



State of New Jersey

School Employees' Health Benefits Program

Plan Year 2021 Rate Renewal Recommendation Analysis

September 15, 2020

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Executive Summary

The purpose of this Analysis is to recommend premium levels for the School Employees' Health Benefits Program (SEHBP) for January 1, 2021 through December 31, 2021.

Recommended premium rate changes are based on a review of the experience of the Medical and Prescription Drug benefits offered to Active Employees and Retirees by the SEHBP. The updated projections for Plan Year 2021 are based on medical and prescription drug claims incurred January 1, 2019 through December 31, 2019 and paid through March 31, 2020. The following bullets summarize the major highlights in the Renewal Analysis:

- The total recommended Plan Year 2021 premium rate changes for the Local Education Actives, Early Retirees, and Medicare Retirees are as follows:
 - The recommended rate change for Local Education Actives is a 6.3% decrease for medical and a 9.9% increase for the prescription drug premium rates, for a total decrease of 4.9%.
 - Due to recent legislation signed into law on July 3, 2020, Local Education Early Retirees may only enroll in the New Jersey Educator Health Plan as of January 1, 2021. Early Retiree premium rates in Plan Year 2021 for the New Jersey Educator Health Plan are approximately 21.6% lower than the PPO10 Plan in Plan Year 2020.
 - The Medicare Retiree medical increase for Plan Year 2021 is 2.3%, which includes both self-insured medical premiums and fully insured Medicare Advantage premiums. The recommended prescription drug rate change in Plan Year 2021 is an 8.5% increase.

Recommended Premium Renewal Changes

The recommended Plan Year 2021 premium rate changes are as follows: a decrease of 4.9% for Active Employees, a 21.6% decrease for Early Retirees (compared to the PPO10 Plan single premium rate in Plan Year 2020) and a 5.9% increase for Medicare Retirees. The Retiree Medicare Medical Plan includes both fully insured Medicare Advantage plans administered by Aetna and self-insured Medicare plan options administered by Horizon. The Medicare Retirees medical increase for Plan Year 2021 includes both self-insured medical premiums and fully insured Medicare Advantage premiums.

The recommended renewal premium rate changes for Plan Year 2021 by benefit plan are listed below:

	Medical	Rx	Total
Actives			
PPO	(6.3%)	9.9%	(4.9%)
NJEHP (vs. 2020 PPO10)	(15.0%)	(24.9%)	(16.5%)
Early Retirees			
NJEHP (vs. 2020 PPO10)	(22.6%)	(16.6%)	(21.6%)
Medicare Retirees			
Total	2.3%	8.5%	5.9%

Note: Reduction for the NJEHP shown is relative to the 2020 PPO10 single premium rate. For Actives, the difference is shown for the medical with Rx Card single premium rate.

The table below shows the expected changes in the projected Claim Stabilization Reserve. The projected reserve as of December 31, 2019 is based on the reserve balance as of June 30, 2019 provided by the State. The projected reserves as of December 31, 2020 and 2021 are based on the estimated reserve balance as of May 31, 2020 provided by the State.

SEHBP Projected Active Claim Stabilization Reserve

(in \$ millions)

	Reserve Balance
12/31/2019	\$457
12/31/2020	\$514
12/31/2021	\$514
Months of Plan Cost as of 12/31/2021	5.7

Reconciliation of Plan Year 2021 New Jersey Educator Health Plan Premium Rates

The following exhibit illustrates the development of the Plan Year 2021 New Jersey Educator Health Plan premium rates, using the Plan Year 2020 NJDIRECT10 premium rates as a baseline:

Plan Year 2021 Premium Rate Changes	Actives			Early Retirees		
	Medical	Rx*	Total	Medical	Rx	Total
Local Education NJEHP* (vs. 2020 PPO10)						
Division/Administrative Initiatives	(9.4%)	(1.6%)	(8.8%)	(12.1%)	(1.8%)	(10.3%)
Total Chapter 44	(10.8%)	(29.3%)	(13.8%)	(7.6%)	(22.5%)	(10.3%)
Trend and Experience	5.2%	7.9%	6.2%	(4.7%)	9.6%	(2.5%)
NJEHP* (vs. 2020 PPO10)	(15.0%)	(24.9%)	(16.5%)	(22.6%)	(16.6%)	(21.6%)

*Active Rx rate impact reflect the combined Rx Card and MMRx impact

The percentage impacts listed in the table above represent the change in medical and prescription drug costs for NJEHP relative to the NJDIRECT10 Plan in Plan Year 2020 and may differ from impacts referenced throughout this report. The impacts referenced in other areas of this report refer to the overall impact of changes on medical and prescription drugs claims for all plans combined.

COVID-19

The estimated Plan Year 2020 Active and Early Retiree projections, which include impacts for the cost of COVID-19 as well as the impact of claim deferrals and offsets, are based on Aon's Proprietary Employee Impact Model using census data as of April 2020. The projected costs reflect assumptions based on the model's "Distancing (Moderately Controlled)" mitigation scenario. For Plan Year 2020, it is estimated the cost of COVID-19 will be approximately \$56.8M for Local Education Actives, \$22.9M for Local Education Early Retirees, and \$33.7M for Local Education Medicare Retirees. Additionally, it is estimated that deferred claims offsets less projected returned claims after shutdown will reduce Plan Year 2020 Local Education Active and Early Retiree, and Medicare Retiree medical claims by \$45.0M, \$15.3M, and \$6.2M respectively. No impact has been included in 2020 projections for the Self-Insured or Fully Insured Medicare populations.

Aon's current guidance is to not adjust Plan Year 2021 expected costs for COVID-19 because only limited data is available; this could change as new information becomes available. Plan Year 2021 estimates are limited by unknown factors, including:

- Cost of regular testing for COVID-19 and multiple infection peaks
- Cost of new drugs or vaccines that are developed and requirements for employers to cover those costs, at any price
- Unforeseen impact of provider economic distress & healthcare system capacity limits
- Potential higher ongoing costs of patients who recovered from COVID-19 illness
- Increased severity of claims as a result of delayed treatment
- Spillover of delayed non-essential care from 2020 into 2021
- Impact of federal assistance
- Potential to create anti-selection among employee population (i.e. COBRA, covered dependents, opt-in rates)

Plan Year 2021 estimated costs do not include any adjustment for the impact of COVID-19.

Additional Disclosures

The projections in this analysis are measured on an incurred basis and are consistent with the assumptions and methodology disclosed herein. Future projections may differ significantly from the current projections presented in this analysis due to (but not limited to) such factors as the following:

- Plan experience differing from that anticipated by the economic or demographic assumptions;
- Changes in actuarial methods or in economic or demographic assumptions;
- Changes in plan provisions or applicable law.

This analysis contains the primary actuarial assumptions and methods used to develop the cost projections but may not include a comprehensive list of these methodologies and assumptions. Aon provided guidance with respect to these assumptions, and it is our belief that the assumptions represent reasonable expectations of anticipated plan experience.

Plan Year 2021 Overview

New Jersey Educators Health Plan

Chapter 44: Approved through the SEHBP Plan Design Committee on July 10, 2020 and as enacted in P.L.2020, c.44 ("Chapter 44"), the State of New Jersey approved legislation that requires the SEHBP to offer to Local Education Actives three plans and Early Retirees only one plan, effective January 1, 2021, for medical and prescription benefits coverage which include the PPO10, PPO15, and New Jersey Educators Health Plan (NJEHP). In addition to the three plans offered on January 1, 2021, Chapter 44 requires an additional plan be offered to Actives and Early Retirees beginning July 1, 2021 called the Garden State Health Plan. This law requires the elimination of all other benefit plans available to SEHBP Active and Early Retiree members. There is no impact to Medicare Retirees associated with this legislation.

