

Southern Jersey ^{FUND}



SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND

AGENDA & REPORTS

JUNE 26, 2023

COLLINGSWOOD COMMUNITY CENTER

30 Collings Ave, Collingswood, NJ 08108

4:15 PM

STATEMENT OF COMPLIANCE WITH OPEN PUBLIC MEETINGS ACT

NOTICE OF THIS MEETING WAS GIVEN BY (1) SENDING SUFFICIENT NOTICE HERewith TO THE BURLINGTON COUNTY TIMES AND THE COURIER POST

(2) FILING ADVANCE WRITTEN NOTICE OF THIS MEETING WITH THE CLERK/ADMINISTRATOR OF EACH MEMBER MUNICIPALITY AND (3) POSTING A COPY OF THE MEETING NOTICE ON THE PUBLIC BULLETIN BOARD OF ALL MEMBER MUNICIPALITIES.

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
AGENDA
MEETING: JUNE 26, 2023
COLLINGSWOOD COMMUNITY CENTER
30 Collings Ave, Collingswood, NJ 08108
4:15 PM

MEETING CALLED TO ORDER - OPEN PUBLIC MEETING NOTICE READ

FLAG SALUTE - MOMENT OF SILENCE

ROLL CALL OF 2023 EXECUTIVE COMMITTEE

Michael Mevoli, Chairman
Joseph Wolk, Secretary
Louis DiAngelo, Executive Committee Member
Terry Shannon, Executive Committee Member
Edward Hill, Executive Committee Member
Robert Maybury, Executive Committee Member
Gary Passanante, Executive Committee Member
Brian Morrell, Executive Committee Alternate
Kenneth Cheeseman, Executive Committee Alternate

APPROVAL OF MINUTES: May 22, 2023

Open (Appendix I)

CORRESPONDENCE - None

REPORTS:

EXECUTIVE DIRECTOR (PERMA)

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Resolution 26-23: Approving the 2023 Audit.....Page 9

PROGRAM MANAGER- (Conner Strong & Buckelew)

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TREASURER - (Verrill & Verrill)

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Treasurers Report.....Page 17
Confirmation of Claims Paid/Certification of Transfers
Ratification of Treasurers Report
Resolution 27-23: Approval of the June 2023 Bills ListPage 20

ATTORNEY - (J. Kenneth Harris)

Monthly Report

NETWORK & THIRD PARTY ADMINISTRATOR - (Aetna)

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NETWORK & THIRD PARTY ADMINISTRATOR - (AmeriHealth)

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PRESCRIPTION ADMINISTRATOR – (Express Scripts)

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DENTAL ADMINISTRATOR – (Delta Dental)

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OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

RESOLUTION - EXECUTIVE SESSION FOR CERTAIN SPECIFIED PURPOSES

PERSONNEL - CLAIMS - LITIGATION

MEETING ADJOURNED

**Southern New Jersey Regional Employee Benefits Fund
Executive Director's Report
June 26, 2023**

FINANCE AND CONTRACTS

PRO FORMA REPORTS

- **Fast Track Financial Report** – as of April 30, 2023 (page 4)

AUDITOR AND ACTUARY YEAR-END REPORTS (TBD)

A copy of the Annual Financial Audit for the period ending December 31, 2022 is included with the agenda. A representative from Bowman and Company is expected to present the report. Once approved, we will make a filing with the Departments of Insurance and Community Affairs to meet their deadline. The Affidavit of Certification and Resolution 26-23 approving the 2022 Audit is included on page 9.

MRHIF MEETING

The MRHIF meet on June 14, 2023. The 2022 Fund Audit was approved with no comments or recommendations. It is available on the MRHIF website.

The following RFPs are being facilitated at the MRHIF level and being issued shortly:

1. Benefits Administration System
2. Medical TPA
3. Dental TPA
4. Near Site Health Centers
5. Marketing Consultant
6. Reinsurance

All RFPs will be reviewed by the MRHIF contracts committee before approval in September. The Contracts Committee recently lost some membership and is seeking new Commissioners! ***Any Commissioner may join the Committee!***

A State-Wide new Business status was provided. All Funds are gaining membership in light of the SHBP renewal:

New Members by Fund	
July 1 - August 1, 2023	
	New Groups
BMED	3
Metro	4
NJHIF	5
CJHIF	3
SNJHIF	8
Coastal	1
SHIF	13

Also, the Commissioners approved to quote a new Fund, the Metropolitan HIF, which is currently a sub-Fund of the BMED and expected to become independent on 1/1/2024.

Lastly, the MRHIF Attorney and Program Manager finalized a stop loss confidentiality agreement with AmeriHealth between the Funds that have a contract with the carrier.

PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE (PCORI) FEE

The PCORI is an independent, nonprofit research organization that seeks to empower patients and others with actionable information about their health and healthcare choices.

As part of the Affordable Care Act (ACA) group health plans are required to pay an annual fee, which is a certain dollar amount per enrollee contributing to the PCORI effort. The fee is considered in the Fund's budget development and paid by the PERMA Accounting team on behalf of all our medical groups.

FINANCIAL DISCLOSURE STATEMENTS

The Financial Disclosure notice emails have been sent to all Fund Commissioners along with delinquent notices from the stated. The deadline for filing was April 30, 2023. Please file as soon as possible. Reminder: A separate filing will need to be done for each position – HIF Fund Commissioner, JIF Fund Commissioner, Local Elected Official, etc.

As of 6/15/2023

Last Name	First Name	Status	Filed
Burton	Robert	ACTIVE	No
Hales Jr.	William	ACTIVE	No

GASB 75 REPORTS

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

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND						
FINANCIAL FAST TRACK REPORT						
		AS OF	April 30, 2023			
		THIS MONTH	YTD CHANGE	PRIOR YEAR END		FUND BALANCE
1.	UNDERWRITING INCOME	5,608,757	21,187,724	1,372,122,523		1,393,310,247
2.	CLAIM EXPENSES					
	Paid Claims	4,091,263	16,474,743	1,117,098,280		1,133,573,023
	IBNR	208,078	783,452	3,805,161		4,588,613
	Less Specific Excess	-	(17,928)	(19,620,933)		(19,638,861)
	Less Aggregate Excess	-	-	(1,807,360)		(1,807,360)
	TOTAL CLAIMS	4,299,341	17,240,267	1,099,475,148		1,116,715,415
3.	EXPENSES					
	MA & HMO Premiums	705,296	2,757,730	36,696,619		39,454,349
	Excess Premiums	81,388	307,768	49,192,677		49,500,444
	Administrative	320,622	1,217,608	121,366,732		122,584,340
	TOTAL EXPENSES	1,107,305	4,283,105	207,256,028		211,539,133
4.	UNDERWRITING PROFIT/(LOSS) (1-2-3)	202,111	(335,648)	65,391,347		65,055,699
5.	INVESTMENT INCOME	20,493	100,886	3,625,367		3,726,253
6.	DIVIDEND INCOME	0	0	11,645,963		11,645,963
7.	STATUTORY PROFIT/(LOSS) (4+5+6)	222,604	(234,762)	80,662,677		80,427,915
8.	DIVIDEND	0	0	72,674,656		72,674,656
9.	Transferred Surplus	0	0	0		0
STATUTORY SURPLUS (7-8+9)		222,604	(234,762)	7,988,021		7,753,259
SURPLUS (DEFICITS) BY FUND YEAR						
Closed	Surplus	13,908	68,153	8,941,928		9,010,081
	Cash	1,206	122,706	13,729,036		13,851,742
2021	Surplus	68,179	(1,503)	(1,018,854)		(1,020,358)
	Cash	68,179	(744)	(941,374)		(942,118)
2022	Surplus	12,712	(400,912)	64,947		(335,965)
	Cash	66,178	1,406,987	(1,568,827)		(161,839)
2023	Surplus	127,805	99,501			99,501
	Cash	(1,430,005)	(5,319,583)			(5,319,583)
TOTAL SURPLUS (DEFICITS)		222,604	(234,762)	7,988,021		7,753,259
TOTAL CASH		(1,294,443)	(3,790,634)	11,218,835		7,428,201
CLAIM ANALYSIS BY FUND YEAR						
TOTAL CLOSED YEAR CLAIMS		3,501	12,585	1,016,343,864		1,016,356,449
FUND YEAR 2021						
	Paid Claims	(66,474)	9,976	37,965,004		37,974,980
	IBNR	-	0	0		0
	Less Specific Excess	-	(513)	(366,162)		(366,675)
	Less Aggregate Excess	-	0	0		0
TOTAL FY 2021 CLAIMS		(66,474)	9,463	37,598,842		37,608,305
FUND YEAR 2022						
	Paid Claims	178,884	3,855,094	41,942,356		45,797,450
	IBNR	(190,258)	(3,424,645)	3,805,161		380,516
	Less Specific Excess	0	(17,415)	(215,072)		(232,487)
	Less Aggregate Excess	0	0	0		0
TOTAL FY 2022 CLAIMS		(11,374)	413,034	45,532,445		45,945,479
FUND YEAR 2023						
	Paid Claims	3,975,352	12,597,088			12,597,088
	IBNR	398,336	4,208,097			4,208,097
	Less Specific Excess	0	0			0
	Less Aggregate Excess	0	0			0
TOTAL FY 2023 CLAIMS		4,373,688	16,805,185			16,805,185
COMBINED TOTAL CLAIMS		4,299,341	17,240,267	1,099,475,150		1,116,715,417

