

**RESOLUTION NO. 1-16**

**SCHOOLS HEALTH INSURANCE FUND  
APPOINTING  
PROFESSIONALS AND AWARDING CONTRACTS  
FOR FUND YEAR 2016**

**WHEREAS**, the Schools Health Insurance Fund is duly constituted as a Health Benefits Joint Insurance Fund and is subject to certain requirements of the Public School's Contracts Law;

**WHEREAS**, the Fund resolved on July 27, 2015 to award contracts in accordance with a fair and open process pursuant to N.J.S.A. 19:44A-20.4 et. Seq., the Fund advertised for such contracts on its official web site on August 3, 2015, and received and publicly opened resulting proposals on September 8, 2015; and;

**WHEREAS**, on September 28, 2015, the Board of Trustees of the Schools Health Insurance Fund made "fair and open" appointments and contract awards for 2016; and;

**WHEREAS**, the Board of Trustees of the Schools Health Insurance Fund has deemed it necessary and appropriate to obtain certain professional and other extraordinary and unspecifiable services and, therefore, to make certain appointments and to authorize certain contracts for Extraordinary and Unspecifiable Services so that the work of the FUND may continue;

**NOW THEREFORE BE IT RESOLVED** by the Board of Trustees that the following appointments and contract awards be and are hereby made for 2016:

<b>January 1, 2016 - June 30, 2016 Proposed Fees</b>	
<b><u>SHIF Contract &amp; Vendor</u></b>	<b><u>2016 Fees</u></b>
Attorney - Ken Harris	\$16,860.00
Treasurer - Ken Verrill	\$9,073.50
Program Manager - Conner Strong Buckelew	
Medical Per/ee	\$18.02
Dental Per/ee	\$2.45
RX Per/ee	\$5.46
Health Care Reform Per/ee	\$0.32
Total	
Administrator - PERMA	
Medical per/ee	\$7.95
Dental only per/ee	\$4.80
RX only per/ee	\$4.81

Website Maintenance	\$1,236.00
Total	
TPA - Medical Aetna/per ee	\$48.55
Aetna RX	\$2.85
TPA - Medical AmeriHealth NJ/per ee	\$42.00
TPA - Medical AmeriHealth Admin/per ee	\$42.00
TPA - Delta Dental/per ee	\$3.05
Subgroup Coordinator - Lance Group	
Actuary - John Vataha	\$12,500.00
Auditor - Bowman & Company	\$14,000.00

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

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: January 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 2-16**

**SCHOOLS HEALTH INSURANCE FUND  
APPOINTING  
PERMA RISK MANAGEMENT SERVICES  
AS AGENT FOR THE FUND  
FOR PROCESS OF SERVICE FOR THE YEAR 2016**

**BE IT RESOLVED** by the Board of Trustees of the Schools Health Insurance Fund that PERMA Risk Management Services is hereby appointed as agent for process of service upon the Fund, at its office located at 9 Campus Drive, Suite 216, Parsippany, NJ 07054, for the year 2016 or until its successor has been appointed and qualified.

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_

**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 3-16**

**RESOLUTION OF THE SCHOOLS HEALTH INSURANCE FUND  
DESIGNATING CUSTODIAN OF FUND RECORDS**

**BE IT RESOLVED** that \_\_\_\_\_, the Secretary of the Schools 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

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 4-16**

**SCHOOLS HEALTH INSURANCE FUND  
DESIGNATING  
THE BURLINGTON COUNTY TIMES AND THE COURIER POST  
THE OFFICIAL NEWSPAPERS FOR THE FUND YEAR 2016**

**BE IT RESOLVED** by the Board of Trustees of the Schools Health Insurance Fund that the Burlington County Times and The Courier Post are hereby designated as the official newspapers for the Schools Health Insurance Fund for the year 2016 and that all official notices required to be published shall be published in the Burlington County Times, The Courier Post and the Fund Website (www.schoolshif.com)

**BE IT FURTHER RESOLVED** that in the case of special meetings or emergency meetings, the Secretary of the Schools Health Insurance Fund shall give notice of said meetings to the Burlington County Times, the Courier Post and the Fund Website (www.schoolshif.com)

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 5-16**

**SCHOOLS HEALTH INSURANCE FUND  
FIXING PUBLIC MEETING DATES**

**FOR THE YEAR 2016**

**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 Board of Trustees of the Schools Health Insurance Fund that the Fund shall hold public meetings during the year 2016 on the following dates:

January 27, 2016  
February 24, 2016  
March 23, 2016  
May 25, 2016  
July 27, 2016  
September 28, 2016  
November 23, 2016

**BE IT FURTHER RESOLVED** that the Secretary of the Fund is hereby directed to publish a copy of this Resolution in the Burlington County Times, the Courier Post and listed on the Fund Website ([www.schoolshif.com](http://www.schoolshif.com))

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 6-16**

**SCHOOLS 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.

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**SCHOOLS HEALTH INSURANCE FUND  
2016 CASH MANAGEMENT AND INVESTMENT POLICY**

- 1.) *Cash Management and Investment Objectives*

The SCHOOLS 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's portfolio to minimize risks associated with individual investments.
- e.) Maximization of total return, consistent with risk levels specified herein.
- f.) Investment of assets in accordance with State and Federal Laws and Regulations.
- g.) Accurate and timely reporting of interest earnings, gains and losses by line of coverage in each Fund year.
- h.) Where legally permissible, cooperation with other local municipal joint insurance funds, 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's 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 17:9-14 et seq. (GUDPA). Specifically authorized depositories are as follows:



TD Bank  
Wells Fargo Bank  
Investors Bank  
Parke Bank  
Republic Bank  
ABCO Federal Credit Union  
Cape 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 Wilmington Trust and other asset managers that may be selected by the Executive Board. 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's 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's 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 Funds portfolio based on valuation guidelines that shall be kept on file in the Executive Director's office.

The Treasurer shall report to the Board of Trustees 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 Board of Trustees 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.