Resolution 2020-02: Approved through the SEHBP Plan Design Committee on July 10, 2020 and effective as soon as reasonably practicable, but in no event later than August 1, 2020, the SEHBP agreed to limit out-of-network allowed amounts for coverage of chiropractic, acupuncture, and physical therapy services. The out-of-network coverage for chiropractic and acupuncture services will be no more than \$35 a visit for chiropractic services and \$60 a visit for acupuncture visits, or 75% of the average in-network cost per visit, whichever is less. The out-of-network coverage for physical therapy services be no more than 75% of the average in network cost per visit for physical therapy. Applicable co-insurance will apply for these services. This change affects Actives and Early Retirees and does not impact Medicare Retirees.

NJ Educators Health Plan Enrollment: For Plan Year 2021, it is assumed that 80% of Local Education Active employees will migrate to the new NJEHP. Additionally, it is assumed that 12% and 8% of total Active employees remain in the PPO10 and PPO15 plan, respectively. For Plan Year 2021, it is assumed that all Early Retirees enroll in the NJEHP plan.

NJ Educators Health Plan Premium Development: Expected PPO10, PPO15, and NJEHP per member per month plan costs were developed based on all Plan Year 2019 SEHBP Active and Early Retiree medical and prescription drug claim experience trended to Plan Year 2021 and adjusted for plan relative cost differences. Furthermore, it is assumed that participants remaining in the PPO10 and PPO15 will have 4% and 2% higher than average utilization, respectively, than participants migrating to the NJEHP.

Garden State Health Plan

Beginning 7/1/2021, a new Garden State Health Plan will be implemented. Plan Design details for the Garden State Health Plan are yet to be determined. All employees hired on or after 7/1/2020 will be enrolled in the NJEHP and will have the option to enroll in the Garden State Plan after 7/1/2021. Cost or enrollment projections for the Garden State Health Plan will be developed when plan details are known and have not been reflected in this Renewal Analysis.

Additional Plan Benefit Provisions

Self-Insured Medical Bid Solicitation: Effective January 1, 2020, all self-insured medical plans are administered solely by Horizon. The Self-Insured Medical Bid Solicitation was released on May 10, 2019 and the Notice of Intent to award to Horizon was sent August 5, 2019. Effective January 1, 2020, Horizon implemented Horizon Health Guides, an enhanced Navigation and Advocacy Model. Different than past years, the model has enhanced customer service programs tied to Clinical Management, Medical Management, Disease Management and improvement of population health. Active and Early Retiree medical claims are estimated to be reduced by 3.2% and 3.5% in Plan Year 2020 and Plan Year 2021, respectively.

In addition to the implementation of Horizon Health Guide, as part of the Self-Insured Medical Bid Solicitation, Horizon negotiated additional discounts off in-network reimbursements which is expected to reduce Plan Year 2020 Active and Early Retiree medical claims by 1.3% and 1.2%, respectively.

PBM Bid Solicitation: Effective January 1, 2020, prescription drug benefits for Actives and Retirees will continue to be administered by Optum through a 2019 Bid Solicitation administered by TruVeris. The PBM Bid Solicitation was released through a reverse auction platform powered by TruVeris on April 22, 2019. The Notice of Award to Optum was released on July 22, 2019. Based on data provided by TruVeris, the PBM Bid Solicitation is expected to reduce Prescription Drug Claims by 0.8% for Actives and Early Retirees, and 2.3% for Medicare Retirees.

Dependent Eligibility Verification Audit (DEVA): The State conducted a Dependent Eligibility Verification Audit beginning October 1, 2018 through June 30, 2019 which verified eligible dependents and removed ineligible dependents from the SEHBP. Based on data provided by the Division, there were over 3,000 Local Education dependent members identified as being removed from the program and not re-instated. The estimated savings were determined using actual Plan Year 2018 dependent claims experience provided by Horizon, Aetna, and Optum as well as expected Plan Year 2021 plan costs. Expected Plan Year 2020 savings are included in the projected medical and prescription drug costs.

Implementation of Fair Health National Database Reimbursement Methodology: Effective March 1, 2020, Out-of-Network medical claims for plans that reimburse based on FAIR Health database will be reimbursed based on the National Database of associated charges, rather than based on charges grouped by three-digit zip code. This reimbursement methodology is estimated to reduce projected Local Education Active and Early Retiree PPO medical claims by 4.3% and 3.2%, respectively.

Out-of-Network Lab Change: Effective January 1, 2019, both LabCorp and Quest Diagnostics are included as in-network providers of laboratory services for Aetna and Horizon. Additionally, Horizon has been able to lower reimbursements for out-of-network laboratory services. Actual savings resulting from lower claim experience in Plan Year 2019 is reflected in Plan Year 2020 projected costs.

Implementation of Livongo: Effective January 31, 2020, Livongo, a diabetes management program was launched for Actives and Early Retirees. The goal of the program is to help keep members living with diabetes in the safe zone of blood glucose levels by providing a cellular-enabled glucometer with testing strips and access to coaching and a 24/7 chat feature. Livongo identifies eligible participants through Medical and Rx claims data sending targeted communications to members for enrollment. Livongo analyzes data to personalize the program for each member and provide real-time health insights. Livongo is also implementing the Livongo "Whole Person", which provides a broader set of services includes Livongo for Diabetes, Livongo for Hypertension, Livongo for Weight Management, and Livongo for Behavioral Health. The implementation of these programs is estimated to reduce projected Plan Year 2021 Local Education Active and Early Retiree medical claims by 0.9% and 2.0% and reduce Local Education Active and Early Retiree prescription drug claims by 0.8% and 1.4%, respectively. This program does not impact Medicare Retirees.

New Medicare Eligibility Vendor: The State implemented SSDC services to identify and conduct outreach to pre-65 retirees and spouses who are currently eligible or could become eligible for Medicare, in order to ensure enrollment in Medicare when appropriate. The implementation of this program is estimated to reduce projected Plan Year 2020 and 2021 Local Education Early Retiree medical claims by 1.0% and 1.6%, respectively.

HMS Data Warehouse: In accordance with Public Law 2019, Chapter 143, the State recently conducted a bid solicitation awarding HMS the opportunity to provide Medical Claims Review and Data Warehouse services for self-insured Active, Early, and Medicare Retirees. This law requires the third party Medical Claims Reviewer to provide ongoing review and oversight of current medical claims processes. In addition, the Medical Claims Reviewer also must collect, store and maintain a secure archive of medical and prescription drug claims and other health services payment information, as well as document the cost and nature of claims incurred, demographic information on the covered population, emerging utilization

and demographic trends. The implementation of this program is estimated to reduce projected Plan Year 2021 Local Education Active, Early, and Medicare Retiree medical claims by 0.2%, 0.1% and 0.5%, and reduce Local Education Active, Early, and Medicare Retiree prescription drug claims by 0.3%, 0.2% and 0.1%, respectively.

Medicare Advantage Non-Diabetic Orthotic Coverage: Effective January 1, 2020, all Medicare Advantage plans administered through Aetna have expanded coverage for orthopedic shoes for members without requiring a qualifying condition such as diabetes.

Employee/Retiree Contribution Changes

Actives: Prior renewals assumed that contribution increases under Chapter 78 would motivate a small number of employees to migrate to lower cost plan options. With the implementation of resolution 2020-01 with contributions based on salary (effective 1/1/2021), it is anticipated that members will now choose to migrate to the NJEHP in Plan Year 2021, as described in this analysis.

Retirees: Chapter 78 does not apply to existing Retirees as of 7/1/2011 or to Employees who had 20 or more years of service on 7/1/2011. For this reason, no changes to Retiree contributions are assumed for Plan Year 2021, and the majority of Retirees will continue to have no contributions towards the cost of their Retiree health benefits.

Federal Health Care Reform

ACA 9010: Section 9010 of the ACA imposed a Health Insurer Fee (HIF) on each covered entity engaged in the business of providing health insurance for United States health risks. The HIF will help fund the federal subsidies given to lower-income families that may not have coverage. On January 22, 2018, Congress passed a spending bill which placed a moratorium on this tax in Plan Year 2019. As of December 20, 2019, the HIF is in place for Plan Year 2020, however has been repealed beginning Plan Year 2021.

