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DIVISION OF PENSIONS AND BENEFITS
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September 10, 2015

TO: Local Government Certifying Officers, Human Resource Directors, and Benefits Administrators

FROM: New Jersey Division of Pensions and Benefits

SUBJECT: **SHBP OPEN ENROLLMENT**

The State Health Benefits Program (SHBP) Open Enrollment period for Local Government employees will begin on October 1, 2015, and end on November 2, 2015.

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 on January 1, 2016.

Completed employer-certified medical and/or dental applications must arrive at the Health Benefits Bureau no later than November 13, 2015, to ensure processing for the start of the 2016 plan year.

Note: Employers should submit completed Health Benefits Applications as they are received from employees rather than holding applications for submission at the end of Open Enrollment.

MEDICAL PLANS

Changes for Plan Year 2016

For employees covered under the SHBP, the selection of medical plans will change for Plan Year 2016. Both Aetna and Horizon Blue Cross Blue Shield of New Jersey (Horizon) will offer a new tiered network plan design. These tiered network plans will replace the HMO1525, HMO2030 & HMO2035 products and will only be offered to active employees only. Participants in those plans will be automatically transferred to the new tiered network plan or they can choose another plan by November 2. Aetna HMO1525/2030/2035 members will be placed in the Aetna tiered network plan called the **Aetna Liberty Plan** and Horizon HMO1525/2030/2035 members will be placed in **Horizon's OMNIA Health Plan** tiered network plan.

The following describes the tiered network plan design:

- The Aetna Liberty Plan and Horizon's OMNIA Health Plan will give members the flexibility to visit high-quality practitioners in the carrier's managed care network, significant premium share

reductions and *no* referrals are required. There will be lower member cost sharing, with copays as low as \$5.00 for an office visit, when utilizing Tier 1 providers. Tier 1 refers to specific doctors, hospitals and other health care professionals who offer high-quality, cost-effective care. Tiered Network plan members also have the flexibility to see any Tier 2 provider included in the managed care network, but with slightly higher cost sharing. There is no out-of-network coverage with the Tiered Plans.

Aetna Liberty Plan — Members can use *DocFind*[™] to search for participating Tier 1 and Tier 2 providers at <http://www.aetnastatenj.com/> starting in October.

Horizon's OMNIA Health Plan — Members will be able to identify Tier 1 and Tier 2 providers on the Horizon online Doctor & Hospital finder at <http://shbp.horizonblue.com/> in early September.

Other changes taking effect with Plan Year 2016 include the following:

- **Payment for Out-Of-Network Chiropractic and Acupuncture** visits will be limited to \$35 for chiropractic and \$60 for acupuncture, or 75% of the in-network cost per visit, whichever is less. That's the full amount the provider will receive from the carriers for the visit, *not just member co-insurance*. This means that, if the chiropractor charges more than \$35 for an office visit, **the member will have to pay the difference out of his/her pocket**. Aetna and Horizon both have extensive provider networks, so members should consider switching to an in-network practitioner.
- **Emergency room co-pays** will increase by \$25 where the co-pay is currently less than \$100. For example, in NJ DIRECT10 and Aetna Freedom 10, the copays will increase to \$50. This does not apply to dependents under age 19 or members referred to the ER by a physician.

2016 Plan Designs

The same Preferred Provider Organization (PPO) plans, two Health Maintenance Organization (HMO) plans, two new Tiered Network Plans, and the same High Deductible Health Plans will be offered for Plan Year 2016.

The medical plans available to employees are:

- New! Tiered Network Plans: **Aetna Liberty Plan; Horizon's OMNIA Health Plan**
- PPO Plans: Aetna Freedom 10; Aetna Freedom 15; Aetna Freedom 1525; Aetna Freedom 2030; Aetna Freedom 2035; NJ DIRECT10; NJ DIRECT15; NJ DIRECT1525; NJ DIRECT2030; NJ DIRECT2035.
- HMO Plans: Aetna HMO; Horizon HMO;
- High Deductible Health Plans: Aetna Value HD1500; Aetna Value HD4000; NJ DIRECT HD1500; NJ DIRECT HD4000.

Note: The service areas for Horizon HMO is limited to New Jersey, Delaware, and bordering counties of Pennsylvania and New York.

DENTAL PLANS

There are no dental plan changes for Plan Year 2016. 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 DPO selected to receive coverage. Be sure to confirm that the dentist or dental facility selected 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 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 2016 were approved by the State Health Benefits Commission and rate charts for dental coverage will be posted online for the Open Enrollment via the Division's website.

NJWELL WELLNESS 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 the SHBP plan.