<b>RESOLUTION NO. 7-16</b>
----------------------------

**SCHOOLS HEALTH INSURANCE FUND  
RESOLUTION DESIGNATING  
AUTHORIZED SIGNATURES FOR FUND BANK ACCOUNTS**

**BE IT RESOLVED** by the Schools Health Insurance Fund that all funds of the Schools 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.

- Chairman

- Secretary

- Trustee

Ken Verrill/Lorraine Verrill

- Treasurer (*one, but never both*)

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**SCHOOLS HEALTH INSURANCE FUND**

**RISK MANAGEMENT PLAN**

**Effective: JANUARY 1, 2016**

**Adopted: JANUARY 27, 2016**

**RESOLUTION NO. 8-16**

**SCHOOLS HEALTH INSURANCE FUND  
2016 RISK MANAGEMENT PLAN**

**NOW, THEREFORE, BE IT RESOLVED** that the following shall be the Fund's Risk Management Plan for the 2016 Fund year:

**The RISK MANAGEMENT PLAN** for the Schools Health Insurance Fund (the "SHIF"), for the SHIF Year beginning January 1, 2016 shall be as set forth below:

**1.) COVERAGE OFFERED**

- Medical

The medical plans offered by the SHIF include standard "preferred provider organization", "traditional", "point of services", and "health maintenance organization" plan designs. These plans have both in network and out of network benefits and are customized to the needs and specifications of the members. The SHIF also offers "low cost plans" to allow members options to comply with contribution requirements under Chapter 78. Included as options are: a health savings account, a core PPO program, and a buy up PPO program, an HMO program and a Consumer Directed Health

Plan. The SHIF will also offer Medicare Advantage programs. See Exhibit "A" for a list of provided coverage/plans.

- Dental

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

- Prescription

The SHIF offers customized prescription plans as required by the members including plans that are coordinated with the low cost medical plans.

- Vision

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

## 2.) LIMITS OF COVERAGE

Limits of coverage vary by member and plan design.

## 3.) RISK RETAINED BY THE SHIF

Medical and Prescription – For the Period 1/1/2016 to 6/30/2016

- Specific Retention: \$250,000
- Aggregate Retention: \$58,763,832 (121.5% of budgeted claims)
- Specific Limit Unlimited
- Aggregate Limit \$10,000,000

### Prescription Enrollees Without Medical Coverage – For the Period 1/1/2016 to 12/31/2016

- Specific Retention: \$250,000
- Aggregate Retention: \$15,876,150 (147.6% of budgeted claims for all members of the Municipal Reinsurance Health Insurance Fund)
- Specific Limit \$1,000,000
- Aggregate limit \$2,000,000 (for all members of the Municipal Reinsurance Health Insurance Fund)

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

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

Medical, Prescription, and Prescription coverage without Medical coverage retentions will vary with census and can also vary depending upon the allocation of claims.

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

The SHIF complies with statutory accounting standards and establishes reserves on the probable total claim costs at the conclusion of the SHIF 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 SHIF Year. This accrual is periodically adjusted, but not less frequently than annually, in accordance with the actuary's certifications.

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

At least one month before the end of the SHIF Year, the SHIF adopts a budget for the upcoming year based on the most recent census, the claims experience for the current SHIF Year and other applicable accounting and actuarial factors. Per employee rates are computed for each line of coverage for each SHIF member, and are approved by the SHIF as a part of the budget adoption process. These rates are used to compute the members' monthly assessment based on the updated census, and monthly billings are mailed to the members approximately 15 days before the beginning of the month. The billing also includes the member's updated census for verification each month by the local entity. Retroactive adjustments for enrollment changes are limited to 2 months. Former employees (COBRA, Conversion and some Retirees) are billed directly by the SHIF.

Members that renew on July 1 have the option of taking a payment deferment by paying their June assessment in the subsequent month of July. Members that renew on January 1 have the option of taking a payment deferment by paying their December assessment in the subsequent month of January. Members that choose to take such deferments shall advise the SHIF Executive Director's office in writing at least one month prior to taking the deferment

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

The SHIF provides coverage on a self-insured basis, and secures excess insurance to cap the SHIFs' specific (i.e. per enrolled covered person per policy year) retention and aggregate retention. The SHIF is a member of the Municipal Reinsurance Health Insurance Fund (MRHIF). The MRHIF retains claims above the SHIF's local specific retention and purchases an excess insurance policy that is filed with the Department of Banking and Insurance in accordance with the applicable regulations. The MRHIF also purchases an aggregate excess insurance policy on behalf of the SHIF and the other members.

#### **7.) REINSURANCE**

None.

#### **8.) THE INITIAL AND RENEWAL RATING METHODOLOGIES**

Upon application to the SHIF, a 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 SHIF 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 SHIF's base rates or to the rates being paid by the entity. This recommendation requires SHIF approval before the prospective member is admitted to the SHIF.

To manage potential volatility that could result from rapid growth, the SHIF limits growth in medical membership to 20% of the prior year's medical enrollment.

Rates for all members are adjusted at the beginning of each SHIF year to reflect the new budget. The adjustment reflects the overall cash flow needs of the SHIF, and actuarial factors needed to assure that individual entity rates reflect the risk profile of the member. The SHIF may implement individual entity loss ratio adjustments based upon recommendations from the SHIF actuary. The SHIF may also adopt mid SHIF year rate changes to reflect changes in plan design, participation in lines of coverage, or a budget amendment. Additionally, if a member terminates a line of coverage but continues membership for other lines of coverage, the rates for the other lines of coverage may be adjusted and the member shall not be eligible for membership in the dropped line of coverage for a three year period. Loss experience data used by the SHIF 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 SHIF's self-insured retention. Requests for additional claims data from SHIF members will be considered based upon the availability of data, the feasibility of extracting the data, and conditioned upon the member reimbursing the SHIF or its vendors for data extraction and formatting costs.

