

**New Jersey State Health Benefits Commission**  
**State Health Benefits Program (SHBP)**  
**Plan Year 2019 Dental Rate Renewal Recommendation**

July 11, 2018

---

- For the SHBP Dental Plans (Dental Expense Plan and Dental Provider Organizations), Aon recommends the following premium rate adjustments:

<b>Dental Expense Plan DPO Plans</b>	<b><u>Actives</u></b>	<b><u>Retirees</u></b>
	2.00%	0.30%
Aetna	0.00%	0.00%
Cigna	0.00%	0.00%
Healthplex	0.00%	0.00%
Horizon	(2.99%)	(2.99%)
MetLife	0.00%	0.00%

- This vendor landscape reflects no changes from the Dental RFP effective January 1, 2015:
  - DEP – Continued with Aetna as the administrator for the self-insured DEP program for both Actives and Retirees.
  - DPOs – Continued with Aetna, Cigna, Horizon, Healthplex, and MetLife as fully-insured DPOs. DPO coverage includes Retirees as well as Actives.
- On January 22, 2018, Congress passed and the President signed a spending bill which places a moratorium on the Health Insurer Fee in Plan Year 2019. The fully insured vendor premium rates assume that this fee will not be reinstated for Plan Year 2019.
- This projection assumes that State Active enrollment will remain flat in Plan Year 2019. Local Education Active enrollment is projected to decrease 10% in Plan Year 2019 while Local Government Active enrollment is projected to increase 3.0% in 2019. State and Local Retiree enrollment is projected to increase 2.5% per year in Plan Year 2019. These increases are based on projected changes in the medical enrollment for Plan Year 2019.
- Aon is recommending 3.0% trend to project DEP claims for Actives and Retirees to Plan Year 2019, consistent with dental cost trend recommendations provided by the DEP and DPO vendors.
- Plan Year 2019 projected costs for the SHBP Dental Plans are \$152 million, broken down as follows:
  - Active DEP: \$61 million
  - Retiree DEP: \$74 million
  - Active DPOs: \$13 million
  - Retiree DPOs: \$4 million