authorized to issue the necessary check in payment of the claim.
- The Fund shall formally confirm the decision of the TPA, Executive Director (or his or her designee) and Fund Attorney to pay the claim and ratify the payment issued pursuant to that decision at the next meeting of the Fund.
- If the decision of the TPA, Executive Director (or his or her designee) and Fund Attorney is to deny the claim, the appeal shall be subject to the "adverse benefit determination" appeal

process that is required pursuant to applicable law. The plan participant (hereinafter sometimes referred to as "claimant") shall at that time be advised that the adverse benefit determination may be appealed to the Fund's Independent Review Organization ("IRO"). The claimant's identity shall be revealed only upon the written request of the claimant. A copy of such written request with respect to disclosure of the claimant's name shall be sent to the Executive Director (or his or her designee).

a. An appeal of an adverse benefit determination must be filed by the claimant within four (4) months from the date of receipt of the notice of the adverse benefit determination. The claimant shall submit a written request to the Executive Director (or his or her designee) to appeal an adverse benefit determination and/or final internal adverse benefit determination made by the TPA and the written request shall be accompanied by a copy of the determination letter issued by the TPA.

1. The Executive Director (or his or her designee) will conduct a preliminary review within five (5) business days of the receipt of the request for an external review. There is no right to an external review by the IRO if (i) the claimant is or was not eligible for coverage at the time in question or (ii) the adverse benefit determination or final internal adverse benefit determination is based upon the failure of the claimant or covered person to meet requirements for eligibility under the Plan or (iii) the claimant is not eligible due to the benefit/coverage being an excluded benefit or not included as a covered benefit. The Executive Director (or his or her designee) shall notify the claimant if (a) the request is not eligible for external review; (b) that additional information is needed to make the request complete and what is needed to complete the request; or (c) the request is complete and is being forwarded to the IRO.

2. The Executive Director (or his or her designee) shall then forward an eligible, complete request for external review to the IRO designated by the Fund who shall be required to conduct its review in an impartial, independent and unbiased manner and in accordance with applicable law.

3. The assigned IRO will provide timely written notice to the claimant of the receipt and acceptance for external review of the claimant's request and shall include a statement that the claimant may submit, in writing and within ten (10) business days of the receipt of the notice, additional information which shall be considered by the IRO when conducting the external review. Upon receipt of any information submitted by the claimant, the IRO, within one (1) business day, shall forward the information to the Executive Director (or his or her designee) who may reconsider the adverse benefit determination or final internal adverse benefit determination and, as a result of such reconsideration, modify the adverse benefit determination or final internal adverse benefit determination. The Executive Director (or his or her designee) shall provide prompt written notice of any such modification to the claimant and the IRO.

4. The Executive Director (or his or her designee), within five (5) business days of the assignment of the IRO, shall deliver to the IRO any documents and information

considered in making the adverse benefit determination or the final internal adverse benefit determination. The IRO may terminate the external review and decide to reverse the adverse benefit determination or final internal adverse benefit determination if the Executive Director (or his or her designee) does not provide such information in a timely manner. In such event, the IRO shall notify the claimant and the Executive Director (or his or her designee) of the decision within one (1) business day.

5. The IRO shall complete the external review and provide written notice of its final external review decision within forty-five (45) days of the receipt of the request for the external review. In the case of a request for expedited external review of an adverse benefit determination or final internal adverse benefit determination where delay would seriously jeopardize the life or health of the claimant or the ability to regain maximum function, the IRO shall provide notice of the final external review decision as expeditiously as possible but in no event more than 72 hours after the receipt of the request for an expedited external review. If the notice is not in writing, the IRO must provide written confirmation of the decision to the claimant and the Executive Director (or his or her designee) within 48 hours after providing that notice in the case of an expedited external review. The IRO shall deliver notice of its final external review decision to both the claimant and the Executive Director (or his or her designee) for all external reviews conducted. The notice of decision shall contain:

(i) a general description of reason for the external review with sufficient information to identify the claim, claim amount, diagnosis and treatment codes and reason for previous denial;

(ii) the date the IRO was assigned and date of the IRO's decision;

(iii) reference to the documentation/information considered;

(iv) a discussion of the rationale for the IRO's decision and any evidence-based standards relied upon in making the decision;

(v) a statement that the decision is binding on the claimant and the Fund subject to the claimant's right to seek judicial review of the same; and

(vi) that the claimant may contact the New Jersey health insurance consumer assistance office at NJ Department of Banking and Insurance, 20 West State Street, PO Box 329, Trenton, NJ 08625, phone (800) 446-7467 or (888) 393-1062 (appeals) website: <http://www.state.nj.us/dobi/consumer.htm> e-mail: ombudsman@dobi.state.nj.us/

22.) 15th OF THE MONTH ENROLLMENT CHARGE

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

ADOPTED: JANUARY 10, 2023

BY: _____
CHAIR

ATTEST: _____
VICE CHAIR

RESOLUTION NO. 5-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
ESTABLISHING PLAN FOR COMPENSATING PRODUCERS LICENSED PURSUANT TO
N.J.S.A. 18:22A-1 ET SEQ AND REPRESENTING MEMBER ENTITIES**

WHEREAS, The Southern Skyland Regional Health Insurance Fund permits member entities that designate a producer or risk manager to represent them in dealings through the Fund; and

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

NOW THEREFORE BE IT RESOLVED, that the Southern Skyland Regional Health Insurance Fund establishes the following producer plan for 2023;

1. The Fund will include producer compensation in each entity's assessments using the compensation levels as disclosed to and approved by the member entity.
2. Each producer shall contract with the Fund.
3. The following sub-producers with the designated compensation levels are approved for 2023:

| Group Name | Broker Firm | PEPM Rate | Annual Fee |
|-------------------------|--------------------------|------------------|-------------------|
| Somerset County Library | Conner Strong & Buckelew | \$36.46 | \$70,000 |
| Somerset County Vo Tech | Conner Strong & Buckelew | \$28.57 | \$32,913 |

4. This schedule may be amended upon written notification of each listed member entity.

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 6-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
AUTHORIZING FUND TREASURER TO PROCESS
CONTRACTED PAYMENTS AND EXPENSES**

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

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

BE IT RESOLVED by the Executive Committee of the Southern Skyland Regional Health Insurance Fund that the Treasurer is hereby authorized to process the contracted payments and Fund expenses for all months in which the Fund does not meet during the year 2023.

BE IT FURTHER RESOLVED that the Executive Committee of the Southern Skyland Regional Health Insurance Fund shall ratify the contracted payments and Fund expenses so paid by the Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 7-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
DESIGNATING CUSTODIAN OF FUND RECORDS**

BE IT RESOLVED that _____ the Secretary of the Southern Skyland Regional Health Insurance Fund is hereby designated as the custodian of the Fund records, which shall be kept at the office of the Fund Administrator, located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054.

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 8-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
DESIGNATING
THE COURIER NEWS
THE OFFICIAL NEWSPAPER FOR THE FUND YEAR 2023**

BE IT RESOLVED by the Executive Committee of the Southern Skyland Regional Health Insurance Fund that the Courier News is hereby designated as the official newspaper for the Southern Skyland Regional Health Insurance Fund for the year 2023 and that all official notices required to be published shall be published in this paper and on the Fund website (www.southernkylandhif.com)

BE IT FURTHER RESOLVED that in the case of special meetings or emergency meetings, the Secretary of the Southern Skyland Regional Health Insurance fund shall give notice of said meetings to the **Courier News** and Fund website (www.southernkylandhif.com)

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION NO. 9-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
RESOLUTION DESIGNATING
AUTHORIZED SIGNATURES FOR FUND BANK ACCOUNTS**

BE IT RESOLVED by the Southern Skyland Regional Health Insurance Fund that all funds of the Southern Skyland Regional Health Insurance Fund shall be withdrawn from the official named depositories by check, which shall bear the signatures of at least two (2) of the following persons who are duly authorized pursuant to this Resolution.

