



State of New Jersey

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September 2018

TO: Local Education Certifying Officers, Human Resource Directors, and Benefits Administrators participating in the School Employees' Health Benefits Program

FROM: New Jersey Division of Pensions & Benefits (NJDPB)

SUBJECT: Plan Year 2019 School Employees' Health Benefits Program Open Enrollment

The School Employees' Health Benefits Program (SEHBP) Open Enrollment period for Local Education employees begins on October 1, 2018, and ends on October 31, 2018.

Open Enrollment allows employees to make general changes (adding or deleting dependents, changing coverage levels, etc.) or enroll in a different medical or dental plan. All changes to coverage made during this Open Enrollment period will be effective on January 1, 2019.

Completed, employer-certified medical and/or dental applications must arrive at the Health Benefits Bureau no later than November 9, 2018, to ensure processing for the start of the 2019 plan year.

Note: Employers should submit completed *Health Benefits Applications* as they are received from employees rather than holding applications for submission at the end of Open Enrollment. Employees not making changes to their coverage during Open Enrollment should not complete an application.

NEW ZERO COPAY PLANS

For employees eligible for coverage under the SEHBP, the selection of medical plans will change for Plan Year 2019. Both Aetna and Horizon Blue Cross Blue Shield of New Jersey (Horizon) will offer new "zero copay" plan designs. The new plans will be called Aetna Freedom Zero and NJ DIRECT ZERO, and they will be available to active employees and retirees who are not eligible for Medicare. Members will have no copayment for either primary or specialist care office visits. For a detailed list of member out-of-pocket costs for these new plans, as well as a comparison to all offered plans, please refer members to the chart for *Local Education Active Group Medical Plan Design – Plan Year 2019*, available on the NJDPB Open Enrollment website: www.nj.gov/oe

Members who enroll in one of the zero copay plans will also be offered an increased NJWELL incentive for Plan Year 2019. NJ DIRECT ZERO and Aetna Freedom Zero participants will be eligible to receive up to \$500 in rewards, whereas members enrolled in the other plans offered by the SEHBP will continue to be eligible to receive a possible \$250 in rewards. For more information, visit www.nj.gov/njwell

MEDICAL PLANS

The medical plans available to Local Education employees for Plan Year 2019 are:

- **PPO Plans:** Aetna Freedom Zero, Aetna Freedom10; Aetna Freedom15; Aetna Freedom1525; Aetna Freedom2030; Aetna Freedom2035; NJ DIRECT ZERO, NJ DIRECT10; NJ DIRECT15; NJ DIRECT1525; NJ DIRECT2030; NJ DIRECT2035
- **HMO Plans:*** Aetna HMO; Aetna HMO1525; Aetna HMO2030; Aetna HMO2035; Horizon HMO; Horizon HMO1525; Horizon HMO2030; Horizon HMO2035
- **High Deductible Health Plans:** Aetna Value HD1500; NJ DIRECT HD1500

**The service areas for the Horizon HMOs are limited to New Jersey and bordering counties of Pennsylvania, Delaware, and New York.*

Medical plan and prescription drug plan rates for 2019 were approved by the School Employees' Health Benefits Commission and rate charts are posted on the NJDPB Open Enrollment website: www.nj.gov/oe

MEMBERSHIP TO DIRECT PRIMARY CARE DOCTOR'S OFFICE INCLUDED IN SHBP/SEHBP AT NO ADDITIONAL COST

The SEHBP offers employees and their covered dependents the opportunity to join a Direct Primary Care doctor's office at no additional cost. This is available as part of the Horizon and Aetna* plans and does not require any changes to your health insurance. Simply choose a Direct Primary Care doctor from Paladina Health or R-Health and get unlimited access to personalized care with no copays, when and where it's convenient for you. Direct Primary Care doctors provide a full range of services including preventive, urgent, and sick care, health and wellness coaching, chronic disease management, and care coordination.

Benefits through the Direct Primary Care Program include:

- Zero membership fee and no copays for unlimited access to your personal primary care doctor
- Same-day and next-day appointments for urgent issues
- Evening and weekend availability
- Call, text, and video chat with your doctor 24/7
- Little to no wait to see your doctor, with average wait times of less than five minutes
- On-site blood work at no cost
- Basic medications for acute conditions and immunizations at no cost
- Convenient locations in New Jersey
- Simplified NJWELL reward criteria – a completed health assessment, comprehensive physical examination, and follow-up office visit are all that is needed to redeem a financial reward

**R-Health only*

More information regarding Paladina Health and R-Health can be found on our website: www.nj.gov/treasury/pensions

DENTAL PLANS

For participating employers, there are no dental plan changes for Plan Year 2019. Dental coverage is offered to eligible employees through the Employee Dental Plans. Six different dental plans are offered based on one of two different plan designs — Dental Plan Organizations (DPO) and a Dental Expense Plan (DEP).

- Five **DPOs** are available: Aetna DMO; CIGNA DHMO; Healthplex; Horizon Dental Choice; and MetLife.