Further Consolidated Appropriations Act, 2020: On December 20, 2019, the President signed an omnibus bill that included a repeal of the excise tax on high-cost employer-sponsored health coverage, the medical device excise tax, and the health insurance providers fee (also known as the health insurance tax). Although the excise tax has been twice delayed, it was scheduled to go into effect in 2022. The medical device excise tax was scheduled to expire on December 31, 2019. The health insurance providers fee had a moratorium placed on it during 2019, will go back into effect in 2020, and will be eliminated permanently beginning in 2021.

In-Network Out-of-Pocket Maximum: Effective 1/1/2021, Federal Health Care Reform requires that in-network medical and prescription drug benefits have a combined out-of-pocket maximum no greater than \$8,550 single / \$17,100 family. This benefit change will not have a significant impact on projected costs. The chart below summarizes a history of these out-of-pocket maximums:

Plan Year	Out-of-Pocket Maximum (Single/Family)
2019	\$7,900 / \$15,800
2020	\$8,150 / \$16,300
2021	\$8,550 / \$17,100

Public Health Insurance Exchanges: The public health insurance exchanges that are mandated by Federal Health Care Reform, beginning in 2014, are assumed to have minimal impact on enrollment or cost levels within the SEHBP.

Full-Time Employee Definition: The Patient Protection and Affordable Care Act (Affordable Care Act) defines full-time employees as employees who work 30 or more hours per week. The employer mandate,

which is applicable to full-time employees, was essentially first effective January 1, 2015. This requirement is not projected to have a cost impact on the SEHBP because in general, the State offers coverage to all full-time employees.

Minimum Value: Effective January 1, 2015, the Affordable Care Act requires employers to offer plans that have a minimum value of at least 60% (i.e., the plan's share of total allowed costs of benefits provided under the plan is at least 60% of such costs). All SEHBP plan options were tested and have a minimum value in excess of 60%. More details are included in the Minimum Value section of this analysis.

New Jersey State Mandates

NJ Fertility Preservation Services: Effective April 12, 2020, coverage for standard fertility preservation services must be provided when a medically necessary treatment may directly or indirectly cause iatrogenic infertility, meaning impairment of fertility through surgery, radiation, chemotherapy, or other medical treatment affecting reproductive organs or processes.

NJ Preventive Services Mandate: Effective April 15, 2020, the SEHBC must provide coverage without any cost sharing for the following preventive services: evidence-based items or services that have a rating of an "A" or "B" in the current recommendations of the United States Preventive Services Task Force, immunizations that have in effect a recommendation for the Advisor Committee on Immunization Practices of the Centers of Disease Control and Prevention, evidence-informed preventive care for infants, children and adolescents outlined in the comprehensive guidelines supported by the Health Resources and Services Administration, and additional preventive care and screenings for women outline in the comprehensive guidelines supported by the Health Resources and Services Administration.

NJ Contraceptive Mandate 2020: Effective April 15, 2020, the previous Contraceptive Mandate is expanded to cover any contraceptive drug, device or product approved by the United States Federal Drug Administration (FDA), any over-the-counter contraceptive drug with FDA approval without a prescription, and voluntary male and female sterilization at no cost share.

NJ Breastfeeding Support 2020: Effective July 15, 2020, the SEHBC are required to cover at no cost share breastfeeding equipment, such as a breast pump, and comprehensive lactation consultations and counseling.

Vendor Changes

Medical Vendors: Horizon will continue to administer all Active, Early Retiree, and Medicare Retiree self-insured medical plan options. Aon assumes that Aetna will continue to administer the fully-insured Medicare Advantage plan options for Plan Year 2021.

Pharmacy Benefit Manager: Optum will continue to administer the prescription drug benefits for Actives and Retirees in Plan Year 2021.

Eligibility Changes

Chapter 375 Coverage of Adult Children: New Jersey currently mandates the coverage of adult children under age 31 at a premium level that is equivalent to the child rate included in the standard premium tables, loaded 2% for additional expenses. The adult child rate will be approximately 88% of the Single Employee rate. Adult dependent enrollment is 114 participants as of April 2020.

Part-Time Coverage: Part-time Employees may enroll in any of the SEHBP plans, and as of April 2020, 44 Local Education Part-time Employees participate. A 6% rate load is recommended for Plan Year 2021, an increase from the rate load of 0% used in Plan Year 2020. The recommendation is based on the most recent three-year average loss ratio for Part-time Employees.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns from Plan Year 2018 through 2020 and includes a projection of enrollment from Plan Year 2020 to 2021. This projection assumes that Local Education Active enrollment will remain flat in Plan Year 2021. Early Retiree enrollment is projected to decrease 2.0% in Plan Year 2021; and Medicare Retiree enrollment is projected to increase 3.5% in Plan Year 2021. Exhibit 1B shows the projected distribution of enrollment among benefit options in Plan Year 2021. Exhibit 1C shows enrollment by benefit option and coverage tier as of April 2020. Projected enrollment changes noted above do not reflect any potential impacts associated with COVID-19 (i.e. furloughs, layoffs, etc.)

Active Demographic Changes

Based on April 2020 census data, the Active Employee average age increased 0.1 years from Plan Year 2019 to Plan Year 2020. The average HMO Employee age increased 0.1 years from Plan Year 2019 to Plan Year 2020, while the PPO Employee average age increased 0.2 years. The average age of Employees enrolled in the new benefit options is approximately 3.5 years younger than the average age of Employees enrolled in the Legacy PPO Plans.

Average Employee Age

	April 2019	April 2020	Change
Legacy PPO	47.7	47.9	0.2
Legacy HMO	50.1	50.2	0.1
Horizon New Plans	44.1	44.3	0.2
Total	47.3	47.4	0.1

Trend Analysis

The recommended claim trend assumptions for Plan Years 2020 and 2021 are as follows:

	Plan Year 2020		Plan Year 2021	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives*	6.50%	5.00%	6.50%	5.00%
PPO Early Retirees	6.00%	5.50%	5.50%	5.50%
Self-Insured Medicare Retirees	5.00%	5.50%	5.00%	5.50%
HMO Actives*	7.00%	5.00%	6.50%	5.00%
HMO Early Retirees	7.00%	5.50%	6.50%	5.50%

*Does not include anti-selection trend adjustments outlined below.

The Medicare Retiree medical trend assumptions do not reflect the fully insured Medicare Advantage plans. The Plan Year 2021 Medicare Advantage premium rates are provided by Aetna and are shown on the following page.

Exhibits 2A and 2B present historical SEHBP trend experience and the recommended trend assumptions for Plan Year 2021 for medical and prescription drug, respectively. These experience trends are based on estimated incurred claim trends from January 1, 2018 to December 31, 2019 and have been normalized for estimated benefit and vendor changes.

Recommended trends are developed using vendor recommended trends, national Aon trend guidance (which reflects vendor surveys, Pharmacy Benefit Manager national surveys and other external sources) as well as actual SEHBP plan experience adjusted for expected future trends. The vendor recommended trends and national Aon trend guidance are shown in the table below:

Plan Year 2021	Vendor Recommendation		National AON Trend Guidance
	Horizon	Optum	
PPO Actives	7.5%	N/A	5.5%
PPO Early Retirees	7.5%	N/A	5.0%
HMO	6.0%	N/A	5.5%
Rx Actives	N/A	4.2%	6.5%
Rx Early Retirees	N/A	6.8%	6.5%

*Gross trend shown before impact of plan design changes

Medical Trends:

- PPO Actives: The recommended PPO medical trend for Actives is 6.5%, no change from the Plan Year 2020 Renewal Analysis (does not include the anti-selection adjustment described below). The recommended Active PPO medical trend is 6.5% in Plan Year 2021.
- PPO Early Retirees: The recommended PPO medical trend for Early Retirees is 6.0%, no change from the Plan Year 2020 Renewal Analysis. The recommended Early Retiree PPO medical trend is 5.5% in Plan Year 2021.
- Self-Insured Medicare Retirees (PPOs and HMOs): The self-insured Medicare Retiree medical trend is recommended to be 5.0% in Plan Year 2020 and Plan Year 2021, unchanged from the Plan Year 2020 Medicare Retiree medical trend in the Plan Year 2020 Renewal Analysis.