_____ - Chair

_____ - County CFO

Yvonne Childress - Treasurer

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

RESOLUTION 10-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
RESOLUTION AUTHORIZING RENEWAL AND PURCHASE OF
STOP LOSS COVERAGE**

WHEREAS, the Southern Skyland Regional health Insurance Fund (hereinafter “the Fund”) is duly constituted as a joint insurance fund and is subject to certain requirements of the Local Public Contracts Law; and;

WHEREAS, the Executive Committee of the Fund has deemed it necessary and appropriate to obtain certain extraordinary and unspecifiable services; and

WHEREAS, the Executive Committee resolves to award a contract for certain insurance coverages in accordance with N.J.S.A 40A:11-5(l)(m), and has received an analysis from the Program Manager for the Fund on the nature of such services and the due diligence efforts that were made to obtain quotes for the coverages described herein;

NOW, THEREFORE, BE IT RESOLVED that the following insurance contracts be awarded to HCC/Tokyo Marine for \$325,000 specific stop loss coverage for the period of January 1, 2023 through December 31, 2023 at a per employee per month fee of \$65.33 at an estimated annual premium of \$1,518,983;

BE IT FURTHER RESOLVED that policy or policies providing the specific terms of such coverage will be on file in the Fund’s office, located at 9 Campus Drive – Suite 216, Parsippany, NJ 07054; and

BE IT FURTHER RESOLVED that notice of this action shall be advertised in the Fund’s official newspapers in accordance with law and notice of this action along with completed contracts shall be filed with the New Jersey Department of Banking and Insurance, the New Jersey Department of Community Affairs, and the New Jersey Office of the Comptroller.

ADOPTED: JANURAY 10, 2023

BY:

CHAIRPERSON

ATTEST:

SECRETARY

**Southern Skyland Regional
HIF Program Manager**

January 2023

Program Manager: PERMA Risk Management Services
LLC Online Enrollment Training: kkidd@permainc.com
Enrollments: somersetcountyinscom@permainc.com
Fax: 856-266-9469

ELIGIBILITY/ENROLLMENT

Please direct any eligibility, enrollment, or system related questions to our dedicated Southern Skyland Regional HIF team. To contact the team, email somersetcountyinscom@permainc.com or fax to 856-266-9469

COVERAGE UPDATES:

Covid-19 Oral Prescriptions:

The Food & Drug Administration has approved 2 oral antiviral medications for Emergency Use Authorizations (EUA). With a EUA certification, plan sponsors are expected to cover the medications with a \$0 copay. The Government will be purchasing the medications and distributing to local pharmacies for adjudication through Pharmacy plans (Express Scripts). The approved functions of these medications is to assist in reducing the severity of complications as a result of COVID-19 in individuals who test positive with present symptoms. As of today, the medications will require a prescription from a physician for access.

- 1- *Pfizer- Paxlovid*
- 2- *Merck- Molnupiravir*

Express Scripts has proactively begun updating their adjudication systems to ensure plans meet the expectations of the Federal Government:

- Associated Costs:
 - o Plan - \$0 Ingredient cost during the period that the medications are purchased by the Federal Government
 - o Member - \$0 copay
 - o Program Fee- \$2.50 per prescription
 - o Dispensing Fee- TBD; additional legislative guidance is needed for local pharmacies
- Plan Impact
 - o Addition of medications to covered Formulary
 - o Member educational pieces (included in agenda)
 - o Quantity Limit – 1 course of treatment every 180 days

EXPRESS-SCRIPTS UPDATE

ESI's 2023 SaveOn list has been released. The Program Manager sent the listing to all brokers on November 14th. The drugs highlighted on the listing in red are excluded effective January 1, 2023. Southern Skylands had no members impacted by the exclusions listed.

OPERATIONAL UPDATES:

End of Year/Wellness Incentive Program Reporting

In addition to the End of Year report, a Wellness Incentive Program report has been provided reflecting employees who received a gym reimbursement in 2022, as this is taxable income. Wellness incentives provided directly to members that do not go towards their health insurance premiums are considered taxable income regardless of the amount. It is the employer's responsibility to report any wellness incentive as income on the employee's W-2 and withhold all appropriate income tax.

Please note the following:

- The report includes the participant's full name and total amount received in 2022
 - Aetna - up to \$240 per eligible participant
- Initial report will be for reimbursements issued for the time period of **January 1, 2022 through October 31, 2022**
 - Reports were sent to group billing contacts the week of January 2nd
- An additional report will be provided in late January 2023 for reimbursements issued for the time period of **November 1, 2022 through December 31, 2022**
 - Employers are responsible for updating an employee's W-2 withholdings once received
- All eligible employees, spouses and dependents (those over age 18) who received a reimbursement will be included in the report separately
 - We recommend groups confirm with their tax advisor if reimbursements for spouses and dependents should be included in the employee's reporting

Please note there is not an option to receive the latter report sooner than late January as the data is not available

2022 LEGISLATIVE REVIEW

COVID -19

1. National Emergency Declaration - Extended through March 2023. A decision to terminate the declaration or let it expire will be provided with a 60 days' notice prior to termination.
 - Qualified Beneficiaries may wait one year to elect COBRA but must then start to make premium payments
 - Individual has a maximum of one year from date of payment originally would have due, including any applicable grace period

2. At Home COVID-19 Testing- On January 10th, the Biden Administration issued a mandate that takes effects on January 15, 2022, requiring the coverage of At Home/Over the Counter COVID-19 test kits by Employer sponsored health plans. As outlined in the communication sent on January 14, 2022, the HIF will cover the kits under the pharmacy plan (ESI). For groups contracted outside of HIF for their pharmacy benefit, the group should contact their PBM or broker to implement a coverage solution.

Reporting has been requested for those groups that have ESI pharmacy through the HIF, updates will be shared at the next meeting.

Coverage Highlights:

- o Date - Starting on January 15, 2022, going forward
- o Network - the legislation encourages healthcare insurers to develop a network of locations at which the tests can be purchased with \$0 member cost share at point of service
- o Dollar Limit- Up to \$12 per test
- o Quantity Limit- Up to 8 tests per individual per 30 days

FREE Tests from the Government - **No longer available** effective September 2, 2022, due to lack of funding

ESI Highlights:

- o Point of service option is now available for members to get tests at the pharmacy counter.
 - o Mail order options is also available through ESI.
 - Ordering for more than one participant must be done separately.
 - o ESI will allow up to 8 tests per covered individual per 30 days, regardless of the source used to obtain the kits.
 - o Communication update was sent on February 11, 2022, outlining the retail and mail order process through ESI. Member communications were included for distribution.
3. Vaccine Mandates - November 4, 2021, OSHA released the *Emergency Temporary Standard*. Which implemented a “vaccine or test,” requirement for Employers over 100 Employees. The Mandate is still not in effect as it has gone through multiple State and Federal Court appeals. Most recently, on January 13, 2022, the US Supreme Court blocked the enforcement of vaccine or testing mandate for businesses with at least 100 employees.

As a reminder testing as an occupational requirement are not covered under Employer Health Plans.

Medical and Rx Reporting

Federal Extension Granted - the Centers for Medicare and Medicaid Services (CMS), U.S. Departments of Labor, Health and Human Services, and the Treasury published an FAQ that

provided an extension to the filing period for 2020 and 2021 prescription drug and health care spending reporting. The Departments have provided a submission grace period through January 31, 2023 and will not consider a plan or issuer to be out of compliance with the requirements provided a good faith submission of 2020 and 2021 data is made on or before the date. Carriers will be filing their full reporting on behalf of clients prior to January 31, 2023.

The Medical and Rx Reporting provision (section 204) of the Consolidated Appropriations Act (CAA) requires health plans and payors to report information on plan medical costs and prescription drug spending to the Secretaries of Health and Human Services, Labor, and the Treasury on an annual basis. This requirement applies to insurers and self-funded health plans offering group or individual health insurance coverage.

On Aug. 20, 2021, the government released additional guidance on Consolidated Appropriations Act (CAA) implementation in a [Frequently Asked Questions \(FAQs\)](#) document. In the FAQ, the Departments of Health and Human Services, Labor, and Treasury indicated that enforcement of the first Medical and Rx report submission will be deferred, pending the issuance of regulations or further guidance. Until regulations or further guidance is issued, the Departments strongly encouraged plans and issuers to start working to ensure that they are in a position to be able to begin reporting the required information with respect to **2020 and 2021 data by Dec. 27, 2022.**

On Nov. 17, 2021, the departments released an interim final rule with request for comments (IFC). Based on the IFC guidance, Express Scripts will submit an aggregated file for Rx data only to the government during the mandated filing period of Dec.1 – Dec.27, 2022. The Program Manager Team has provided ESI with the requested information to submit the filing.

