

SEHBP PDC Resolution #2023-2

**RESOLUTION OF THE SCHOOL EMPLOYEES' HEALTH BENEFITS
PROGRAM PLAN DESIGN COMMITTEE TO CREATE A NEW RETIREE
DENTAL EXPENSE PLAN TO INCLUDE COVERAGE FOR ORTHODONTIC
SERVICES**

WHEREAS, pursuant to N.J.S.A. 52:14-17.25 to -17.46a, the New Jersey State Health Benefits Program Act was enacted in 1961 to provide health coverage to qualified employees and retirees of the State of New Jersey (State) and later participating local employers; and

WHEREAS, pursuant to N.J.S.A. 52:14-17.46.1 to -46.1, the School Employees' Health Benefits Program Act was enacted to provide health coverage to qualified employees and retirees of participating local education employers; and

WHEREAS, the School Employees' Health Benefits Program (SEHBP) was created in 2007 to provide affordable health care coverage for education employees on a cost-effective basis; and

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

WHEREAS, pursuant to N.J.S.A. 52:14-17.46.3(e), the SEHBP Plan Design Committee has authority over the dental plan offered by the SEHBP; and

WHEREAS; the SEHBP offers a choice between two types of dental plans: a Dental Expense Plan (DEP) and a Dental Plan Organization; and

WHEREAS, the DEP is a preferred provider organization plan that allows the member to select any licensed dentist for dental care; and

WHEREAS, the SEHBP Plan Design Committee determined the existing Retiree DEP does not offer sufficient coverage for retirees and wishes to add new plan option to include orthodontic services coverage; and

WHEREAS, pursuant to N.J.S.A. 52:14-17.46.5(d), the SEHBP Plan Design Committee finds it in the best interest of the State, local employers, and employees to create a new Retiree DEP to include coverage for orthodontic services .

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Effective January 1, 2025, the SEHBP shall offer a **NEW** Retiree DEP, which will cover Orthodontic Services Under Age 19.
2. The new Retiree DEP shall offer the following orthodontic services benefits:

In-Network Orthodontic Services	Out-of-Network Orthodontic Services
50% to \$1,000 lifetime maximum; not subject to deductible; maximum not combined with Annual Maximum	40% to \$750 lifetime; maximum of \$1,000 combined in- and out-of-network; not subject to deductible; maximum not combined with Annual Maximum

3. The new Retiree DEP shall have the following tiers and cost-sharing:

Tier	Annual Deductible	In-Network Coinsurance	Out-of-Network Coinsurance
1	\$50 per person, but not more than \$150 total;	80% - Preventive & Diagnostic Care	70% - Preventive & Diagnostic Care

	waived for Preventive Care and Orthodontic Services	50% - Basic Restorative 30% - Major Restorative	50% - Basic Restorative 20% - Major Restorative
2	\$50 per person, but not more than \$150 total; waived for Preventive Care and Orthodontic Services	90% - Preventive & Diagnostic Care 60% - Basic Restorative 40% - Major Restorative	80% - Preventive & Diagnostic Care 50% - Basic Restorative 30% - Major Restorative
3	\$50 per person, but not more than \$150 total; waived for Preventive Care and Orthodontic Services	100% - Preventive & Diagnostic Care 70% - Basic Restorative 50% - Major Restorative	90% - Preventive & Diagnostic Care 50% - Basic Restorative 40% - Major Restorative
4	\$50 per person per calendar year, but not more than \$100 total; waived for Preventative Care and Orthodontic Services	100% - Preventative & Diagnostic Care 80% Basic Restorative; 65% Major Restorative; 50% Periodontics and Prosthodontics	90% - Preventative & Diagnostic Care 70% - Basic Restorative; 55% Major Restorative; 40% Periodontics and Prosthodontics

4. The Calendar Year Maximum for the new Retiree DEP shall be \$3,000 for in-network services and \$2,000 for out-of-network services, and the two maximums are integrated. Thus, the most the Dental Expense Plan will pay for any one person in any one calendar year is \$3,000 — combined in-network and out-of-network. Therefore, if a member receives services out-of-network and reaches the out-of-pocket maximum of \$2,000, the \$2,000 carries forward towards the \$3,000 in-network maximum, leaving only \$1,000 remaining for in-network services. The \$3,000 calendar year maximum applies to all eligible services except orthodontic, which has a separate \$1,000 lifetime benefit maximum.
5. For the avoidance of doubt, the SEHBP shall continue to offer the existing Retiree DEP without orthodontic services coverage.
6. For the further avoidance of doubt, this NEW Retiree DEP shall also cover implants under major reconstructive in accordance with Resolution 2023-1.

DATED: November 20, 2023