- **HMO Actives and Early Retirees:** The Plan Year 2020 HMO Actives and Early Retirees medical trend has been increased from 6.5% in the Plan Year 2020 Renewal Analysis to 7.0% (Active trends does not include the anti-selection adjustment described below). The HMO Active and Early Retiree medical trend assumption is 6.5% in Plan Year 2021.

Prescription Drug Trends: Recommended trends are based on historical experience trends, the Aon trend survey and input from the Pharmacy Benefit Manager. The SEHBP has had recent prescription drug gains due to favorable experience; in addition, the national marketplace prescription drug trends have reduced.

The recommended Plan Year 2020 prescription drug trend for Actives and Retirees has been lowered to 5.0% for Actives and 5.5% for Early and Self-Insured Medicare Retirees from 7.0% that was used in the Plan Year 2020 Renewal Analysis. The recommended prescription drug trend for Plan Year 2021 is 5.0% for Actives and 5.5% for Early and Self-Insured Medicare Retirees.

Additional Trend Adjustments: Based on expected entrants and terminations of Local Education Active Employers from the SEHBP, the Active medical and prescription drug trends have been increased by 25 basis points for Plan Year 2020 and Plan Year 2021. This adjustment is consistent with long-term expectations and reflects anti-selection risk (employers with good experience are terminating or those with poor experience are entering which will affect the SEHBP's overall loss ratio).

Medicare Advantage: Effective January 1, 2020, all Medicare Advantage plans administered through Aetna will expand coverage for orthopedic shoes for members without requiring a qualifying condition such as Diabetes. This resulted in an increase in the per member per month Aetna Medicare Advantage premium rates from those shown in the Plan Year 2020 Renewal Analysis. The Medicare Advantage rates in Plan Years 2020 and 2021 were provided by Aetna. Below is a table summarizing the fully insured Medicare Advantage per member per month rates for Plan Years 2020 and 2021.

Aetna Monthly Per Member Medicare Advantage Premium Rates

Local Education	Aetna Medicare Advantage Rates		
	2020	2021	\$ Change
PPO 10	\$ 125.66	\$ 125.81	\$ 0.15
PPO 15	\$ 105.94	\$ 106.09	\$ 0.15
HMO 10	\$ 151.11	\$ 151.26	\$ 0.15
HMO 1525	\$ 115.68	\$ 115.83	\$ 0.15

Financial Projections

Aggregate Financial Projections

Using the assumptions detailed in this Renewal Rate Development section of this analysis, below are the current estimated projected costs for Plan Years 2019, 2020 and 2021.

Projected Financial Results **(in \$ millions)**

	NJEHP	PPO 10	PPO 15	Legacy HMOs	New Plans*	Total
Plan Year 2019						
Premium Rates x Enrollment	N/A	\$1,429.9	\$429.2	\$81.4	\$206.2	\$2,146.7
Incurred Claims	N/A	\$1,347.6	\$376.3	\$68.5	\$200.7	\$1,993.1
Administrative Charges	N/A	\$22.4	\$5.8	\$1.9	\$8.4	\$38.5
Net Gain (Loss)	N/A	\$59.9	\$47.1	\$11.0	(\$2.9)	\$115.1
Plan Year 2020						
Premium Rates x Enrollment	N/A	\$1,387.9	\$439.9	\$66.4	\$293.3	\$2,187.5
Incurred Claims	N/A	\$1,341.1	\$391.5	\$59.7	\$266.0	\$2,058.3
Administrative Charges	N/A	\$25.4	\$7.5	\$1.8	\$11.6	\$46.3
Net Gain (Loss)	N/A	\$21.4	\$40.9	\$4.9	\$15.7	\$82.9
Plan Year 2021						
Premium Rates x Enrollment	\$1,191.0	\$560.6	\$125.8	\$31.5	\$125.5	\$2,034.4
Incurred Claims	\$1,160.7	\$544.8	\$123.5	\$32.7	\$114.5	\$1,976.2
Administrative Charges	\$30.3	\$15.4	\$3.1	\$1.0	\$8.7	\$58.5
Net Gain (Loss)	\$0.0	\$0.4	(\$0.8)	(\$2.2)	\$2.3	(\$0.3)

*Includes the \$0 Copay plan in Plan Year 2019 and Plan Year 2020. In Plan Year 2021, this includes Medicare Retiree plans.

The current Plan Year 2019 financial results project a decrease of \$10 million in the gain compared to the gain shown in the Plan Year 2020 Renewal Analysis. This reduction is largely due to Local Education Actives moving into the lower premium NJDIRECT0 plan.

The current Plan Year 2020 financial results project an \$121.6 million increase in the gain from the Plan Year 2020 Renewal Analysis. This increase is largely due to increased total Local Education Active enrollment.

The Plan Year 2021 renewal premiums are projected to produce approximately no gain or loss. The Plan Year 2021 aggregate projected costs are \$2.0 billion: \$1.1 billion for Actives and \$0.9 billion for Retirees.

More detailed aggregate projections are displayed in Exhibit 3. The losses and gains displayed in this table and in Exhibit 3 assume that all premiums are fully funded.

Financial Gain /(Loss)

Plan Year 2019

For actives, the projected gain decreased \$10 million from Plan Year 2020 Renewal Analysis, primarily a result of decreased total premiums from increased enrollment in the lower premium NJDIRECT0 plan. Total projected active costs increased 0.1% from the Plan Year 2020 Renewal Analysis.

- Total active cost increased 0.3% due to updated 2019 medical claims experience
 - Movement to the lower cost plan options (1525PPO, NJDIRECT0) generated higher per member claims than initially projected.
 - The Plan Year 2020 Renewal Analysis assumed a 2019 PPO medical claims trend of 7.0%. Actual 2019 PPO claims trend was 6.9%, driven by
 - 9.6% trend for outpatient facility services
 - 12.0% trend for medical pharmacy
 - 3.0% trend for rehabilitation services
 - 4.1% trend for Acupuncture, Chiropractic, and Physical Therapy benefits
- There is an additional 0.3% increase in total active cost due to updated 2019 prescription drug claims experience
 - Actual 2019 prescription drug claims experience trend of 10.6% is higher than the 7.0% trend assumed in the Plan Year 2020 Renewal, driven by:
 - 31.1% trend in Active Chronic Inflammatory Diseases PMPM drug spend
 - 15.6% trend in Oncology PMPM drug spend PMPM
 - The high cost category claims trends were offset by a 1.4% increase in the SEHBP Active Generic Dispensing Rate.
- The increases in active total cost due to updated medical and prescription drug experience is offset by differences in actual versus expected investment income and overhead expenses which resulted in a 0.1% decrease in total active costs.
- Additionally, based on updated reporting from Optum, active prescription drug rebates are projected to increase. As a result, total active cost is projected to decrease by 0.4%

Retiree gain is projected to increase \$14 million from the Plan Year 2020 Renewal Analysis.

- Updated 2019 medical claims experience resulted in a 0.6% increase in total cost, driven by increase in self-insured Medicare claims.
 - For self-insured Medicare Retirees, which represents 17% of the Medicare population, actual 2019 PPO claims trend was 21.5%.
 - For Early Retirees, the Plan Year 2020 Renewal Analysis assumed a 6.0% 2019 PPO medical claims trend. Actual 2019 PPO claims trend was 4.4%, driven by:
 - 15.1% trend for Inpatient Facility services
 - 12.4% trend for Outpatient Facility services
 - 17.5% trend for Medical Pharmacy
- Updated 2019 Retiree prescription drug experience increased total retiree plan costs by 1.8%.
 - Actual 2019 prescription drug claims experience trend of 8.0% is higher than the 7.0% trend assumed in the Plan Year 2020 Renewal Analysis, driven by:
 - 24.4% trend for Chronic Inflammatory PMPM drug spend

- 15.0% trend for oncology drug spend
 - Generic Dispensing Rate for Early and Medicare Retirees increased 0.9% and 0.3%, respectively.
- Based on updated information from Optum, increases in retiree prescription drug rebates and EGWP credits are projected to decrease projected retiree costs by approximately 3.0%.

