

State Health Benefits Program

Plan Design Committee

Open Session Minutes: August 24, 2022 1:00 p.m.

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. A meeting notice was mailed to the Secretary of State on December 10, 2021, and the Star Ledger and the Trenton Times on December 15, 2021. Updates regarding the Telephonic meeting was sent to the Secretary of State and posted to the Division's website on August 6th, 2022.

The meeting of the State Health Benefits Program Plan Design Committee of New Jersey was called to order on Wednesday, August 24, 2022 at 1:00 p.m. Due to COVID-19 this meeting was held telephonically.

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 Nicole Ludwig led the Committee in the Pledge of Allegiance. Acting Secretary Ludwig then took Roll Call and established that a quorum was present.

Roll Call

Committee Members:

Andrea Spalla – Assistant Treasurer, Co-Chair

Michael Zanyor - NJSTFA, Co- Chair

Kimberly Holmes- Assistant Commissioner /Chief of Staff, Department of Community Affairs

Lynn Azarchi- Director, Office of Management and Budget

Justin Zimmerman- Chief of Staff, Department of Banking and Insurance

John Megariotis- Acting Director, NJ Division of Pensions and Benefits

Tennille McCoy – Department of Labor

Kevin Lyons- NJ State PBA

Robert Little- AFSCME Department of Research

Patrick Nowlan- AAUP – AFT

Jim McAssey- AFL-CIO CWA

Also Present:

Nikki Ludwig- Acting Secretary, NJ Division of Pensions and Benefits

Joyce Malerba- Assistant Director, NJ Division of Pensions and Benefits

Alison Keating- Deputy Attorney General

Monica Valentine- OptumRx

Kate Miller-OptumRx

Meeting Minutes

Meeting minutes from January 26th, 2022, February 23rd, 2022 and March 23rd, 2022 had been tabled from previous PDC meeting. Mr. Lyons made a motion and Mr. Nowlan seconded. All voted in favor. Meeting Minutes from January, February and March were all approved. Minutes will be posted to the Division Website after today's meeting.

Optum RX presentation- Formulary Management

Kate Miller, of OptumRx provided an overview of Optum's formulary management program. Co-Chairperson Zanyor asked if the Premium formulary is a one size fit all or is it adjusted per client. Mrs. Miller advised the Premium Formulary is OptumRx's standard formulary. Co-Chair Zanyor asked if OptumRx had any clients in your private or public side who actively manage their own formulary. Mrs. Miller said that OptumRx does have some clients that do, she stated that would result in a custom formulary which has a different cost than the current state plan.

Committee Member Lyons asked about the Extended Service Programs (ESP). Specifically, if any savings are passed through to the state. Monica Valentine of OptumRx stated she would follow up on the request.

Committee Member Lyons asked about specialty medication, specifically HUMIRA, including cost (\$60,000/month) and the monitoring of the drug. Mrs. Miller confirmed that is the monthly cost of this medication, and the Prior Authorization around the medication. Committee Member Lyons asked OptumRx to follow up regarding utilization of this medication from last year to this year.

Committee Member McAssey asked about formulary updates, specifically who determined the dates of the updates. Mrs. Miller stated OptumRx updates the formulary in January and July, to mirror the CMS formulary updates. Mrs. Miller stated communications to members are notified in writing 60 days in advance. This communication includes formulary covered alternatives. Co-Chair Spalla asked if there has been a time when grandfathering of certain drugs has taken place after the formulary change has been made. Mrs. Miller said there has not.

Special SHBP PDC meeting on September 6th, 2022

Andrea Spalla asked if the group would like to set a special meeting to discuss the rates for 2023. All committee members agreed it would be a good idea to hold a special meeting.

Executive Session

John Megariotis made a motion to go into executive session. Andrea Spalla seconded. All in favor. Allison Keating gave advice on the motion that was made from the August 11th meeting.

ADJOURNMENT

Having no further action to discuss, Committee Member Andrea Spalla made a motion to adjourn. Committee Member Mr. Lyons seconded the motion; all voted in favor.

Sincerely,



Nicole Ludwig
Acting Secretary SHBP PDC