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 New Jersey Regional Employee Benefits Fund
CONSOLIDATED BALANCE SHEET
AS OF APRIL 30, 2023
BY FUND YEAR

	SNJREBF 2023	SNJREBF 2022	SNJREBF 2021	CLOSED YEAR	FUND BALANCE
ASSETS					
Cash & Cash Equivalents	(5,319,583)	(161,839)	(942,118)	13,851,742	7,428,201
Assesmtments Receivable (Prepaid)	8,693,717	218,757	(158,584)	137,989	8,891,879
Interest Receivable	-	-	-	13	13
Specific Excess Receivable	-	18,304	80,345	-	98,648
Aggregate Excess Receivable	-	-	-	-	-
Dividend Receivable	-	-	-	-	-
Prepaid Admin Fees	8,777	-	-	-	8,777
Other Assets	948,117	0	-	-	948,117
Total Assets	4,331,028	75,221	(1,020,358)	13,989,744	17,375,635
LIABILITIES					
Accounts Payable	-	-	-	-	-
IBNR Reserve	4,208,097	380,516	-	-	4,588,613
A4 Retiree Surcharge	-	-	-	-	-
Dividends Payable	-	-	-	128,356	128,356
Retained Dividends	-	-	-	4,851,307	4,851,307
Accrued/Other Liabilities	23,430	30,671	-	-	54,100
Total Liabilities	4,231,527	411,187	-	4,979,663	9,622,376
EQUITY					
Surplus / (Deficit)	99,501	(335,965)	(1,020,358)	9,010,081	7,753,259
Total Equity	99,501	(335,965)	(1,020,358)	9,010,081	7,753,259
Total Liabilities & Equity	4,331,028	75,221	(1,020,358)	13,989,744	17,375,635
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.

17-Jun-23

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND							
RATIOS							
INDICES	2022	JAN	FEB	MAR	APR	MAY	
Cash Position	11,218,835	\$ 11,537,320	\$ 9,784,018	\$ 8,722,644	\$ 7,428,201		
IBNR	3,805,161	\$ 3,833,100	\$ 4,191,538	\$ 4,380,535	\$ 4,588,613		
Assets	16,912,028	\$ 17,201,658	\$ 17,415,171	\$ 16,951,698	\$ 17,375,635		
Liabilities	8,870,793	\$ 8,897,035	\$ 9,237,668	\$ 9,421,043	\$ 9,622,376		
Surplus	8,041,236	\$ 8,304,623	\$ 8,177,503	\$ 7,530,656	\$ 7,753,259		
Claims Paid -- Month	4,627,623	\$ 3,735,395	\$ 3,968,720	\$ 4,679,366	\$ 4,091,263		
Claims Budget -- Month	3,880,661	\$ 4,086,583	\$ 4,153,333	\$ 4,269,459	\$ 4,484,132		
Claims Paid -- YTD	46,228,639	\$ 3,735,395	\$ 7,704,115	\$ 12,383,480	\$ 16,474,743		
Claims Budget -- YTD	45,049,932	\$ 4,086,583	\$ 8,239,917	\$ 12,509,376	\$ 16,993,508		
RATIOS							
Cash Position to Claims Paid	2.42	3.09	2.47	1.86	1.82		
Claims Paid to Claims Budget -- Month	1.19	0.91	0.96	1.1	0.91		
Claims Paid to Claims Budget -- YTD	1.03	0.91	0.93	0.99	0.97		
Cash Position to IBNR	2.95	3.01	2.33	1.99	1.62		
Assets to Liabilities	1.91	1.93	1.89	1.8	1.81		
Surplus as Months of Claims	2.07	2.03	1.97	1.76	1.73		
IBNR to Claims Budget -- Month	0.98	0.94	1.01	1.03	1.02		

Southern NJ Municipal Employee Benefits Fund						
2023 Budget Status Report						
as of April 30, 2023						
				YTD	\$ Variance	% Variance
Expected Losses	YTD Budgeted	Annual	Latest Filed	Expensed		
Medical Claims - All Other	10,474,888	33,028,024	30,380,930			
Medical Claims AmeriHealth - All Other	627,340	1,884,464	1,859,598			
Medical Claims - CCBOSS	3,483,122	10,439,270	10,668,124			
Subtotal Medical	14,585,350	45,351,757	42,908,652	13,915,366	669,984	5%
Prescription Claims - All Other	1,975,827	6,244,829	5,810,083			
Rx Rebates - All Other	(592,749)	(1,873,451)	(1,743,025)			
Prescription Claims - CCBOSS	888,405	2,659,613	2,771,693			
Rx Rebates - CCBOSS	(266,522)	(797,883)	(831,508)			
Subtotal Prescription	2,004,961	6,233,108	6,007,244	2,477,313	(472,352)	-24%
Dental Claims - All Other	348,449	1,054,201	1,009,477			
Dental Claims - CCBOSS	54,748	164,529	162,540			
Subtotal Dental	403,197	1,218,729	1,172,017	412,506	(9,308)	-2%
Subtotal Claims	16,993,508	52,803,595	50,087,913	16,805,185	188,323	1%
Loss Fund Contingency	52,668	158,003	158,003			
DMO Premiums	1,254	4,271	1,104	646	608	48%
Medicare Advantage - All Other	2,127,333	6,572,473	3,262,008			
Medicare Advantage - CCBOSS	641,380	1,921,108	1,941,442			
Subtotal Insured Programs	2,769,967	8,497,852	5,204,554	2,757,083	11,630	0%
Reinsurance						
Specific	307,523	954,352	896,418	307,768	(245)	0%
Total Loss Fund	20,123,665	62,413,802	56,346,888	19,870,682	252,984	1%
Expenses						
Legal	7,535	22,606	22,606	7,536	(0)	0%
Treasurer	5,310	15,930	15,930	5,310	-	0%
Administrator	168,622	519,563	426,114	168,548	74	0%
Program Manager	423,838	1,308,318	1,080,218	623,516	(26,128)	-4%
Brokerage	173,550	(251,333)	494,137	Included above in Program Manager		
TPA - Med Aetna	325,810	1,012,698	972,960	347,152	(279)	0%
TPA - Med AmeriHealth Admin	21,064	63,811	62,149	Included above in TPA		
TPA - Dental	24,326	73,501	70,840	24,409	(83)	0%
Actuary	5,733	17,200	17,200	5,733	(0)	0%
Auditor	5,687	17,060	17,060	5,688	(1)	0%
Subtotal Expenses	1,161,476	2,799,355	3,179,215	1,187,893	(26,417)	-2%
Misc/Cont	7,219	21,657	21,657	7,028	191	3%
Affordable Care Act Taxes	4,349	13,495	12,676	4,354	(5)	0%
Claims Audit	13,333	40,000	40,000	13,333	(0)	0%
Plan Documents	5,000	15,000	15,000	5,000	-	0%
Total Expenses	1,191,376	2,889,507	3,268,548	1,217,608	(26,231)	-2%
Total Budget	21,315,042	65,303,309	59,615,436	21,088,289	226,753	1%

