

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PENSIONS AND BENEFITS
PO Box 299, TRENTON, NEW JERSEY 08625-0299
NEW JERSEY STATE HEALTH BENEFITS PROGRAM

RESOLUTION

A RESOLUTION to adopt the provisions of Chapter 88, P.L. 1974, with or without amendment by Chapter 436, P.L. 1981, to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to reimburse Part B Medicare premiums for such retirees and their spouses covered by the New Jersey State Health Benefits Program.

BE IT RESOLVED:

1. The _____
CORPORATE NAME OF EMPLOYER - COUNTY - STATE HEALTH BENEFITS I.D. NUMBER

hereby elects to adopt the provisions of Chapter 88, P.L. 1974 and adhere to the rules and regulations promulgated by the State Health Benefits Commission to implement the provisions of the law. We hereby acknowledge that the rules and regulations of the State Health Benefits Commission established that Chapter 88, P.L. 1974 does:

- a. apply to all eligible current and future pensioners of the employer and their dependents;
- b. continue as long as the State is paying the cost of its eligible pensioners and their dependents in accordance with the provision of Chapter 75, P.L. 1972;
- c. provide for local employer reimbursement of Federal Medicare Part B premiums for eligible pensioners and/or their spouses as well as the payment of health insurance premiums required by the program on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with the provisions of Chapter 75, P.L. 1972; and
- d. require the local employer to pay the full cost of such premiums up to the cost of Traditional Plan coverage.

2. We do do not elect to adopt Chapter 436, P.L. 1981, which extends the provisions of Chapter 88 to surviving spouses of eligible retirees.

3. We hereby agree to pay the premium or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the program, including surviving spouses if we also adopted Chapter 436, P.L. 1981, if such employees retired from a State- or locally-administered retirement system on a benefit based on 25 years or more of service credited in such retirement system, excepting the employees who elected deferred retirement but including the employees who retired on disability pensions based on fewer years of service credited in such retirement system. We also agree to reimburse such retired employees for their premium charges under Part B of the Federal Medicare Program covering the retired employees and spouses in accordance with the regulations of the State Health Benefits Commission.

4. This resolution shall provide for an effective date not earlier than the first day of the month at least 90 days following the receipt of such resolution by the Health Benefits Bureau in the State Division of Pensions and Benefits.

I hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the

CORPORATE NAME OF EMPLOYER

ADDRESS

on the _____ day of _____ 20 ____

SIGNATURE

OFFICIAL TITLE

TELEPHONE NUMBER

TO: Employers Participating in the State Health Benefits Program

FROM: New Jersey State Health Benefits Program

**SUBJECT: CHAPTER 88, P.L. 1974 AS AMENDED BY CHAPTER 436, P.L. 1981
STATE HEALTH BENEFITS PROGRAM**

Chapter 88, P.L. 1974 allows local employers participating in the State Health Benefits Program (SHBP) to pay the premium charges for certain eligible pensioners and their dependents and to reimburse such retirants and their spouses covered by the SHBP for Federal Medicare Part B premiums. The employer who elects to adopt the provisions of Chapter 88, P.L. 1974 would be required to pay the premium or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the program. Eligible employees must have retired from a State- or locally-administered retirement system. They also must have 25 years or more of service credited in such retirement system unless they retired on a disability pension based on fewer years of credited service. Chapter 436, P.L. 1981 extended Chapter 88 to include surviving spouses of eligible, covered retirees.

The State Health Benefits Commission has established that Chapter 88, P.L. 1974 does:

- (a) apply to all **eligible** current and future pensioners of the employer and their dependents;
- (b) continue as long as the State is paying the cost of its eligible pensioners and their dependents in accordance with the provisions of Chapter 75, P.L. 1972;
- (c) provide for local employer reimbursement of Part B Federal Medicare premiums for eligible pensioners and/or their spouses, as well as the payment of health insurance premiums required by the program, on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with the provisions of Chapter 75, P.L. 1972;
- (d) require the local employer to pay the full cost of such premiums and Medicare Part B charges.

A resolution is provided on the reverse side of this letter should your location be interested in adopting the provisions of Chapter 88, P.L. 1974. If you decide to adopt Chapter 88, P.L. 1974, you have the option to also adopt the amendment, Chapter 436, P.L. 1981, which extends the provisions of Chapter 88, P.L. 1974 to surviving spouses of eligible employees. The resolution shall provide for an effective date of adoption not earlier than the first day of the month at least 90 days following the receipt of such resolution by the Health Benefits Bureau in the State Division of Pensions and Benefits.

If you have any further questions concerning this matter, please contact Client Services at (609)-292-7524.

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