## **9.) RATING PERIODS**

Rating periods for school board members generally coincide with the SHIF fiscal year but customized rating periods can be offered to members.

## **10.) FACTORS IF RATES FOR MEMBERS JOINING THE SHIF DURING A SHIF YEAR ARE TO BE ADJUSTED.**

Unless otherwise authorized as part of the offer of membership, where a member joins during a SHIF year, the member's initial rates are only valid through the end of that SHIF year at which time the rates are adjusted for all members to reflect the new budget. Former members of the SHIF cannot rejoin the SHIF for a period of three (3) years after the date of the termination of their membership in the SHIF.

## **11.) PROVISION FOR PPOs, etc.**

The SHIF offers employees the option of selecting various PPO/POS plans dependent upon the collective bargaining agreements applicable that member. Generally, it is the policy of the SHIF to encourage selection of POS and other cost saving plan designs as opposed to traditional indemnity plans, and the SHIF provides promotional material to assist members in employee communication programs concerning optional plan designs.



## **12.) OPEN ENROLLMENT PROCEDURES**

All members have an open enrollment period no later than the first month of their joining the SHIF. Participating employees also have an open enrollment period in the fall or at other times designated by the SHIF before the beginning of each calendar year during which they may switch between plan options. The changes shall be effective at the beginning of the SHIF Year.

## **13.) COBRA AND CONVERSION OPTIONS**

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

## **14.) DISCLOSURE OF BENEFIT LIMITS**

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

## **15.) 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 SHIF or confer any additional rights to the employees. Where the SHIF 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.

## **16.) RETIREES**

The SHIF duplicates coverage for eligible retirees and uses the rates established by the SHIF actuary. The SHIF's coverage of a retiree shall terminate effective the date the member local unit withdraws from the SHIF, or otherwise ceases to be a member of the SHIF or in the event of nonpayment of applicable charges.

## **17.) NEWBORN CHILDREN**

All plan documents will have the following language:

"You may remove family members from the policy at any time, but you may only add members within sixty (60) days of the change in family status (marriage, birth of a child, etc.). It is your

responsibility to notify your employer of needed changes. If family members cease to be eligible, claims will not be paid. The actual change in coverage (and the corresponding change in premium) will not take place until you have formally requested that change. Newborn children, but not grandchildren of an eligible employee, shall be automatically covered from birth for 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)."

## 18.) PLAN DOCUMENT

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

### A.) General Information

- Enrollment procedures and eligibility;
- Dependent eligibility;
- When coverage begins;
- When coverage may be changed;
- When coverage ends;
- COBRA provisions;
- Conversion privileges; and
- Enrollment forms and instructions.

### B.) Benefits

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

### C.) Claims Procedures

- Submission of claim. In accordance with plan document.
- Proof of loss. In accordance with plan document
- Appeal procedures. Shall be in accordance with applicable law. See Plan Document and SHIF Bylaws

D.) Cost Containment Programs – In accordance with plan document.

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

**19.) BENEFITS CURRENTLY PROVIDED TO COVERED EMPLOYEES BY EACH MEMBER AND BENEFITS PROPOSED TO BE PROVIDED BY THE SHIF.**

**SEE EXHIBIT A**

**20.) PROCEDURES FOR THE CLOSURE OF SHIF YEARS**

Approximately six months after the end of a SHIF year, the SHIF 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 SHIF begins to consider closing the year, unless excess insurance recoveries are pending or litigation is likely. The SHIF has determined that maintaining and retaining a surplus equal to two (2) months of the current year claim expenses is a benchmark prior to a dividend being declared from surplus generated by claims operations. A member entity will be eligible to participate in the dividend provided that its pro rata share of the SHIF'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 SHIF determines that a SHIF year should be closed:

- A reserve is established by the actuary to cover any unpaid claims or IBNR
- The SHIF decides on the final dividend or supplemental assessment.
- A closure resolution is adopted transferring all remaining assets and liabilities of that SHIF 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 SHIF shall receive its remaining share of the Closed Fund Year/Contingency Account six years after the date of its withdrawal.

**21.) MAXIMUM APPROVAL AMOUNT FOR CERTIFYING & APPROVING OFFICER**

1. The SHIF Treasurer may issue checks or initiate wire transfers in payment of medical claims, as submitted by the third party administrator responsible for handling the SHIF's medical claims, as necessary in order to fulfill the SHIF's claim funding obligations under the applicable service provider contract between the SHIF and the third party administrator. The certifying and approving officer shall prepare a report of all claims approved by him or her since the last report, detailing the nature and amount of the claim, the payee, the reasons supporting payment and any

other pertinent information. This report shall be submitted to the Board of Trustees of the SHIF at their next scheduled meeting. The Board of Trustees shall review and approve the actions of the certifying and approving officer. In the event a claim approved and paid by the certifying and approving officer is not approved by the Board of Trustees, they shall direct appropriate action to be taken.

2. Delta Dental shall issue checks for the payment of dental claims in the amount of \$.0 to \$5,000 on the adjudication and signature solely of duly authorized Delta Dental personnel.

3. All dental claims, if any, in excess of \$5,000 shall require the approval, at a regularly scheduled meeting, of the Board of Trustees of the SHIF after obtaining appropriate certifications and making such other inquiries as are reasonable. Checks issued pursuant to any such approval shall be countersigned by a duly authorized representative of the Executive Director.

4. The terms "claims" as herein utilized shall refer to the issuance of any particular check, provided however that no bills shall be split for the purpose of avoiding the requirements hereof.

5. In addition to the claim payment procedure, Delta Dental shall also notify the Board of Trustees in writing whenever the cumulative payments to any covered person for a single illness or injury (including related illnesses and injuries) exceeds \$30,000.

## **22.) "RUN-IN" or "RUN-OUT" LIABILITY**

The SHIF covers the "run-out" liability of all members - i.e., liability for claims incurred but not reported by a former SHIF member during the period it was a member. Upon approval of the Board of Trustees, the SHIF may also cover the run-in liability of a perspective 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 SHIF). When the SHIF covers run-in liability, the prospective member shall be assessed the expected ultimate cost of run-in claims, as certified by the SHIF's actuary and approved by the Board of Trustees. The assessment shall be paid entirely within the SHIF Year the member joined the SHIF.