REGULATORY

<u>Monthly Items</u>	<u>Filing Status</u>
Budget	Filed
Assessments	Filed
Actuarial Certification	Filed
Reinsurance Policies	Filed
Fund Commissioners	Filed
Fund Officers	Filed
Renewal Resolutions	Filed
Indemnity and Trust	Filed
New Members	To Be Filed
Withdrawals	N/A
Risk Management Plan and By Laws	Filed
Cash Management Plan	Filed
Unaudited Financials	9/30/2021 Filed
Annual Audit	2022 to be filed
Budget Changes	N/A
Transfers	N/A
Additional Assessments	N/A
Professional Changes	N/A
Officer Changes	N/A
RMP Changes	N/A
Bylaw Amendments	N/A
Contracts	Filed
Benefit Changes	N/A

GROUP AFFIDAVIT FORM
CERTIFICATION OF FUND COMMISSIONERS

Of the
SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND

We the Fund Commissioners of the Southern New Jersey Regional Employee Benefits Fund, of full age, being duly sworn according to law, upon our oath depose and say:

1.) We are duly elected members Fund Commissioners of the Southern New Jersey Regional Employee Benefits Fund.

2.) In the performance of our duties, and pursuant to the Local Finance Board Regulation, we have familiarized ourselves with the contents of the Annual Fund Audit filed with the Secretary of the Fund pursuant to N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36 for the year 2022.

3.) We certify that we have personally reviewed and are familiar with, as a minimum, the sections of the Annual Report of Audit entitled:

GENERAL COMMENTS - RECOMMENDATIONS

_____(L.S.)

_____(L.S.)

_____(L.S.)

_____(L.S.)

_____(L.S.)

_____(L.S.)

_____(L.S.)

_____(L.S.)

Attest:

Secretary to the Fund

The Secretary of the Fund shall set forth the reason for the absence of signature of any members of the Executive Committee.

Important: This certificate must be sent to the Division of Local Government Services, CN 803, Trenton, NJ 08625.

RESOLUTION NO. 26-23

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
CERTIFICATION OF ANNUAL AUDIT REPORT FOR
PERIOD ENDING DECEMBER 31, 2022**

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

WHEREAS, the Annual Report of Audit for the year 2022 has been filed by the appointed Fund Auditor with the Secretary of the Fund as per the requirements of N.J.S.A. 40A:5-6 and N.J.S.A. 40A:10-36, and a copy has been received by each Fund Commissioner, and

WHEREAS, the Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per by N.J.S.A 52:27B-34, and

WHEREAS, the Local Finance Board has promulgated a regulation requiring that the Fund Commissioners of the Fund shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all Fund Commissioners have reviewed, as a minimum, the sections of the annual audit entitled:

General Comments
Recommendations
Auditor's Opinion
And
Single Audit Findings

as evidenced by the group affidavit form of the Fund Commissioners.

WHEREAS, such resolution of certification shall be adopted by the Fund Commissioners no later than forty-five days after the receipt of the annual audit, as per the regulations of the Local Finance Board, and

WHEREAS, all Fund Commissioners have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board, and

WHEREAS, failure to comply with the promulgations of the Local Finance Board of the State of New Jersey may subject the Fund Commissioners to the penalty provisions of R.S. 52:27BB-52 - to wit:

R.S. 52:27BB-52 - "A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be

fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office."

NOW, THEREFORE, BE IT RESOLVED, that the Executive Committee hereby states that they have complied with the promulgation of N.J.A.C 5:30-6.5, dated July 30, 1968, and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

ADOPTED: JUNE 26, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND

Program Manager

June 2023

Program Manager: Conner Strong & Buckelew

Online Enrollment Training: kkidd@permainc.com

Enrollments/Eligibility/Billing: southernnj_enrollments@permainc.com

Brokers: brokerservice@permainc.com

ELIGIBILITY/ENROLLMENT:

Please direct any eligibility, enrollment, or system related questions to our dedicated SNJREBF enrollment team. To contact the team, email southernnj_enrollments@permainc.com or fax to 856-685-2249.

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

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

COVERAGE UPDATES: None

EXPRESS-SCRIPTS UPDATE: None

OPERATIONAL UPDATES:

COVID National Emergency – On April 10, 2023, President Biden signed legislation to end the COVID National Emergency immediately. As a result, the outbreak period for extended COBRA/HIPAA Special Enrollment Period deadlines will end July 10, 2023.

2022 LEGISLATIVE REVIEW: COVID -19

1. **National Emergency Declaration** - On January 30, 2023, the federal government announced the national emergency addressing the Public Health Emergency (PHE) will end May 11, 2023. As a result, the Program Manager recommends the following effective July 1, 2023:
 - COVID-19 vaccines, including boosters – cover at \$0 copay at in network locations only. (Previously covered at any location).
 - COVID-19 At Home Testing Kits – no longer covered by the plan at any retail location or mail order through ESI. Members would be responsible for the full costs of the kit.
 - Diagnostic testing and providers – covered at member cost share.

Resolution 20-23 for the above recommendations was passed at the March 2023 meeting.

2. **At Home COVID-19 Testing - Covered through June 30, 2023**. 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.
3. **FREE Tests from the Government** – Effective **June 1, 2023**, the government has suspended the free at-home COVID-19 test kits to preserve the remaining supply. The program is no longer accepting orders. All orders placed before 11:59PM on May 31, 2023 will be delivered.

At-Home COVID-19 tests kits remain available at local retailers and pharmacies. Additional information on where to purchase test kits can be found at <https://www.covid.gov/tests>

4. **Vaccine Mandates** – **Covered at \$0 at in network location.** 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

2022 Filings – Deadline for carriers to submit the filings for 2022 plan year is June 1, 2023. Aetna, AHA and ESI will submit on behalf of the HIFs. The Program Manager will provide carriers all information needed for submission. Groups do not need to file on an individual basis.

2020 and 2021 Filings - 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.

No Surprise Billing and Transparency Act – Continued Delays

The Health Insurance Funds, including SNJHIF 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 SNJHIF 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

As approved through an RFP through the Program Manager's contract, the HIFs has acquired the services of AIM to conduct specialized audits for the Southern New Jersey Health Insurance Fund (SNJHIF). AIM will complete medical claims audits for claims administered by Aetna. The claim audit being performed will determine Aetna's claim processing and financial accuracy of medical claims. AIM will also perform an Operation Review. Aim will perform an in-depth evaluation of the controls employed by the Aetna to ensure quality administration. **See Appendix.**

Carrier Appeals: None

IRO Submissions: None

Small Claims Committee: None

SOUTHERN NJ REGIONAL EMPLOYEE BENEFITS FUND

BILLS LIST

Resolution

JUNE 2023

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

BE IT RESOLVED that the Southern NJ Regional Employee Benefit Fund's Executive Board,
hereby
authorizes the Fund treasurer to issue warrants in payment of the following claims; and

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

FUND YEAR 2022

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002757			
002757	BOWMAN & COMPANY LLP	PROF. AUDIT SERVICES FOR YE 12/31/22	16,728.00
			16,728.00
002758			
002758	HQSI, INC	REVIEW INV 221215 12/22 & 221130 11/22	1,250.00
			1,250.00
Total Payments FY 2022			17,978.00

