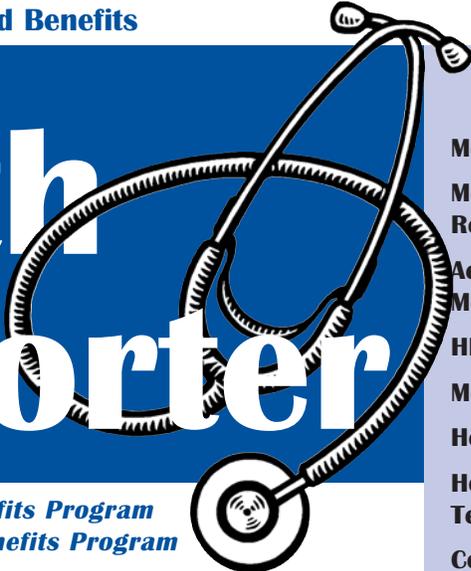


Health Reporter



New Jersey State Health Benefits Program
and School Employees' Health Benefits Program

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Retiree Health Benefits Information Now Available on MBOS

Retiree health benefits information is now available through the Member Benefits Online System (MBOS). MBOS is a set of Internet applications that allow registered members access to their pension and health benefit information. Retirees enrolled in the State Health Benefits Program (SHBP) or School Employees' Health Benefits Program (SEHBP)* and who are registered MBOS users can view their present health benefits coverage information, as well as their health benefits coverage history (any previous coverage as an active or retired member). Please note that SHBP or SEHBP members who do not receive a monthly pension check from the Division of Pensions and Benefits cannot access retired health benefit information on MBOS. For those who receive a monthly pension check, you must have your retirement number on hand in order to register for MBOS. Your retirement number can be found on your *Statement of Allowances and Deductions* (shown on page 4).

In order to use the Member Benefits Online System, you must also have a valid e-mail address and you must register with both MBOS and the MyNewJersey Web site. Registration is free. For step-by-step instruction on

**The School Employees' Health Benefits Program (SEHBP) is fully operational, but SHBP headings will continue to display on MBOS for both the SHBP and the SEHBP until programming changes have been completed.*

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NJ DIRECT Coordination of Benefits

The State Health Benefits Commission has approved the Coordination of Benefits (COB) between NJ DIRECT10 and NJ DIRECT15. Previously, NJ DIRECT would coordinate with the HMO plans (Aetna HMO or CIGNA HealthCare HMO) but there was no COB between the two NJ DIRECT plans. The Commission also approved a change to NJ DIRECT10 that allows the copayments a member makes to in-network providers to count toward the in-network out-of-pocket maximum. Previously the copayments were applied toward the in-network out-of-pocket maximum, however the member was required to continue to pay the copayment after the maximum was reached. Now the member will be reimbursed at the end of the year for any copayments paid above the in-network out-of-pocket maximums.

If you would like to switch plans due to these changes you must submit a properly completed *Retired Change of Status Application* to the Health Benefits Bureau of the Division of Pensions and Benefits no later than March 20, 2009 for an effective date of May 1, 2009. *Retired Change of Status Applications* can be found on our Web site at: www.state.nj.us/treasury/pensions/shbp.htm

**Certain State retirees may be ineligible for enrollment in NJ DIRECT10.*

Medicare Part A and B Required

A retired member and/or a dependent spouse/partner or child who is eligible for Medicare coverage by reason of age or disability must be enrolled in both Medicare Part A (Hospital Insurance) and Part B (Medical Insurance) to enroll or remain in SHBP or SEHBP coverage.

You are required to submit proof of enrollment in Medicare Part A and B when you become eligible for coverage. Acceptable proof includes a photocopy of your Medicare card showing both Part A and B enrollment or a letter from Medicare indicating the effective dates of both Part A and B coverage. If you do not submit evidence of Medicare coverage, you and/or your dependents will be terminated from coverage. Upon submission of proof of full Medicare coverage, your coverage will be reinstated by the Health Benefits Bureau on a prospective basis.