## **23.) CLAIM AUDIT**

The SHIF retains a claim auditor experienced in auditing self-insured health plans. The audit will be conducted upon completion of the first SHIF Year after the SHIF's inception and at least once every three years thereafter. The SHIF can conduct this audit on its own, or in a cooperative effort with other health joint insurance funds through the Municipal Reinsurance Health Insurance Fund.

## **24.) AUTHORITY OF CLAIM APPEAL COMMITTEE AND INDEPENDENT REVIEW ORGANIZATIONS**

- The 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 Program Manager, Executive Director and the SHIF Attorney with a copy of the memo, which has been prepared concerning the appeal.

- The TPA, Program Manager, Executive Director and SHIF Attorney shall confer concerning the merits of an appeal and they shall render a decision concerning the appeal provided that the appeal is
  - (a) In an amount not greater than \$5,000.00 and/or
  - (b) Has been reviewed and recommended for approval by an independent, third party medical review consultant.
  - If the decision of the TPA, Program Manager, Executive Director and SHIF Attorney is to pay the claim, then the TPA is hereby authorized to issue the necessary check in payment of the claim.
  - The Board of Trustees of the SHIF shall formally confirm the decision of the TPA, Program Manager, Executive Director and SHIF Attorney to pay the claim and ratify the payment issued pursuant to that decision at the next meeting of the Board of Trustees.
  - If the decision of the TPA, Program Manager, Executive Director and SHIF 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 SHIF'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 Program Manager.
- 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 Program Manager 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 Program Manager 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 Program Manager 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 Program Manager shall then forward an eligible, complete request for external review to the IRO designated by the SHIF 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 Program Manager 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 Program Manager shall provide prompt written notice of any such modification to the claimant and the IRO.

4. The Program Manager, 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 Program Manager does not provide such information in a timely manner. In such event, the IRO shall notify the claimant and the Program Manager 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 Program Manager 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 Program Manager 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) references 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 SHIF subject to the claimant's right to seek judicial review of the same; and
- (vi) that the claimant may contract 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 address: [ombudsman@dobi.state.nj.us/](mailto:ombudsman@dobi.state.nj.us/)

**ADOPTED:** \_\_\_\_\_ **2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

---

**SECRETARY**

# Exhibit "A"

## Summary of Individual Member Plans

(Benefits Currently Provided *And To Be Provided* To Each Member Entity)

### Dental

PlanTypeName	PlanName	CompanyName	Carrier
Dental	Delta Dental Premier (Berlin Borough BOE)	Berlin Borough BOE	DELTA
Dental	Delta Dental PPO (Bellmawr Public School District)	Bellmawr Public School District	DELTA
Dental	Delta Dental Premier (Black Horse Pike Regional BOE)	Black Horse Pike Regional BOE	DELTA
Dental	Delta Dental Advantage (Black Horse Pike Regional BOE)	Black Horse Pike Regional BOE	DELTA
Dental	Delta Dental PPO (Black Horse Pike Regional BOE)	Black Horse Pike Regional BOE	DELTA
Dental	Delta Dental Premier- General (Burlington Township BOE)	Burlington Township BOE	DELTA
Dental	Delta Dental Premier- Admin (Burlington Township BOE)	Burlington Township BOE	DELTA
Dental	Delta Dental Premier (Cinnaminson Township BOE)	Cinnaminson Township BOE	DELTA
Dental	Delta Dental DMO - Choice NJ6 (Cinnaminson Township BOE)	Cinnaminson Township BOE	DELTA-DMO
Dental	Delta Dental DMO - Total Care Complete (Cinnaminson Township BOE)	Cinnaminson Township BOE	DELTA-DMO
Dental	Delta Dental Premier (Clearview Township BOE)	Clearview Township BOE	DELTA
Dental	Delta Dental Premier Voluntary (Clearview Township BOE)	Clearview Township BOE	DELTA
Dental	Delta Dental Premier (E.I.R.C.)	EIRC	DELTA
Dental	Delta Dental - DMO (E.I.R.C.)	EIRC	DELTA-DMO
Dental	Delta Dental (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	DELTA
Dental	Delta Dental Premier- MLEA Union (Medford Lakes BOE)	Medford Lakes BOE	DELTA
Dental	Delta Dental Premier (Medford Lakes BOE)	Medford Lakes BOE	DELTA
Dental	Delta Dental Premier (Rancocas Valley Regional BOE)	Rancocas Valley Regional BOE	DELTA
Dental	Delta Dental Premier (South Harrison Township BOE)	South Harrison BOE	DELTA
Dental	Delta Dental Premier (West Deptford BOE)	West Deptford BOE	DELTA
Dental	Delta Dental Premier- Admin (West Deptford BOE)	West Deptford BOE	DELTA