DPOs contract with a network of providers for dental services. When an employee or dependent uses a DPO dentist, diagnostic and preventive services are covered in full. Most other eligible expenses require a small copayment. Members must use a provider that participates with the selected DPO to receive coverage. Be sure to confirm that the dentist or dental facility is taking new patients and participates with the SHBP Employee Dental Plans, since DPOs also service other organizations.

- The **Dental Expense Plan** is a Preferred Provider Organization (PPO) plan that allows members to obtain services from any dentist; however, using an in-network provider will reduce an employee's costs. After satisfying an annual deductible (no deductible for preventive services), members are reimbursed a percentage of the reasonable and customary charges for eligible services.

The employee cost for coverage under a dental plan is 50 percent of the actual dental plan premium. Therefore, the employee cost varies depending on which dental plan an employee chooses; however, the rate for coverage under a DPO remains considerably less expensive than the Dental Expense Plan.

Dental Plan Rates for 2019 were approved by the School Employees' Health Benefits Commission and rate charts for dental coverage are posted on the NJDPB Open Enrollment website: www.nj.gov/oe

HEALTH CAPSULE NEWSLETTER

The *Health Capsule* newsletter is available for employees to provide news and important information about Open Enrollment and the SEHBP plans. Links to this year's *Health Capsule* can be found on the NJDPB Open Enrollment website: www.nj.gov/oe

PLAN COMPARISON CHARTS

The SEHBP *Plan Comparison Charts* provide a side-by-side view of the basic benefits, copayments, and other out-of-pocket costs for the SEHBP medical and prescription drug plans. The comparison charts can be found on the NJDPB Open Enrollment website: www.nj.gov/oe

SUMMARIES OF BENEFITS AND COVERAGE

Detailed information about the SEHBP's medical plans is available through the *Summaries of Benefits and Coverage*. A link to the 2019 summaries can be found on the NJDPB Open Enrollment website: www.nj.gov/oe

A direct mailing will be sent to all SEHBP members to announce the availability of the summaries; however, employers also are asked to provide notice of this information to their employees. A sample of the mailer is included with this letter.

NJWELL PROGRAM

NJWELL is open to employees who are enrolled in the SEHBP. Spouses and eligible partners can participate, as long as they are covered by the SEHBP plan. Participants can earn a possible \$250 in rewards based on points earned from participation in NJWELL. The current NJWELL 2018 Plan Year will be coming to a close on October 31, 2018. Watch your email for upcoming information about NJWELL in 2019, which will include details about a \$500 incentive for NJ DIRECT ZERO and Aetna Freedom Zero participants. For information about the program visit the NJWELL website at: www.nj.gov/njwell

EMPLOYEE CONTRIBUTIONS FOR SEHBP COVERAGE

Pursuant to Pension and Health Benefit Reform (P.L. 2011, c. 78) and with the expiration, renewal, or extension of collective negotiations agreements, employees must pay a percentage of the cost of the medical and prescription plans. Percentage of premium contribution worksheets and online calculators are revised for 2019 rates.

WAIVING SEHBP COVERAGE

Local education employees are permitted to waive SEHBP medical and prescription coverage if they have other employer-provided or retiree coverage, or other coverage as a dependent. Employers are permitted to offer an incentive to employees who waive SEHBP coverage. Under P.L. 2010, c. 2, the incentive amount for waivers is limited to 25 percent of the amount saved by the employer or \$5,000, whichever is less. In addition, because multiple coverage under the SHBP/SEHBP is prohibited, waiver incentives are only payable if the other coverage is through a non-SHBP/SEHBP plan. To waive coverage, an *Employee Coverage Waiver/Reinstatement Form* must be completed and submitted during Open Enrollment. To waive coverage effective January 1, 2019, employees should indicate "Open Enrollment" on the waiver form; otherwise, the waiver will be effective before January 1st.

Note: Yearly waivers are not required. If your employee has already waived coverage, please do not have them complete another waiver.

PAYROLL DEDUCTIONS AVAILABLE FOR HDHP PARTICIPANTS

Employees participating in one of the High Deductible Health Plans (HDHP) are able to use tax-deferred contributions from their paychecks to fund their Health Savings Account (HSA). If one of your employees chooses to enroll in one of the High Deductible Plans, an application and separate contribution form are required. The application and form are available on the NJDPB Open Enrollment website: www.nj.gov/oe

PLAN MARKETING CONTACTS

Included with this letter you will find a listing of employer marketing contacts for the medical and dental plans. Your Human Resources staff, Benefits Administrators, or any other staff members responsible for the communication and administration of health benefits for your employees can use these contacts to obtain plan-specific information and literature for your employees.

Note: These telephone numbers are not for member services. Please do not distribute them to your employees. Phone numbers and website contacts for employees are provided in the *Health Capsule* newsletter and on the NJDPB Open Enrollment website: www.nj.gov/oe

ADDITIONAL INFORMATION

The NJDPB thanks you for your assistance with forwarding the information and materials needed to make Open Enrollment a successful and beneficial experience for your employees.

If you have any questions about the SEHBP Open Enrollment or the information in this letter, please contact our Office of Client Services at (609) 292-7524 or send an email to: pensions.nj@treas.nj.gov

Enclosures:

Plan Marketing Contacts

Summaries of Benefits and Coverage (postcard sample)