FUND YEAR 2023

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
002759			
002759	AMERIHEALTH ADMINISTRATORS	MEDICAL TPA 06/23	5,333.70
			5,333.70
002760			
002760	PERMA	RETIREE FIRST-CITY OF CAMDEN 1/23	7,440.00
002760	PERMA	POSTAGE 05/23	48.60
002760	PERMA	RETIREE FIRST CITY OF CAMDEN 3/23	7,452.00
002760	PERMA	RETIREE FIRST-CITY OF CAMDEN 2/23	7,452.00
002760	PERMA	ADMINISTRATION FEES 06/23	43,910.20
			66,302.80
002761			
002761	ELIZABETH PIGLIACELLI	TREASURERS FEE 06/23	525.49
			525.49
002762			
002762	HQSI, INC	REVIEW # 2757320 INV 230331-MRHIF 3/23	500.00
			500.00
002763			
002763	WELLNESS COACHES USA, LLC	WELLNESS COACH. CAMDEN CTY BOSS 6/23	6,032.00
			6,032.00
002764			
002764	ACCESS	DEPT 419 INV 10261366 5/31/23 FOR JUNE	122.66
002764	ACCESS	DEPT 419 INV 10205201 4/30/23 FOR MAY	104.18
			226.84
002765			
002765	GATEHOUSE MEDIA PENNSYLVANIA HOLDINGS INC.	ORD.8518358 & 8518509 BCT ACCT 791189	172.52
			172.52
002766			
002766	MUNICIPAL REINSURANCE HIF	SPECIFIC REINSURANCE 06/23	80,687.44
			80,687.44
CHECK SUBTOTAL			159,780.79

W6230			
W6230	AETNA-MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 06/23	431,761.81
			431,761.81
W6231			
W6231	UHC-MEDICARE ADVANTAGE	MEDICARE ADVANTAGE 06/23	285,781.73
			285,781.73
W6232			
W6232	DELTACARE USA	DENTAL HMO ACCT. F1-7871800000 6/23	362.32
			362.32
W6233			
W6233	FLAGSHIP HEALTH SYSTEMS	DMO PREM BOR. SOMERDALE BILL DATE 4/1/23	70.23
W6233	FLAGSHIP HEALTH SYSTEMS	DMO PREM - BOR. LINDWOLD BILL DATE 4/1/23	24.41
			94.64
W6234			
W6234	FLAGSHIP HEALTH SYSTEMS	DMO PREM BOR. SOMERDALE BILL DATE 6/1/23	70.23
W6234	FLAGSHIP HEALTH SYSTEMS	DMO PREM - BOR. LINDWOLD BILL DATE 6/1/23	24.41
			94.64
W6235			
W6235	AETNA	MEDICAL TPA 06/23	85,683.18
			85,683.18
W6236			
W6236	DELTA DENTAL OF NEW JERSEY INC.	DENTAL TPA 06/23	6,183.41
			6,183.41
W6237			
W6237	VERRILL & VERRILL LLC	TREASURER FEES 06/23	802.05
			802.05
W6238			
W6238	CONNER STRONG & BUCKELEW	BROKER FEES 6/23	53,394.78
W6238	CONNER STRONG & BUCKELEW	HEALTH CARE REFORM 6/23	863.34
W6238	CONNER STRONG & BUCKELEW	MEDICAL - PROGRAM MANAGER FEES 6/23	92,671.66
W6238	CONNER STRONG & BUCKELEW	DENTAL- PROGRAM MANAGER FEES 6/23	5,559.16
W6238	CONNER STRONG & BUCKELEW	RX - PROGRAM MANAGER FEES 6/23	11,492.13
			163,981.07
W6239			
W6239	J. KENNETH HARRIS, ATTORNEY AT LAW	ATTORNEY SERVICES 6/23	1,883.83
W6239	J. KENNETH HARRIS, ATTORNEY AT LAW	PLAN DOC. PREPARATION 6/23	184.00
			2,067.83
		ACH/WIRE SUBTOTAL	976,812.68
		Total Payments FY 2023	1,136,593.47
		TOTAL PAYMENTS ALL FUND YEARS	1,154,571.47

Chairperson

Attest:

Dated: _____

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

Treasurer

SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND										
SUMMARY OF CASH TRANSACTIONS - ALL FUND YEARS COMBINED										
Current Fund Year: 2023 Month Ending: April										
	Med	Dental	Rx	Vision	Reinsurance	Dividend Reserve	Future	Admin	0	TOTAL
OPEN BALANCE	5,767,525.38	(291,813.72)	(1,509,814.51)	0.00	(87,871.56)	5,067,328.08	21,247.11	(243,946.45)	0.00	8,722,654.33
RECEIPTS										
Assessments	3,152,494.20	58,273.01	366,977.93	0.00	54,804.59	0.00	9,153.71	238,948.65	0.00	3,880,652.09
Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invest Pymnts	20,340.75	0.00	1,134.77	0.00	30.45	8,057.90	33.79	275.22	0.00	29,872.88
Invest Adj	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Invest	20,340.75	0.00	1,134.77	0.00	30.45	8,057.90	33.79	275.22	0.00	29,872.88
Other Receipts *	39,554.81	0.00	285,673.01	0.00	0.00	0.00	0.00	0.00	0.00	325,227.82
TOTAL	3,212,389.76	58,273.01	653,785.71	0.00	54,835.04	8,057.90	9,187.50	239,223.87	0.00	4,235,752.79
EXPENSES										
Claims Transfers	3,360,819.97	103,354.08	955,769.67	0.00	0.00	0.00	0.00	0.00	0.00	4,419,943.72
Expenses	704,934.15	362.32	0.00	0.00	81,387.51	0.00	0.00	323,561.79	0.00	1,110,245.77
Other Expenses *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.04	0.00	1.04
TOTAL	4,065,754.12	103,716.40	955,769.67	0.00	81,387.51	0.00	0.00	323,562.83	0.00	5,530,190.53
END BALANCE	4,914,161.02	(337,257.11)	(1,811,798.47)	0.00	(114,424.03)	5,075,385.98	30,434.61	(328,285.41)	0.00	7,428,216.59

SUMMARY OF CASH AND INVESTMENT INSTRUMENTS										
SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND										
ALL FUND YEARS COMBINED										
CURRENT MONTH	April									
CURRENT FUND YEAR	2023									
Description:		SNJ Inv.	Citizens Bank	Parke Bank	Republic Bank	Republic Bank - General Account	Republic Bank - Admin Account	Ocean First Investment Account	New Jersey Cash Management	
ID Number:										
Maturity (Yrs)										
Purchase Yield:		4.00	2.78	4.50	4.87	4.87	4.87	1.25	4.74	
TOTAL for All Accts & instruments										
Opening Cash & Investment Balance	\$8,722,654.35	\$ 5,242.20	\$ 2,383.84	\$ 4,379,063.69	\$2,512,119.56	\$ 597,984.90	\$ 59,408.99	\$ 79,927.66	\$ 1,086,523.51	
Opening Interest Accrual Balance	\$15.36	\$ 15.36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1 Interest Accrued and/or Interest Cost	\$2.03	\$2.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2 Interest Accrued - discounted Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
3 (Amortization and/or Interest Cost)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
4 Accretion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
5 Interest Paid - Cash Instr.s	\$29,872.86	\$15.36	\$5.39	\$16,196.54	\$5,210.49	\$3,798.30	\$387.46	\$84.90	\$4,174.42	
6 Interest Paid - Term Instr.s	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
7 Realized Gain (Loss)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
8 Net Investment Income	\$29,874.89	\$17.39	\$5.39	\$16,196.54	\$5,210.49	\$3,798.30	\$387.46	\$84.90	\$4,174.42	
9 Deposits - Purchases	\$7,316,125.68	\$0.00	\$0.00	\$0.00	\$0.00	\$6,205,879.91	\$1,110,245.77	\$0.00	\$0.00	
10 (Withdrawals - Sales)	-\$8,640,436.30	-\$1.04	\$0.00	\$0.00	-\$2,000,000.00	-\$5,530,189.49	-\$1,110,245.77	\$0.00	\$0.00	
		OK	OK	OK	OK	OK	OK	OK	OK	
Ending Cash & Investment Balance	\$7,428,216.59	\$5,256.52	\$2,389.23	\$4,395,260.23	\$517,330.05	\$1,277,473.62	\$59,796.45	\$80,012.56	\$1,090,697.93	
Ending Interest Accrual Balance	\$17.39	\$17.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Plus Outstanding Checks	\$114,060.82	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$114,060.82	\$0.00	\$0.00	
(Less Deposits in Transit)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Balance per Bank	\$7,542,277.41	\$5,256.52	\$2,389.23	\$4,395,260.23	\$517,330.05	\$1,277,473.62	\$173,857.27	\$80,012.56	\$1,090,697.93	