### Medical



PlanTypeName	PlanName	CompanyName	Carrier
Medical	Aetna Choice Open Access \$10 (Alexandria Township BOE)	Alexandria Township BOE	AETNA
Medical	Aetna ACPOS II 36" Buy Up (Alexandria Township BOE)	Alexandria Township BOE	AETNA
Medical	Aetna ACPOS II 36" HDHP (Alexandria Township BOE)	Alexandria Township BOE	AETNA
Medical	Aetna Choice POS (Open Access) \$15 (Bellmawr Public School District)	Bellmawr Public School District	AETNA
Medical	Aetna HMO (Bellmawr Public School District)	Bellmawr Public School District	AETNA
Medical	Aetna Choice POS (Open Access) \$10 (Bellmawr Public School District)	Bellmawr Public School District	AETNA
Medical	Aetna QPOS \$5 (Berlin Borough BOE)	Berlin Borough BOE	AETNA
Medical	Aetna QPOS \$10 (Berlin Borough BOE)	Berlin Borough BOE	AETNA
Medical	Aetna HMO \$2 (Berlin Borough BOE)	Berlin Borough BOE	AETNA
Medical	AmeriHealth NJ POS \$20 (Black Horse Pike Regional BOE)	Black Horse Pike Regional BOE	AMERIHEALTHNJ
Medical	AmeriHealth NJ POS \$15 (Black Horse Pike Regional BOE)	Black Horse Pike Regional BOE	AMERIHEALTHNJ
Medical	Aetna Patriot V \$5 Copay \$100/\$200 Deduction (Burlington Township BOE)	Burlington Township BOE	AETNA
Medical	Aetna Patriot V \$5 Copay \$100/\$3000 Deduction (Burlington Township BOE)	Burlington Township BOE	AETNA
Medical	Aetna Patriot X \$10 (Burlington Township BOE)	Burlington Township BOE	AETNA
Medical	Aetna Open Access \$20 (Byram Township BOE)	Byram Township BOE	AETNA
Medical	Aetna HDHP (Byram Township BOE)	Byram Township BOE	AETNA
Medical	Aetna Patriot V \$5 (Cinnaminson Township BOE)	Cinnaminson Township BOE	AETNA
Medical	Aetna Patriot X \$10 (Cinnaminson Township BOE)	Cinnaminson Township BOE	AETNA
Medical	Aetna Premier \$2 (Cinnaminson Township BOE)	Cinnaminson Township BOE	AETNA
Medical	AmeriHealth Admin \$10 Buy Up Plan (City of Burlington BOE)	City of Burlington BOE	AMERIHEALTH
Medical	Aetna Open Access \$10 Buy Up Plan (City of Burlington BOE)	City of Burlington BOE	AETNA
Medical	Aetna QPOS \$10 (City of Burlington BOE)	City of Burlington BOE	AETNA
Medical	AmeriHealth NJ POS \$10 (City of Burlington BOE)	City of Burlington BOE	AMERIHEALTHNJ
Medical	AmeriHealth Admin \$25 Core Plan (City of Burlington BOE)	City of Burlington BOE	AMERIHEALTHNJ
Medical	Aetna Open Access \$10 - Teachers (Clayton BOE)	Clayton BOE	AETNA
Medical	Aetna Open Access \$10 - Supporting Staff (Clayton BOE)	Clayton BOE	AETNA
Medical	Aetna ACPOS II \$25 Core High (Clayton BOE)	Clayton BOE	AETNA
Medical	Aetna ACPOS II \$25 Core Low (Clayton BOE)	Clayton BOE	AETNA
Medical	Aetna Open Access 8- \$15 (Clearview Township BOE)	Clearview Township BOE	AETNA
Medical	Aetna Open Access 5- \$15 (Clearview Township BOE)	Clearview Township BOE	AETNA
Medical	Aetna Open Access 9- \$15 (Clearview Township BOE)	Clearview Township BOE	AETNA
Medical	Aetna Patriot V \$5- Blue (Collingswood BOE)	Collingswood BOE	AETNA
Medical	Aetna Open Access \$5- Gold (Collingswood BOE)	Collingswood BOE	AETNA
Medical	Aetna Patriot V- RX 2 (Delsea Regional BOE)	Delsea Regional BOE	AETNA
Medical	Aetna Patriot X- RX 2 (Delsea Regional BOE)	Delsea Regional BOE	AETNA
Medical	Aetna ACPOS II - \$25 Core (Delsea Regional BOE)	Delsea Regional BOE	AETNA
Medical	Aetna Open Access \$15 (E.I.R.C.)	EIRC	AETNA
Medical	Aetna Open Access \$20 Core Plan (E.I.R.C.)	EIRC	AETNA
Medical	Aetna Open Access 5 \$5 (Florence Township BOE)	Florence Township BOE	AETNA
Medical	Aetna Open Access 8 \$5 (Florence Township BOE)	Florence Township BOE	AETNA
Medical	Aetna Open Access 9 \$10 (Florence Township BOE)	Florence Township BOE	AETNA
Medical	AmeriHealth Admin Open Access 8 \$5 (Florence Township BOE)	Florence Township BOE	AMERIHEALTH
Medical	AmeriHealth Admin Open Access 9 \$10 (Florence Township BOE)	Florence Township BOE	AMERIHEALTH
Medical	Aetna Choice Open Access \$10 (Frankford Township BOE)	Frankford Township BOE	AETNA
Medical	Aetna High Deductible Plan (Frankford Township BOE)	Frankford Township BOE	AETNA
Medical	Aetna Patriot V \$5 (Gateway Regional BOE)	Gateway Regional BOE	AETNA
Medical	Aetna Patriot X \$10 (Gateway Regional BOE)	Gateway Regional BOE	AETNA
Medical	Aetna Premier \$2 (Gateway Regional BOE)	Gateway Regional BOE	AETNA
Medical	Aetna Patriot V \$5 (Hardyston Township BOE)	Hardyston Township BOE	AETNA
