



**State of New Jersey**  
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 DIVISION OF PENSIONS AND BENEFITS  
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September 2006

**TO:** State Departmental Certifying Officers  
 State Departmental Human Resources Directors  
 State Biweekly Human Resources Representatives

**FROM:** New Jersey State Health Benefits Program

**SUBJECT: SHBP Open Enrollment 2006 — State Biweekly Employers**

The State Health Benefits Program (SHBP) Open Enrollment period for all State employees will begin on **October 1, 2006 and end on October 31, 2006**. All changes to coverage made during this open enrollment will be effective on January 6, 2007 for State biweekly employees paid through the State Centralized Payroll Unit.

Completed employer-certified health benefit and/or dental applications should be forwarded to the Health Benefits Bureau as soon as they are received from employees. The last day that certified applications may arrive at the Health Benefits Bureau to be effective for the start of the new plan year is November 6, 2006.

**In keeping with its current policy, the SHBP will not provide health fairs during this year's open enrollment period.**

**RATES FOR 2007**

The State Health Benefits Commission has approved new health, dental, and prescription drug plan rates for the 2007 plan year. These rates are based upon the recommendation of the Commission's actuarial consultant, Aon Consulting. Since the SHBP self-funds all of its medical plans, the claims experience used in projecting 2007 costs are based upon the actual claims experience of the group.

Effective January 6, 2007, SHBP plan rates for the State Active Group, will see the following percentage of change:

PLAN TYPE	RATE INCREASE/DECREASE
NJ PLUS	7.6%
Traditional Plan	21.6%
HMO Plans (Composite Change)	11.5%
Prescription Drug Plan	- 4.2%
Dental Provider Organization (DPO) Plans	0% (Aetna 2.5% Horizon - 5.5%)
Dental Expense Plan	0%

### PREMIUM SHARING

The premium share arrangements remain unchanged. For those employees subject to premium sharing:

- There is no premium cost to any employee who enrolls in NJ PLUS.
- Employees will pay 5% of the premium cost if enrolled in an HMO.
- Employees will pay 25% of the premium cost *if eligible* and enrolled in the Traditional Plan.

These percentages apply regardless of salary level or date of hire.

### COPAYMENT AMOUNTS FOR 2007

SHBP medical and prescription drug plan copayments for State Active Group members remain unchanged for the 2007 plan year and are listed below.

- For **NJ PLUS** and **all HMOs** (Aetna, AmeriHealth, CIGNA, Health Net and Oxford), the copayment for primary doctor visits and visits to a specialist is \$10. This copayment amount will also apply to State *Retiree* Group members effective January 1, 2007.
- The copayments for **State Active Group** members enrolled in **the SHBP Employee Prescription Drug Plan** for each 30 day supply purchased at a retail pharmacy are \$3 for generic drugs and \$10 for brand name prescription drugs. Mail order copayments for up to a 90-day supply are \$5 for generic drugs and \$15 for brand name prescription drugs.

### MEDICAL AND PRESCRIPTION DRUG PLAN CHANGES

The plan changes that will effect State Active Group members are as follows:

- **Extended Coverage for Over Age Children to Age 30** — During the Open Enrollment period — and under the provisions of Chapter 375, P.L. 2005 — certain over age children may elect coverage with the SHBP from the time their dependent coverage eligibility would normally end until their 30th birthday.

An over age child by blood or by law must meet all of the eligibility requirements outlined as follows:

1. Be less than 30 years of age;
2. Be unmarried;
3. Have no dependent(s) of his or her own;
4. Be a resident of New Jersey or enrolled as a full-time student at an accredited public or private institution of higher education; and
5. Have no other coverage as a named subscriber, insured, enrollee, or covered person under any other group or individual health benefits plan, church plan, or health benefits plan, or entitled to benefits under Medicare.

The SHBP covered parent is responsible for the full cost of this extended coverage and will be billed on a monthly basis.

For more information see Fact Sheet #74, *SHBP Coverage for Over Age Children to Age 30*, which, along with the *Chapter 375 Enrollment Application*, is available on our Web site at: [www.state.nj.us/treasury/pensions/shbp.htm](http://www.state.nj.us/treasury/pensions/shbp.htm) or by calling the Division of Pensions and Benefits.

- **Elimination of Duplicate Coverage** — At a special meeting of the State Health Benefits Commission on September 5, 2006, the Commission approved the publication of a proposed change to the New Jersey Administrative Code to prohibit duplicate health coverage under the State Health Benefits Program (SHBP). There will be a 60-day period for public comment.