CERTIFICATION AND RECONCILIATION OF CLAIMS PAYMENTS AND RECOVERIES									
SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND									
Month		April							
Current Fund Year		2023							
Policy Year	Coverage	1. Calc. Net Paid Thru Last Month	2. Monthly Net Paid April	3. Monthly Recoveries April	4. Calc. Net Paid Thru April	5. TPA Net Paid Thru April	6. Variance To Be Reconciled	7. Delinquent Unreconciled Variance From	8. Change This Month
2023	Med	10,216,200.90	3,360,819.97	0.00	13,577,020.87	0.00	13,577,020.87	10,216,200.90	3,360,819.97
	Dental	294,565.97	103,354.08	0.00	397,920.05	0.00	397,920.05	294,565.97	103,354.08
	Rx	2,534,099.28	955,769.67	0.00	3,489,868.95	0.00	3,489,868.95	2,534,099.28	955,769.67
	Vision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	13,044,866.15	4,419,943.72	0.00	17,464,809.87	0.00	17,464,809.87	13,044,866.15	4,419,943.72

RESOLUTION NO. 27-23

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
APPROVAL OF THE JUNE 2023 BILLS LIST**

WHEREAS, the Southern New Jersey Regional Employee Benefits Fund held a Public Meeting on **June 26, 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 months June 2023 for consideration and approval of the Executive Committee; and

WHEREAS, a quorum of the Executive Committee was present thereby conforming with the By-laws of the Fund to conduct official business of the Fund,

NOW THEREFORE BE IT RESOLVED the Commissioners of the Executive Committee of the Southern New Jersey Regional Employee Benefits Fund hereby approve the Bills List for June 2023 prepared by the Treasurer of the Fund and duly authorize and concur said bills to be paid expeditiously, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

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

ADOPTED: JUNE 26, 2023

BY: _____
CHAIRPERSON

ATTEST:

SECRETARY



**SOUTHERN NEW JERSEY REGIONAL
EMPLOYEE BENEFITS FUND**

Monthly Claim Activity Report

June 26, 2023



SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND

MEDICAL CLAIMS + CAP				MEDICAL CLAIMS + CAP			
	<u>PAID 2022</u>	<u># OF EES</u>	<u>PER EE</u>	<u>PAID 2023</u>	<u># OF EES</u>	<u>PER EE</u>	
JANUARY	\$2,113,193	1,824	\$ 1,159	\$3,307,745	2,023	\$ 1,635	
FEBRUARY	\$3,006,284	1,824	\$ 1,648	\$3,122,202	2,036	\$ 1,533	
MARCH	\$3,881,371	1,829	\$ 2,122	\$3,301,677	2,088	\$ 1,581	
APRIL	\$2,969,505	1,832	\$ 1,621	\$3,277,691	2,184	\$ 1,501	
MAY	\$3,433,958	1,839	\$ 1,867				
JUNE	\$3,237,653	1,831	\$ 1,768				
JULY	\$2,376,535	2,002	\$ 1,187				
AUGUST	\$3,593,885	2,007	\$ 1,791				
SEPTEMBER	\$2,897,780	2,016	\$ 1,437				
OCTOBER	\$3,051,652	2,010	\$ 1,518				
NOVEMBER	\$3,287,099	2,011	\$ 1,635				
DECEMBER	\$2,857,987	2,014	\$ 1,419				
TOTALS	\$36,706,903			\$13,009,315			
				2023 Average	2,083	\$ 1,563	
				2022 Average	1,920	\$ 1,598	

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

Plan Sponsor Unique ID : All
 Customer: SNJ Regional Employee Benefits Fund
 Group / Control: 00737391,00866357,SI030217,SI416902,SI431318

Paid Dates: 03/01/2023 - 03/31/2023
 Service Dates: 01/01/2011 - 03/31/2023
 Line of Business: All

	Billed Amt	Paid Amt
	\$424,773.09	\$170,516.77
	\$362,136.46	\$158,840.28
	\$326,588.37	\$123,927.87
	\$260,240.59	\$121,322.99
	\$102,852.08	\$89,706.23
	\$67,434.50	\$56,281.70
Total:	\$1,544,025.09	\$720,595.84

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

Plan Sponsor Unique ID : All
 Customer: SNJ Regional Employee Benefits Fund
 Group / Control: 00737391,00866357,SI030217,SI416902,SI431318

Paid Dates: 04/01/2023 - 04/30/2023
 Service Dates: 01/01/2011 - 04/30/2023
 Line of Business: All

	Billed Amt	Paid Amt
	\$417,265.66	\$109,422.58
	\$134,514.08	\$77,246.62
	\$429,307.00	\$66,579.93
	\$273,795.21	\$59,460.67
	\$76,883.80	\$52,459.87
	\$374,485.61	\$51,318.96
	\$138,786.50	\$50,567.85
Total:	\$1,845,037.86	\$467,056.48



SNJ Regional Employee Benefits Fund

5/1/22 thru 4/30/23 (unless otherwise noted)

Dashboard

Medical Claims Paid:

January 2023 thru April 2023

Total Medical Paid per EE: **\$1,563**

Network Discounts

Inpatient: **65.3%**
Ambulatory: **70.8%**
Physician/Other: **59.8%**
TOTAL: 65.8%

Provider Network

% Admissions In-Network: **99.1%**
% Physician Office: **98.2%**

Aetna Book of Business:

Admissions 98.5%; Physician 92.1%

Top Facilities Utilized (by total Medical Spend)

- Cooper Hospital
- Virtua-West Jersey
- Kennedy Memorial Health
- Virtua Our Lady of Lourdes
- CHOP

Catastrophic Claim Impact

January 2023 – April 2023

Number of Claims Over \$50,000: **32**
Claimants per 1000 members: **6.3**
Avg. Paid per Claimant: **\$113,829**
Percent of Total Paid: **30.6%**
• Aetna BOB- HCC account for an average of 40.0% of total Medical Cost

Aetna One Flex Member Outreach: Through March 2023

Total Members Identified: **1,020**
Members Targeted for 1:1 Nurse Support : **224**
Members Targeted for Digital Activity: **796**
Member 1:1 outreach completed: **207**
Member 1:1 Outreach in Progress: **17**

Teladoc Activity January 2023 – April 2023

Total Registrations: **45**
Total Online Visits: **78**
Total Net Claims Savings: **\$36,823**
Total Visits w/ Rx: **55**

Mental Health Visits: **4**
Dermatology Visits: **1**

Allentown Service Center Performance Goal Metrics YTD 2022

Customer Service Performance

1st Call Resolution: **94.08%**
Abandonment Rate: **0.73%**
Avg. Speed of Answer: **19.5 sec**

Claims Performance

Financial Accuracy: **99.66%**
(Q4 22)

90% processed w/in: **9.0 days**
95% processed w/in: **19.5 days**

Claims Performance (Monthly) (May 2023)

