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TO: State Biweekly and State Monthly Certifying Officers, Human Resource Directors, and Benefits Administrators

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

SUBJECT: Plan Year 2020 State Health Benefits Program (SHBP) Open Enrollment

The State Health Benefits Program (SHBP) Open Enrollment period for employees begins on October 1, 2019, and ends on October 31, 2019.

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 December 21, 2019, for State biweekly employees and January 1, 2020, for all other employees.

Completed employer-certified medical and/or dental applications must arrive at the Health Benefits Bureau no later than November 8, 2019, to ensure processing for the start of the 2020 plan year.

Note: Employers should submit completed *Health Benefit Enrollment and/or Change Forms* 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 FOR 2020

Plan Administrator Change

Effective January 1, 2020, all active employee SHBP plan designs will be solely administered by Horizon Blue Cross Blue Shield of New Jersey (Horizon). This change was the result of a public competitive procurement process that resulted in an award to Horizon only. Any employees who are currently enrolled in an Aetna medical plan will be automatically enrolled into the corresponding Horizon medical plan. For example, employees enrolled in the Aetna Freedom 15 plan will be automatically moved to the Horizon NJ DIRECT15 plan. Aetna will continue to administer the Aetna Dental Expense Plan (DEP), Aetna DMO, and Medicare Advantage Plans for retirees. Horizon will be implementing Horizon Health Guides, a member navigation and advocacy initiative with enhanced customer service programs tied to the improvement of member health outcomes. For more information, please see the Plan Administrator Change Q&A on the Open Enrollment website at: www.nj.gov/oe

New PPO Plans

IFPTE-, AFSCME-, and CWA-represented members — State employees represented by the International Federation of Professional and Technical Engineers (IFPTE), the American Federation of State, County, and Municipal Employees (AFSCME), and the Communication Workers of America (CWA) will now have access to a new plan option pursuant to recent labor

agreements. Along with the Health Maintenance Organization (HMO), Tiered Network Plan, and High Deductible Health Plans (HDHP), new Preferred Provider Organization (PPO) plans are offered. IFPTE/AFSCME-represented members may select NJ DIRECT/NJ DIRECT 2019,* and CWA-represented members may select CWA Unity DIRECT/CWA Unity DIRECT 2019.* These PPO plans replace the PPOs that were formerly offered.

Members represented by IFPTE, AFSCME, and CWA should use *Health Benefit Enrollment and/or Change* forms specific to their union. Applications and cost information can be found on the Open Enrollment website at: www.nj.gov/oe

All Other SHBP Members — In addition to those groups listed above, the SHBP Plan Design Committee created NJ DIRECT/NJ DIRECT 2019* PPO plans for all other State employees in addition to the other PPOs, HMO, Tiered Network Plan, and High Deductible Health Plans (HDHP) currently offered.

For information regarding the cost of these plans, please see the “Employee Contributions for SHBP Coverage” section.

**Members hired prior to July 1, 2019, will be enrolled in NJ DIRECT or CWA Unity DIRECT. Members hired after July 1, 2019, will be enrolled in NJ DIRECT 2019 or CWA Unity DIRECT 2019.*

PPO Plan Design — The plan design of the new PPO plans are identical for all groups. The in-network copayment for primary care physician and specialist visits is \$15. The emergency room copayment is \$150 (waived if admitted) or \$50 for adults referred to the emergency room by their primary care physician and for pediatric patients through age 19.

The out-of-network reimbursement rate is 175 percent of Centers for Medicare & Medicaid Services (CMS) Reimbursement amounts with the following exclusions:

- Obstetrical care – for employees receiving obstetrical care as of July 1, 2019, the reimbursement rate will be 195 percent of the CMS amount for the duration of their care; and
- Mental Health – for employees receiving mental health services, the reimbursement rate will be 175 percent of the CMS amount up to the employee reaching the out-of-pocket maximums of \$2,000 (individual) or \$5,000 (family). The reimbursement will then be made at 195 percent of the CMS amount for the remainder of that plan year. This exclusion will remain in effect through June 30, 2021.

Out-of-network routine laboratory services will be added to the out-of-network routine care exclusion list with the following exceptions:

- Genetics lab testing;
- The first out-of-network lab expense after July 1, 2019, will be forgiven (all enrollees should have received advance notification of the change to lab services. Any enrollee who utilized out-of-network lab services in 2018 or 2019 received direct communication advising them this service will be out-of-network); and
- Direct Primary Care Medical Home (DPCMH) lab services will be covered in-network.

More information about the new PPO plan can be found on the Open Enrollment website at: www.nj.gov/oe

Generic Mail Order Incentive

To encourage member utilization of mail order services for generic drugs, the SHBP Plan Design Committee (PDC) approved a resolution to reduce the copayment for generic prescriptions. Beginning November 1, 2019, active State employees will pay \$0 for a 90-day supply of Generic prescriptions filled through the mail service program. This incentive will continue for at least one plan year, subject to renewal by the SHBP PDC.