The Wellness Plan Year 2015 will be coming to a close on October 31. In 2015, employees and their covered spouses or partners can receive a gift card worth up to \$200 for earning anywhere from 300 to 500 or more points by October 31!

Watch your e-mail for upcoming information about NJWELL in 2016. Information about the program will also be posted on the new NJWELL website at: www.nj.gov/njwell

PAYROLL DEDUCTIONS AVAILABLE FOR HDHP PARTICIPANTS

Employees participating in the one of the High Deductible Health Plans (HDHP) are able to have tax deferred contributions from their paychecks to fund their Health Savings Account (HSA). If one of your employees chooses (or is currently enrolled) in one of the HDHP, Aetna or Horizon will contact you to assist in setting up the payroll deductions. A sample of the HSA Contribution Form can be found online at: <http://www.nj.gov/treasury/pensions/epbam/exhibits/pdf/ha0914.pdf>

SUMMARIES OF BENEFITS AND COVERAGE

Detailed information about the SHBP's medical plans is available through the Summaries of Benefits and Coverage will be posted online at: www.nj.gov/treasury/pensions/hb-sbc-home.shtml

When this information becomes available, a direct mailing will be sent to all SHBP members. In addition, employers will be notified of the availability of the SBCs via an EPIC email and will be asked to forward this information to their employees.

PLAN RATES

Plan rates for 2016 were approved by the State Health Benefits Commission. Rate charts for the will be posted online on the Division's website.

An e-mail will be sent to employers when this information becomes available and you will be asked to share this with your employees.

EMPLOYEE CONTRIBUTIONS FOR SHBP COVERAGE

Pursuant to the Pension and Health Benefit Reform (Chapter 78, P.L. 2011) and with the expiration, renewal, or extension of collective negotiations agreements, employees must pay a percentage of the medical and prescription plan. Most Local employees are currently contributing at the four-year phase-in of contribution rates. Employers should advise their employees of the current phased-in contribution level so they can correctly determine the required contributions when considering plan choices. Percentage of premium contribution worksheets and online calculators will be revised for 2016 plan selections and rates. **You will be notified when the online calculator is made available.** The increase in plan premiums for 2016 will increase the employee contribution for medical and prescription coverage. Employees who are considering a change of medical plan based on cost should review the contribution amounts for the current contribution phase-in level and if applicable, the next phased-in contribution amount increase.

WAIVING SHBP COVERAGE

Local government employees are permitted to waive SHBP medical and prescription coverage if they have other employer-provided or retiree coverage, or other coverage as a dependent. Employers are permitted to offer an incentive to employees who waive SHBP coverage. Under Chapter 2, P.L. 2010, the incentive amount for waivers is limited to 25 percent of the amount saved by the employer or \$5,000, whichever is less. In addition, because multiple coverage under the SHBP/SEHBP is prohibited, waiver

incentives are only payable if the other coverage is through a non-SHBP/SEHBP plan. To waive coverage a SHBP Waiver Form for Local Employees and a Health Benefit Application must be completed and submitted during Open Enrollment. To waive coverage effective January 1, 2015, employees should indicate “Open Enrollment” on the waiver form; otherwise, the waiver will be effective before January 1st.

PLAN MARKETING CONTACTS

Included with this letter you will find a listing of employer marketing contacts for the medical and dental plans. Use these contacts to obtain plan specific information and literature for your employees. These telephone numbers are not for member services. Please forward the information to your Human Resources staff, Benefits Administrators, or any other staff members responsible for the communication and administration of health benefits for your employees. Please do not give these telephone numbers to your employees. (Phone numbers and Web address contacts for employees are provided in the upcoming *Health Capsule* newsletter and on the Division of Pensions and Benefits Website.)

REVISED HEALTH BENEFITS PROGRAM APPLICATIONS

The *Health Benefits Program Application — SHBP Local Government Active Employee Group* form will be revised due to recent plan changes. Employers should note that a separate application and contribution form are required for enrollment into any of the High Deductible Health Plans (provide the HSA Contribution Form for any HDHP enrollments). Please be certain that your employees are aware of, and have access to these applications. Completed employer-certified medical and/or dental applications (if applicable) must arrive at the Health Benefits Bureau no later than November 13, 2015, to ensure processing for the start of the 2016 plan year.

DISTRIBUTION OF OPEN ENROLLMENT MATERIALS

Your assistance in forwarding the communications and materials is very important and vital to making the Open Enrollment period a beneficial experience for your employees. Please watch for the following e-mails and forward them to your employees:

- **“Find the Plan that Fits” Reminders** — The Division will be preparing Open Enrollment reminders and videos to be distributed to all employees to take action and to closely review all of their options during Open Enrollment in order to find the plan that fits their needs and/or the needs of their family.
- ***Health Capsule* Newsletter** — The *Health Capsule* newsletter, which details plan changes and other Open Enrollment news. Links to applications, comparison charts, and rates can also be found in this year’s *Health Capsule*.