If you did not enroll in both Medicare Part A and B when first eligible, or you have allowed your Medicare coverage to lapse, retirees can enroll during the Medicare General Enrollment Period from **January 1 to March 31, 2009**, with Part A and B coverage effective as of July 1, 2009. For more information go to: www.medicare.gov or call Social Security at 1-800-772-1213.

Medicare Part D

Most Medicare eligible retirees and/or their Medicare eligible dependents need not enroll in Medicare Part D prescription drug coverage. Some members who qualify for low income subsidy programs may find it beneficial to enroll in Medicare Part D. However, once you and/or your dependents enroll in Medicare Part D, your Retired Group prescription drug benefits will be terminated for both you and your dependents.

Medicare Premium Reimbursements for 2009

The U.S. Department of Health and Human Services has announced the Medicare premiums and deductibles for calendar year 2009. Among the announced changes, the monthly premium for Medicare Part B coverage is \$96.40 for 2009.*

Members who retired with 25 years of pension service credit or on a disability retirement may be eligible for reimbursement of Medicare Part B premiums. Eligible retirees of the State, State universities and colleges, and school board and county colleges are reimbursed in their pension checks, provided they receive a pension check from the State. (Alternate Benefit Program and local board of education retirees are reimbursed in a separate check.) Eligible retired local employees whose former employer provides post-retirement medical coverage may be reimbursed directly by their former employer.

*There may be additional costs if you did not enroll in Medicare Part B when first eligible. For more information about Medicare Part B premiums contact Social Security.

Limitations on Reimbursement

Many retired members who are eligible for the Medicare reimbursement receive the full amount of the Part B premium; however, State retirees and retirees of State colleges or universities who attained 25 years of service after July 1, 1997, or retired on a disability retirement on or after August 1, 1997 are reimbursed for Medicare Part B premiums according to the terms specified in the bargaining unit (union) agreements in effect at the time they reached 25 years of service credit or retired on a disability retirement. For some of these retirees, the Medicare Part B reimbursement is capped at a maximum reimbursement level of \$46.10. Reimbursement for those SHBP members who are retired from a local employer is dependent upon the local employer's adopted agreements.

Since January 1, 2007 your Medicare Part B premiums have been based on your income. For 2009, if your

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Aetna HMO's Plan for Medicare-eligible Members

We are pleased to announce that the State Health Benefits Program (SHBP) and the School Employees' Health Benefits Program (SEHBP) have arranged with Aetna HMO to offer a health plan specifically designed for Medicare-eligible retirees. **The Aetna Medicare Open Plan** is a Medicare Advantage Private Fee for Service Plan. Medicare-eligible retirees in most areas currently enrolled with Aetna are now enrolled in this new plan that provides benefits and access to more coverage options than previously offered, reduces paperwork, and helps to minimize your health care costs.

The Aetna Medicare Open Plan:

- Provides retirees with greater national access to physicians and facilities than the Aetna HMO (Select) network utilized today
- Includes zero-dollar copayments for certain preventive services
- Includes benefits that meet or exceed the current Aetna HMO level of benefits

- Provides access to any licensed provider (even those not in Aetna's network) who agrees to provide Medicare covered services, has reasonable access, and agrees to the plan's terms and conditions of participation.
- Provides easier claim processing
- No need to coordinate payments between the original Medicare and Aetna HMO
- Includes the same prescription drug plan as today
- Provides a wellness coach to talk with about health issues, up to once per week, at no additional cost
- Includes a "personal health record" at no cost that is automatically populated with your health information
- Provides automatic enrollment if you are already enrolled in Aetna HMO

To contact the **Aetna Medicare Open Plan** call an Aetna representative at **1-866-234-3129** or visit: www.aetna.com/statenj

Medicare Premium Reimbursements for 2009 *(Continued from page 1)*

income is above \$85,000 (single) or \$170,000 (married couple), your Medicare Part B premium may be higher than the standard premium of \$96.40. Additional information about Medicare deductibles and premiums for 2009 is available over the Internet, at: www.medicare.gov, or by calling Social Security, at 1-800-772-1213.