Plan Year 2020

For Plan Year 2020, the gain is projected to increase. Total Active cost is projected to increase 2.0%. The increase in projected total active cost is a result of the following:

- Updated enrollment through April 2020 resulted in an 8.8% increase in total active costs.
 - Total active enrollment increased by 10.4% and enrollment in the NJDIRECT0 plan increased 17.3%.
- There is a 0.3% increase in projected 2020 active cost due to updated 2019 medical claims experience.
- There is approximately no change in projected 2020 active cost due to updated 2019 prescription drug claims experience.
- Estimated impact due to COVID-19 (net of estimated claim offsets) is expected to increase active plan costs by 1.2%.
- There is an 8.2% reduction in total cost due to changes in trend assumptions, benefit changes, as well as difference between actual versus expected administrative fees and overhead costs.
- Based on updated reporting from Optum, active prescription drug rebates are projected to increase. As a result, total active cost is projected to decrease by 0.1%.

For Retirees, there was an increase in the projected gain as a result of a 2.3% decrease in projected total retiree costs from the total retiree cost projected in the Plan Year 2020 Renewal Analysis.

- There was a 1.5% decrease in total retiree cost due to updated 2019 medical claims experience.
- Updated 2019 Retiree prescription drug experience increased total retiree costs by approximately 1.1%.
- Updated enrollment through April 2020 resulted in a 1.7% increase in retiree total costs.
- Estimated impact due to COVID-19 (net of estimated claim offsets) is expected to increase retiree plan costs by 0.8%.
- There is a 4.0% reduction in total cost due to changes in trend assumptions and benefit changes.
- Based on updated information provided by Optum, increases in 2020 Rx Rebates and EGWP credits are projected to decrease total retiree costs by 0.4%.

Self-Insured Vendor Administrative Fees and Claim Charges

The sections below show Plan Year 2021 administrative fees and other claim charges, as applicable, separately by each of the medical and prescription drug vendors. The fees are reported by the vendors in different categories and may appear aggregated within different rows in Exhibit 3, including incurred medical and prescription drug claims, capitation and administrative fees.

Horizon Medical PEPM Fees/Charges

	Plan Year 2021		
	PPO	HMO	HDHP
Actives and Early Retirees			
Part 1 Services	\$22.40	\$33.00	\$22.13
Part 2 Services	\$9.00	\$9.00	\$9.00
Medical Management	\$1.10	\$1.10	\$1.10
Disease Management	\$0.40	\$0.40	\$0.40
HSA Banking Fee (Per Account Per Month)	N/A	N/A	\$2.37
NJWELL*	\$19.00	\$19.00	\$19.00
Medicare Retirees			
Part 1 Services	\$23.00	\$23.00	N/A
Part 2 Services	\$7.50	\$7.50	N/A

* Plan Year 2021 Fees are per attributed NJWELL employee and paid on a Per Enrolled Per Month basis. An attributed member is defined as an employee that is engaged in the wellness platform through completion of one or more of the point-achieving activities including, but not limited to, Health Assessment, Biometric Screening, Flu Shots, Telemedicine Wellness/Disease Management Coaching, Online Activities, etc. The NJWELL program includes access to WebMD wellness resources, custom rewards lobby, online tracking tools, monthly webinars and a comprehensive Health Management portal to track all activities.

Other fees/claim charges that may be included within the incurred medical and prescription drug claims, capitation and administrative fees within Exhibit 3 include but are not limited to:

- NJWELL and Retiree Wellness Program fees (physician attestation forms, gift cards, etc.)
- DPCMH and PCMH administrative fees and capitation amounts
- Claim recovery services

Prescription Drug Fees

Administrative fees charged by Optum for the prescription drug program for Plan Year 2021 are \$5.25 PEPM for Commercial and \$8.00 PMPM for EGWP.

Minimum Value

Under the Affordable Care Act, beginning in 2014, eligible individuals who purchase coverage under a qualified health plan through a state health insurance exchange may receive a premium tax credit or cost-sharing subsidy unless they are eligible for other health care coverage, including coverage under an employer-sponsored health plan, that is affordable to the employee and provides minimum value. A plan fails to provide minimum value if the plan's share of the total allowed costs of benefits provided under the plan is less than 60% of such costs. The Plan Year 2021 SEHBP plans were tested using the Minimum Value calculator provided by Health and Human Services (HHS) and the Internal Revenue Service (IRS). All the SEHBP plans have a minimum value greater than the 60% minimum requirement with values ranging from 95% for the PPO15 plan up to 96% for the Active NJEHP.

Renewal Rate Development

Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2019, 2020 and 2021, separately for each PPO and HMO plan. Costs were projected separately for Actives, Early Retirees and Medicare Retirees, and for medical claims, prescription drug claims, administrative costs, and aggregate premiums.

Plan Year 2021 premium increases were calculated separately for Actives, Early Retirees, and Medicare Retirees; and by medical and prescription drugs. Aetna experience was used to develop the HMO premium increases; Horizon experience for the PPO premium increases; and Optum experience for the prescription drug premium increases.

Projection Assumptions

1. Using 2019 incurred claims data paid through March 2020 supplied by Horizon, Aetna, and Optum, incurred claims were completed for Plan Year 2019 separately for each benefit plan, for medical and prescription drugs and for Actives, Early Retirees, and Medicare Retirees.
2. Capitation and other similar fixed claim charges were added to the incurred claims.
3. Estimated incurred claims in Plan Year 2019 were divided by average covered members to get average claims per member per year. Covered members were based on historical billing enrollment data by coverage tier and adjusted with assumptions for the number of members per coverage tier.
4. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2021 using the annual trend rates listed in the Trend Analysis section of this document.
5. Aggregate claims for Plan Year 2021 are the product of projected enrollment and the projected claims per member.
6. Plan Year 2021 projected Medicare Advantage fully insured premiums are based rates provided by Aetna.
7. Prescription drug rebates for Plan Year 2019 are based on actual rebate payment data received from the State. Projected rebates for Plan Years 2020 and 2021 are based on information provided by Optum. Rebates provided by Optum were adjusted to reflect historical State Active, Early Retiree, and Medicare Retiree distributions.
8. Prescription drug rebates paid through the medical plan for Plan Year 2019 are based on actual rebate payment data provided by Aetna and Horizon. Prescription Drug Rebates estimated to be paid through the medical plan for Plan Years 2020 and 2021 are incorporated in the medical claim projections and are based on the actual Plan Year 2019 data provided by Aetna and Horizon.

9. EGWP projections include monthly CMS capitation payments per Medicare-eligible Retiree for prescription drug coverage, prescription drug manufacturers' coverage gap reimbursement payments, an annual CMS payment for reinsurance on catastrophic claims, and CMS Low Income Cost Sharing (LICS) payments. These amounts are equal to recommendations from Optum for Plan Years 2020 and 2021.
 - a. CMS per capita payments: Plan Years 2019, 2020, and 2021 actual and expected CMS per capita payments were provided by Optum. The Plan Year 2021 CMS per capita payment is assumed to be \$3.21 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2019, 2020, and 2021 actual and expected coverage gap payments were provided by Optum. The Plan Year 2021 credits are assumed to be \$79.65 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2019 credit is not expected to be fully paid until the beginning of Plan Year 2021. Plan Years 2019, 2020, and 2021 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2021 credits are assumed to be \$88.42 PMPM.
 - d. Low Income Cost Sharing (LICS): Plan Years 2019 and 2020 actual and expected LICS payments were provided by Optum. For Plan Year 2021, the subsidy payment is assumed to be \$1.13 PMPM.
10. The Plan Year 2021 projected Education Surcharge is approximately \$37 million, and this is used as a credit against projected Early Retiree costs.
11. Total SEHBP projected Plan Year 2021 claim costs are the sum of projected medical and prescription drug claims, capitation charges, payments from CMS related to EGWP Plus Wrap, the Education Surcharge and prescription drug rebates.
12. Base administrative fees per subscriber per month or per member per month are multiplied by the projected average enrollment for the applicable projection Plan Year. Plan Year 2021 administrative fees were provided by Horizon and Optum.
13. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected to be equal to \$9.3 million for Plan Year 2021. Overhead charges were provided by the State.
14. All other fees and claim charges reported by the vendors have been reflected in the projections.
15. Projected investment income of \$11.6 million was used to reduce projected administrative costs for Plan Year 2021. Projected investment income was provided by the State.
16. Based on participation in NJWELL, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2019 participation showed 3 Local Education employers (a total of 296 Employees) were eligible for this discount. The Plan Year 2020 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium discount in Plan Year 2020. 1% of employers are expected to be eligible for this discount in Plan Year 2021.