Aetna and AmeriHealth will submit filings to the government on behalf of the HIFs using information in their system.

Mental Health Parity and Addiction Equity Act (MHPAE)

In December of 2020 Congress passed into Law the Consolidated Appropriateness Act. The Law addresses how the DOL, HHS and IRS will assess how well plan sponsors and insured plans are keeping up with compliance requirements under MHPAE (passed in 2008).

Plans and plan sponsors will be required to complete a detailed analysis of the plan, confirming compliance.

On behalf of all self-insured groups, Conner Strong & Buckelew, is working with our TPA and PBM partners to request assistance for our clients in providing the analysis. We will continue to keep you updated on the progress and efforts on the Fund's next steps.

<https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/mental-health-parity/self-compliance-tool.pdf>

No Surprise Billing and Transparency Act- Continued Delays

Medical carriers will provide the HIF with a unique URL/hyperlink to post to the HIF's main public

website. The URL/hyperlink is required to be posted by July 1, 2022. The link will automatically refresh each month with any updated information. The Program Manager recommends all groups link their website to the HIF's public website, <https://hifundnj.com/>, there will not be a link sent to the groups. By doing so, this will satisfy the group's obligation for this requirement. The Program Manager sent communication on June 14th to all brokers to share with their groups.

The Health Insurance Funds, including Skylands protect plan members from surprise billing with involuntary out of network balance bills with a hold harmless clause:

- Example: an in-network surgeon contracts with an out of network anesthesiologist. Should the out of network anesthesiologist balance bill the patient, the Funds would hold the member harmless, paying up to the invoiced amount.

The law also imposes certain requirements on the Carriers, PBMs and healthcare providers. Many of these requirements continue to be delayed, but we will continue to work with the insurance providers to assure the Skylands HIF remains compliant.

- Issuing updated ID Cards with additional out of pocket information
- Providing transparency in coverage machine-readable files
- Providing price comparison tools
- Healthcare providers should work with insurance carriers to provide potential patients with good faith estimates of costs

2023 Specialized Audits (Appendix II)

As approved through an RFP through the Executive Director's contract, the HIFs has acquired the services of AIM to conduct specialized audits for Southern Skylands Regional Fund (SSRF). AIM will begin to complete audits for the Mental Health Parity and Addiction Equity Act (MHPAEA) and No Surprises Act (NSA) requirements. Aim will review plan language and Aetna's NQTL analysis performed for the (SSRF) to determine compliance with the MHPAEA. Aim will review SSRF claims to determine if Aetna is adjudicating claims in accordance with the requirements and mandates of the No Surprises Act.

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

Appeals/IRO Submissions: None

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
SUPPLEMENTAL BILLS LIST**

Confirmation of Payment

NOVEMBER 2022

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

BE IT RESOLVED that the Southern Skyland Regional Health Insurance Fund 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 2022

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------------------|--|----------------------|
| 001438 | | | |
| 001438 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 273954962 - LIBRARY - 11/22 | 8,184.89 |
| 001438 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 488920617 - LIBRARY - 11/22 | 840.68 |
| 001438 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 271255463 - BOSS - 11/22 | 12,732.65 |
| | | | 21,758.22 |
| 001439 | | | |
| 001439 | PERMA RISK MANAGEMENT SERVICES | POSTAGE 9/22-10/22 | 57.82 |
| 001439 | PERMA RISK MANAGEMENT SERVICES | ENROLLMENT 11/22 | 7,676.00 |
| 001439 | PERMA RISK MANAGEMENT SERVICES | PROGRAM MANAGER FEES 11/22 | 21,109.00 |
| 001439 | PERMA RISK MANAGEMENT SERVICES | ADMINISTRATION FEES 11/22 | 13,433.00 |
| | | | 42,275.82 |
| 001440 | | | |
| 001440 | CONNER STRONG & BUCKELEW | CSB CONSULTANT FEES 11/22 | 10,729.31 |
| 001440 | CONNER STRONG & BUCKELEW | CSB MARKETING FEE 11/22 | 6,250.00 |
| | | | 16,979.31 |
| 001441 | | | |
| 001441 | ACCESS | ACCT #224 002 - ARC. AND STOR. - 5.31.22 | 5.93 |
| 001441 | ACCESS | ACCT #224 002 - ARC. AND STOR. - 9.30.22 | 5.98 |
| | | | 11.91 |
| 001442 | | | |
| 001442 | SOMERVILLE URBAN RENEWAL | RENT 11/22 | 16,333.33 |
| | | | 16,333.33 |
| W1122 | | | |
| W1122 | UNITED (MEDICARE ADVANTAGE) | MEDICARE ADVANTAGE 11/22 | 54,264.29 |
| | | | 54,264.29 |
| W1122 | | | |
| W1122 | AETNA | TPA FEES 11/22 | 53,568.55 |
| | | | 53,568.55 |
| W11222 | | | |
| W11222 | INTEGRITY HEALTH, LLC | BEBETTER SYSTEM (W/O COACHING) 11/22 | 1,008.00 |
| | | | 1,008.00 |
| W1122 | | | |
| W1122 | HCC LIFE INSURANCE COMPANY | SPECIFIC REINSURANCE 11/22 | 108,407.17 |
| | | | 108,407.17 |
| W1122 | | | |
| W1122 | INTEGRITY HEALTH, LLC | MANAGEMENT FEE 10/22 | 44,605.00 |
| | | | 44,605.00 |
| W11222 | | | |
| W11222 | INTEGRITY HEALTH, LLC | HEALTH CARE EXPENSES 9/22-11/22 | 200,943.68 |
| | | | 200,943.68 |
| | | Total Payments FY 2022 | 560,155.28 |
| | | TOTAL PAYMENTS ALL FUND YEARS | 560,155.28 |

Chairperson

Attest:

Dated: _____

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

36 _____
Treasurer

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
SUPPLEMENTAL BILLS LIST**

Resolution No. 11-23

DECEMBER 2022

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

BE IT RESOLVED that the Southern Skyland Regional Health Insurance Fund 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 2022

| <u>CheckNumber</u> | <u>VendorName</u> | <u>Comment</u> | <u>InvoiceAmount</u> |
|--------------------|--------------------------------------|---|----------------------|
| 001443 | | | |
| 001443 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 731345395 - COUNTY - 12/22 | 20,613.34 |
| 001443 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 488920617 - LIBRARY - 11/22 | 624.85 |
| 001443 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 271255463 - BOSS - 12/22 | 25,040.29 |
| 001443 | HORIZON BLUE CROSS BLUE SHIELD OF NJ | 273954962 - LIBRARY - 12/22 | 8,279.43 |
| | | | 54,557.91 |
| 001444 | | | |
| 001444 | PERMA RISK MANAGEMENT SERVICES | POSTAGE 11/22 | 27.06 |
| 001444 | PERMA RISK MANAGEMENT SERVICES | ENROLLMENT 12/22 | 7,928.00 |
| 001444 | PERMA RISK MANAGEMENT SERVICES | PROGRAM MANAGER FEES 12/22 | 21,802.00 |
| 001444 | PERMA RISK MANAGEMENT SERVICES | ADMINISTRATION FEES 12/22 | 13,874.00 |
| | | | 43,631.06 |
| 001445 | | | |
| 001445 | KEPRO | CLAIMS REVIEW SKYLANDS 2/22 | 600.00 |
| 001445 | KEPRO | CLAIMS REVIEW SKYLANDS 11/21 | 475.00 |
| 001445 | KEPRO | CLAIMS REVIEW SKYLANDS 6/22 | 625.00 |
| | | | 1,700.00 |
| 001446 | | | |
| 001446 | SCVTHS | WELL HEALTHY STAFF LUNCH 10/22 | 540.00 |
| | | | 540.00 |
| 001447 | | | |
| 001447 | HEALTH FAIRS DIRECT | MASSAGE EVENTS 12/22 | 1,100.00 |
| | | | 1,100.00 |
| 001448 | | | |
| 001448 | ACCESS | ACCT #224 002 - ARC. AND STOR. 10.31.22 | 5.93 |
| | | | 5.93 |
| 001449 | | | |
| 001449 | SOMERVILLE URBAN RENEWAL | RENT 12/22 | 16,333.33 |
| | | | 16,333.33 |
| W1222 | | | |
| W1222 | HCC LIFE INSURANCE COMPANY | SPECIFIC REINSURANCE 12/22 | 110,810.74 |
| W1222 | INTEGRITY HEALTH, LLC | HEALTH CARE EXPENSES 11/22 | 167,884.99 |
| W1222 | INTEGRITY HEALTH, LLC | MANAGEMENT FEE 11/22 | 44,907.50 |
| W1222 | UNITED (MEDICARE ADVANTAGE) | MEDICARE ADVANTAGE 12/22 | 56,818.11 |
| W1222 | AETNA | TPA FEES 12/22 | 55,136.41 |
| | | | 435,557.75 |
| W12223 | | | |
| W12223 | INTEGRITY HEALTH, LLC | BE BETTER SYSTEM (W/O COACHING) 10/22 | 1,010.00 |
| | | | 1,010.00 |
| W1222_ | | | |
| W1222_ | CONNER STRONG & BUCKELEW | CSB MARKETING FEE 12/22 | 6,250.00 |
| W1222_ | CONNER STRONG & BUCKELEW | CSB CONSULTANT FEES 12/22 | 11,339.92 |
| | | | 17,589.92 |
| | | Total Payments FY 2022 | 572,025.90 |
| | | TOTAL PAYMENTS ALL FUND YEARS | 572,025.90 |