90% processed w/in: **17.9 days**
95% processed w/in: **27.3 days**
(Note: This is not a PG metric)

Performance Goals

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

Financial Accuracy: **99%**

Turnaround Time

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





2022 SNJ HIF					
		<u>MEDICAL CLAIMS PAID 2022</u>	<u>TOTAL</u>	<u># OF EES</u>	<u>PER EE</u>
JANUARY		\$ 139,776.07	\$ 139,776.07	138	\$ 1,012.87
FEBRUARY		\$ 641,299.80	\$ 641,299.80	138	\$ 4,646.59
MARCH		\$ 661,613.69	\$ 661,613.69	139	\$ 4,759.81
APRIL		\$ 190,416.63	\$ 190,416.63	136	\$ 1,400.12
MAY		\$ 317,487.55	\$ 317,487.55	134	\$ 2,369.31
JUNE		\$ 379,694.04	\$ 379,694.04	132	\$ 2,876.00
JULY		\$ 198,984.26	\$ 198,984.26	134	\$1,484.95
AUGUST		\$ 288,665.62	\$ 288,665.62	135	\$ 2,138.26
SEPTEMBER		\$ 233,667.06	\$ 233,667.06	137	\$ 1,705.59
OCTOBER		\$ 205,421.03	\$ 205,421.03	135	\$1,521.63
NOVEMBER		\$ 158,694.60	\$ 158,694.60	132	\$ 1,202.23
DECEMBER		\$ 592,198.28	\$ 592,198.28	134	\$ 4,419.39
TOTALS		\$ 4,007,918.63		135	\$ 2,461.40
			2022 Average	135	\$ 2,461.40

2023 SNJ HIF					
		<u>MEDICAL CLAIMS PAID 2023</u>	<u>TOTAL</u>	<u># OF EES</u>	<u>PER EE</u>
JANUARY		\$ 57,161.00	\$ 57,161.00	138	\$ 414.21
FEBRUARY		\$ 230,443.69	\$ 230,443.69	134	\$ 1,719.72
MARCH		\$ 227,431.93	\$ 227,431.93	138	\$1,648.05
APRIL		\$ 165,876.75	\$ 165,876.75	137	\$ 1,210.77
MAY		\$ 200,962.83	\$ 200,962.83	138	\$ 1,456.25
JUNE					
JULY					
AUGUST					
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER					
TOTALS		\$881,876.20	2023 Average	137	\$ 1,289.80



EXPRESS SCRIPTS®

Southern New Jersey Regional Employee Benefits Fund

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	4,596	4,586	4,598	4,593	4,596	4,605	4,600	4,600	5,000	5,014	5,024	5,013	4,997	4,998	4,984	4,993	4,800
Total Days	178,960	171,953	187,498	538,411	178,596	188,051	183,697	550,344	183,335	204,617	191,864	579,816	195,352	195,610	198,768	592,766	2,261,485
Total Patients	1,642	1,639	1,747	2,463	1,678	1,743	1,741	2,551	1,752	1,858	1,817	2,697	1,966	1,964	1,946	2,968	3,803
Total Plan Cost	\$641,761	\$621,784	\$698,429	\$1,961,974	\$616,769	\$768,231	\$695,354	\$2,080,354	\$835,921	\$778,927	\$793,969	\$2,408,816	\$732,533	\$744,007	\$869,205	\$2,425,952	\$8,877,516
Generic Fill Rate (GFR) - Total	87.6%	85.8%	87.1%	86.9%	87.6%	87.2%	87.3%	87.4%	87.5%	86.1%	87.1%	86.9%	81.6%	84.6%	85.4%	83.7%	86.1%
Plan Cost PMPM	\$139.63	\$135.58	\$151.90	\$142.38	\$134.20	\$166.83	\$151.16	\$150.74	\$167.18	\$155.35	\$158.04	\$160.18	\$146.59	\$148.86	\$174.40	\$161.96	\$154.13
Total Specialty Plan Cost	\$258,321	\$238,408	\$258,476	\$755,205	\$211,002	\$339,439	\$290,418	\$840,859	\$378,061	\$312,245	\$368,494	\$1,058,801	\$260,900	\$316,084	\$390,697	\$1,035,059	\$3,689,924
Specialty % of Total Specialty Plan Cost	40.3%	38.3%	37.0%	38.5%	34.2%	44.2%	41.8%	40.4%	45.2%	40.1%	46.4%	44.0%	35.6%	42.5%	44.9%	42.7%	41.6%

Total Component/Date of Service (Month)	2023 01	2023 02	2023 03	2023 Q1	2023 04	2023 05	2023 06	2023 Q2	2023 07	2023 08	2023 09	2023 Q3	2023 10	2023 11	2023 12	2023 Q4	2023 YTD
Membership	4,885	4,960	5,121	4,989	5,405												
Total Days	207,998	187,527	211,442	606,967	215,135												
Total Patients	2,015	1,915	2,006	3,025	2,062												
Total Plan Cost	\$731,047	\$779,171	\$938,484	\$2,448,702	\$859,909												
Generic Fill Rate (GFR) - Total	86.1%	85.3%	86.2%	85.9%	87.0%												
Plan Cost PMPM	\$149.65	\$157.09	\$183.26	\$163.62	\$159.10												
% Change Plan Cost PMPM	7.2%	15.9%	20.6%	14.9%	18.6%												
Total Specialty Plan Cost	\$286,636	\$311,863	\$403,035	\$1,001,534	\$324,115												
Specialty % of Total Specialty Plan Cost	39.2%	40.0%	42.9%	40.9%	37.7%												

PMPM	
2022 Q1	\$142.38
2023 Q1	\$163.62
Trend Q1 22-23	14.9%



Understanding Whole Health Risks

Gum Disease and its Links to Medical Conditions

Periodontal (gum) diseases primarily result from infections and inflammation of the gums and bone that surround and support the teeth. In its early stage, gingivitis, gums can become swollen and bleed. In its more serious form, periodontitis, the gums can pull away from the tooth, bone can be lost, and the teeth may loosen or fall out. Gum disease and tooth decay are the two biggest threats to dental health. **Nearly 50% of all adults aged 30 or older have signs of gum disease¹.**

Members should be educated about the complex interplay between bacterial infection and the body's immune response to infection. Studies have linked oral health infections with diabetes, heart disease, stroke, and premature, low-weight births². Severe/progressive periodontitis is also associated with cancer, Alzheimer's disease, and dozens of other serious diseases³.

Diabetes

Adults 45 years or older with poorly controlled diabetes were **2.9 times more likely to have gum disease** than those without diabetes⁴. The likelihood was 4.6 times higher among smokers with poorly controlled diabetes⁴. Oral manifestations of uncontrolled diabetes can include xerostomia, burning sensation in the mouth (which may possibly be related to neuropathy), impaired/delayed wound healing, increased incidence and severity of infections, secondary infection with candidiasis; parotid salivary gland enlargement; gingivitis and/or periodontitis⁵.

Other Chronic Diseases

Having a chronic disease, such as arthritis, heart disease, stroke, emphysema, hepatitis C, or a liver condition, or being obese may increase an individual's **risk of having missing teeth and poor oral health⁶**. Patients with weakened immune systems, such as those infected with HIV and other medical conditions (organ transplants) and who use some medications (e.g., steroids) are at higher risk for oral problems⁶.

Pregnancy

The medical and dental communities concur that maintaining **periodontal health is an important part of a healthy pregnancy**. Clinical recommendations released by the AAP and the EFP state that non-surgical periodontal therapy is safe for pregnant women and can result in improved periodontal health⁷.

Cancer, Tobacco Use, and e-Cigarettes

Head and neck radiation and chemotherapy can cause mouth problems that range from dry mouth to life-threatening infections. Patients should **see a dentist about one month before beginning cancer treatment** to make sure their mouth is healthy⁸.