If the Commission approves the rule change following the public comment period, an individual covered under the SHBP will be permitted to have coverage as a member or a dependent, but not as both. For example, if a husband and wife are both eligible for coverage under the SHBP as employees, each may elect single coverage or one may elect member/spouse coverage (covering the spouse as a dependent) provided that the spouse does not elect his or her own SHBP coverage. Qualified dependent children are only eligible for coverage under one parent.

If approved, employees who are covered under the SHBP as an employee and a dependant can expect to receive notification from the SHBP that they must terminate one of the coverages. The effective date of coverage termination will be in early 2007.

- Employers should also remember that new State employees hired on or after July 1, 2003 and eligible for enrollment in the SHBP, are not eligible for coverage under the SHBP **Traditional Plan**. Ineligible employees include State employees as determined by union contract and all non-aligned State employees as provided under Chapter 119, P.L. 2003.

Employees who are not eligible for the Traditional Plan can choose from among the six other plans offered by the SHBP such as NJ PLUS or one of the five HMOs: Aetna, AmeriHealth, CIGNA HealthCare, Health Net, and Oxford.

- Employees who are *newly married*, or enrolling in the SHBP for the first time during the Open Enrollment, and are enrolling their spouse as a dependent are required to provide a copy of the marriage certificate at the time of enrollment. Similarly, if an employee is enrolling an eligible domestic partner as a dependent, a copy of the *NJ Certificate of Domestic Partnership* is required at the time of enrollment. To ensure that the documentation submitted is properly matched to the employee's record, the Health Benefits Bureau is requesting that employers provide the employee's Social Security number on the copy of the marriage/partnership documentation.

### **RETIREE PRESCRIPTION DRUG PLAN INFORMATION**

In accordance with the provisions of the Retiree Prescription Drug Plan under NJ PLUS and the Traditional Plan, effective January 1, 2007, retail pharmacy copayments for a 30-day supply will increase to \$8 for generic drugs; \$17 for preferred brand name drugs; and \$34 for all other brand name prescription drugs. The mail order copayments for a 90-day supply will increase to \$8 for generic drugs, \$25 for preferred brand name drugs, and \$42 for all other brand name prescription drugs. Effective January 1, 2007, the annual maximum out-of-pocket for prescription drug copayments is \$1,082 per person. Once a person has paid \$1,082 in copayments, that person is no longer required to pay any prescription drug copayments for the remainder of that calendar year.

## OPEN ENROLLMENT INFORMATIONAL MATERIALS

**MILESTONES** — Enclosed is a milestone chart that lists the critical dates of the open enrollment period and outlines the efforts being made to educate employees. Please use this chart as a checklist to guide your activities during open enrollment.

**RATE CHARTS** — Enclosed you will find rate charts for your use, as well as a sample open enrollment announcement flier that provides a list of medical and dental plans and the premium sharing costs for your employees. This flier is designed to assist your employees in making informed decisions concerning their health care coverage during this open enrollment period.

On September 22, the open enrollment announcement flier will be distributed with paychecks to all employees paid through the State's Centralized Payroll Unit.

**HEALTH CAPSULE** — The *Health Capsule* newsletter announces the SHBP Open Enrollment Period to employees and presents important information and changes that may affect their benefit selection. A sample is enclosed for your review.

On September 22, the *Health Capsule* newsletter will be distributed with paychecks to all employees paid through the State's Centralized Payroll Unit.

**HEALTH PLAN CONTACTS** — Also included in this mailing is a listing of marketing contacts for the various health and dental plans. Use these contacts to obtain provider directories or other plan specific literature. (These telephone numbers are not for member services. Please do not give these telephone numbers to your employees.)

**HEALTH AND DENTAL PLAN APPLICATIONS** — As a result of last year's expansion of the SHBP Dental Plans to local government and educational employers, the Health Benefits Bureau has two separate applications: one application is for enrolling into the health plans (including prescription drug coverage) and the other application is for enrolling into the Employee Dental Plans. The health benefit application has been recently revised and a copy is attached. Please check that you are using the newest versions. The health and dental applications are available for download from the SHBP home page at: [www.state.nj.us/treasury/pensions/shbp.htm](http://www.state.nj.us/treasury/pensions/shbp.htm)

**HEALTH PLAN COMPARISON SUMMARY CHART** — With the changes to Local Group and Retiree copayments, the SHBP is again able to produce a single *Plan Comparison Summary* charts for State employees, Local/Educational employees, and all Retirees (State and Local/Educational). The comparison charts are currently being printed and copies will be shipped to employers as soon as they are available.