Online Materials — As of this mailing, Open Enrollment informational materials are being prepared for posting to our website prior to the October 1st Open Enrollment starting date. When these items become available on our website for Open Enrollment you will be notified immediately. Items include the Summaries of Benefits and Coverage (discussed earlier in this letter) and rate information for plan year 2016.

If you are not responsible for the communication and administration of health benefits for your employees, please forward this letter and all future Open Enrollment communications to your Human Resources staff, Benefits Administrators, or any other staff members who will be distributing the Open Enrollment materials to your employees.

SOCIAL MEDIA

We encourage you and your employees to stay connected to the Division throughout Open Enrollment via our social media accounts listed below:

www.facebook.com/NJDPB

<https://www.facebook.com/njwellnessprogram>

www.twitter.com/NJDPB1

ADDITIONAL INFORMATION

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 e-mail to: *pensions.nj@treas.nj.gov*

Thank you for your assistance in making the SHBP Open Enrollment a success for your employees.

Enclosure

Plan Marketing Contacts

Summaries of Benefits and Coverage sample

STATE HEALTH BENEFITS PROGRAM
MEDICAL PLAN MARKETING MATERIAL CONTACTS

OPEN ENROLLMENT — PLAN YEAR 2016

PLAN NAME	PHONE NUMBER	CONTACT PERSON
(New!) Horizon OMNIA Health Plan; NJ DIRECT10*; NJ DIRECT15; NJ DIRECT1525; NJ DIRECT2030; NJ DIRECT2035; Horizon HMO; NJ DIRECT HD1500; NJ DIRECT HD4000* Administered by Horizon Blue Cross Blue Shield of New Jersey	(973) 466-6666	Christopher Lowry Fax: (973) 274-4081
(New!) Aetna Liberty Plan; Aetna Freedom10*; Aetna Freedom15; Aetna Freedom1525, Aetna Freedom2030; Aetna Freedom2035; Aetna HMO; Aetna Value HD1500; Aetna Value HD4000*	(215) 361-7574	Jennifer Moyer E-mail: moyerj@aetna.com

*NJ DIRECT10 and Aetna Freedom10 are not available to State Employees. NJ DIRECT HD4000 and Aetna Value HD4000 are not available to Local Education Employees.

These phone numbers are for Human Resource Representatives to use in contacting the medical plans to obtain booklets/plan literature for employee distribution. The numbers are NOT for membership services – please do not provide them to your employees.

EMPLOYEE DENTAL PLANS MARKETING MATERIAL CONTACTS

OPEN ENROLLMENT — PLAN YEAR 2016

PLAN NAME	PHONE NUMBER	CONTACT PERSON
Aetna DMO	(215) 361-7574	Jennifer Moyer E-mail: moyerj@aetna.com
CIGNA DHMO	(201) 533-7722	Bobbi Sumenek E-mail: barbara.sumenek@cigna.com
International Health Care Services (Healthplex)	(516) 542-2208	Lauren Incarnato LIncarnato@healthplex.com
Horizon Healthcare Dental, Inc.	(973) 466-6666	Christopher Lowry Fax: (973) 274-4081
MetLife	(908) 253-6217	Connie Gildein cgildein@metlife.com
Dental Expense Plan – Administered by Aetna Dental	(215) 361-7574	Jennifer Moyer E-mail: moyerj@aetna.com

These phone numbers are for Human Resource Representatives to use in contacting the dental plans to obtain booklets/plan literature for employee distribution. The numbers are NOT for membership services – please do not provide them to your employees.

**STATE HEALTH BENEFITS PROGRAM
SCHOOL EMPLOYEES' HEALTH BENEFITS PROGRAM**

AVAILABILITY OF SUMMARY HEALTH INFORMATION

Your health coverage through the State Health Benefits Program or School Employees' Health Benefits Program (SHBP/SEHBP) offers protection to you and your family in the case of illness or injury.

Choosing a health plan is an important decision. To help you make an informed choice, the SHBP/SEHBP provides Summaries of Benefits and Coverage — which contain important information about health coverage options in a standard format designed to help you compare plans.

Summaries for SHBP/SEHBP plans offered in 2016 can be viewed online or printed at: **www.nj.gov/treasury/pensions/hb-sbc-home.shtml**

You may request a paper copy, free of charge, by calling the Division of Pensions and Benefits at (609) 292-7524 between 7:30 a.m. and 4:30 p.m., Monday through Friday (except State Holidays).