Claim Stabilization Reserve

1. Active premiums include no margin since the Active Claim Stabilization Reserve at the end of Plan Year 2021 is projected to be at or above the target reserve of 2.0 months of Plan costs as of 12/31/2021.
2. Retiree premiums include no margin since the State is responsible for covering the costs of approximately 90% of Education Retirees.
3. Projected Claim Stabilization Reserve at December 31, 2021 is based on the actual Claim Stabilization Reserve at May 31, 2020 provided by the State.
4. The Claim Stabilization Reserve can be used to reduce the Active premiums. The Local Education Active premium rate changes reflect no reduction in the Claim Stabilization Reserve for Plan Year 2021.

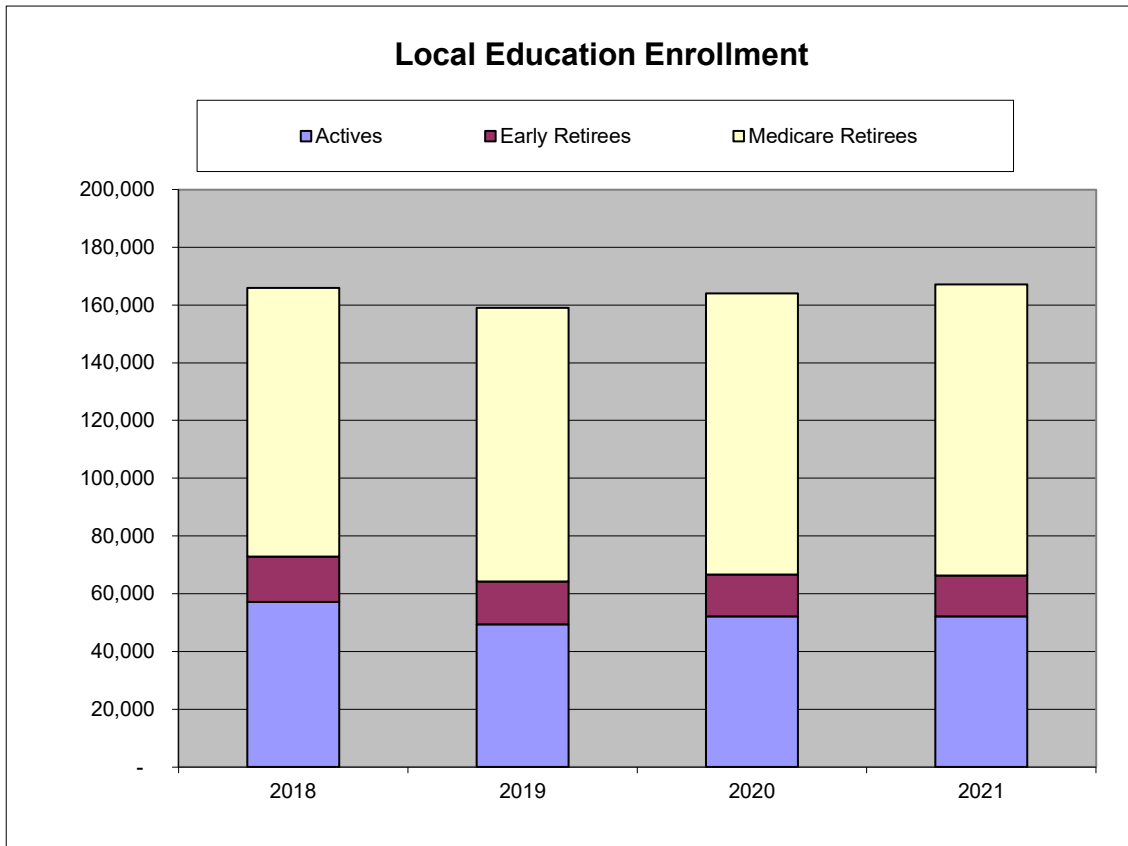
Projected Premiums

1. Plan Year 2019 SEHBP Active and Early Retiree medical and prescription drug experience was trended to Plan Year 2021 and adjusted for plan design changes. This plan experience was used to develop expected PPO10, PPO15, and NJEHP per member per month plan costs based on plan relative cost differences. Furthermore, it is assumed that participants remaining in the PPO10 and PPO15 will have 4% and 2% higher than average utilization, respectively. Plan Year 2021 fully insured Medicare Advantage premiums were provided by Aetna.
2. Aggregate Plan Year 2021 premium is calculated by multiplying projected Plan Year 2021 enrollment by Plan Year 2021 premium rates.

Data Assumptions

1. Claims: For medical and prescription drug claims, claim files from each of the vendors, which have claims incurred in 2019 and paid through March 31, 2020, were used.
2. Enrollment: Billing counts from the Division of Pensions and Benefits through April 2020 are used for the exposure units in the cost analysis.

Exhibit 1A – Enrollment Projections

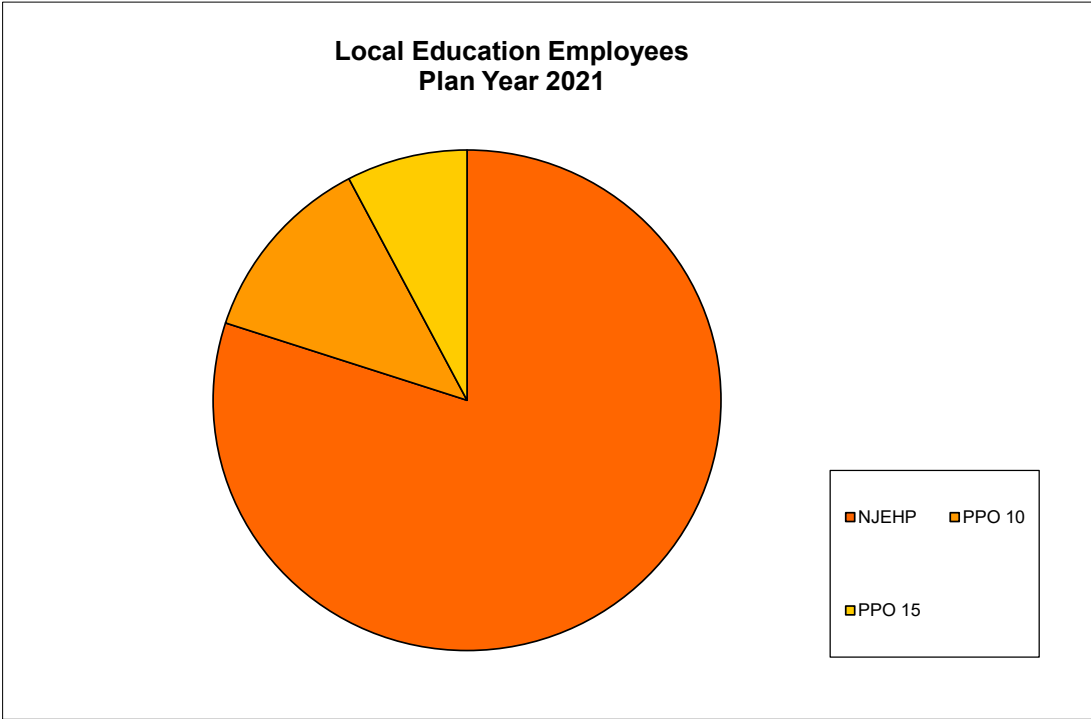


Annual Change in Enrollment

	Actual <u>2018 to 2019</u>	Actual <u>2019 to 2020</u>	Projected <u>2020 to 2021</u>
Actives	(13.6%)	5.5%	0.0%
Early Retirees	(5.4%)	(2.2%)	(2.0%)
Medicare Retirees	1.7%	2.9%	3.5%

*Projected 2020 enrollment for Active Employees and Retirees was assumed to be consistent with enrollment data through April 2020 provided by the State.