**SUMMARY PROGRAM DESCRIPTION (SPD) BOOKLET** — The SHBP *Summary Program Description* has been revised for the 2007 plan year. The booklet is currently being printed and copies will be shipped as soon as they are available. The SPD is currently available for viewing over the Internet at: [www.state.nj.us/treasury/pensions/shbp.htm](http://www.state.nj.us/treasury/pensions/shbp.htm)

**PLAN HANDBOOKS** — The SHBP's member handbooks for the Traditional Plan, NJ PLUS, and the Employee Prescription Drug Plan are being revised for the 2007 plan year and will be available early in 2007. HMO handbooks are also being prepared by the individual HMOs for distribution. The SHBP Dental Plans was revised for the 2006 plan year and can continue to be used for the 2007 plan year.

## ONLINE INFORMATION

The SHBP's plan comparisons, member handbooks, newsletters, and rate information are available over the Internet at the State Health Benefits Program home page: [www.state.nj.us/treasury/pensions/shbp.htm](http://www.state.nj.us/treasury/pensions/shbp.htm)

Web-based presentations on the SHBP Open Enrollment Period will also be available for both employers and employees during the open enrollment period. Once open enrollment begins you will find the link on the SHBP home page.

Participating provider information for all SHBP medical plans is available in the Unified Provider Directory (UPD). The UPD is an online service that provides a comprehensive listing of health care providers and facilities that deliver their services through one or more of the SHBP's health care plans. Updated monthly, you can access the UPD through the SHBP home page at: [www.state.nj.us/treasury/pensions/shbp.htm](http://www.state.nj.us/treasury/pensions/shbp.htm)

## TAX\$AVE

The State Employees' Tax Savings Program (Tax\$ave) Open Enrollment Period runs concurrent with the SHBP Open Enrollment Period (October 1 – October 31, 2006). Tax\$ave is a benefit program available to full-time State employees who are eligible for the SHBP. Tax\$ave can save your employees tax money by paying health and dental benefit premiums and eligible unreimbursed medical and/or dependent care expenses from before-tax dollars. See the Tax\$ave Open Enrollment materials for more information.

Internal Revenue Service (IRS) rules require that for an employee covered by the Premium Option Plan, payroll deductions for health and dental plan benefits remain the same for the entire plan year. Therefore, no coverage level changes can be made which result in a change in the amount of an employee's health and/or dental plan deduction unless a Qualifying Event has occurred.

**FSA Claim Period Extended** — Any balance remaining in a Tax\$ave Flexible Spending Account (FSA) — the Unreimbursed Medical Spending Account **or** the Dependent Care Spending Account — as of December 31, can now be used for eligible expenses incurred from January 1 through March 15 of the following year. The period that employees enrolled in a Tax\$ave FSA have for submitting claims for reimbursement has been extended to April 30 of the following year. While this does not eliminate the use-it-or-lose-it rule completely, employees now have a longer period to obtain covered services and avoid forfeiting unused funds. See the Tax\$ave Open Enrollment announcement letter or the *Tax\$ave 2007* newsletter for details.

**Tax\$ave and Domestic Partners** — SHBP members need to be aware of the possible federal tax implications of adding a domestic partner to SHBP benefits. Since the federal tax code does not view domestic partners in the same manner as spouses, an employer may have to treat the domestic partner SHBP benefit as taxable to the employee and withhold federal income, Social Security, and Medicare taxes on its value. Similarly, since the domestic partner's coverage is a federally taxable benefit, an employee who participates in the Tax\$ave Premium Option Plan cannot make pre-tax payments for the cost of a domestic partner's coverage. Pre-tax dollars may still be used to pay for the employee's portion of the cost of his or her own and dependent children's coverage. If an employee wants to claim a federal tax dependency exemption for a domestic partner, he

or she should contact the Internal Revenue Service or see *IRS Tax Topic 354 — Dependents* for more details.

#### **ADDITIONAL INFORMATION**

If you have any questions about the SHBP Open Enrollment Period or the information in this letter, please contact our Office of Client Services at (609) 292-7524 to speak with an Employer Group representative.

Thank you for your assistance in making the SHBP Open Enrollment Period a success for your employees.

Enclosures:

2006 SHBP Open Enrollment Milestone Chart  
Health and Dental Plan Rate Charts/Flier  
*Health Capsule* Newsletter  
Health/Dental Plan Marketing Contacts

(STATE – MILESTONE – 2006)

## FALL 2006 SHBP OPEN ENROLLMENT MILESTONE CHART for State Employers

Note: If the event is underlined, you should be accomplishing the event.