Chairperson

Attest:

Dated: _____

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

Treasurer

SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED

| Current Fund Year: 2022 | | | | | | | | | | |
|--------------------------------|---------------------|-----------------------|-----------------------|---------------|---------------------|---------------------|---------------------|--------------|---------------------|---------------------|
| Month Ending: November | | | | | | | | | | |
| | Medical | PHC | Rx | Vision | Med.Adv | Reinsurance | Dental | Cont. | Admin | TOTAL |
| OPEN BALANCE | 4,451,011.99 | (1,100,919.53) | (1,221,620.73) | 0.00 | 972,263.15 | (185,048.86) | (470,851.28) | 0.00 | 1,402,396.48 | 3,847,231.22 |
| RECEIPTS | | | | | | | | | | |
| Assessments | 2,162,859.99 | 230,461.80 | 556,925.81 | 0.00 | 44,740.93 | 100,178.30 | 0.00 | 0.00 | 182,677.26 | 3,277,844.09 |
| Refunds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Invest Pymnts | 4,811.60 | 0.00 | 0.00 | 0.00 | 708.18 | 0.00 | 0.00 | 0.00 | 1,021.47 | 6,541.25 |
| Invest Adj | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Subtotal Invest | 4,811.60 | 0.00 | 0.00 | 0.00 | 708.18 | 0.00 | 0.00 | 0.00 | 1,021.47 | 6,541.25 |
| Other * | 58,464.78 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 58,464.78 |
| TOTAL | 2,226,136.37 | 230,461.80 | 556,925.81 | 0.00 | 45,449.11 | 100,178.30 | 0.00 | 0.00 | 183,698.73 | 3,342,850.12 |
| EXPENSES | | | | | | | | | | |
| Claims Transfers | 2,027,122.11 | 0.00 | 909,016.66 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,936,138.77 |
| Expenses | 54,264.29 | 261,882.01 | 0.00 | 0.00 | 0.00 | 108,407.17 | 21,758.22 | 0.00 | 113,843.59 | 560,155.28 |
| Other * | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL | 2,081,386.40 | 261,882.01 | 909,016.66 | 0.00 | 0.00 | 108,407.17 | 21,758.22 | 0.00 | 113,843.59 | 3,496,294.05 |
| END BALANCE | 4,595,761.96 | (1,132,339.74) | (1,573,711.58) | 0.00 | 1,017,712.26 | (193,277.73) | (492,609.50) | 0.00 | 1,472,251.62 | 3,693,787.29 |

**CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES
SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND**

| Month | | November | | | | | | | |
|-------------------|--------------|--------------------------------|---------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|---------------------------------------|---------------------|
| Current Fund Year | | 2022 | | | | | | | |
| | | 1. | 2. | 3. | 4. | 5. | 6. | 7. | 8. |
| Policy Year | Coverage | Calc. Net Paid Thru Last Month | Monthly Net Paid November | Monthly Recoveries November | Calc. Net Paid Thru November | TPA Net Paid Thru November | Variance To Be Reconciled | Delinquent Unreconciled Variance From | Change This Month |
| 2022 | Medical | 7,207,971.10 | 2,018,683.77 | 0.00 | 9,226,654.87 | 0.00 | 9,226,654.87 | 7,207,971.10 | 2,018,683.77 |
| | Dental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Rx | 3,000,506.41 | 909,016.66 | 0.00 | 3,909,523.07 | 0.00 | 3,909,523.07 | 3,000,506.41 | 909,016.66 |
| | Vision | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total | 10,208,477.51 | 2,927,700.43 | 0.00 | 13,136,177.94 | 0.00 | 13,136,177.94 | 10,208,477.51 | 2,927,700.43 |

| SUMMARY OF CASH AND INVESTMENT INSTRUMENTS | | | |
|---|---------------------------------------|-----------------|-----------------|
| SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND | | | |
| ALL FUND YEARS COMBINED | | | |
| CURRENT MONTH | November | | |
| CURRENT FUND YEAR | 2022 | | |
| Description: | | Investors Bank | 0 |
| ID Number: | | | |
| Maturity (Yrs) | | | |
| Purchase Yield: | | | |
| TOTAL for All | | | |
| Accts & instruments | | | |
| Opening Cash & Investment Balance | \$3,847,231.22 | 3,847,231.22 | - |
| Opening Interest Accrual Balance | \$0.00 | - | - |
| 1 | Interest Accrued and/or Interest Cost | \$0.00 | \$0.00 |
| 2 | Interest Accrued - discounted Instr.s | \$0.00 | \$0.00 |
| 3 | (Amortization and/or Interest Cost) | \$0.00 | \$0.00 |
| 4 | Accretion | \$0.00 | \$0.00 |
| 5 | Interest Paid - Cash Instr.s | \$6,541.25 | \$6,541.25 |
| 6 | Interest Paid - Term Instr.s | \$0.00 | \$0.00 |
| 7 | Realized Gain (Loss) | \$0.00 | \$0.00 |
| 8 | Net Investment Income | \$6,541.25 | \$6,541.25 |
| 9 | Deposits - Purchases | \$3,336,308.87 | \$3,336,308.87 |
| 10 | (Withdrawals - Sales) | -\$3,496,294.05 | -\$3,496,294.05 |
| | Ending Cash & Investment Balance | \$3,693,787.29 | \$3,693,787.29 |
| | Ending Interest Accrual Balance | \$0.00 | \$0.00 |
| | Plus Outstanding Checks | \$9,065.28 | \$9,065.28 |
| | (Less Deposits in Transit) | \$0.00 | \$0.00 |
| | Balance per Bank | \$3,702,852.57 | \$3,702,852.57 |
| | | \$0.00 | |

RESOLUTION NO. 11-23

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
APPROVAL OF THE NOVEMBER AND DECEMBER 2022 BILLS LIST**

WHEREAS, the **Southern Skyland Regional Health Insurance Fund** held a Public Meeting on **January 10, 2023** for the purposes of conducting the official business of the Fund; and

WHEREAS, The Treasurer for the Fund presented bills lists to satisfy outstanding costs incurred for operating the Fund during the month of November 2022 for consideration and approval of the Executive Committee and

WHEREAS, a quorum of the Commissioners was present thereby conforming with the Policies and Procedures of the Fund to conduct official business of the Fund,

NOW THEREFORE BE IT RESOLVED the of the Southern Skyland Regional Health Insurance Fund hereby approve the Supplemental Bills List for November and the Bills List for November and December 2022 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 Insurance Funds.