Medical	Aetna Choice Open Access \$10 (Hardyston Township BOE)	Hardyston Township BOE	AETNA
Medical	Aetna QPOS XV (High) (Leap Academy University Charter School)	Leap Academy University Charter School	AETNA
Medical	Aetna QPOS X (Leap Academy University Charter School)	Leap Academy University Charter School	AETNA
Medical	Aetna QPOS XV (Low) (Leap Academy University Charter School)	Leap Academy University Charter School	AETNA
Medical	Aetna Patriot X- 70 \$10 (Logan Township BOE)	Logan Township BOE	AETNA
Medical	Aetna Patriot X- 80 \$10 (Logan Township BOE)	Logan Township BOE	AETNA
Medical	Aetna Open Access \$15 (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	AETNA
Medical	Aetna HMO \$10 (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	AETNA
Medical	Aetna Open Access \$10 (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	AETNA
Medical	Aetna QPOS \$5 (Mantua Township BOE)	Mantua Township BOE	AETNA
Medical	Aetna QPOS \$10 (Mantua Township BOE)	Mantua Township BOE	AETNA
Medical	Aetna Patriot V \$10- MLEA Union (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna Patriot X \$15- MLEA Union (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna Premier \$2- MLEA Union (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna Patriot X \$10 (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna Patriot V \$5 (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna Patriot V \$10- Admin (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna ACPOS II Core (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Medical	Aetna Open Access 8 \$10 (Medford Township BOE)	Medford Township BOE	AETNA
Medical	AmeriHealth Admin Open Access 8 \$10 (Medford Township BOE)	Medford Township BOE	AMERIHEALTH
Medical	Aetna Open Access 9 \$15 (Medford Township BOE)	Medford Township BOE	AETNA
Medical	AmeriHealth Admin Open Access 9 \$15 (Medford Township BOE)	Medford Township BOE	AMERIHEALTH
Medical	Aetna ACPOS II \$25 Core (Medford Township BOE)	Medford Township BOE	AETNA
Medical	Aetna Patriot V \$5 (Mt. Holly Township BOE)	MT. Holly Township BOE	AETNA
Medical	Aetna Patriot X \$15 (Mt. Holly Township BOE)	MT. Holly Township BOE	AETNA
Medical	Aetna Premier \$2 (Mt. Holly Township BOE)	MT. Holly Township BOE	AETNA
Medical	Aetna Patriot V \$10 High (Rancocas Valley Regional BOE)	Rancocas Valley Regional BOE	AETNA
Medical	Aetna Patriot X \$15 (Rancocas Valley Regional BOE)	Rancocas Valley Regional BOE	AETNA
Medical	Aetna Patriot V \$10 Low (Rancocas Valley Regional BOE)	Rancocas Valley Regional BOE	AETNA
Medical	Aetna Patriot V \$5- Design 8 (Riverside Township BOE)	Riverside Township BOE	AETNA
Medical	Aetna Premier \$2- Design 5 (Riverside Township BOE)	Riverside Township BOE	AETNA
Medical	Aetna Patriot X \$10- Design 9 (Riverside Township BOE)	Riverside Township BOE	AETNA
Medical	Aetna Patriot V \$10 Gold or Silver Plan (South Harrison Township BOE)	South Harrison BOE	AETNA
Medical	Aetna Patriot V \$5 (Southampton Township BOE)	Southampton Township BOE	AETNA
Medical	Aetna Patriot X \$10 (Southampton Township BOE)	Southampton Township BOE	AETNA
Medical	AmeriHealth Admin \$5 (Swedesboro-Woolwich BOE)	Swedesboro Woolwich BOE	AMERIHEALTH
Medical	AmeriHealth Admin \$10 (Swedesboro-Woolwich BOE)	Swedesboro Woolwich BOE	AMERIHEALTH
Medical	Aetna Choice POS (Open Access) \$10 (Swedesboro-Woolwich BOE)	Swedesboro Woolwich BOE	AETNA
Medical	Aetna Choice POS (Open Access) \$5 (Swedesboro-Woolwich BOE)	Swedesboro Woolwich BOE	AETNA
Medical	Aetna Open Access POS \$5 (Tabernacle BOE)	Tabernacle BOE	AETNA
Medical	Aetna Open Access POS \$10 (Tabernacle BOE)	Tabernacle BOE	AETNA
Medical	Aetna ACPOS II - \$25 Core (Tabernacle BOE)	Tabernacle BOE	AETNA
Medical	AmeriHealth Admin Direct 10 Match (Upper Pittsgrove BOE)	Upper Pittsgrove BOE	AMERIHEALTH
Medical	Aetna Direct 15 Match (Upper Pittsgrove BOE)	Upper Pittsgrove BOE	AETNA
Medical	Aetna HMO (Upper Pittsgrove BOE)	Upper Pittsgrove BOE	AETNA
Medical	Aetna Direct 10 Match (Upper Pittsgrove BOE)	Upper Pittsgrove BOE	AETNA
Medical	Aetna HMO \$10 (Woodbury Heights BOE)	Woodbury Heights BOE	AETNA
Medical	Aetna Open Access \$10 (Woodbury Heights BOE)	Woodbury Heights BOE	AETNA
Medical	Aetna Open Access \$15 (Woodbury Heights BOE)	Woodbury Heights BOE	AETNA
Medical	Aetna POS \$15- W/Gate (Woodstown-Pilesgrove BOE)	Woodstown-Pilesgrove BOE	AETNA

