



Health Capsule

The Division of Pensions and Benefits ♦ For State Employees ♦ Issue #25

Open Enrollment for Plan Year 2010

Every fall the State Health Benefits Program (SHBP) holds its Open Enrollment period. This is your annual opportunity to review your health benefits and make any changes for you and your dependents for the following plan year.

For all State employees the Open Enrollment will take place from October 1 through October 30, 2009. Coverage changes made during this Open Enrollment will be effective on January 2, 2010 for State employees paid through the State's Centralized Payroll Unit, and January 1, 2010 for all other State employees.

How to Enroll and/or Make Changes

During the Open Enrollment period, closely examine your health care coverage to make sure that your medical and dental plans have 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 medical plan and/or dental plan (see article on page 2 for more dental information);
- add eligible dependents you have not previously enrolled (including dependents who are over age 23 but under age 31 who are not currently covered or who are reaching the end of COBRA eligibility — see “Coverage for Children Past Age 23” on page 4 for more information.) Please also note that when adding a dependent that full documentation is required (such as a birth certificate; adoption papers, court orders, marriage or civil union certificate, etc.) — see “Supporting Documentation Required for Dependent Coverage” on page 3; and
- remove dependents from your coverage.

To make a change to your coverage, contact your human resources representative or benefits administrator to obtain an application. Medical 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

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Pharmacy Benefits Management Contract Awarded to Medco

Following a competitive process, **Medco Health Solutions, Inc.**, of Franklin Lakes, NJ, was awarded the contract for pharmacy benefits management for the State Health Benefits Program and School Employees' Health Benefits Program. Medco's bid received the highest technical score while submitting the lowest cost bid. **This change will be effective January 1, 2010.**

You can expect to receive more information about the change over the next few months during the implementation process. The Division of Pensions and Benefits Web site will be updated as new information becomes available. Go to:
www.state.nj.us/treasury/pensions/shbp.htm

Employee Dental Plans

Members who enroll in the Employee Dental Plans may choose from two types of dental plans: one of six Dental Plan Organizations (DPO) or the Dental Expense Plan.

Effective with Plan Year 2010, the premium for coverage under a DPO will be 50 percent of the actual DPO premium. In the past, the subscriber paid 50 percent of the average of all DPO premiums. Therefore, depending on which DPO you choose for your dental coverage, the cost to you will vary. Your contribution rate for the cost of coverage can be found on our Web site. The rate for coverage under a DPO is considerably less expensive than the Dental Expense Plan.

Dental Plan Organizations

The Dental Plan Organizations contract with a network of providers for dental services. There are six DPOs participating in the SHBP from which you may choose. You must use providers participating with the DPO you select to receive coverage.

Since DPOs also service other organizations, be sure to confirm that the dentist or dental facility you select is taking new patients and participates with the SHBP Employee Dental Plans.

Dental Expense Plan

The Dental Expense Plan is a traditional indemnity plan that allows you to obtain services from any dentist. After you satisfy the \$50 annual deductible (no deductible applies for preventive services), you are reimbursed a percentage of the reasonable and customary charges for the services that are covered under the Dental Expense Plan up to the annual plan maximum of \$3,000. The Dental Expense Plan is administered for the SHBP by Aetna.

General information about the Employee Dental Plans can be found in the *Employee Dental Plans Member Handbook* that is available on our Web site at: www.state.nj.us/treasury/pensions/shbp.htm

For more information contact your benefits administrator or human resources representative, or visit our Web site at: www.state.nj.us/treasury/pensions/shbp.htm

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resources representative or benefits administrator by October 30, 2009. Do not send the application directly to the SHBP.

Health Plan Premiums and Copayments

For health plan coverage, most State employees are required to contribute 1.5 percent of their annual base salary regardless of the medical plan or level of coverage that is selected. Your health contribution changes any time there is a change in your base annual salary. See your benefits administrator or human resources representative for information regarding your health contribution.

The copayments for all SHBP medical plans (NJ DIRECT15, Aetna HMO, and CIGNA HealthCare HMO) will remain the same for 2010. The copayment for primary doctor visits and visits to a specialist is \$15 and the copayment for a visit to an emergency room is \$50. The emergency room copayment is waived if you are admitted.

For More Information

For questions about specific plan benefits, contact the plan directly or see the *SHBP Plan Comparison Summary*, available on the Division of Pensions and Benefits Web site at: www.state.nj.us/treasury/pensions/shbp.htm

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 health plans meet or exceed the federal requirements, with the exception of mental health parity for NJ DIRECT/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 2009 for NJ DIRECT/NJ PLUS. 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/NJPLUS at 1-800-414-SHBP (7427) for more information.