In addition to the risk of developing lung cancer, smokers have **twice the risk of developing gum disease** compared to non-smokers⁹. More than half of severe gum disease cases in the United States may result from cigarette smoking¹⁰. **Smoking has also been linked to tooth loss**. Male smokers are up to 3.6 times more likely to lose their teeth than non-smokers; female smokers were found to be 2.5 times more likely⁹.

New studies highlight how **e-cigarettes alter oral health and may be contributing to gum disease**. The latest research finds that e-cigarette users have a unique oral microbiome that is less healthy than nonsmokers but potentially healthier than cigarette smokers, and measures worsening gum disease over time¹¹.

Sources:

1. <https://www.cdc.gov/oralhealth/conditions/periodontal-disease.html>
2. <https://www.nidcr.nih.gov/research/data-statistics/surgeon-general>
3. <https://pubmed.ncbi.nlm.nih.gov/32844419/>
4. http://www.diabetesincontrol.com/wp-content/uploads/PDF/indep_diabetes_facts_2011.pdf
5. <https://www.ada.org/resources/research/science-and-research-institute/oral-health-topics/diabetes>
6. <https://www.cdc.gov/oralhealth/basics/adult-oral-health/index.html>
7. <https://www.sciencedaily.com/releases/2013/08/130828092310.htm>
8. <https://www.nidcr.nih.gov/health-info/cancer-treatments>
9. <https://periodontalhealthcenter.com/blog/covid-smoking-and-gum-disease-18536/>
10. <https://pubmed.ncbi.nlm.nih.gov/10872955/>
11. <https://www.sciencedaily.com/releases/2022/02/220222151907.htm>



APPENDIX I

**SOUTHERN NEW JERSEY REGIONAL EMPLOYEE BENEFITS FUND
OPEN MINUTES
MAY 22, 2023**

CONFERENCE CALL - ZOOM

4:15 PM

Meeting of Executive Committee called to order by Chair Mevoli. Open Public Meetings notice read into record.

**PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE
ROLL CALL OF 2023 EXECUTIVE COMMITTEE**

Michael Mevoli, Chairman	Borough of Brooklawn	Present
M. Joseph Wolk, Secretary	Borough of Mt. Ephraim	Present
Louis Di Angelo	Borough of Bellmawr	Present
Terry Shannon	Borough of Barrington	Present
Edward Hill	CCBOSS	Present
Robert Maybury	Mt. Holly MUA	Present
M. Gary Passanante	Borough of Somerdale	Present
Brian Morrell	Gloucester City	Present

APPOINTED PROFESSIONALS PRESENT:

Executive Director/ Adm.	PERMA Risk Management Services Emily Koval Jordyn DeLorenzo
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Program Manager	Conner Strong & Buckelew Crystal Bailey Peter Mina
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Attorney	J. Kenneth Harris, Esq.
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Medical TPA - AmeriHealth	Kristina Strain
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Medical TPA - Aetna	Jason Silverstein
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Express Scripts	Charles Yuk
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Treasurer	Lorraine Verrill
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Delta Dental	Brian Remlinger
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OTHERS PRESENT:

Elizabeth Peddicord
Georganna Hardenbergh

Kevin Roche
Kim Porter
Lorraine Sacco
Michael Dougherty
Mike Kwasizur
Susan Panto
Suzanna Wood
Scott Davenport

APPROVAL OF MINUTES: APRIL 24, 2023 Open

MOTION TO APPROVE OPEN MINUTES OF APRIL 24, 2023:

Moved:	Commissioner Wolk
Second:	Commissioner DiAngelo
Vote:	Unanimous

CORRESPONDENCE – none.

EXECUTIVE DIRECTOR'S REPORT

FAST TRACK FINANCIAL REPORT – Mrs. Koval reviewed the financial fast track through March 31, 2023. She stated that March shows a significant loss. She stated that this is a trend that she is seeing across the state in all of the local funds. She said historically this a higher than usual month because this is a snapshot of the finances that are paid this month which could be utilization during Christmas break time. She said that there is a statutory surplus of about \$7.5 million.

NEW FUND COMMISSIONER

Mrs. Koval stated that ballots were sent to the Commissioners earlier this month. A quorum of ballots were received. All selected a full slate of the following.

MEMBER	FC	BALLOT/FULL SLATE
Barrington	Terry Shannon	Verbal / FS
Bellmawr	Louis DiAngelo	Verbal/ FS
Bordentown	Michael Theokas	
Borough of Lawnside	Angelique Rankins	
Brooklawn	Michael Mevoli	Verbal / FS
Camden City	OPEN	
CCBOSS	Edward Hill	Received / FS
Chesilhurst	William Hales	
Franklin Township	Barbara Freijomil	
Gibbsboro	Jack Flynn	
Gloucester City	Brian Morrell	Received / FS
Gloucester Township	OPEN	
Haddon Heights	Kelly Santosusso	
Haddonfield	Kevin Roche	Verbal / FS
aurel Springs	Ken Cheeseman	Received / FS

Lindenwold	Dawn Thompson	
Lumberton Township	Bobbi Quinn	
Magnolia	Steve Whalen	Received / FS
Mantua	Jemmica Bileci	Received / FS
Medford Twp	Kathy Burger	Received / FS
Medford Lakes	Robert Burton	
Merch/Pennsauken Water Commission	Jack Killion	
Merchantville	Edward Brennan	
Mount Holly MUA	Robert Maybury	Received / FS
Mt Ephraim	M. Joseph Wolk	Verbal / FS
North Hanover Twp	Mary Picariello	Received / FS
Palmyra	Donna Condo	
Paulsboro	Gary Stevenson	
Pennsauken	Elizabeth Peddicord	Received / FS
Pine Hill	Pat Hendricks	
Pitman	Michael Razze	
Riverside	Meghan Jack	Received / FS
Runnemede	Elenenor Kelly	Received / FS
Somerdale, Boro of	Gary Passanante	Verbal / FC
Springfield Township		
Township of Berlin	Catherine Underwood	
Township of Waterford	Michael Daughtery	Received / FS
Wenonah	Karen Sweeney	
West Deptford	Mike Kwasizur	Received / FS
Westville Borough	Ryan Giles	
Willingboro	Dwayne Harris	Received / FS
Winslow Township Fire District	Lorraine Azzarano	Received / FS
Winslow Twp	Joseph Gallagher	
Woodbury Heights	Vikki Holmstrom	Received / FS

Mrs. Koval reviewed the new 2023 Executive Committee.

Fund Attorney Ken Harris swore Mr. Cheeseman in as Executive Committee Alternate

Roll Call of the new 2023 Executive Committee:

Michael Mevoli, Chairman

Joseph Wolk, Secretary

Louis DiAngelo, Executive Committee Member

Terry Shannon, Executive Committee Member

Edward Hill, Executive Committee Member

Robert Maybury, Executive Committee Member

Gary Passanante, Executive Committee Member

Brian Morrell, Executive Committee Alternate

Kenneth Cheeseman, Executive Committee Alternate

COUNTY SPONSORED MARKETING EVENTS – Mrs. Koval stated that the next county meeting is in Gloucester County:

- *Gloucester County- June 8, 2023; 6PM*
Rowan College of South Jersey - Room 430
1400 Tanyard Road
Sewell, NJ 08080
- *Burlington County -May 1, 2023*

Recording 12 @ 6:53

FINANCIAL DISCLOSURE STATEMENTS - Ms. Koval stated that the Financial Disclosure notice emails have been sent to all Fund Commissioners last week. The deadline for filing was April 30, 2023. Please file as soon as possible. The state has been sending out fine notices. Mrs. DeLorenzo stated that the list provided in the agenda of the delinquent filings were from a week prior to the meeting and may not be the most up to date.

GASB 75 REPORTS

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

PROGRAM MANAGERS REPORT

Crystal Bailey reviewed the informational report listed in the agenda.