Exhibit 1B Actives – Projected Plan Year 2021 Plan Distribution



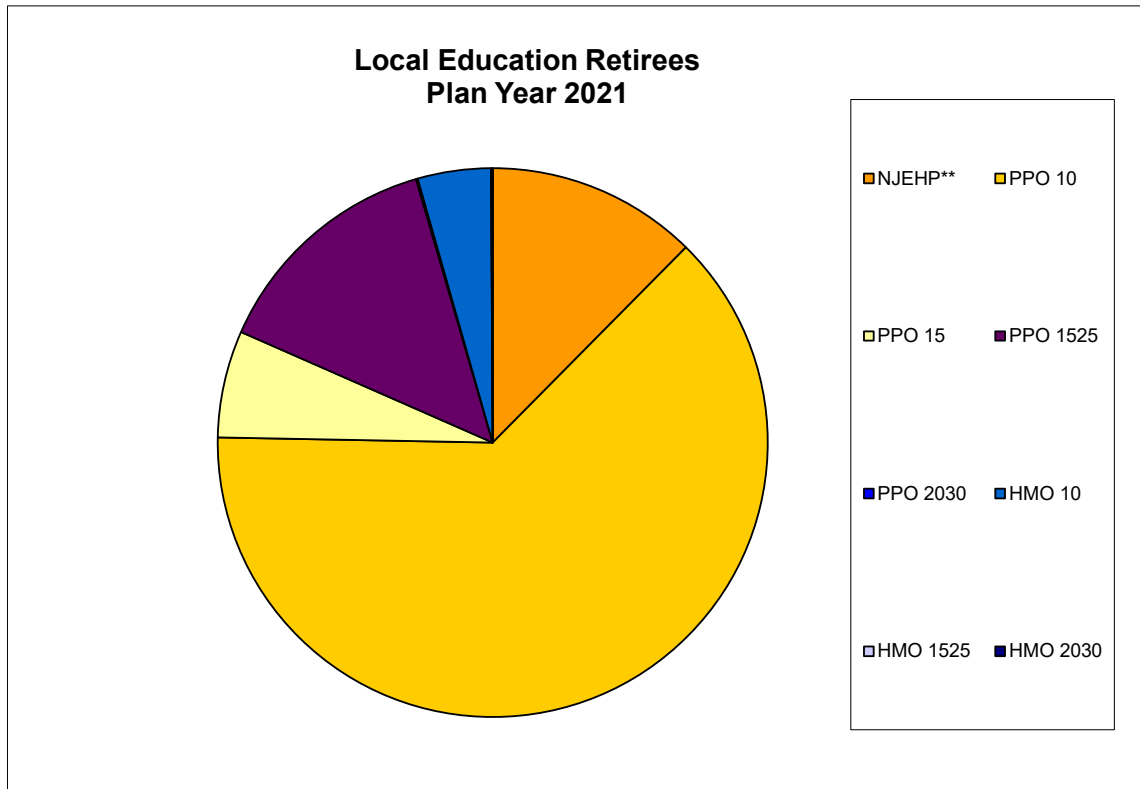
Assumes approximately 80% of Employees enroll in the NJEHP.

Assumes approximately 12% of Employees will remain in the \$10 copay plan.

Actives	Horizon
NJEHP	80.0%
PPO 10	12.3%
PPO 15	7.7%
Total	100.0%

*Some plans may show 0.0% enrollment. These plans may include low enrollment which rounds to 0.0%.

Exhibit 1B Early and Medicare Retirees – Projected Plan Year 2021 Plan Distribution



Assumes approximately 67% of Retirees will remain in the \$10 copay plans.

Assumes approximately 12% of Retirees enroll in the NJEHP.

Assumes approximately 96% of Retirees will enroll in the PPO plans, 4% in the HMO Plans.

Assumes approximately 74% of Retirees will enroll in the Legacy plans and less than 27% in the new benefit options.

Retirees	Horizon	Aetna	Total
NJEHP**	12.4%	0.0%	12.4%
PPO 10	4.2%	58.7%	62.9%
PPO 15	0.4%	5.9%	6.3%
PPO 1525	13.9%	0.0%	13.9%
PPO 2030	0.1%	0.0%	0.1%
HMO 10	0.4%	3.9%	4.3%
HMO 1525	0.1%	0.0%	0.1%
HMO 2030	0.0%	0.0%	0.0%
Total	31.5%	68.5%	100.0%

*Some plans may show 0.0% enrollment. These plans may include low enrollment which rounds to 0.0%.

**Assumes 100% of Early Retirees enroll in the NJEHP

Exhibit 1C Actives – April 2020 Enrollment

	Number of Contracts as of April 2020				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION - ACTIVE & COBRA					
Medical Plans					
NJ DIRECT10	8,418	4,794	10,586	2,731	26,529
NJ DIRECT15	5,687	2,709	6,414	1,659	16,469
NJ DIRECT1525	626	232	585	144	1,587
NJ DIRECT2030	234	84	172	56	546
NJ DIRECT2035	267	43	85	33	428
NJ DIRECT HD4000	2	0	0	0	2
NJ DIRECT HD1500	9	3	12	0	24
Horizon Legacy HMO (10)	423	164	300	199	1,086
Horizon 1525 HMO	44	11	10	8	73
Horizon 2030 HMO	143	10	24	10	187
Horizon 2035 HMO	142	7	9	15	173
Horizon DIRECT ZERO	2,044	691	2,057	694	5,486
Horizon Total	18,039	8,748	20,254	5,549	52,590

Exhibit 1C Early and Medicare Retirees – April 2020 Enrollment

	Number of Contracts as of April 2020				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION RETIREES					
Medical Plans					
NJ DIRECT10	4,281	7,396	3,863	1,395	16,935
NJ DIRECT15	370	575	314	165	1,424
NJ DIRECT1525	8,720	6,672	308	136	15,836
NJ DIRECT2030	78	38	5	5	126
NJ DIRECT HD4000	15	9	1	0	25
Horizon Legacy HMO (10)	345	412	180	118	1,055
Horizon 1525 HMO	30	28	2	3	63
Horizon 2030 HMO	17	5	2	2	26
Horizon DIRECT ZERO	74	107	95	30	306
Horizon Total	13,930	15,242	4,770	1,854	35,796
Aetna Freedom 10	39,740	25,650	0	0	65,390
Aetna Freedom 15	4,372	2,223	0	0	6,595
Aetna Legacy HMO (10)	2,744	1,582	0	0	4,326
Aetna 1525 HMO	23	6	0	0	29
Aetna Total	46,879	29,461	0	0	76,340
Total	60,809	44,703	4,770	1,854	112,136

Exhibit 2A – Medical Trend

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
PPO Active			
01/01/2018 - 12/31/2018	8.6%	0.0%	8.6%
01/01/2019 - 12/31/2019	6.2%	(0.7%)	6.9%
Average			7.7%
Recommended Plan Year 2021 Trend Assumption			6.5%

PPO Early Retiree			
01/01/2018 - 12/31/2018	6.4%	0.0%	6.4%
01/01/2019 - 12/31/2019	3.8%	(0.6%)	4.4%
Average			5.4%
Recommended Plan Year 2021 Trend Assumption			5.5%

HMO Active and Early Retiree			
01/01/2018 - 12/31/2018	16.3%	0.0%	16.3%
01/01/2019 - 12/31/2019	2.8%	(0.1%)	2.9%
Average			9.6%
Recommended Plan Year 2021 Trend Assumption			6.5%

Normalizing Adjustments

8/28/2018: NJ Out-of-Network Consumer Protection Act

1/1/2019: 3-D Mammography/Breast Cancer Screening Mandate

Exhibit 2B – Prescription Drug Trend

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
Active Rx			
01/01/2018 - 12/31/2018	(11.0%)	(10.9%)	(0.1%)
01/01/2019 - 12/31/2019	10.6%	0.0%	10.6%
Average			5.3%
Recommended Plan Year 2021 Trend Assumption			5.0%

Retiree Rx			
01/01/2018 - 12/31/2018	(0.8%)	(11.7%)	10.9%
01/01/2019 - 12/31/2019	8.0%	0.0%	8.0%
Average			9.4%
Recommended Plan Year 2021 Trend Assumption			5.5%

Normalizing Adjustments:

1/1/2018: Include impact of change in prescription drug vendor.

