

SHBP PDC RESOLUTION # 2025-13

RESOLUTION OF THE STATE HEALTH BENEFITS PLAN DESIGN COMMITTEE TO MODIFY RESOLUTION 2024-7 CREATING THE CENTERS OF EXCELLENCE PILOT PROGRAM

WHEREAS, pursuant to N.J.S.A. 52:14-17.25 to -17.46a, the State Health Benefits Program (SHBP) provides health coverage to qualified employees and retirees of the State of New Jersey (State) and participating local employers; and

WHEREAS, the SHBP was created in 1961 to provide affordable health care coverage for public employees on a cost-effective basis; and

WHEREAS, all SHBP plans, with the exception of Medicare Advantage plans, are self-funded, which means the money paid out for benefits comes directly from a SHBP fund supplied by the State, participating local employers, and subscriber premiums; and

WHEREAS, the State Health Benefits Commission (SHBC) contracts with third-party claims administrators (TPAs) to administer the claims for the SHBP's plans; and

WHEREAS, with the exception of the Medicare Advantage plans, the SHBP's current TPAs are Horizon Blue Cross Blue Shield of New Jersey (Horizon) and Aetna Life Insurance Company (Aetna);

WHEREAS, the SHBP currently offers the following preferred provider organization (PPO) plans administered by Horizon and Aetna: (a) NJ Direct 10 and Freedom 10; (b) NJ Direct 15 and Freedom 15; (c) NJ Direct 1525 and Freedom 1525 (d) NJ Direct 2030 and Freedom 2030; (e) NJ Direct 2035 and Freedom 2035; (f) CWA Unity DIRECT and CWA Unity Freedom; (g) CWA Unity DIRECT2019 and CWA Unity Freedom 2019; (h) NJ DIRECT and Freedom; and (i) NJ DIRECT2019 and Freedom 2019; and

WHEREAS, the prices and costs for health and prescription drug benefits continue to increase significantly, which has strained the budgets of the State and local employers and caused increased costs to members; and

WHEREAS, on July 24, 2024, the SHBP Plan Design Committee approved Resolution 2024-7 entitled "Resolution Of The State Health Benefits Plan Design Committee To Create A Centers Of Excellence Pilot Program" to create a Centers of Excellence Pilot Program (Program), which applies to the SHBP PPO Plans offered to State and local government members; and

WHEREAS, the major objectives of Resolution 2024-7 were to contain rising healthcare costs of certain costly, non-emergent procedures, with the least possible disruption to members, without posing undue implementation challenges within the current SHBP structure; and

WHEREAS, pursuant to N.J.S.A. 52:14-17.29(D), the SHBP Plan Design Committee finds it in the best interest of the State, local employers, and employees to now expand the scope of the

Program by adding an additional service to the Program and modifying members' cost-sharing with respect to the Program.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

The SHBP Plan Design Committee modifies the Centers of Excellence pilot program as follows:

1. This Resolution incorporates Resolution 2024-7 in its entirety, except as set forth in this Resolution, and all terms used herein shall have the definitions ascribed to them in Resolution 2024-7.
2. Subject to applicable laws and regulations, Paragraph 5 of Resolution 2024-7 is amended to add non-emergent colonoscopies to the Program's Covered Procedures.
3. Paragraph 7 of Resolution 2024-7 is hereby repealed. For the avoidance of doubt, when a Member¹ completes a Covered Procedure with a provider in the COE network in any of the five years of the Program, the COE administrator shall not provide any gift card, merchant card, or other incentive to the member.
4. When a Member completes a Covered Procedure with a provider in the COE network, they shall have no cost-sharing (i.e., copayments).
5. Paragraph 8 of Resolution 2024-7 is hereby repealed. When a Member has a procedure subject to the Program with a provider in the TPA's network, the following cost-sharing shall apply:

Pilot Program Year	Cost-Sharing
1	\$300 copayment
2	\$450 copayment
3	\$600 copayment
4	\$800 copayment
5	\$1000 copayment

6. All other provisions of Resolution 2024-7 shall remain in effect.

DATED: September 24, 2025

¹ “‘Member’ means any individual covered under the SHBP, regardless of whether the person is a subscriber or a dependent.” N.J.A.C. 17:9-1.8.