<b><u>PROJECTED DATE</u></b>	<b><u>EVENT</u></b>
September 8	Heads Up paycheck message to employees paid through the State Centralized Payroll Unit announcing Open Enrollment to start October 1, 2006.
Late-September	<i>SHBP Health Capsule</i> newsletter shipped to State universities, colleges, authorities and commissions.
September 22	Second Open Enrollment paycheck message to employees paid through State Centralized Payroll. <u>2006 Health and Dental Rate Charts and Health Capsule</u> newsletter distributed with payroll.  State universities, colleges, authorities and commissions should <u>distribute the 2006 Health and Dental Rate Charts and Health Capsule newsletter</u> to their employees.
October 1	<u>Open Enrollment Begins.</u>
October 6	Open Enrollment “reminder” paycheck message to employees paid through State Centralized Payroll.
October 20	Open Enrollment “last chance” paycheck message to employees paid through State Centralized Payroll.
October 31	<u>Open Enrollment Ends.</u>
November 6	<u>Employer certified applications due at the Health Benefits Bureau.</u>
December 9	<u>Begin required deductions for employees paid through Centralized Payroll (start of pay period #26 – check date December 29).</u>
January 1, 2007	Open Enrollment changes effective for State employees at State universities, colleges, authorities and commissions.
January 6, 2007	Open Enrollment changes effective for State employees paid through State Centralized Payroll.

DEPARTMENT OF THE TREASURY - DIVISION OF PENSIONS AND BENEFITS  
NEW JERSEY STATE HEALTH BENEFITS PROGRAM  
STATE BIWEEKLY ACTIVE GROUP  
RATES EFFECTIVE 1/06/2007 TO 1/04/2008

PLAN/COVERAGE DESCRIPTION	STATE CONTRIBUTION	EMPLOYEE CONTRIBUTION*	TOTAL
<b><u>NJ PLUS-#101</u></b>			
Single	\$159.55	-----	\$159.55
Member & Spouse/Domestic Partner	\$347.78	-----	\$347.78
Family	\$413.94	-----	\$413.94
Parent & Child	\$240.04	-----	\$240.04
<b><u>TRADITIONAL-#102</u></b>			
Single	\$241.03	\$80.33	\$321.36
Member & Spouse/Domestic Partner	\$515.85	\$171.95	\$687.80
Family	\$613.96	\$204.64	\$818.60
Parent & Child	\$356.00	\$118.66	\$474.66
<b><u>AETNA, INC.-#119</u></b>			
Single	\$163.15	\$8.58	\$171.73
Member & Spouse/Domestic Partner	\$360.32	\$18.96	\$379.28
Family	\$419.09	\$22.05	\$441.14
Parent & Child	\$240.92	\$12.67	\$253.59
<b><u>CIGNA HEALTHCARE-#120</u></b>			
Single	\$186.36	\$9.80	\$196.16
Member & Spouse/Domestic Partner	\$406.50	\$21.39	\$427.89
Family	\$484.83	\$25.51	\$510.34
Parent & Child	\$279.74	\$14.72	\$294.46
<b><u>OXFORD-#128</u></b>			
Single	\$156.21	\$8.22	\$164.43
Member & Spouse/Domestic Partner	\$343.63	\$18.08	\$361.71
Family	\$406.11	\$21.37	\$427.48
Parent & Child	\$234.33	\$12.33	\$246.66
<b><u>AMERIHEALTH-#133</u></b>			
Single	\$179.93	\$9.47	\$189.40
Member & Spouse/Domestic Partner	\$400.36	\$21.07	\$421.43
Family	\$466.25	\$24.53	\$490.78
Parent & Child	\$265.63	\$13.98	\$279.61
<b><u>HEALTH NET-#134</u></b>			
Single	\$173.40	\$9.12	\$182.52
Member & Spouse/Domestic Partner	\$377.72	\$19.87	\$397.59
Family	\$458.51	\$24.13	\$482.64
Parent & Child	\$266.00	\$13.99	\$279.99
<b><u>PRESCRIPTION DRUG PROGRAM-#202</u></b>			
Single	\$51.13	-----	\$51.13
Member & Spouse/Domestic Partner	\$116.87	-----	\$116.87
Family	\$122.76	-----	\$122.76
Parent & Child	\$68.24	-----	\$68.24

\*Employee contribution: Traditional = 25%; HMOs = 5%.