ADOPTED: January 10, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY



Southern Skylands Regional Partnership Health Centers Utilization Report

Date

PHC Visits Specialized Service

| Catagory | 01_Subscriber | 02_Dependent | Total |
|---|---------------|--------------|-------------|
| County of Somerset | 654 | 307 | 961 |
| Somerset County Library | 65 | 27 | 92 |
| Somerset County Park Commission | 85 | 50 | 135 |
| Somerset County Vocational & Technical School | 24 | 35 | 59 |
| Total | 828 | 419 | 1247 |

| Service | 01_Subscriber | 02_Dependent | Total |
|--------------------|---------------|--------------|-------------|
| Behavioral Health | 1 | 2 | 3 |
| Care Coordination | 66 | 18 | 84 |
| COVID19 Test | 59 | 51 | 110 |
| COVID19 Vaccine | 18 | 6 | 24 |
| Flu Shot | 23 | 12 | 35 |
| Lab | 28 | 9 | 37 |
| Member Services | 8 | 7 | 15 |
| Pharmacy | 432 | 201 | 633 |
| Physical Therapy | 34 | 17 | 51 |
| Physician or Nurse | 133 | 78 | 211 |
| Telemedicine BH | 1 | 1 | 2 |
| Telemedicine PT | 19 | 11 | 30 |
| Telephone | 3 | 4 | 7 |
| Xray | 3 | 2 | 5 |
| Total | 828 | 419 | 1247 |

PHC Patients

| Catagory | 01_Subscriber | 02_Dependent | Total |
|---|---------------|--------------|------------|
| County of Somerset | 281 | 144 | 424 |
| Somerset County Library | 30 | 12 | 42 |
| Somerset County Park Commission | 43 | 16 | 59 |
| Somerset County Vocational & Technical School | 12 | 14 | 26 |
| Total | 366 | 186 | 551 |

Rx Drugs Dispensed

| Catagory | 01_Subscriber | 02_Dependent | Total |
|---|---------------|--------------|------------|
| County of Somerset | 494 | 251 | 745 |
| Somerset County Library | 62 | 23 | 85 |
| Somerset County Park Commission | 65 | 35 | 100 |
| Somerset County Vocational & Technical School | 22 | 25 | 47 |
| Total | 643 | 334 | 977 |



**SOUTHERN SKYLANDS
EMPLOYEE BENEFITS FUND**

Monthly Claim Activity Report

January 10, 2023



Southern Skyland Regional Health Insurance Fund

| | MEDICAL CLAIMS PAID 2021 | # OF EES | PER EE | MEDICAL CLAIMS PAID 2022 | # OF EES | PER EE |
|---------------|-------------------------------------|-----------------|---------------|-------------------------------------|-----------------|----------------|
| JANUARY | \$1,741,555 | 1,579 | \$ 1,103 | \$ 2,173,282 | 1532 | \$ 1,419 |
| FEBRUARY | \$1,530,684 | 1,583 | \$ 967 | \$ 1,741,256 | 1521 | \$ 1,145 |
| MARCH | \$2,519,533 | 1,567 | \$ 1,608 | \$ 2,371,067 | 1496 | \$ 1,585 |
| APRIL | \$2,416,495 | 1,566 | \$ 1,543 | \$ 1,719,709 | 1482 | \$ 1,160 |
| MAY | \$2,269,061 | 1,564 | \$ 1,451 | \$ 2,182,352 | 1480 | \$ 1,475 |
| JUNE | \$2,757,243 | 1,560 | \$ 1,767 | \$ 1,685,575 | 1476 | \$ 1,141.99 |
| JULY | \$2,212,921 | 1,566 | \$ 1,413 | \$ 1,748,691 | 1469 | \$ 1,190.40 |
| AUGUST | \$2,358,583 | 1,548 | \$ 1,524 | \$ 2,320,216 | 1,465 | \$ 1,583.77 |
| SEPTEMBER | \$1,657,779 | 1,548 | \$ 1,071 | \$ 1,558,216 | 1,453 | \$ 1,072.41 |
| OCTOBER | \$1,693,086 | 1,541 | \$ 1,099 | \$ 1,962,921 | 1,453 | \$ 1,350.94 |
| NOVEMBER | \$2,191,919 | 1,535 | \$ 1,428 | \$ 2,473,041 | 1,464 | \$ 1,689.24 |
| DECEMBER | \$2,362,533 | 1,529 | \$ 1,545 | | | |
| TOTALS | \$25,711,393 | | | \$21,936,326 | | |
| | | | | 2022 Average | 1,481 | \$1,347 |
| | | | | 2021 Average | 1,557 | \$1,377 |

Large Claimant Report (Drilldown) - Claims Over \$50000

Plan Sponsor Unique ID : All
Customer: All
Group / Control: 00115332 - SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE

Paid Dates: 09/01/2022 - 09/30/2022
Service Dates: 01/01/2011 - 09/30/2022
Line of Business: All

| | Billed Amt | Paid Amt |
|---------------|---------------------|---------------------|
| | \$282,583.55 | \$123,016.67 |
| | \$61,467.54 | \$75,107.40 |
| | \$105,758.00 | \$61,474.86 |
| | \$91,227.02 | \$54,591.32 |
| Total: | \$541,036.11 | \$314,190.25 |

Large Claimant Report (Drilldown) - Claims Over \$50000

Plan Sponsor Unique ID : All
Customer: All
Group / Control: 00115332 - SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE

Paid Dates: 10/01/2022 - 10/31/2022
Service Dates: 01/01/2011 - 10/31/2022
Line of Business: All

| | Billed Amt | Paid Amt |
|---------------|---------------------|--------------------|
| | \$252,288.34 | \$89,627.86 |
| Total: | \$252,288.34 | \$89,627.86 |

Large Claimant Report (Drilldown) - Claims Over \$50000

Plan Sponsor Unique ID : All
Customer: All
Group / Control: 00115332 - SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE

Paid Dates: 11/01/2022 - 11/30/2022
Service Dates: 01/01/2011 - 11/30/2022
Line of Business: All

| | Billed Amt | Paid Amt |
|---------------|-----------------------|---------------------|
| | \$307,619.16 | \$120,751.92 |
| | \$265,705.95 | \$100,122.47 |
| | \$135,900.80 | \$83,818.39 |
| | \$675,930.98 | \$76,500.39 |
| Total: | \$1,385,156.89 | \$381,193.17 |



Medical Claims Paid Per Member:
January 2022 – November 2022
 Total Medical Paid per EE: \$1,347

Network Discounts

| | |
|------------------|--------------|
| Inpatient: | 66.0% |
| Ambulatory: | 69.2% |
| Physician/Other: | 65.2% |
| TOTAL: | 66.8% |

Provider Network

| | |
|--------------------------|-------|
| % Admissions In-Network: | 91.7% |
| % Physician Office: | 93.9% |

Aetna Book of Business:
 Admissions 97.3%; Physician 91.4%

Top Facilities Utilized
 (by total Medical Spend)

- RWJUH Somerset
- Morristown Medical
- Hunterdon Medical Center
- RWJUH New Brunswick
- Mount Sinai Medical Center

Catastrophic Claim Impact
 (Jan 2022 thru Nov. 2022)

| | |
|---------------------------------|-----------|
| Number of Claims Over \$50,000: | 67 |
| Claimants per 1000 members: | 20.2 |
| Avg. Paid per Claimant: | \$113,708 |
| Percent of Total Paid: | 36.1% |

- Aetna BOB- HCC account for an average of 42.3% of total Medical Cost

Aetna One Choice Member Outreach:
 Thru Nov. 2022

| | |
|--|-----|
| Total Members Identified: | 712 |
| Members Targeted for 1:1 Nurse Support : | 216 |
| Members Targeted for Digital Activity: | 375 |
| Members Targeted for Group Coaching: | 121 |
| Member 1:1 outreach completed: | 206 |
| Member 1:1 Outreach in Progress: | 10 |

Allentown Service Center
Performance Goal Metrics YTD 2022

Customer Service Performance

| | |
|----------------------------------|----------|
| 1 st Call Resolution: | 93.38% |
| Abandonment Rate: | 1.06% |
| Avg. Speed of Answer: | 20.8 sec |

Claims Performance

| | |
|---------------------|-----------|
| Financial Accuracy: | 99.66% |
| 90% processed w/in: | 9.8 days |
| 95% processed w/in: | 18.9 days |

Claims Performance (Monthly)
 (November 2022)

| | |
|---------------------|-----------|
| 90% processed w/in: | 5.8 days |
| 95% processed w/in: | 10.0 days |

(Note: This is not a PG metric)

Performance Goals

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

Turnaround Time

| | |
|---------------------|---------|
| 90% processed w/in: | 14 days |
| 95% processed w/in: | 30 days |

At a glance COVID-19 All-time experience

Time period: Jan 2020 - Nov 2022, paid through November 2022

Average Members: 3,448

Key Statistics (Medical Claims Only)

| | | |
|------------------------------------|--|---------------------------|
| \$2,839,573 Medical Paid | 4.2% % of Total Medical Paid | 3,022 Claimants |
|------------------------------------|--|---------------------------|

More detailed information is found on the next page to help you answer critical questions:

- ✓ How is COVID-19 impacting our health care spend? What is the context of trends and spend distribution across cost categories?
- ✓ How many members are affected?
- ✓ How many claims-based tests have been conducted for the virus and antibodies?
- ✓ How many individuals have received vaccinations?
- ✓ How is COVID spend trending in 2021 compared to 2020?