If you or your eligible spouse/partner paid more than \$96.40 per month for Medicare Part B coverage, you must remit verification of the extra amount paid to the Health Benefits Bureau. To do so, forward a copy of your Social Security Administration Medicare Part B notification of income-related premium along with your Social Security form SSA-1099 (or RRB-1099 if in the Railroad Retirement System) for calendar year 2008 to the following address no later than March 31, 2009: Division of Pensions and Benefits, ATTN: Health Benefits Financial Section, PO Box 295, 50 West State Street, Trenton, NJ 08625-0295.

If you are eligible for reimbursement of the full Medicare Part B premium, you will receive a check representing the unreimbursed balance you paid in 2009. No additional reimbursement will be made where the State's reimbursement for Medicare Part B is capped by law or by bargaining agreement. In addition, if you pay a higher Medicare Part B premium due to a late enrollment penalty, you will not be reimbursed for the penalty.

If you have any questions about the Medicare Part B reimbursement, please contact the Division of Pensions and Benefits' Office of Client Services at (609) 292-7524.

Retiree Health Benefits Information Now Available on MBOS

(Continued from page 1)

how to register for MBOS visit our Web site at: www.state.nj.us/treasury/pensions/mbos-retired.htm It is important to remember the logon ID and password you select when you complete the registration process. More importantly, never share your logon ID and password with others so that your MBOS information remains secure. Once you are registered, you may log on and begin using MBOS to access your retired member account information and use the applications that are currently available to retired members.

(Continued on page 5)

Fund	Code	Ret. Number	NAME OF RETIREE'S RETIREMENT SYSTEM STATEMENT OF ALLOWANCES AND DEDUCTIONS				
RETIREMENT NO.		NAME			SOCIAL SECURITY NO.		
01 10 XXXXXX		RETIREE'S NAME			XXX XX XXX		
FED. EXEMPTIONS	CHECK DATE	PAYMENT FOR	CHECK NO.	HEALTH COVERAGE			
M003	NOV 01 2004	OCTOBER	XXXXXXXXXX	NJ PLUS			
CURRENT EARNINGS		DEDUCTIONS		YEAR TO DATE			
DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	YEAR TO DATE	DESCRIPTION	AMOUNT	
REGULAR (1)		HEALTH COVERAGE (a)			GROSS PENSION ALLOW.		
SUPPLEMENTAL (2)		FED. INCOME TAX (b)			TAXABLE PENSION FED.		
COST OF LIVING (3)		N.J. INCOME TAX (c)			MEDICARE PART B		
MEDICARE PART B (4)		LOAN PAYMENT (d)					
		I.R.S. LEVIES (e)			SACT		
		DENTAL COVERAGE (f)					
		TOTAL DEDUCTIONS (g)			SACT UNITS		
		NET PAY (h)			SACT UNIT VALUE		
TOTAL ALLOWANCE (5)							

Medical Plan Name

Web Address

Phone#

Preferred Provider Organization (PPO)

NJ DIRECT10 and
NJ DIRECT15

www.horizonblue.com/shbp

1-800-414-SHBP

Administered by Horizon Blue Cross Blue Shield of New Jersey

Health Maintenance Organizations (HMO)

Aetna HMO

www.aetna.com/statenj

1-877-STATE NJ

Aetna Medicare Open Plan

www.aetna.com/statenj

1-866-234-3129

For retirees enrolled in Medicare

CIGNA HealthCare

www.cigna.com/statofnj

1-800-564-7642

All plans are available nationwide. There are no longer specific service areas in different states; however, you should check with your medical provider to verify his or her plan participation.