Traditional Plan deductible \$250, NJ PLUS and HMO office visit copay \$10

DEPARTMENT OF THE TREASURY - DIVISION OF PENSIONS AND BENEFITS  
 NEW JERSEY STATE HEALTH BENEFITS PROGRAM  
 STATE BIWEEKLY ACTIVE GROUP  
 DENTAL PLAN RATES EFFECTIVE 1/06/2007 TO 1/04/2008

PLAN/COVERAGE DESCRIPTION	STATE CONTRIBUTION	EMPLOYEE CONTRIBUTION	TOTAL
<b>DENTAL EXPENSE PLAN - #399</b>			
SINGLE	\$9.52	\$9.51	\$19.03
Member & Spouse/Domestic Partner	\$16.53	\$16.53	\$33.06
FAMILY	\$27.05	\$27.05	\$54.10
PARENT & CHILD	\$20.04	\$20.03	\$40.07
<b>DENTAL PROVIDER ORGANIZATIONS (DPO)</b>			
<b>HEALTHPLEX (DPO #307)</b>			
<b>ASSURANT (DPO #308)</b>			
<b>FLAGSHIP HEALTH SYSTEMS, INC. (DPO #312)</b>			
SINGLE	\$4.76	\$4.75	\$9.51
Member & Spouse/Domestic Partner	\$8.22	\$8.31	\$16.53
FAMILY	\$13.49	\$13.55	\$27.04
PARENT & CHILD	\$10.07	\$9.96	\$20.03
<b>BENECARE (DPO #301)</b>			
SINGLE	\$6.45	\$4.75	\$11.20
Member & Spouse/Domestic Partner	\$11.14	\$8.31	\$19.45
FAMILY	\$18.28	\$13.55	\$31.83
PARENT & CHILD	\$13.62	\$9.96	\$23.58
<b>COMMUNITY DENTAL (DPO #302)</b>			
SINGLE	\$5.93	\$4.75	\$10.68
Member & Spouse/Domestic Partner	\$10.27	\$8.31	\$18.58
FAMILY	\$16.83	\$13.55	\$30.38
PARENT & CHILD	\$12.54	\$9.96	\$22.50
<b>CIGNA (DPO #305)</b>			
SINGLE	\$4.99	\$4.75	\$9.74
Member & Spouse/Domestic Partner	\$8.63	\$8.31	\$16.94
FAMILY	\$14.16	\$13.55	\$27.71
PARENT & CHILD	\$10.58	\$9.96	\$20.54
<b>GROUP DENTAL HEALTH ADMINISTRATORS (DPO #306)</b>			
SINGLE	\$4.94	\$4.75	\$9.69
Member & Spouse/Domestic Partner	\$8.53	\$8.31	\$16.84
FAMILY	\$14.01	\$13.55	\$27.56
PARENT & CHILD	\$10.46	\$9.96	\$20.42
<b>DENTAL GROUP OF NEW JERSEY, INC. (DPO#314)</b>			
SINGLE	\$4.14	\$4.75	\$8.89
Member & Spouse/Domestic Partner	\$7.15	\$8.31	\$15.46
FAMILY	\$11.73	\$13.55	\$25.28
PARENT & CHILD	\$8.77	\$9.96	\$18.73
<b>HORIZON DENTAL CHOICE (DPO #317)</b>			
SINGLE	\$4.26	\$4.75	\$9.01
Member & Spouse/Domestic Partner	\$7.34	\$8.31	\$15.65
FAMILY	\$12.06	\$13.55	\$25.61
PARENT & CHILD	\$9.01	\$9.96	\$18.97
<b>AETNA DMO (DPO #319)</b>			
SINGLE	\$4.75	\$4.75	\$9.50
Member & Spouse/Domestic Partner	\$8.22	\$8.31	\$16.53
FAMILY	\$13.49	\$13.55	\$27.04
PARENT & CHILD	\$10.08	\$9.96	\$20.04

## NEW JERSEY STATE HEALTH BENEFITS PROGRAM FALL 2006 ANNUAL OPEN ENROLLMENT PERIOD FOR STATE EMPLOYEES PAID THROUGH CENTRALIZED PAYROLL

The annual Open Enrollment period for the State Health Benefits Program (SHBP) is scheduled for **October 1 to October 31, 2006**. During this period, eligible employees have the opportunity to enroll in or change existing health coverage. Changes made during this Open Enrollment period will be **effective January 6, 2007**.

**Plan Information** — Please see the *SHBP Plan Comparison* chart, or the *SHBP Summary Program Description* for more information about the plans that are available to you.