## Prescription

PlanTypeName	PlanName	CompanyName	Carrier
Prescription Plan	Prescription Drug Aetna Choice Open Access \$10 (Alexandria Township BOE)	Alexandria Township BOE	AETNA
Prescription Plan	Prescription Drug "Buy Up" (Alexandria Township BOE)	Alexandria Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$3/\$10 (Bellmawr Public School District)	Bellmawr Public School District	EXPRESSSCRIPTS
Vision	VSP (Bellmawr Public School District)	Bellmawr Public School District	VSP
Prescription Plan	Prescription Drug \$15/\$30/\$30 (Berlin Borough BOE)	Berlin Borough BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$10/\$15 (Black Horse Pike Regional BOE)	Black Horse Pike Regional BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug (Byram Township BOE)	Byram Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$10/\$15 (Cinnaminson Township BOE)	Cinnaminson Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$10/\$20- Teachers (Clayton BOE)	Clayton BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$10/\$20/\$0 - Supporting Staff (Clayton BOE)	Clayton BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$15/\$25 (Clearview Township BOE)	Clearview Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug 2 \$10/\$20/\$35 (Delsea Regional BOE)	Delsea Regional BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug "Core/Buy Up" (Delsea Regional BOE)	Delsea Regional BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug Aetna Open Access \$15 (E.I.R.C.)	EIRC	AETNA
Prescription Plan	Prescription Drug Core Plan (E.I.R.C)	EIRC	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug (Frankford Township BOE)	Frankford Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug Express Scripts Buy Up Plan (Frankford Township BOE)	Frankford Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug (Patriot V) (Hardyston Township BOE)	Hardyston Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug (Open Access) (Hardyston Township BOE)	Hardyston Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$10/\$25/\$35 (Logan Township BOE)	Logan Township BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug Aetna HMO \$10 (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	AETNA
Prescription Plan	Prescription Drug Aetna Open Access \$10 (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	AETNA
Prescription Plan	Prescription Drug Aetna Open Access \$15 (Lower Alloways Creek BOE)	Lower Alloways Creek BOE	AETNA
Prescription Plan	Prescription Drug \$10/\$20/\$5- MLEA Union (Medford Lakes BOE)	Medford Lakes BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$10/\$15/\$5 "Admin" (Medford Lakes BOE)	Medford Lakes BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$5/\$10 (Medford Lakes BOE)	Medford Lakes BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug "Core/Buy Up" (Medford Lakes BOE)	Medford Lakes BOE	AETNA
Prescription Plan	Prescription Drug \$10/\$20 Silver Plan (South Harrison Township BOE)	South Harrison BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$5/\$10 Gold Plan (South Harrison Township BOE)	South Harrison BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug \$15/30 Bronze Plan (South Harrison Township BOE)	South Harrison BOE	EXPRESSSCRIPTS
Prescription Plan	Prescription Drug 10% (Woodbury Heights BOE)	Woodbury Heights BOE	AETNA
Prescription Plan	Prescription Drug Aetna HMO \$10 (Woodbury Heights BOE)	Woodbury Heights BOE	AETNA

**SCHOOLS HEALTH INSURANCE FUND  
ESTABLISHING PLAN FOR COMPENSATING PRODUCERS LICENSED PURSUANT TO  
N.J.S.A. 17:22A-1 ET SEQ AND REPRESENTING MEMBER ENTITIES**

**WHEREAS**, The Schools Health Insurance Fund permits member entities that designate a producer or risk manager to represent them in dealings with the Fund through subcontracts with the Program Manager; 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 Schools Health Insurance Fund establishes the following producer plan for 2016;

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 sub-contract with the Program Manager using the form of contract attached hereto.
3. The following sub-producers with the designated compensation levels are approved for 2016:

<u>Member Name</u>	<u>Broker</u>	
<b>Rates Through 6/30/2016</b>		
SOUTH HARRISON TWP BOE	Conner Strong & Buckelew	\$13.12
MT. HOLLY TWP. BOE	Conner Strong & Buckelew	\$24.64
EDUCATIONAL INFORMATION & RESOURC	Conner Strong & Buckelew	\$11.14
WOODBURY HTS BOE	Conner Strong & Buckelew	\$10.89
TABERNACLE BOE	Allen Associates	\$53.33
LOGAN TWP BOE	J Cobb Insurance Group LLC	\$53.16
FLORENCE BOE	Allen Associates	\$51.15
MEDFORD BOE	Allen Associates	\$49.47
BERLIN BOROUGH BOE	Conner Strong & Buckelew	\$22.35
MANTUA TWP BOE	Hardenbergh Insurance Group	\$48.94
CITY OF BURLINGTON BOE	Cherry Hill Benefits Group	\$22.91
ALEXANDRIA TWP BOARD OF EDUCATION	Bown & Brown Advisors	\$36.95
BYRAM TWP BOE	Integrity	\$25.87
HARDYSTON TWP BOE	Bollinger Insurance	\$24.98
RIVERSIDE TOWNSHIP BOE	The Lance Group	\$20.18
BURLINGTON TWP. BOE	The Lance Group	\$19.31
CINNAMINSON TWP BOE	The Lance Group	\$19.96
SOUTHAMPTON TWP BOE	The Lance Group	\$26.69
MEDFORD LAKES BOE	The Lance Group	\$20.13
MOORESTOWN BOE	The Lance Group	\$19.89
MT. LAUREL BOE	The Lance Group	\$19.89

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

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2015**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 10-16**

**SCHOOLS HEALTH INSURANCE FUND  
AUTHORIZING FUND TREASURER TO PROCESS  
CONTRACTED PAYMENTS AND EXPENSES**

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

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

**BE IT RESOLVED** by the Board of Trustees of the Schools Health Insurance Fund that the Fund Treasurer is hereby authorized to process the contracted payments and Fund expenses for all months in which the Fund does not meet during the year 2016.

**BE IT FURTHER RESOLVED** that the Board of Trustees of the Schools Health Insurance Fund shall ratify the contracted payments and Fund expenses so paid by the Fund Treasurer pursuant to the Resolution at its next regularly scheduled monthly meeting.

**ADOPTED** by Schools Health Insurance Fund at a properly noticed meeting held on January 27, 2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
Chairperson

**ATTEST:**

\_\_\_\_\_  
Secretary



**RESOLUTION NO.11-16**

**SCHOOLS HEALTH INSURANCE FUND  
APPOINTING OF FUND COMMISSIONER AND ALTERNATE FUND COMMISSIONER TO  
THE MUNICIPAL REINSURANCE HEALTH INSURANCE FUND**

**WHEREAS**, The Schools Health Insurance Fund has agreed to join the Municipal Reinsurance Health Insurance Fund; and

**WHEREAS**, by virtue of the conditions of membership contained in the by-laws of the fund, the Schools Health Insurance Fund must appoint a Fund Commissioner, and an Alternate;

**NOW THEREFORE BE IT RESOLVED**, Schools Health Insurance Fund as follows:

1. That \_\_\_\_\_ is hereby appointed as Fund Commissioner.
2. That \_\_\_\_\_ is hereby appointed as Alternate.

**SCHOOLS HEALTH INSURANCE FUND**

**ADOPTED: JANUARY 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**RESOLUTION NO. 12-16**

**MUNICIPAL REINSURANCE HEALTH INSURANCE FUND  
INDEMNITY and TRUST AGREEMENT**

**THIS AGREEMENT** made this 27<sup>th</sup> day of January, 2016, by and between the Municipal Reinsurance Health Insurance Fund, hereinafter referred to as the "REINSURANCE FUND", and the Schools Health Insurance Fund, hereinafter referred to as the "FUND".