Additional views and detailed data tables following the main report also provide specific cost and utilization metrics across age band categories as well as service categories

Claimant Distribution*

How your total claimants break down based on diagnosis code information

| | | | |
|--|------------|--------------------|---|
| | 837 | \$1,917,903 | Confirmed |
| | 42 | \$26,286 | Probable |
| | 1,662 | \$831,510 | Exposure |
| | 481 | \$63,875 | Lab test, screening encounter or vaccine only |

*refer to Report terms on page 1

COVID-19 population risk*

36.8%
Members at risk for severe illness

General risk for contracting COVID-19 exists across the population. Age and underlying health conditions are associated with higher risk for severe illness with the potential for severe symptoms, hospitalizations, ICU services, and poorer outcomes.

The pie chart shows the number and percent of your population with CDC-identified "higher risk for severe illness" status.

The bar chart displays this information by member type.

* See page one for High Risk definition.

Population risk for severe illness

Higher risk for severe illness, by member type

Testing

| | | | | |
|--|----------------------------------|----------------------------------|-----------------------------------|--|
| \$900,161 Total Paid - All Tests | 2,701 Unique Claimants | 7,955 # of Viral Tests | 839 # of Antibody Tests | 0 # of Home Tests (via Rx Benefit) |
|--|----------------------------------|----------------------------------|-----------------------------------|--|

Vaccine Administration (Medical & Pharmacy)*

| | | | |
|--|--|--|-------------------------------------|
| \$55,513 Total Paid for Vaccine Administration | 797 Unique Claimants Members with a Vaccination | 599 Members Fully Vaccinated** | 14.14% % Fully Vaccinated |
|--|--|--|-------------------------------------|

*Includes claims paid under the Aetna Pharmacy benefit plan if applicable
 **The unique count of members >= 5 years of age who have received all of the required doses based on claims received



EXPRESS SCRIPTS®

FORMULARY UPDATE ON HUMIRA

Humira is a biologic drug used to treat numerous auto-immune diseases such as Rheumatoid Arthritis, Ulcerative Colitis, and Crohn's Disease, to name a few. Although it is not the only drug in its class, Humira is often considered as superior due to its simpler dosing and improved side effect profile when compared to others in its class. Humira was FDA approved in 2002 and has since become one of the top-selling drugs in the market.

Biosimilars are biologic drugs that are similar in structure, function, and produce a similar clinical response to innovator biologic drugs, such as Humira. Prior to biosimilars entering the market, manufacturers were able to set high prices on drugs like Humira due to the absence of competition. However, with the rising number of biologics gaining FDA approval, there is promise in driving down rising medication costs for patients. In 2023, there are potentially 10 new drugs launching that are biosimilars to Humira.

With these exciting changes in the upcoming year, Express Scripts has decided to keep Humira as a preferred inflammatory therapy on all standard commercial formularies. Patients who have been receiving Humira will not experience any disruption as there is no change to its position on our formularies. Humira biosimilars will be added at the same formulary position as Humira starting in 2023. We are co-preferring the innovator brand and biosimilar drug to deliver the lowest cost to our clients and patients regardless if the prescriber chooses the innovator drug or biologic.

Southern Skylands Regional Health Insurance Fund

| Total Component/Date of Service (Month) | 2021 01 | 2021 02 | 2021 03 | 2021 Q1 | 2021 04 | 2021 05 | 2021 06 | 2021 Q2 | 2021 07 | 2021 08 | 2021 09 | 2021 Q3 | 2021 10 | 2021 11 | 2021 12 | 2021 Q4 | 2021 YTD |
|--|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-------------|
| Membership | 3,879 | 3,896 | 3,869 | 3,881 | 3,854 | 3,831 | 3,806 | 3,830 | 3,794 | 3,810 | 3,815 | 3,806 | 3,797 | 3,782 | 3,765 | 3,781 | 3,825 |
| Total Days | 181,122 | 175,401 | 219,379 | 575,902 | 187,695 | 189,352 | 204,887 | 581,934 | 190,727 | 198,822 | 203,737 | 593,286 | 184,867 | 201,278 | 209,174 | 595,319 | 2,346,441 |
| Total Patients | 1,523 | 1,514 | 1,670 | 2,334 | 1,645 | 1,646 | 1,645 | 2,437 | 1,621 | 1,636 | 1,637 | 2,441 | 1,648 | 1,710 | 1,699 | 2,490 | 3,192 |
| Total Plan Cost | \$806,368 | \$797,409 | \$863,940 | \$2,467,717 | \$953,467 | \$842,852 | \$803,535 | \$2,599,855 | \$781,411 | \$851,077 | \$771,373 | \$2,403,861 | \$728,293 | \$858,798 | \$838,056 | \$2,425,146 | \$9,896,579 |
| Generic Fill Rate (GFR) - Total | 82.7% | 82.0% | 81.3% | 81.9% | 79.1% | 81.5% | 81.9% | 80.8% | 83.4% | 81.3% | 81.0% | 81.9% | 78.8% | 79.7% | 80.8% | 79.8% | 81.1% |
| Plan Cost PMPM | \$207.88 | \$204.67 | \$223.30 | \$211.93 | \$247.40 | \$220.01 | \$211.12 | \$226.25 | \$205.96 | \$223.38 | \$202.19 | \$210.51 | \$191.81 | \$227.08 | \$222.59 | \$213.78 | \$215.62 |
| Total Specialty Plan Cost | \$370,533 | \$370,842 | \$349,850 | \$1,091,225 | \$500,592 | \$387,589 | \$339,858 | \$1,228,039 | \$332,596 | \$353,952 | \$311,314 | \$997,861 | \$309,619 | \$370,127 | \$350,566 | \$1,030,312 | \$4,347,437 |
| Specialty % of Total Specialty Plan Cost | 46.0% | 46.5% | 40.5% | 44.2% | 52.5% | 46.0% | 42.3% | 47.2% | 42.6% | 41.6% | 40.4% | 41.5% | 42.5% | 43.1% | 41.8% | 42.5% | 43.9% |