Incentive Program for Tiered-Network Plan

The Incentive Program for Horizon OMNIA will be extended to December 31, 2020, for State employees with modifications to past years' incentives. The program will offer a financial incentive of \$1,000 to first-time enrollees who remain enrolled for one year for all coverage levels (i.e., Single, Member and Spouse, Parent and Child, or Family coverage). The incentive is paid by gift card no later than the end of the current tax year and is deemed reportable income for tax purposes. The incentive shall be forfeited and returned to the SHBP if the subscriber fails to remain enrolled in the Tiered-Network Plan for at least one plan year. This program does not extend to children over the age of 26 or COBRA members.

MEDICAL PLANS

The medical plans available to employees for Plan Year 2020 are listed below. Please note that not all plans are available to all employees.

- **Tiered-Network Plan:** Horizon OMNIA Health Plan
- **PPO Plans (CWA, IFPTE, AFSCME):** CWA Unity DIRECT/CWA Unity DIRECT 2019;* NJ DIRECT/NJ DIRECT 2019*
- **PPO Plans (All Other Employees):** NJ DIRECT15; NJ DIRECT1525; NJ DIRECT2030; NJ DIRECT2035; CWA Unity DIRECT/CWA Unity DIRECT 2019;* NJ DIRECT/NJ DIRECT 2019*
- **HMO Plans:** Horizon HMO**
- **High Deductible Health Plans:** NJ DIRECT HD1500; NJ DIRECT HD4000

**Members hired prior to July 1, 2019, will be enrolled in NJ DIRECT or CWA Unity DIRECT. Members hired after July 1, 2019, will be enrolled in NJ DIRECT 2019 or CWA Unity DIRECT 2019.*

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

Medical plan and prescription drug plan rates for 2020 were approved by the State Health Benefits Commission and rate charts are posted on the NJDPB Open Enrollment website: www.nj.gov/oe

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

The SHBP offers employees and their covered dependents the opportunity to join a Direct Primary Care Medical Home (DPCMH) doctor's office at no additional cost. This is available as part of the Horizon plans and does not require any changes to members' health plan election. Simply choose a DPCMH doctor from Paladina Health or R-Health and get unlimited access to personalized care with no copayments, when and where it's convenient for you. DPCMH 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 DPCMH Program include:

- Zero membership fee and no copayments 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 5 minutes
- On-site blood work at no cost
- Basic medications for acute conditions and immunizations at no cost
- Convenient locations in New Jersey

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

DENTAL PLANS

There are no dental plan changes for Plan Year 2020. Dental coverage is offered to all 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 2020 were approved by the State Health Benefits Commission and rate charts for dental coverage are posted on the NJDPB Open Enrollment website: www.nj.gov/oe

PLAN COMPARISON CHARTS

The SHBP *Plan Comparison Charts* provide a side-by-side view of the basic benefits, copayments, and other out-of-pocket costs for the SHBP 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 SHBP's medical plans is available through the *Summaries of Benefits and Coverage*. A link to the 2020 summaries can be found on the NJDPB Open Enrollment website: www.nj.gov/oe

A direct mailing will be sent to all SHBP 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 SHBP. Spouses and eligible partners can also participate, as long as they are covered by a SHBP plan. Members in the CWA Unity DIRECT or NJ DIRECT plans can earn up to \$350 in rewards, while participants in the other plans offered by the SHBP can earn up to \$250 in rewards based on points earned from participation in NJWELL. The current NJWELL 2019 Plan Year will be coming to a close on October 31, 2019. Watch your email for upcoming information about NJWELL in 2020, including enhanced programming and online tools available to members. For information about the program visit the NJWELL website at: www.nj.gov/njwell

EMPLOYEE CONTRIBUTIONS FOR SHBP COVERAGE

Recent labor negotiations have changed the contribution structure for employees represented by CWA, IFPTE, and AFSCME. For these employees, the contribution for participation in the PPO plan or Tiered Network plan is based on a percentage of salary. For participation in a HMO or HDHP, employees will pay a percentage of the cost of the medical and prescription plan premiums pursuant to P.L. 2001, c. 78 (Chapter 78).

Other State employees — not represented by these unions — must pay a percentage of the cost of the medical and prescription plan premiums for all plans pursuant to Chapter 78. Percentage of premium contribution worksheets are revised for 2020 rates. A link can be found on the NJDPB Open Enrollment website: www.nj.gov/oe

WAIVING SHBP COVERAGE

State employees are permitted to waive SHBP medical and prescription coverage — and avoid the required employee contribution — provided that they have other employer-provided or retiree coverage, or other coverage as a dependent. To waive coverage, a *Health Benefits Enrollment and/or Change Form* must be completed during Open Enrollment. To waive coverage effective December 21, 2019 for biweekly employees, or January 1, 2020, for all others, employees should indicate "Open Enrollment" on the form; otherwise, the waiver will be effective before the new plan year.

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. Please be sure that the employee provides the *HSA Contribution Form* to Centralized Payroll for any HDHP enrollment. The application and form are available on the NJDPB Open Enrollment website: www.nj.gov/oe

PLAN MARKETING CONTACTS

Included with this letter is 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 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 SHBP 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)