**WITNESSETH:**

**WHEREAS**, several local governmental units are desirous of forming a Reinsurance claims joint insurance fund as authorized and described in N.J.S.A. 40A:10-36 et seq., and the administrative regulations promulgated pursuant thereto; and,

**WHEREAS**, the FUND has agreed to become a member of the REINSURANCE FUND and to share in the obligations and benefits flowing from such membership with other members of the REINSURANCE FUND in accordance with and to the extent provided for in the Bylaws of the REINSURANCE FUND, and in consideration of such obligations and benefits to be shared by the membership of the REINSURANCE FUND.

**NOW, THEREFORE**, be it agreed as follows:

- 1.) The FUND accepts the REINSURANCE FUND's Bylaws as approved and adopted and agrees to be bound by and to comply with each and every provision of the said Bylaws, the pertinent statutes and administrative regulations pertaining to same and as set forth in the Risk Management Plan.
- 2.) The FUND agrees to participate in the REINSURANCE FUND with respect to the types of insurance listed in the FUND's Resolution to Join.
- 3.) The FUND agrees to become a member of the REINSURANCE FUND for an initial period not to exceed three (3) years, the commencement of which shall commence effective January 1, 2016.
- 4.) The FUND certifies that it has not defaulted on any claims if self-insured and has not been cancelled for non-payment of insurance premiums for a period of at least two (2) years prior to the date hereof.
- 5.) In consideration of membership in the REINSURANCE FUND, the FUND agrees that it shall jointly and severally assume and discharge the liability of each and every member of the REINSURANCE FUND, all of whom as a condition of membership in the REINSURANCE FUND shall execute a verbatim counterpart of this agreement, and by execution hereof the full faith and credit of the FUND is pledged to the punctual payment of any sum which shall become due to the REINSURANCE FUND in accordance with the Bylaws thereof, this agreement, the REINSURANCE FUND's Risk Management Plan, or any applicable statute.



- 6.) If the REINSURANCE FUND in the enforcement of any part of this agreement shall incur necessary expense, or become obligated to pay attorney's fees and/or court costs, the FUND agrees to reimburse the REINSURANCE FUND for all such reasonable expenses, fees, and costs on demand.
- 7.) The FUND and the REINSURANCE FUND agree that the REINSURANCE FUND shall hold all monies paid by the FUND to the REINSURANCE FUND as fiduciaries for the benefit of REINSURANCE FUND claimants, all in accordance with administrative regulations.
- 8.) The REINSURANCE FUND shall establish a Trust Account entitled "Claims or Loss Retention Fund". The REINSURANCE FUND shall maintain the Trust Account in accordance with N.J.S.A. 40A:10-36 et seq., N.J.S.A. 40A:5-1, and such other regulations or statutes as may be applicable. More specifically, the Trust Account shall be utilized solely for the payment of claims, allocated claim expense, and excess insurance or reinsurance premiums for such risk or liability or as "surplus" as such term is defined by the administrative regulations.
- 9.) Each FUND who shall become a member of the REINSURANCE FUND shall be obligated to execute this agreement.

**SCHOOLS HEALTH INSURANCE FUND**

\_\_\_\_\_ Dated: \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_ Dated: \_\_\_\_\_  
Secretary

**RESOLUTION NO. 13-16**

**RESOLUTION AUTHORIZING AND APPROVING THE BUDGET  
FOR THE PERIOD FROM 1/1/2016 TO 6/30/2016 FOR THE SCHOOLS HEALTH INSURANCE  
FUND AND CERTIFYING MEMBER ASSESSMENTS**

**WHEREAS**, the Schools Health Insurance Fund is required under State regulation to adopt a budget;  
and

**WHEREAS**, on March 23, 2015, the rates provided under the Southern New Jersey Regional  
Employee Benefits Fund remain in place for the period from January 1, 2016 to June 30, 2016 without  
change; and

**WHEREAS**, as part of the formation process for the Schools Health Insurance Fund requests for  
proposals were issued to professionals and application was made for membership in the Municipal  
Reinsurance Health Insurance Fund; and

**WHEREAS**, Request for proposals were received and acted upon by the formation committee and  
reinsurance has been provided by the MRHIF;

**NOW THEREFORE BE IT RESOLVED** the appropriations in the total amount of \$49,148,831 are  
herby authorized & approved as contained in the attached budget and estimated assessments as  
listed are hereby certified.

**ADOPTED** by the Schools Health Insurance Fund at a properly noticed meeting held on January 27,  
2016.

**ADOPTED:**

**BY:** \_\_\_\_\_  
CHAIRMAN

**ATTEST:**

\_\_\_\_\_  
SECRETARY

**RESOLUTION NO. 14-16**

**SCHOOLS HEALTH INSURANCE FUND  
APPROVAL OF THE JANUARY 2016 BILLS LISTS**

**WHEREAS**, the Schools Health Insurance Fund held a Public Meeting on **January 27, 2016** 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 January 2016 for consideration and approval of the Board of Trustees; and

**WHEREAS**, a quorum of the Board of Trustees was present thereby conforming with the By-laws of the Fund to conduct official business of the Fund,

**NOW THEREFORE BE IT RESOLVED** the Trustees of the Schools Health Insurance Fund hereby approve the Bills List for January 2016 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 Trustees of the Schools Health Insurance Fund hereby approve the Treasurers Report as furnished by the Treasurer of the Fund and concur with actions undertaken by the Treasurer, in accordance with the laws and regulations promulgated by the State of New Jersey for Municipal Health Insurance Funds.

**ADOPTED: January 27, 2016**

**BY:** \_\_\_\_\_  
**CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**