| Total Component/Date of Service (Month) | 2022 01 | 2022 02 | 2022 03 | 2022 Q1 | 2022 04 | 2022 05 | 2022 06 | 2022 Q2 | 2022 07 | 2022 08 | 2022 09 | 2022 Q3 | 2022 10 | 2022 11 | 2022 12 | 2022 Q4 | 2022 YTD |
|--|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|-----------|-----------|---------|---------|----------|
| Membership | 3,777 | 3,753 | 3,762 | 3,764 | 3,752 | 3,730 | 3,734 | 3,739 | 3,711 | 3,700 | 3,687 | 3,699 | 3,682 | 3,698 | | | |
| Total Days | 198,139 | 187,439 | 213,152 | 598,730 | 193,346 | 199,762 | 205,729 | 598,837 | 191,384 | 208,504 | 199,324 | 599,312 | 194,896 | 203,775 | | | |
| Total Patients | 1,652 | 1,586 | 1,660 | 2,425 | 1,646 | 1,671 | 1,632 | 2,431 | 1,617 | 1,673 | 1,624 | 2,403 | 1,741 | 1,772 | | | |
| Total Plan Cost | \$771,990 | \$661,499 | \$773,313 | \$2,206,802 | \$702,740 | \$741,034 | \$708,887 | \$2,152,661 | \$754,220 | \$823,835 | \$721,911 | \$2,288,244 | \$670,657 | \$738,463 | | | |
| Generic Fill Rate (GFR) - Total | 81.5% | 82.2% | 83.3% | 82.4% | 83.0% | 82.3% | 84.0% | 83.1% | 80.5% | 81.7% | 79.5% | 80.6% | 77.6% | 80.2% | | | |
| Plan Cost PMPM | \$204.39 | \$176.26 | \$205.56 | \$195.43 | \$187.30 | \$198.67 | \$189.85 | \$191.93 | \$203.24 | \$222.66 | \$195.80 | \$206.19 | \$182.14 | \$199.69 | | | |
| % Change Plan Cost PMPM | -1.7% | -13.9% | -7.9% | -7.8% | -24.3% | -9.7% | -10.1% | -15.2% | -1.3% | -0.3% | -3.2% | -2.1% | -5.0% | -12.1% | | | |
| Total Specialty Plan Cost | \$329,011 | \$199,966 | \$240,119 | \$769,096 | \$254,966 | \$238,961 | \$245,662 | \$739,588 | \$313,058 | \$285,351 | \$256,812 | \$855,221 | \$242,606 | \$205,742 | | | |
| Specialty % of Total Specialty Plan Cost | 42.6% | 30.2% | 31.1% | 34.9% | 36.3% | 32.2% | 34.7% | 34.4% | 41.5% | 34.6% | 35.6% | 37.4% | 36.2% | 27.9% | | | |

| PMPM | |
|------------------|----------|
| Q3 2021 | \$210.51 |
| Q3 2022 | \$206.19 |
| Trend - 2021 YTD | -2.1% |

APPENDIX I

**SOUTHERN SKYLAND REGIONAL HEALTH INSURANCE FUND
OPEN PUBLIC MEETING
OCTOBER 11, 2022
12:00 PM**

Meeting called to order by Fund Chair. The Open Public Meeting Notice was read into record.

ROLL CALL OF 2022 EXECUTIVE COMMITTEE:

| | |
|---|---------|
| William Hyncik, Fund Chair, Somerset County VoTech | Present |
| Brian Auger Fund Secretary, Somerset County Library | Present |
| Geoffrey Soriano, Somerset County Parks Commission | Present |
| Sara Sooy, County of Somerset | Present |

FUND PROFESSIONALS PRESENT:

| | |
|------------------------|--|
| Executive Director | PERMA Risk Management Services Brandon Lodics Emily Koval Jordyn DeLorenzo |
| Program Manager | Conner Strong & Buckelew Crystal Bailey |
| Fund Attorney | Scholl, Whittlesey & Gruenberg, LLC Frank Whittlesey |
| Fund Treasurer | Yvonne Childress |
| Aetna | Jason Silverstein |
| Express Scripts | Charles Yuk |
| Fund Actuary | Absent |
| Integrity Health | Douglas Forrester |
| Fund Auditor | Digesh Patel - Absent Jack Hummell - Absent |

ALSO PRESENT:

Colleen Mahr
Deanna Rivera
Diane Peterson
Donna Umgelter
Joe Graham
John Bruno
John Lajewski
Lilly Lazroe
Arge Mardakis
Nick Trasente

Raelene Sipple

MOTION TO APPROVE THE OPEN MINUTES OF SEPTEMBER 13, 2022:

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: **Unanimous**

EXECUTIVE DIRECTOR'S REPORT

FINANCIAL REPORTS - COMMISSION AND HEALTH INSURANCE FUND

- 1. Skylands Fund Financial Fast Track - August 31, 2022**
- 2. Ratios Report - as of August 2022**

Mrs. Koval reviewed the financials for the month of August. She said the fund has another profitable month, although not quite as profitable as prior months this year, which is expected in August as many teachers often use their benefits in the summer so we may have had a higher utilization from the Vo-tech. Otherwise, the Fund surplus is at \$2.8 million which is about 1 months of claims as a reserve. The fund likes to see the surplus retention closer to 2.5 months of claims and she stated that she believes the Fund should get close by the end of the year if we continue this trend. September was another profitable month according to our bank statement.

2023 DRAFT BUDGET ADOPTION - Mrs. Koval stated that since introduction, the fund received the Horizon dental renewal, which is simply a pass through for fully insured claims for the County and the Library. She said the original introduction had estimated 5%. Other than that, there have been no updates to the budget. Mrs. Koval opened the floor to any questions or comments from the board.

MOTION TO OPEN PUBLIC HEARING

MOTION: Commissioner Auger
SECOND: Commissioner Sooy
VOTE: Unanimous

MOTION TO CLOSE PUBLIC HEARING

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: Unanimous

MOTION: *Motion to approve Resolution 20-22 to adopt the Southern Skylands Regional Health Insurance Fund 2023 Budget in the amount of \$42,222,302.*

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: 4 Ayes, 0 Nays

NEW MEMBER - FANWOOD BOROUGH - Mrs. Koval stated that the fund possibly has a new member coming into the fund in 2023. This is very preliminary at this point and the fund is still reviewing in further detail. Although, since there is not another scheduled meeting for 2022, it would be preferred to have authorization from the committee to approve membership to avoid having an

additional meeting later this year for this one item. The membership offer is contingent upon the group accepting the membership and a fully executed indemnity and trust agreement and resolution. Colleen Mahr, the Mayor of Fanwood Borough, introduced herself and shared interest in the Fund.

MOTION: *Motion to adopt resolution 21-22 to offer membership to Fanwood Borough effective January 1, 2023 contingent upon a fully executed Indemnity and Trust Agreement.*

MOTION: Commissioner Soriano

SECOND: Commissioner Auger

VOTE: 4 Ayes, 0 Nays

STOP LOSS -Mrs. Koval stated that she will be forwarding the final offer for the stoploss program once received.

PROGRAM MANAGERS REPORT:

EXPRESS-SCRIPTS UPDATE – Ms. Bailey stated that ESI’s 2023 Exclusion List has been released. The Program Manager will sent the Exclusion List to all brokers with Skyland’s specific aggregate impact information on September 8th. Impacted members, physicians, and pharmacists will be notified about the upcoming 2023 medication exclusions. The 2023 National Preferred Formulary list will be available late October/early November.

She stated that the CMS Annual Open Enrollment period for the 2023 plan year is October 15 – December 7. ESI has begun gathering information needed for their annual mailing campaign for the 2023 Notice of Creditable Coverage (NOCC). To meet the CMS requirement, Express Scripts will mail the NOCC letters the week of September 19th and September 26th to those age 65 and older enrolled in ESI coverage through the HIFs. The Program Manager team has provided ESI with an updated letter template for the new plan year for each HIF in preparation of the mailing.

OPERATIONAL UPDATES – Ms. Bailey reviewed the following:

The State Health Benefit Plan for Local Governments has adopted the rates for 2023. Premium increases are based on the results presented at the July 13, 2022 Commission Meeting. There are no changes to the Local Government plans. Below is an outline of the overall rate increases:

| 2023 Rate Action | State Plan - Government |
|-------------------------|--------------------------------|
| Active Medical | 24% |
| Active Pharmacy | 3.7% |
| Early Retiree Medical | 16.6% |
| Early Retiree Pharmacy | -5.7% |
| Medicare Plan | 0.7% |

The State Educators Health Benefit Plan has adopted the rates for 2023. Premium increases are based on the results presented at the July 13, 2022 Commission Meeting. There are no changes to the State Educators Health Benefit plans. Below is an outline of the overall rate increases:

| 2023 Rate Action | State Plan - Educators |
|-------------------------|-------------------------------|
|-------------------------|-------------------------------|

| | |
|---------------------|--------|
| NJ Direct 10/15 | 15.6% |
| NJEHP | 15.6% |
| Pharmacy | 10.8% |
| Early Retiree NJEHP | 13.6% |
| Medicare Plan | (0.1%) |

Open Enrollment – 1/1/23 (Passive)

1. Skylands OE will be held October 31st through November 11th
2. All OE updates should be completed in Benefit Express by November 18th to allow time for ID cards to be delivered to members by 1/1/23
3. Garden State Plan will be added to all school groups that did not add the plan previously
4. OE guide guides are currently being updated and will be sent once finalized

2022 LEGISLATIVE REVIEW

COVID -19

National Emergency Declaration - Extended through March 2023.