Supporting Documentation Required for Dependent Coverage

The State Health Benefits Program (SHBP) is required to ensure that only eligible employees and retirees, and their dependents, are receiving health care coverage under the program. As a result, the Division of Pensions and Benefits must guarantee consistent application of eligibility requirements within the SHBP health plans. All dependents enrolled for coverage (spouses, civil union partners, domestic partners, children, disabled dependents, and continued coverage for over age children) must be verified by documentation that proves the dependent’s relationship to the member.

The charts below lists the required documentation that a member must provide in order to enroll an eligible dependent for coverage.

DEPENDENTS	REQUIRED DOCUMENTATION
SPOUSE	Photocopy of marriage certificate and a copy of the top half of the front page of the employee’s most recently filed federal tax return (Form 1040) that includes your spouse (you may black out all financial information and all but the last 4 digits of any Social Security numbers).
CIVIL UNION PARTNER	Photocopy of the New Jersey Civil Union Certificate or a valid certification from another jurisdiction that recognizes same-sex civil unions and a copy of the top half of the front page of the employee’s most recently filed NJ income tax return that includes your partner (you may black out all financial information and all but the last 4 digits of any Social Security numbers) or a copy of a recent (within 90 days of application) bank statement or bill that includes both partner’s names received at the same address.
DOMESTIC PARTNER	Photocopy of the New Jersey Certificate of Domestic Partnership dated prior to February 19, 2007 or a valid certification from another State of foreign jurisdiction that recognizes same-sex domestic partners and a copy of the top half of the front page of the employee’s most recently filed NJ income tax return that includes your partner (you may black out all financial information and all but the last 4 digits of any Social Security numbers) or a copy of a recent (within 90 days of application) bank statement or bill that includes both partner’s names received at the same address.
CHILDREN	<p>Natural Child – Photocopy of the child’s birth certificate showing the employee’s name as a parent*.</p> <p>Step Child – Photocopy of the child’s birth certificate showing the employee’s spouse/partner’s name as a parent*; and a copy of marriage/partnership certificate showing the employee and parent’s name.</p> <p>Legal Guardian, Adoption, Grandchild, or Foster Child – Photocopy of Affidavits of Dependency, Final Court Order with presiding judge’s signature and seal, or Adoption Final Decree with presiding judge’s signature and seal.</p>
DEPENDENT CHILDREN WITH DISABILITIES	Documentation as noted for the “Child” dependent type and a copy of the top half of the front page of the employee’s most recently filed federal tax return (Form 1040) that includes this child (you may black out all financial information and all but the last 4 digits of any Social Security numbers). If a Social Security disability award has been awarded, or is currently pending, please include this information in the documentation submitted. Please note that this documentation only verifies the child’s eligibility as a dependent, not the disability status of the child.
CONTINUED COVERAGE FOR OVER AGE CHILDREN	Documentation as noted for the “Child” dependent type and a copy of the top half of the front page of the employee’s most recently filed federal tax return (Form 1040) that includes this child (you may black out all financial information and all but the last 4 digits of any Social Security numbers) or if the over age child is not listed on the employee’s tax return, a copy of the top half of the child’s most recently filed tax return is required (you may black out all financial information and all but the last 4 digits of any Social Security numbers) and if the child resides outside the State of New Jersey, documentation of full time student status.

**If the birth certificate does not include the parents name, then submit a copy of the top half of the front page of the employee’s most recently filed federal tax return (Form 1040) that includes this child (you may black out all financial information and all but the last 4 digits of any Social Security numbers).*

Coverage for Children Past 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.

Over Age Dependents with Disabilities

Unmarried children with disabilities who turn age 23 during 2009, 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 by the **January 31, 2010 deadline**.

To apply for an extension of health benefits coverage for a dependent with disabilities, write to the Division of Pensions and Benefits, State Health Benefits Program, PO Box 299, Trenton, NJ 08625-0299 or call (609) 292-7524. Please 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 Over Age 23

The SHBP has specific guidelines about providing health coverage to children past the age of 23 until age 31. A child by blood or law 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 Division of Pensions and Benefits, Health Benefits Bureau, PO Box 299, Trenton, NJ 08625 by October 30, 2009. The application for over age children must be signed by both the child and parent responsible for paying for the cost of coverage.

There is no provision under Chapter 375 for enrollment in dental or vision benefits. Continued dental and vision coverage may be available under federal COBRA rules. See your human resources representative or benefits administrator for details.

New Jersey SHBP

Health Capsule

Division of Pensions
and Benefits
(609) 292-7524

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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