Certain employees hired on or after July 1, 2003, are prohibited from enrolling in the Traditional Plan. This applies to State employees as determined by union contract and all non-aligned State employees as provided under Chapter 119, P.L. 2003. See your benefits representative for information about your union affiliation.

All active Fraternal Order of Police members who are paid through Centralized Payroll and members of New Jersey

State Police units are also prohibited from enrolling in the Traditional Plan, effective July 1, 2005.

**Changes to Health Plans** — Recent changes to SHBP health plans are outlined in the *Health Capsule* newsletter that accompanies this flier. Be sure to read the *Health Capsule*, as plan changes may effect your chosen health plan. If you did not receive the *Health Capsule*, please see your benefits representative to obtain a copy.

**Premium Sharing** — The State Health Benefits Commission has approved new health plan rates for the 2007 plan year. The amount you may have to pay depends upon the agreement reached in the labor contract that covers your position or, in the case of non-aligned employees (those not covered by any labor agreement), by the rules established by the State Health Benefits Commission. Currently, *most* State employees premium share. This flier shows the premium amounts that apply to those employees.

For employees who are subject to premium sharing, **there is no premium cost to any employee who enrolls in NJ PLUS**. For all other plans, employees pay a percentage of the cost.

Employees who do not premium share are those represented by unions with a contract that does not permit premium sharing. These employees include the State Police Troopers, State Police Sergeants, State Police Lieutenants, and employees in the four law enforcement bargaining units, except the following employees, who must premium share: members of the State Law Enforcement Committee of the PBA (Non-Corrections) hired after June 30, 2000; members of the NJ Law Enforcement Supervisors Association (Sergeants Non-Corrections FOP) hired after November 1, 2002; and members of the NJ Superior Officers Association Lieutenants Unit (Non-Corrections FOP 183) hired after November 1, 2002.

AVAILABLE MEDICAL PLANS				EMPLOYEE PREMIUM INFORMATION			
Unit#	Health Plan Name	Member Services Telephone Number	Service Area	BIWEEKLY COST (26 Pay Periods)			
				(Represents 25% of full Traditional Plan premium or 5% of full HMO premium)			
				Single	Member & Spouse/ Domestic Partner	Family	Parent & Child(ren)
101	NJ PLUS	1-800-414-7427	All of NJ & FL; Parts of DE, NY & PA	\$0.00	\$0.00	\$0.00	\$0.00
102	Traditional Plan	1-800-414-7427	Unrestricted	\$80.33	\$171.95	\$204.64	\$118.66
119	Aetna Health	1-800-309-2386	All of NJ, CT, DE, ME & Wash. DC; Parts of AZ, FL, GA, IL, IN, MD, MA, NV, NH, NY, NC, OH, PA, TN, TX, VA & WA	\$8.58	\$18.96	\$22.05	\$12.67
120	CIGNA HealthCare	1-800-244-6224	All of NJ, AZ, CT, DE, MD, ME, NH, NM, RI, VT & Wash. DC; Parts of AL, AR, CA, CO, FL, GA, ID, IL, IN, KS, KY, LA, MA, MI, MO, MS, NV, NY, NC, OH, OK, OR, PA, SC, TN, TX, UT, VA, WA, WI & WV	\$9.80	\$21.39	\$25.51	\$14.72
128	Oxford Health Plans	1-800-760-4566	All of NJ; Parts of NY	\$8.22	\$18.08	\$21.37	\$12.33
133	AmeriHealth HMO	1-800-877-9829	All of NJ & DE; Parts of PA	\$9.47	\$21.07	\$24.53	\$13.98
134	Health Net	1-800-441-5741	All of NJ & CT; Parts of NY	\$9.12	\$19.87	\$24.13	\$13.99

## EMPLOYEE DENTAL PLANS FALL 2006 ANNUAL OPEN ENROLLMENT PERIOD FOR STATE EMPLOYEES PAID THROUGH CENTRALIZED PAYROLL

The annual Open Enrollment period for the Employee Dental Plans is scheduled for **October 1 to October 31, 2006**. During this period, eligible employees have the opportunity to enroll in or change existing coverage. All enrollments or changes made during this Open Enrollment will be **effective January 6, 2007**.

Eligible employees may choose between the:

- **Dental Expense Plan** (administered by Aetna Dental); or
- one of the **Dental Plan Organizations** (DPOs).

**Dental Plan Changes** — Recent changes to dental plans are outlined in the *Health Capsule* newsletter that accompanies this flier. Be sure to read the *Health Capsule*, as plan changes may affect your chosen dental plan.