ELIGIBILITY/ENROLLMENT:

Please direct any eligibility, enrollment, or system related questions to our dedicated SNJREBF enrollment team. To contact the team, email southernnj_enrollments@permainc.com or fax to 856-685-2249.

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

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

COVERAGE UPDATES: None

EXPRESS SCRIPTS UPDATE

Fraud, Waste and Abuse: Due to the recent fraud and abuse issue identified for the drug Ozempic, ESI has changed their requirements for members prescribed the drug. The drug is only FDA approved for patients with

Type 2 diabetes, however, it has been prescribed for weight loss which is not approved by the FDA. Weight loss drugs are not covered by the Fund. Effective 4/1/23 those who were given a new script for Ozempic will be required to go through the prior authorization process to confirm they have met the criteria to be prescribed the drug. Those who were taking the drug prior to 4/1/23 will be grandfathered, prior authorization will not be required unless the member's script for the drug has changed.

1Q2023 SaveOn Savings – In the 1Q2023 (1/1/2023 – 3/19/2023), SNJHIF saved \$116,546 for members enrolled in SaveOn. There were 41 participants in the program, for an average savings per prescription of \$1,404.

OPERATIONAL UPDATES:

COVID National Emergency – On April 10, 2023, President Biden signed legislation to end the COVID National Emergency immediately. As a result, the outbreak period for extended COBRA/HIPAA Special Enrollment Period deadlines will end July 10, 2023.

2023 LEGISLATIVE REVIEW: COVID -19

5. **National Emergency Declaration** - On January 30, 2023, the federal government announced the national emergency addressing the Public Health Emergency (PHE) will end May 11, 2023. As a result, the Program Manager recommends the following effective July 1, 2023:
 - COVID-19 vaccines, including boosters – cover at \$0 copay at in network locations only. (Previously covered at any location).
 - COVID-19 At Home Testing Kits – no longer covered by the plan at any retail location or mail order through ESI. Members would be responsible for the full costs of the kit.
 - Diagnostic testing and providers – covered at member cost share.

Resolution 20-23 for the above recommendations was passed at the March 2023 meeting.

6. **At Home COVID-19 Testing - Covered through June 30, 2023.** 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.

In 2022 SNJHIF paid \$61,397.53 in total plan costs for At Home COVID-19 test kits: \$26,544.49 in retail costs and \$34,853.04 in mail order costs.

FREE Tests from the Government – COVID-19 at home test kits are available through the government. Every U.S. household is eligible to order 4 free COVID-19 at home tests.
<https://www.covid.gov/tests>

7. **Vaccine Mandates** – **Covered at \$0 at in network location.** 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

2022 Filings – Deadline for carriers to submit the filings for 2022 plan year is June 1, 2023. Aetna, AHA and ESI will submit on behalf of the HIFs. The Program Manager will provide carriers all information needed for submission. Groups do not need to file on an individual basis.

2020 and 2021 Filings - 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.

No Surprise Billing and Transparency Act – Continued Delays

The Health Insurance Funds, including SNJHIF 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 SNJHIF 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

As approved through an RFP through the Program Manager's contract, the HIFs has acquired the services of AIM to conduct specialized audits for the Southern New Jersey Health Insurance Fund (NJHIF). AIM will complete medical claims audits for claims administered by Aetna. The claim audit being performed will determine Aetna's claim processing and financial accuracy of medical claims. AIM will also perform an Operation Review. Aim will perform an in-depth evaluation of the controls employed by the Aetna to ensure quality administration. **See Appendix.**

Carrier Appeals: None

IRO Submissions: None

Small Claims Committee: None

TREASURER: Lorraine Verrill stated that there was an update to Resolution 6-23 by adding TD Bank to the Cash Depositories. She stated that they were able to secure CDs with 5.36%. She reviewed the bills list for May 2023 and the treasurers report.

MOTION TO APPROVE REVISED RESOLUTION 6-23 CMP:

Moved:	Commissioner DiAngelo
Second:	Commissioner Cheeseman
Vote:	9 ayes, 0 nays

MOTION TO APPROVE RESOLUTION 25-23 MAY 2023 BILLS LIST:

Moved:	Commissioner Shannon
Second:	Commissioner DiAngelo
Vote:	9 ayes, 0 nays

MOTION TO APPROVE THE TREASURERS REPORT

Moved:	Commissioner Maybury
Second:	Commissioner Wolk
Vote:	Unanimous

FUND ATTORNEY: Fund Attorney Harris stated that the outbreak period ends July 10th for Cobra reporting.

AETNA: Mr. Silverstein reviewed the claims for the month of March 2023. He stated that there were 6 high-cost claimants over the threshold of \$50,000. He stated that the dashboard metrics continue to perform well.

AMERIHEALTH: Kristina Strain reviewed the paid claims and enrollment report through April 2023. She stated that there were no high cost claimants and there is no covid reporting.

EXPRESS SCRIPTS: Mr. Yuk reviewed the report included in the agenda for the first quarter of 2023. He reviewed the claims in stating that overall, it is running well and costs are staying down.

DENTAL ADMINISTRATOR: Brian Remlinger reviewed the two reports included in the agenda. He stated that when it comes to prevention, healthy behaviors will lower costs.

OLD BUSINESS: None

NEW BUSINESS: Chair Mevoli congratulated Mr. Cheeseman for joining the Executive Committee.

PUBLIC COMMENT:

MOTION TO ADJOURN:

Moved:	Commissioner Shannon
Second:	Commissioner Passanante
Vote:	All In Favor

MEETING ADJOURNED: 4:40 pm

NEXT MEETING: June 26, 2023 4:15PM

COLLINGSWOOD COMMUNITY CENTER

Jordyn DeLorenzo Assisting Secretary
for

JOSEPH WOLK, SECRETARY

APPENDIX II

Southern New Jersey Regional Health Insurance Fund 2023 Operations Review and Medical Claims Audit

A health care claims audit is designed to assess whether claims are being adjudicated correctly, in accordance with the provisions of the plan of benefits, and paid only on behalf of eligible participants as determined by the provisions of the plan. Best practice is to look beyond just the claims and to identify operational or administrative issues that may lead to broader claims processing and service issues, allowing for real-world recommendations for resolution.

AIM will perform an Operations Review of Aetna, which is an in-depth evaluation of the controls employed by the administrator to ensure quality administration.

- In an Operations Review (OR), a comprehensive Request for Information (RFI) is prepared and sent to Aetna in advance of the scheduled OR meeting.
- During the OR, interviews are conducted with key management and operations personnel to review Aetna's responses, procedures and methodologies.
- The OR encompasses such areas as system capabilities, staffing levels and turnover, performance standards, quality assurance for claim processing and customer service, Aetna's actual performance vs. client-specific and/or industry standards for accuracy, timeliness of claims adjudication, reporting capabilities, coordination with other administrative areas/vendors, and cost-management activities such as overpayment recovery, pricing controls and TPL investigations.
- Findings are compared to industry best practices.
- An OR can identify weaknesses in administrative controls that lead to poor performance.

In conjunction with the Operations Review, a medical claims audit will also be conducted on the administration by Aetna for the HIF employee medical plan. The medical claims audit will be conducted on a sample of claims finalized during the identified audit period. The audit will assess whether claims are being adjudicated correctly, in accordance with the provisions of the HIF plan of benefits and paid on behalf of eligible participants as determined by the provisions of the plan.

The purpose of the audit is to provide an assessment of Aetna's overall claims processing and financial accuracy performance during the audit period versus industry standards and applicable contractual standards.

Claim Audit Methodology - The principal objective of the claims audit will be to determine Aetna's claim processing accuracy and financial accuracy on medical claims. The financial accuracy calculation will identify the financial impact (and potential recoveries) for payment errors. In addition, a critical component of the audit process will be to identify the causes of errors. AIM's audit findings and recommendations will specifically identify these causes and recommend solutions that can help Aetna improve its claims administration and eliminate the kinds of errors identified through the audit process.