

SEHBC RESOLUTION #2024-1

**RESOLUTION OF THE SCHOOL EMPLOYEES' HEALTH BENEFITS COMMISSION
TO ACCELERATE THE IMPLEMENTATION OF L. 2023, c. 258**

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, L. 2017, c. 48, § 6 mandated SEHBP coverage for women for infertility-related health benefits; and

WHEREAS, Section 6 of Chapter 48 limited coverage to women who had used all reasonable, less expensive and medically appropriate treatments and were still unable to become pregnant or carry a pregnancy; had not reached the limit of four completed egg retrievals; and were 45 years of age or younger; and

WHEREAS, L. 2023, c. 258, § 6 expanded SEHBP coverage for infertility-related health benefits; and

WHEREAS, among other things, Section 6 of Chapter 258 eliminated age as a basis to deny coverage for the treatment of infertility and eliminated the explicit so-called try and fail requirement in the prior fertility mandate; and

WHEREAS, Section 8 of Chapter 258 states the act takes effect on the first day of the seventh month next following the date of enactment and applies to contracts issued or renewed on or after the effective date; and

WHEREAS, Chapter 258 was enacted on January 12, 2024; and

WHEREAS, Chapter 258 is, therefore, effective August 1, 2024, and applies to contracts issued or renewed on or after August 1, 2024; and

WHEREAS, pursuant to the School Employees' Health Benefits Commission's delegation of the contracting authority for the SEHBP, on December 18, 2023, the Department of the Treasury,

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Division of Purchase and Property, on behalf of the Department of the Treasury, Division of Pensions and Benefits, awarded new third-party administrator contracts for medical benefits, with an effective date of July 1, 2024; and

WHEREAS, the base term of the contract is four years, with two (2) one-year renewals/extensions; and

WHEREAS, because the award and effective date of the third-party administrator contracts for medical benefits occurred prior to the effective date of Chapter 258, Chapter 258 would not take effect until the July 1, 2028 at the renewal/extension date; and

WHEREAS, if the School Employees' Health Benefits Commission were to cancel and re-procure new third-party administrator contracts for medical benefits for the SEHBP, then Chapter 258 would apply to the new contracts; and

WHEREAS, pursuant to N.J.S.A. 52:14-17.46.5(d), the School Employees' Health Benefits Commission finds it in the best interest of the State, local employers, and employees to advance the implementation of Chapter 258 without cancelling and re-bidding for new contracts for third-party administrator services.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The fertility mandate set forth in L. 2023, c. 258, § 6 shall apply to T2846 State Health Benefits Program and School Employees Health Benefits Program Plans specifically:
 - a. Master Blanket Purchase Order 23-PROS1-64385 (Aetna Life Insurance Company); and,
 - b. Master Blanket Purchase Order 23-PROS1-64386 (Horizon Healthcare Services Inc.).
2. The fertility mandate set forth in L. 2023, c. 258, § 6 shall also apply to self-procured School Employees Health Benefits Program contract for the Garden State Health Plan.
3. This resolution is effective for October 1, 2024.

DATED: September 12, 2024