**Dental Plan Rates** — The State and State employees share dental plan premiums. Employees will pay the same premium amounts for any DPO in the 2007 plan year. Employee premiums for each plan and coverage level are shown in the chart below. Employees must maintain enrollment in a dental plan choice for a minimum of 12 months before they are permitted to change plans. Therefore, if you were not enrolled in a dental plan as of

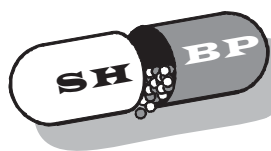
January 1, 2006; you cannot make a dental plan change during this open enrollment.

See your benefits administrator to obtain an enrollment application and to find out when completed applications are due.

If you are changing DPOs, contact the new DPO to confirm participation of a particular dentist or dental facility in its program. Be sure you confirm that the dentist or dental facility you select is taking new patients and participates with the DPO in the State program since DPOs also service other organizations.

AVAILABLE DENTAL PLANS			EMPLOYEE PREMIUM INFORMATION				
Unit#	Dental Plan Name	Member Services Telephone Number	Service Area (contact dental plan to verify available providers in your county)	BIWEEKLY COST (26 Pay Periods)			
				Single	Member & Spouse/ Domestic Partner	Family	Parent & Child(ren)
301	Atlantic Southern Dental (BeneCare)	1-800-843-4727	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
302	Community Dental Associates	(856) 451-8844	Cumberland County NJ	\$4.75	\$8.31	\$13.55	\$9.96
305	CIGNA Dental Health, Inc.	1-800-367-1037	Parts of NJ, Eastern PA	\$4.75	\$8.31	\$13.55	\$9.96
306	Group Dental Health Administrators	(908) 241-9700	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
307	Healthplex (International Health Care Svcs.)	1-800-468-0600	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
308	Assurant Employee Benefits (formerly Fortis Benefits Dental Care of NJ)	1-800-443-2995	Parts of NJ, Parts of Eastern PA	\$4.75	\$8.31	\$13.55	\$9.96
312	Flagship Health Systems, Inc.	1-800-722-3524	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
314	Dental Group of New Jersey, Inc.	(908) 925-6022	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
317	Horizon Dental Choice	1-800-433-6825	All of NJ (except Salem and Hunterdon Co.)	\$4.75	\$8.31	\$13.55	\$9.96
319	Aetna DMO	1-800-843-3661	All of NJ, Eastern PA	\$4.75	\$8.31	\$13.55	\$9.96
399	Dental Expense Plan <sup>1</sup> (administered by Aetna Dental)	1-877-238-6200	Unrestricted	\$9.51	\$16.53	\$27.05	\$20.03

<sup>1</sup>Dental Expense Plan allowable charges are subject to the reasonable and customary allowances applied by Aetna Dental.



# Health Capsule

The Division of Pensions and Benefits ♦ For State Employees ♦ Issue #21

## Open Enrollment 2006

The State Health Benefits Program (SHBP) Open Enrollment period is your annual opportunity to review your health, prescription drug, and dental benefits, and to make any changes for you and your dependents. This year's open enrollment will be held for all eligible State employees from October 1 through October 31, 2006. Coverage changes made during this Open Enrollment will be effective on January 6, 2007 for State employees paid by the State's Centralized Payroll Unit, and January 1, 2007 for all other State employees.

### How to Enroll and/or Make Changes

During Open Enrollment, closely examine your health care coverage to make sure that your health plan has the services you and your dependents need, and that the health care providers you want are available to you. You may:

- enroll in the SHBP if you have not previously done so;
- change to a different health and/or dental plan;
- add eligible dependents you have not previously enrolled (including over age dependents up to age 30 who are not currently covered or who are reaching the end of COBRA eligibility - see article below); and
- remove dependents from coverage.

To make a change to your coverage, contact your human resources representative or benefits administrator to obtain an application. Health and prescription drug coverage changes are made on the same application. Dental coverage changes are made on a separate application. **Completed applications must be returned to your human resources representative or benefits administrator by October 31, 2006.** Do not send the application directly to the SHBP.

## Health Plan Coverage for Certain Dependents to Age 30

During the Open Enrollment period — and under the provisions of Chapter 375, P.L. 2005 — certain dependent “children” may elect continued coverage with the SHBP from the time their dependent coverage eligibility would normally end until their 30th birthday. The SHBP covered parent is responsible for the full cost of this extended coverage and will be billed on a monthly basis.

