

School Employees' Health Benefits Program
Plan Design Committee
Open Session Minutes: September 17, 2018

Adequate notice of this meeting was provided through the annual notice of the schedule of regular meetings of the Commission filed with and prominently posted in the offices of the Secretary of State. A meeting notice was mailed to the Secretary of State, Star Ledger and the Trenton Times on June 18, 2018.

The meeting of the School Employees' Health Benefits Program Plan Design Committee of New Jersey was called to order on Monday, September 17, 2018. The meeting was held at the Division of Pensions and Benefits, 50 West State St, in Trenton.

The text of Resolution B (Executive Session) – was read in its entirety in the event that the Board desires, at any point in the meeting, to approve a motion to go into closed session.

Nikki Ludwig took Roll Call and established that a quorum was present.

Roll Call

Committee Members:

Julie Giordano Plotkin, Associate Director, NJEA

Kevin Kelleher, NJEA

David Pointer, Deputy Director, Division of Pensions and Benefits

Jean Pierce, AFT/AFL-CIO (appearing telephonically)

Jennifer Keyes-Maloney, Assistant Treasurer

David Ridolfino, Director, Office of Management and Budget

Also Present:

Nicole Ludwig, Division of Pensions and Benefits

Joseph Palladino, Division of Pensions and Benefits

Danielle Schimmel, Deputy Attorney General

Issues

SEHBP Resolution to Create New \$0 Co-Pay Plans

Committee Member Kelleher made a motion to go into Executive Session to seek advice from counsel. Chairperson Pointer seconded and all voted in favor.

Upon return from Executive Session, Chairperson Pointer explained the resolution to create new \$0 Co-Pay plans. The resolution create twos new plans: NJDirect 0 and Aetna Freedom 0 , effective January 1, 2019, which would be offered to qualified employees and Early Retirees of the School Employees Health Benefits Program. They would be similar to the NJ Direct 10 and Aetna Freedom 10 plan with the exception of primary and specialty care copayments which would be zero, emergency room copayments would be \$50 per visit, the out-of-network cost basis would be 200% of CMS, the out-of-network chiropractic services would be the lesser of \$35 per visit or 75% of the in-network cost per visit, out-of-network acupuncture services would be the lesser of \$60 per visit or 75% of the in-network cost per visit, out-of-network physical therapy services would be the average of the in-network cost per service. The prescription drug coverage and co-payments for active employees would be \$3 for retail generic, \$10 for retail preferred, and member pays the difference for retail non-preferred. Mail generic would be \$5, mailed preferred brand would be \$15, and mail non-preferred would be member pays the difference between generic and the brand name. The prescription drug coverage would also be a closed formulary. The early retiree prescription drug copayments would be the same as those under the NJDirect 10 and Aetna Freedom 10 plans with the exception of the retail non-preferred brand and mail non-preferred brand would be the member pays the difference between the generic and the brand cost. In addition, anyone enrolled in these plans would have an enhanced NJWELL experience, instead of a \$250 reward for meeting plan criteria, it would be \$500 for the subscriber and/or covered spouse partner.

Committee Member Kelleher made a motion to adopt the resolution, Committee Member Pierce Seconded and all voted in favor.

SEHBP Medicare Advantage Resolution

Chairperson Pointer stated that the Committee had before them a second resolution, this one was to provide SEHBP Medicare eligible Retirees with the option of enrolling in a Medicare Advantage program commencing on January 1, 2019. A Medicare Advantage PPO 10 and PPO 15 would be offered to School Employees Health Benefits Program members. The rest of the programs offered to Medicare Retirees would remain supplemental plans. Members currently enrolled in PPO 10 and PPO 15 Medicare supplemental plans would be transferred into the PPO 10 and PPO 15 Medicare Advantage Plan as appropriate. Any retiree wishing to enroll in one of supplemental plans would have to submit an application indicating their wish to do so. NJWELL would be offered to those individuals in the Medicare Advantage Plan with the same incentive as Active employees at \$250 for meeting certain plan criteria. In addition, copayments for physician visits would be reimbursed to Retirees up to \$250 in total reimbursements for Plan Year 2019 and Plan Year 2020.

Committee Member Keyes-Maloney made a motion to adopt the resolution, Committee Member Kelleher seconded the motion and all voted in favor.

Adjournment

Committee Member Kelleher made a motion to adjourn; Committee Member Keyes-Maloney seconded and all voted in favor. There being no further matters to discuss, the meeting was adjourned at 10:23 a.m.

Respectfully Submitted,

Nicole Ludwig
Acting Secretary, SEHBP-PDC