

School Employees' Health Benefits Program

Plan Design Committee

Open Session Minutes: May 17, 2021 10:00 a.m.

Due to COVID-19 this meeting was held telephonically.

Adequate notice of this meeting was provided through the annual notice of the schedule of regular meetings of the Committee filed with and prominently posted in the offices of the Secretary of State. . The 2021 annual meeting schedule was mailed to the Secretary of State on December 19, 2020, Star Ledger and the Trenton Times on December 23, 2020. Updates regarding the Telephonic meeting were sent to the Secretary of State and posted to the Divisions Website on April 19, 2021.

The meeting of the School Employees' Health Benefits Program Plan Design Committee of New Jersey was called to order on Monday, May 17, 2021 at 10:00 a.m. Due to COVID-19 this meeting was held via Microsoft TEAMS.

The text of Resolution B (Executive Session) – was read in its entirety in the event that the Committee desires, at any point in the meeting, to approve a motion to go into closed session.

Acting Secretary Ludwig took Roll Call and established that a quorum was present.

Roll Call

Committee Members:

Julie Giordano Plotkin, NJEA

Jennifer Keyes-Maloney, Assistant Treasurer

Donna Chiera, AFT/AFL-CIO

Kevin Kelleher- NJEA

Absent:

Lynn Azarchi- Director, Office of Management and Budget

John Megariotis- Acting Director, Division of Pensions and Benefits

Also Present:

Christin Deacon, Division of Pensions and Benefits

Andrew Lawson, Division of Pensions and Benefits

Nicole Ludwig, Division of Pensions and Benefits

Debra Pelto, Division of Pensions and Benefits

Amy Chung, Deputy Attorney General

Alison Keating, Deputy Attorney General

Meeting Minutes

Committee Member Kelleher made a motion to approve the January 2021 meeting minutes. Committee Member Giordano-Plotkin seconded the motion; all voted in favor.

Division Updates

Assistant Director Christin Deacon stated that in the interest of time she will provide the COVID-19 updates to the Committee members via email at the conclusion of the meeting.

Overview: Governor's Task Force

Mrs. Deacon provided an overview of the Governor's task force, specifically as it relates to Improving Healthcare Outcomes and Managing Costs. She stated there are three areas of focus in the report primary care and coordination, behavioral health, and specialty care.

Mrs. Deacon explained Primary Care and Coordination is something the PDC has focused on. In the overview, one solution is a combination of value based payment for advanced primary care, direct contracting for primary care, which is something the SEHBC is doing through the DCPMH pilot program. The solution focuses on member navigation and helping members navigate their health benefits and healthcare delivery system in a more efficient manner.

Mrs. Deacon stated that the report points out four to five percent of SHBP/SEHBP claims are for behavioral health. She stated this has increased to 12.4 percent of the population in 2020. She stated that the report includes recommendations to improve behavioral health by integrating it with primary care, direct contracting for mental health and substance abuse disorder treatment and strengthening the behavioral health workforce.

Mrs. Deacon said the final area of focus is on specialty care. She explained that specialty care represents over 40 percent of the total benefit spend. This includes major acute procedures like joint replacement and complex chronic conditions. She said the report recommends exploring reference-based pricing which she knows this body has explored Canters of Excellence approach for certain conditions. The report also recommends episodic-based payment. These strategies have been proven in other public sector entities and large employer groups.

Mrs. Deacon said she, and her team are very eager to dive into each of the recommendations and solutions and look forward to bringing more to the PDC from an action perspective.

Committee member Kelleher stated there is a subgroup that is currently working on the Garden State Plan. He stated that is taking priority now, but if a second subgroup is needed to focus on the task force it should be created so the PDC can start working. Chairperson Keyes Maloney suggested that the Division work to prioritize the three areas, and explore a subgroup that would cover both the SHBP and

the SEHBP as the task force will cross over both populations. Mrs. Deacon agreed to prioritize the three areas of recommendations and feels that the crossover between SHBP/SEHBP is very useful.

Committee Member Kelleher stated the Rate Renewals are coming up, with this in mind he asked the Division if there was anything the PDC should be doing or considering in preparation for the Commission meetings. Mrs. Deacon said the Division is on track to be meeting on time, and does not anticipate last-minute scrambles. She stated that if there is any appetite for further reform that would be in place for the January 1 setting, those conversations should be happening sooner rather than later. Chairperson Keyes Malone requested that if any suggestions do come to light that the PDC meet to discuss.

Adjournment

Having no further matters to discuss, Committee member Giordano-Plotkin made a motion to adjourn, Committee member Chiera seconded the motion and all voted in favor. The meeting adjourned at 10:18 a.m.

Respectfully Submitted,

A handwritten signature in black ink that reads "Nicole Ludwig". The signature is written in a cursive, flowing style.

Nicole Ludwig
Acting Secretary SEHBP PDC