### Qualifications and Requirements

If qualified, an over age child can continue SHBP coverage from when their coverage through the parent ends (January 1st of the year immediately following his or her 23rd birthday) until he or she turns age 30 or no longer meets the specific qualifications listed below.

An over age child by blood or by law must meet **all** of the eligibility requirements outlined as follows:

1. Be less than 30 years of age;
2. Be unmarried;

3. Have no dependent(s) of his or her own;
4. Be a resident of New Jersey or enrolled as a full-time student at an accredited public or private institution of higher education; **and**
5. Have no other coverage as a named subscriber, insured, enrollee, or covered person under any other group or individual health benefits plan, church plan, or health benefits plan, or entitled to benefits under Medicare.

Under Chapter 375, a dependent may elect coverage within 30 days of January 1st of the year immediately following his or her 23rd birthday, so that coverage continues without a break. A dependent who previously “aged-out” of a plan and does not currently receive coverage or who is coming to the end of a COBRA eligibility period, but still meets the Chapter 375 requirements for dependent status, may elect continued coverage during the annual Open Enrollment period — even if there has been a gap in coverage.

*(Continued on next page)*

## Health Plan Coverage for Dependents up to Age 30 *(Continued)*

Coverage for an enrolled over age dependent will end when the dependent no longer meets any **one** of the eligibility requirements listed on page 1 or if the required payment is not received. Coverage terminates on the first of the month following the date of any event making the dependent ineligible or the paid-through date in cases of non-payment.

### Enrollment and Cost Information

An over age dependent is eligible for coverage in the medical and/or prescription drug plan that is identical to the plan in which the parent is enrolled. There is no provision under Chapter 375 for enrollment in dental or vision benefits.

The covered parent is responsible for the entire cost of coverage (which may be more expensive than other coverage options available to *some* dependents such as continuation through COBRA). You can obtain the rates for Chapter 375 coverage after the start of the Open Enrollment by either visiting our Web site at: [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions) or by calling the Division of Pensions and Benefits.

In order to enroll, you must complete a *Chapter 375 Enrollment Application* which will be available on our Web site for the Open Enrollment. You may also obtain an application during the Open Enrollment by calling the Division of Pensions and Benefits at (609) 292-7524. The application for over age dependents must be signed by both the dependent and parent responsible for paying for the cost of coverage.

## Elimination of Duplicate Coverage

**A**t a special meeting of the State Health Benefits Commission on September 5, 2006, the Commission approved the publication of a proposed change to the New Jersey Administrative Code to prohibit duplicate health coverage under the State Health Benefits Program (SHBP). There will be a 60-day period for public comment.

If the Commission approves the rule change following the public comment period, an individual covered under the SHBP will be permitted to have coverage as member or a dependent, but not as both. For example, if a husband and wife are both eligible for coverage under the SHBP as employees, each may elect single coverage **or** one may elect member/spouse coverage (covering the spouse as a dependent) provided that the spouse does not elect his or her own SHBP coverage. Qualified dependent children are only eligible for coverage under one parent.

If approved, employees who are covered under the SHBP as an employee and a dependent can expect to receive notification from the SHBP that they must terminate one of the coverages. The effective date of coverage termination will be in early 2007.

## HIPAA Notice for 2006

**T**he federal Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires group health plans to implement several provisions contained within the law to annually notify its membership of any provisions for which they file an exemption.

For plan year 2006, all SHBP health plans meet or exceed the federal requirements, with the exception of mental health parity for the Traditional Plan and NJ PLUS. The State Health Benefits Commission filed an exemption from the area of mental health parity for non-biologically based mental illness with the federal Centers for Medicare and Medicaid Services for calendar year 2006 for the Traditional Plan and NJ PLUS. The maximum annual and lifetime dollar limits for mental health benefits under the Traditional Plan and NJ PLUS will not change. These limitations are outlined in the SHBP *Summary Program Description*.

### New Jersey SHBP

## Health Capsule

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[www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions)

*Health Capsule* is published periodically for State employees and is designed to keep employees informed about developments in their health benefits program. The newsletter will address issues affecting your health and prescription benefits and will include articles on new or proposed legislation, New Jersey Administrative Code changes, decisions of the State Health Benefits Commission, and national issues affecting our programs.

The selections in this publication are for information purposes only and, while every attempt at accuracy is made, it cannot be guaranteed.

If you would like to see any particular health benefits issue addressed, please forward your ideas to *Health Capsule*, Division of Pensions and Benefits, Office of Client Services, P.O. Box 295, Trenton, NJ 08625-0295.

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