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TO: State Monthly Certifying Officers
 State Monthly Human Resources Representatives

FROM: New Jersey State Health Benefits Program

SUBJECT: SHBP Open Enrollment 2006 — State Monthly 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 1, 2007 for employees of State universities, State colleges, and State authorities.

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 7, 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.