Mrs. Bailey stated that the FREE Tests from the Government are **No longer available** effective September 2, 2022, due to lack of funding. She stated that members can still get the tests through ESI.

Medical and Rx Reporting

The Medical and Rx Reporting provision (section 204) of the Consolidated Appropriations Act (CAA) requires health plans and payors to report information on plan medical costs and prescription drug spending to the Secretaries of Health and Human Services, Labor, and the Treasury on an annual basis. This requirement applies to insurers and self-funded health plans offering group or individual health insurance coverage.

On Aug. 20, 2021, the government released additional guidance on Consolidated Appropriations Act (CAA) implementation in a [Frequently Asked Questions \(FAQs\)](#) document. In the FAQ, the Departments of Health and Human Services, Labor, and **Medical and Rx Reporting**

The Medical and Rx Reporting provision (section 204) of the Consolidated Appropriations Act (CAA) requires health plans and payors to report information on plan medical costs and prescription drug spending to the Secretaries of Health and Human Services, Labor, and the Treasury on an annual basis. This requirement applies to insurers and self-funded health plans offering group or individual health insurance coverage.

On Aug. 20, 2021, the government released additional guidance on Consolidated Appropriations Act (CAA) implementation in a [Frequently Asked Questions \(FAQs\)](#) document. In the FAQ, the Departments of Health and Human Services, Labor, and Treasury indicated that enforcement of the first Medical and Rx report submission will be deferred, pending the issuance of regulations or further guidance. Until regulations or further guidance is issued, the Departments strongly encouraged plans and issuers to start working to ensure that they are in a position to be able to begin reporting the required information with respect to **2020 and 2021 data by Dec. 27, 2022.**

On Nov. 17, 2021, the departments released an interim final rule with request for comments (IFC).

Based on the IFC guidance, Express Scripts will submit an aggregated file for Rx data only to the government during the mandated filing period of Dec.1 – Dec.27, 2022. The Program Manager Team has provided ESI with the requested information to submit the filing.

Aetna and AmeriHealth will submit filings to the government on behalf of the HIFs using information in their system.

Mental Health Parity and Addiction Equity Act (MHPAE)

In December of 2020 Congress passed into Law the Consolidated Appropriateness Act. The Law addresses how the DOL, HHS and IRS will assess how well plan sponsors and insured plans are keeping up with compliance requirements under MHPAE (passed in 2008).

Plans and plans sponsors will be required to complete a detailed analysis of the plan, confirming compliance.

On behalf of all self-insured groups, Conner Strong & Buckelew, is working with our TPA and PBM partners to request assistance for our clients in providing the analysis. We will continue to keep you updated on the progress and efforts on the Fund's next steps.

<https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/mental-health-parity/self-compliance-tool.pdf>

No Surprise Billing and Transparency Act– Continued Delays

Medical carriers will provide the HIF with a unique URL/hyperlink to post to the HIF's main public website. The URL/hyperlink is required to be posted by July 1, 2022. The link will automatically refresh each month with any updated information. The Program Manager recommends all groups link their website to the HIF's public website, <https://hifundnj.com/>, there will not be a link sent to the groups. By doing so, this will satisfy the group's obligation for this requirement. The Program Manager sent communication on June 14th to all brokers to share with their groups.

The Health Insurance Funds, including Skylands protect plan members from surprise billing with involuntary out of network balance bills with a hold harmless clause:

- Example: an in-network surgeon contracts with an out of network anesthesiologist. Should the out of network anesthesiologist balance bill the patient, the Funds would hold the member harmless, paying up to the invoiced amount.

The law also imposes certain requirements on the Carriers, PBMs and healthcare providers. Many of these requirements continue to be delayed, but we will continue to work with the insurance providers to assure the Skylands HIF remains compliant.

- Issuing updated ID Cards with additional out of pocket information
- Providing transparency in coverage machine-readable files
- Providing price comparison tools
- Healthcare providers should work with insurance carriers to provide potential patients with good faith estimates of costs

TREASURER – Fund Treasurer stated that the bills lists are included in the agenda and she has nothing to report.

MOTION TO APPROVE RESOLUTION 22-22 APPROVING THE BILLS LIST AND TREASURERS REPORT:

MOTION: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: 4 Ayes, 0 Nays

ATTORNEY - Fund Attorney stated he has no reports to give.

INTEGRITY - Douglas Forrester stated that the Center continues to develop in a robust fashion. He stated he wanted to highlight Lilly Lazroe to review the report. She stated that the utilization continues to be strong. She stated that they have set up a flu clinic at the center as well as going around and doing a mobile flu clinic. Mr. Forrester stated that there is demand for pain management services. They are in the process of engaging chiropractic and rehabilitation services which will be a good addition to the center for the members. He stated that pain management is a popular interest for many people and having our members get all of their care in a centralized place is the goal of the center.

Nick Trasente stated that Dr. Spector is very good and very caring. Mr. Forrester thanked him for the compliment and stated that it is their goal to provide the best care.

Chair Hyncik asked if new members come into the fund would they be able to utilize the health care center. Mr. Forrester stated that the doors are open to all eligible members and they will be welcomed with open arms.

AETNA: Jason Silverstein reviewed the claims data from August 2022. He stated there were 2 high cost claimants over the threshold over \$50,000 for August. He reviewed the dashboard report stating that the metrics are performing well and the claims turn around time has improved and gone back to normal processing times. He reviewed the Covid 19 report stating that they have gone up since August.

EXPRESS SCRIPTS: Charles Yuk reviewed the ESI report for the month of August included in the agenda. He stated that the total plan cost was \$823,835. The generic fill rate is at 81.7%. He stated that this is because of the specialty utilization as well as generic fill rate. There are not many significant changes in comparison to previous numbers.

OLD BUSINESS - None

NEW BUSINESS - None

PUBLIC COMMENT - None.

MOTION TO ADJOURN:

MOVED: Commissioner Auger
SECOND: Commissioner Soriano
VOTE: Unanimous

MEETING ADJOURNED: 12:40pm

NEXT MEETING: January 10, 2023

Minutes prepared by:

Jordyn DeLorenzo, Assistant Account Manager

APPENDIX II

Southern Skylands Regional Fund 2023 Specialized Audits

Mental Health Parity Act

The Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) is a federal law that generally prohibits group health plans and health insurance issuers that provide mental health or substance use disorder (MH/SUD) benefits from imposing less-favorable benefit limitations on those benefits than on medical/surgical benefits. Benefit treatment limitations include quantitative treatment limits (QTLs), which are expressed numerically (such as a certain number of outpatient visit limits), and non-quantitative treatment limits (NQTLs), which otherwise limit the scope or duration of benefits for treatment under a plan or coverage.

Group health plans are required to perform and document comparative analyses of the design and application of NQTLs on MH/SUD benefits in order to demonstrate compliance with the MHPAEA. Under the Consolidated Appropriations Act (CAA), plans are required to have an NQTL comparative analyses and supporting information demonstrating such compliance with MHPAEA and its requirements.

AIM will review the plan language and Aetna's NQTL analysis performed for the HIF to determine compliance with the MHPAEA. AIM will assess the HIF benefit plan designs for QTL compliance and determine if the plan design contains any red flags (e.g., PCP vs Specialist; nutritional counseling; autism limits) and provide recommendations for remediation.

No Surprises Act

The No Surprises Act (NSA) protects people covered under group health plans from receiving surprise medical bills when they receive most emergency services, non-emergency services from out-of-network providers at in-network facilities, and services from out-of-network air ambulance service providers. It also establishes an independent dispute resolution process for payment disputes between plans and providers and provides new dispute resolution opportunities for uninsured and self-pay individuals when they receive a medical bill that is substantially greater than the good faith estimate they get from the provider.

AIM will review HIF claims to determine if Aetna is adjudicating claims in accordance with the requirements and mandates of the NSA. AIM will identify any changes in prices paid to out-of-network providers such as anesthesiologists at in-network facilities and to in-network anesthesiologists before and after surprise-billing legislation.

Gene Therapy

Later in the year or as cases come to light, AIM will review Gene Therapy costs under the HIF. AIM will confirm the claims administrator is administering the necessary care management programs associated with the advances in science and medicine, specifically this new type of disease mediation: Gene Therapy.