Prescription Drug Coverage

Included in your retired group medical plan coverage

Retiree Dental Expense Plan

Aetna Dental

www.aetna.com

1-877-238-6200

HIPAA Notice for 2009

The 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 2009, all SHBP and SEHBP health plans meet or exceed the federal requirements, with the exception of mental health parity for NJ DIRECT.

The State Health Benefits Commission and School Employees' Health Benefits Commission filed exemptions 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 2009 for the NJ DIRECT. The maximum annual and lifetime dollar limits for mental health benefits under NJ DIRECT will not change. These limitations are outlined in the *NJ DIRECT Member Handbook* or contact NJ DIRECT at 1-800-414-SHBP (7427) for more information.

Retiree Health Benefits Information Now Available on MBOS

(Continued from page 4)

How to Log on to MBOS

You can log on to MBOS at any time, 24 hours a day, seven days a week, to view your account information or complete any application available to you as a retired public employee. Just follow these steps:

1. Go to the State of New Jersey Web site at: www.state.nj.us
2. Click on "Login" in the upper left-hand corner of the State of New Jersey home page; this will take you to the *MyNewJersey* home page.
3. Type in your logon ID and password and click the "Log On."
4. Under "Pensions and Benefits Information Connection," which appears on the left-hand side of the page, click on the "MBOS and EPIC" button.
5. You have now reached the MBOS home page. It is also possible to access MBOS through the New Jersey Division of Pensions and Benefits home page, at: www.state.nj.us/treasury/pensions Just click on the button, "Online Retiree Services — MBOS," which appears on the left-hand side of the Division's home page. Then click "Logon to MBOS."

For health benefit information registered members can access the application by clicking on the "State Health Benefits Program" button on the MBOS home page. The "Subscriber/Eligibility Selection" page will appear. To access your health benefits account information, simply click on the link for the account you wish to view listed under the heading, "Employer ID."

The page that appears next will show your Eligibility Summary, Coverage Information, and Dependent Information. You can view your health benefits account history by using the link, "Click here to view coverage history."

Help for this application, including screen images, is provided in the *MBOS Retired User's Information Guide*, available on the Division's Web site, at: www.state.nj.us/treasury/pensions/mbos-retired.htm

Medical Plan Rates for 2009

Rates for retired group SHBP and SEHBP plans, effective January 1, 2009 were mailed in October 2008 to all members who pay for their health benefits coverage. The notification includes the rates for your selected health plan.

Rate charts are also available on our Web site: www.state.nj.us/treasury/pensions/shbp.htm or by contacting the Division of Pensions and Benefits, Office of Client Services at (609) 292-7524.

Plan rates are in effect through December 31, 2009.

Help Stop Healthcare Fraud!

Healthcare fraud wastes tax dollars and drains valuable resources from the SHBP and SEHBP. Healthcare fraud is defined as the intentional deception or misrepresentation that an individual knows could result in some unauthorized benefit to the individual or to some other person. Examples of potential fraud include: submitting false information on the enrollment application; adding or keeping ineligible dependents on your coverage; creating, altering and submitting false documentation; submitting false or misleading claim reimbursement data; and/or providing an identification card to someone else to use who is not eligible for coverage.

Healthcare fraud is a crime. Any member who willfully and knowingly engages in an activity intended to defraud the SHBP or SEHBP may result in prosecution. Any member who receives monies fraudulently from a health plan will be required to fully reimburse the plan.

Audit of Dependent Coverage

The Division of Pensions and Benefits will be conducting a full legal document audit of all enrolled members who cover dependents during 2009. This will require that you provide legal documentation for all dependents you cover under the SHBP or SEHBP. Dependents that do not have proper legal documentation will be terminated from coverage.

Do you know of a fraud being committed against the SHBP or SEHBP? Call (609) 292-7524 to report this possible fraud. All calls will remain confidential.

