



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PENSIONS AND BENEFITS
P. O. Box 295

TRENTON, NEW JERSEY 08625-0295
Telephone (609) 292-7524 / Facsimile (609) 777-1779
TRS 711 (609) 292-6683
www.nj.gov/treasury/pensions

ELIZABETH MAHER MUOIO
State Treasurer

JOHN D. MEGARIOTIS
Acting Director

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

September 2020

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

FROM: New Jersey Division of Pensions & Benefits (NJDPB)

SUBJECT: Plan Year 2021 State Health Benefits Program (SHBP) Open Enrollment

The State Health Benefits Program (SHBP) Open Enrollment period for Local Government employees begins on October 1, 2020, and ends on October 31, 2020.

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, 2021.

Completed, employer-certified medical and/or dental applications must arrive at the Health Benefits Bureau no later than November 6, 2020, to ensure processing for the start of the 2021 plan year.

Note: Employers should submit completed *Health Benefit Enrollment and/or Change Forms* as they are received from employees rather than holding applications for submission at the end of Open Enrollment. Employees not making changes to their coverage during Open Enrollment should not complete an application.

MEDICAL PLANS

The medical plans available to local government employees for Plan Year 2021 are:

- **Tiered-Network Plan:** Horizon OMNIA Health Plan
- **PPO Plans:** NJ DIRECT/NJ DIRECT 2019;* NJ DIRECT10; NJ DIRECT15; NJ DIRECT1525; NJ DIRECT2030; NJ DIRECT2035
- **HMO Plan:** Horizon HMO
- **High Deductible Health Plans:** NJ DIRECT HD1500; NJ DIRECT HD4000

**Members hired prior to July 1, 2019, will be enrolled in NJ DIRECT. Members hired after July 1, 2019, will be enrolled in NJ DIRECT 2019.*

Medical plan and prescription drug plan rates for 2021 were approved by the State Health Benefits Commission. Rate charts are being finalized and will be posted to the NJDPB website for the Open Enrollment at: www.nj.gov/treasury/pensions/hb-active-shbp.shtml

MEMBERSHIP TO DIRECT PRIMARY CARE MEDICAL HOME DOCTOR'S OFFICE INCLUDED IN SHBP/SEHBP AT NO ADDITIONAL COST

The SHBP offers employees and their covered dependents the opportunity to join a Direct Primary Care doctor's office at no additional cost. This is available as part of the Horizon plans and does not require any changes to members' health plan election.

More information regarding Direct Primary Care Medical Homes can be found on our website: www.nj.gov/treasury/pensions/dpcmh.shtml

TYPE AND LEVEL OF COVERAGE

Members whose employers have a prescription plan through the SHBP will no longer be able to select different levels of Medical and Prescription Plan Coverage. For example, a member may not elect to have Single Medical coverage and Member/Spouse Prescription coverage. The level of coverage must be the same for both plans.

Members also must elect to enroll in both Medical and Prescription. If a member wishes to waive coverage, both Medical and Prescription coverage must be waived. See the "Waiving SHBP Coverage" section for more information.

DENTAL PLANS

For participating employers, there are no dental plan changes for Plan Year 2021. Dental coverage is offered to 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 selected DPO to receive coverage. Be sure to confirm that the dentist or dental facility 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 (PPO) 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 2021 were approved by the State Health Benefits Commission. Rate charts are being finalized and will be posted to the NJDPB website for the Open Enrollment at: www.nj.gov/treasury/pensions/hb-active-shbp.shtml

PLAN COMPARISON CHARTS

The SHBP *Plan Comparison Charts* provide a side-by-side view of the basic benefits, copayments, and other out-of-pocket costs for the SHBP medical and prescription drug plans. The comparison charts can be found on the NJDPB website at: www.nj.gov/treasury/pensions/hb-active-shbp.shtml

SUMMARIES OF BENEFITS AND COVERAGE

Detailed information about the SHBP's medical plans is available through the *Summaries of Benefits and Coverage*. A link to the 2021 summaries can be found on the NJDPB website at: www.nj.gov/treasury/pensions/hb-active-shbp.shtml

A direct mailing will be sent to all SHBP members to announce the availability of the summaries; however, employers also are asked to provide notice of this information to their employees. A sample of the mailer is included with this letter.

NJWELL PROGRAM

NJWELL provides inclusive and holistic experiences to meet members' needs through activities and education programming to support healthy lifestyles. NJWELL is open to employees who are enrolled in the SHBP. Spouses and eligible partners also can participate, as long as they are covered by the SHBP plan. Participants have access to specialized programming and benefits, including live wellness events, fitness challenges, and online wellness platforms tailored to their unique needs. Participants can also earn a possible \$250 in rewards based on points earned from participation in NJWELL. The current NJWELL 2020 Plan Year will be coming to a close on October 31, 2020. Watch your email for upcoming information about NJWELL in 2021, including enhanced programming and online tools available to members. For information about the program visit the NJWELL website at: www.nj.gov/njwell

EMPLOYEE CONTRIBUTIONS FOR SHBP COVERAGE

Pursuant to Pension and Health Benefit Reform (P.L. 2011, c. 78) and with the expiration, renewal, or extension of collective negotiations agreements, employees must pay a percentage of the cost of the medical and prescription plans. Percentage of premium contribution worksheets for 2021 are available on the NJDPB website at: www.nj.gov/treasury/pensions/hb-active-shbp.shtml

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 P.L. 2010, c. 2, 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, an *Employee Coverage Waiver/Reinstatement Form* must be completed and submitted during Open Enrollment. To waive coverage effective January 1, 2021, employees should indicate "Open Enrollment" on the waiver form; otherwise, the waiver will be effective before January 1st.

Note: Yearly waivers are not required. Employees who have already waive coverage do not need to elect to waive each Open Enrollment period.

PAYROLL DEDUCTIONS AVAILABLE FOR HDHP PARTICIPANTS

Employees participating in one of the High Deductible Health Plans (HDHP) are able to use tax-deferred contributions from their paychecks to fund their Health Savings Account (HSA). If one of your employees chooses to enroll in one of the High Deductible plans, an application and separate contribution form are required. The application and form are available on the NJDPB website at: ***www.nj.gov/treasury/pensions/hb/active/shbp.shtml***

PLAN MARKETING CONTACTS

Included with this letter is a listing of employer marketing contacts for the medical and dental plans. Your Human Resources staff, Benefits Administrators, or any other staff members responsible for the communication and administration of health benefits for your employees can use these contacts to obtain plan-specific information and literature for your employees.

Note: These telephone numbers are not for member services. Please do not distribute them to your employees. Phone numbers and website contacts for employees are provided on the NJDPB website: ***www.nj.gov/treasury/pensions/hb-active-contacts.shtml***

ADDITIONAL INFORMATION

The NJDPB thanks you for your assistance with forwarding the information and materials needed to make Open Enrollment a successful and beneficial experience for your employees.

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 email to: *pensions.nj@treas.nj.gov*

Enclosure
Plan Marketing Contacts