Horizon Hospital Termination Update

Horizon Blue Cross Blue Shield of New Jersey (Horizon BCBSNJ) has announced the termination of its contracts with both the Children's Hospital of Philadelphia (CHOP) and the University of Pennsylvania Health System (UPHS), which includes Pennsylvania Hospital, Penn Presbyterian Medical Center, and the Hospital of the University of Pennsylvania.

However it should be noted that SHBP and SEHBP members enrolled in NJ DIRECT are entitled to BlueCard® benefits. BlueCard® allows you to use CHOP and UPHS hospitals in Pennsylvania through their relationship with Independence Blue Cross — regardless of Horizon BCBSNJ's contract status with the hospitals.

If you have any questions regarding hospitals that participate with Horizon or BlueCard®, please contact Horizon BCBSNJ directly at 1-800-414-SHBP (1-800-414-7427).

Coverage for Children Over Age 23

In general, coverage for an enrolled child will end on December 31 of the year in which the child turns age 23. The following information explains the different coverage options and the eligibility requirements your child must meet in order to maintain coverage through the SHBP or SEHBP after reaching age 23.

Over Age Dependents with Disabilities

Unmarried children with disabilities who turn age 23, who are still dependent on you for support and meet the definition of a dependent may remain on your health plan upon approval of their disabled status. Requests for the continuation of coverage must be sent to the SHBP or SEHBP by the January 31 of the year following termination. To apply for an extension of health benefits coverage for a dependent with disabilities, write to the Division of Pensions and Benefits, PO Box 299, Trenton, NJ 08625-0299 or call (609) 292-7524. Provide your name, address, and Social Security number, and ask for the *Request for Continuance for Dependent with Disabilities* form. Previously approved requests are reviewed annually to determine if the disabled child still meets the eligibility requirements.

Children Turning Age 31

The SHBP and SEHBP have specific guidelines for providing health coverage to children over the age of 23 until age 31. These guidelines have changed in recent years due to the enactment of health benefit related legislation, Chapter 375, P.L. 2005, as amended by Chapter 38, P.L. 2008. A child who previously "aged-out" of a plan and does not currently receive coverage or who has coverage under COBRA, provided he or she meets certain requirements for dependent status, may elect continued coverage — even if there has been a gap in coverage. The eligibility requirements are outlined as follows:

1. be 30 years of age or younger at the time of application;
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;
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; and
6. provide proof of previous credible coverage.

An over age child is eligible for coverage until age 31 in the medical and/or prescription drug plan that is identical to the plan in which the parent is enrolled. In order to enroll, you must complete a *Chapter 375 Enrollment Application* and return it to the Health Benefits Bureau at the Division of Pensions and Benefits. The application for over age children must be signed by both the child and parent responsible for paying for the cost of coverage. Coverage begins on a timely basis following the receipt of a properly completed application and any required supporting documentation. There is no provision under Chapter 375 for enrollment in dental coverage.

Making Changes to Your Coverage

Legal documentation of family status changes is now a requirement to enroll a dependent for health benefits coverage. If you will soon be applying for medical and/or dental coverage for a new spouse/partner, a copy of your marriage certificate or civil union certificate must be submitted along with the *Retired Change of Status Application* to the SHBP or SEHBP. Additionally, if you wish to add a child as a new dependent, a copy of the child's birth certificate (adoption papers or similar documentation) is required along with the *Retired Change of Status Application*.

For more information visit our Web site at:

www.state.nj.us/treasury/pensions

or contact the Division of Pensions and Benefits at (609) 292-7524.

New Jersey State Health Benefits Program

 **Health Reporter**

Tel. (609) 292-7524 Winter 2009

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 Reporter, Division of Pensions and Benefits, Office of Client Services, PO Box 295, Trenton, NJ 08625-0295 or e-mail us at: pensions.nj@treas.state.nj.us

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