Exhibit 3A – Plan Year 2019 Aggregate Costs

Page 1 of 3

	Total	Legacy Plans						1525			
		Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees											
Average Medical Members	292,001	103,587	10,993	92,838	39,313	11,304	781	320	22,628	106	145
Incurred Medical Claims	\$1,576,226,000	\$164,428,000	\$20,284,000	\$892,801,000	\$305,680,000	\$41,220,000	\$3,289,000	\$1,839,000	\$86,094,000	\$341,000	\$477,000
Capitation	\$8,189,000	\$0	\$0	\$3,495,000	\$1,444,000	\$2,350,000	\$38,000	\$0	\$433,000	\$38,000	\$4,000
Incurred Prescription Drug Claims	\$951,369,000	\$528,822,000	\$51,833,000	\$154,985,000	\$44,676,000	\$47,480,000	\$1,896,000	\$297,000	\$111,197,000	\$169,000	\$522,000
Prescription Drug Rebates	(\$245,486,000)	(\$126,007,000)	(\$12,451,000)	(\$50,051,000)	(\$14,370,000)	(\$12,046,000)	(\$509,000)	(\$95,000)	(\$26,760,000)	(\$43,000)	(\$145,000)
EGWP Credits	(\$265,964,000)	(\$194,752,000)	(\$18,936,000)	\$0	\$0	(\$13,154,000)	(\$381,000)	N/A	(\$38,316,000)	(\$71,000)	(\$125,000)
Education Surcharge	(\$31,184,000)	(\$2,688,000)	(\$190,000)	(\$23,428,000)	(\$1,650,000)	(\$1,570,000)	(\$123,000)	(\$13,000)	(\$1,196,000)	(\$4,000)	(\$10,000)
Administrative Fees	\$38,497,000	\$13,145,000	\$1,463,000	\$9,251,000	\$4,358,000	\$1,716,000	\$230,000	\$61,000	\$6,714,000	\$24,000	\$52,000
Total Cost	\$2,031,647,000	\$382,948,000	\$42,003,000	\$987,053,000	\$340,138,000	\$65,996,000	\$4,440,000	\$2,089,000	\$138,166,000	\$454,000	\$775,000
Total Premium	\$2,146,698,000	\$462,945,000	\$51,573,000	\$966,921,000	\$377,643,000	\$74,425,000	\$6,971,000	\$3,153,000	\$117,472,000	\$803,000	\$1,090,000
Gain (Loss)	\$115,051,000	\$79,997,000	\$9,570,000	(\$20,132,000)	\$37,505,000	\$8,429,000	\$2,531,000	\$1,064,000	(\$20,694,000)	\$349,000	\$315,000
Employees											
Average Medical Members	123,489	3,401	1,334	65,852	37,413	2,938	449	305	2,148	66	71
Incurred Medical Claims	\$1,031,545,000	\$25,403,000	\$10,143,000	\$616,177,000	\$287,050,000	\$17,459,000	\$1,614,000	\$1,629,000	\$16,773,000	\$240,000	\$222,000
Capitation	\$5,649,000	\$0	\$0	\$2,367,000	\$1,362,000	\$1,415,000	\$19,000	\$0	\$80,000	\$36,000	\$2,000
Incurred Prescription Drug Claims	\$143,421,000	\$4,499,000	\$1,760,000	\$82,234,000	\$39,477,000	\$4,758,000	\$417,000	\$284,000	\$1,991,000	\$25,000	\$22,000
Prescription Drug Rebates	(\$46,070,000)	(\$1,445,000)	(\$565,000)	(\$26,415,000)	(\$12,681,000)	(\$1,528,000)	(\$134,000)	(\$91,000)	(\$64,000)	(\$8,000)	(\$7,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$13,503,000	\$491,000	\$199,000	\$6,225,000	\$4,176,000	\$530,000	\$119,000	\$58,000	\$265,000	\$18,000	\$23,000
Total Cost	\$1,148,048,000	\$28,948,000	\$11,537,000	\$680,588,000	\$319,384,000	\$22,634,000	\$2,035,000	\$1,880,000	\$18,469,000	\$311,000	\$262,000
Total Premium	\$1,212,247,000	\$35,095,000	\$13,067,000	\$668,399,000	\$360,133,000	\$28,867,000	\$4,462,000	\$2,961,000	\$20,321,000	\$638,000	\$683,000
Gain (Loss)	\$64,199,000	\$6,147,000	\$1,530,000	(\$14,189,000)	\$40,749,000	\$6,233,000	\$2,427,000	\$1,081,000	\$1,852,000	\$327,000	\$421,000
Early Retirees											
Average Medical Members	35,921	3,096	219	26,986	1,900	1,808	142	15	1,378	5	12
Incurred Medical Claims	\$370,412,000	\$31,220,000	\$1,930,000	\$276,624,000	\$18,630,000	\$14,751,000	\$1,185,000	\$210,000	\$21,159,000	\$67,000	\$76,000
Capitation	\$2,540,000	\$0	\$0	\$1,128,000	\$82,000	\$935,000	\$19,000	\$0	\$353,000	\$2,000	\$2,000
Incurred Prescription Drug Claims	\$98,860,000	\$9,634,000	\$802,000	\$72,751,000	\$5,199,000	\$4,923,000	\$294,000	\$13,000	\$3,985,000	\$13,000	\$229,000
Prescription Drug Rebates	(\$32,118,000)	(\$3,130,000)	(\$261,000)	(\$23,636,000)	(\$1,689,000)	(\$1,600,000)	(\$95,000)	(\$4,000)	(\$1,295,000)	(\$4,000)	(\$74,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$31,184,000)	(\$2,688,000)	(\$190,000)	(\$23,428,000)	(\$1,650,000)	(\$1,570,000)	(\$123,000)	(\$13,000)	(\$1,196,000)	(\$4,000)	(\$10,000)
Administrative Fees	\$4,050,000	\$404,000	\$38,000	\$3,026,000	\$182,000	\$366,000	\$25,000	\$3,000	(\$38,000)	\$1,000	\$2,000
Total Cost	\$412,560,000	\$35,440,000	\$2,319,000	\$306,465,000	\$20,754,000	\$17,805,000	\$1,305,000	\$209,000	\$22,968,000	\$75,000	\$225,000
Total Premium	\$440,325,000	\$78,487,000	\$6,864,000	\$300,522,000	\$17,510,000	\$20,011,000	\$1,512,000	\$192,000	\$11,495,000	\$42,000	\$112,000
Gain (Loss)	\$27,765,000	\$43,047,000	\$4,545,000	(\$5,943,000)	(\$3,244,000)	\$2,206,000	\$207,000	(\$17,000)	(\$11,473,000)	(\$33,000)	(\$113,000)
Medicare Retirees											
Average Medical Members	132,591	97,090	9,440	N/A	N/A	6,558	190	N/A	19,102	35	62
Incurred Medical Claims	\$174,269,000	\$107,805,000	\$8,211,000	N/A	N/A	\$9,010,000	\$490,000	N/A	\$48,162,000	\$34,000	\$179,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	N/A	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$709,088,000	\$514,689,000	\$49,271,000	N/A	N/A	\$37,799,000	\$1,185,000	N/A	\$105,221,000	\$131,000	\$271,000
Prescription Drug Rebates	(\$167,298,000)	(\$121,432,000)	(\$11,625,000)	N/A	N/A	(\$8,918,000)	(\$280,000)	N/A	(\$24,825,000)	(\$31,000)	(\$64,000)
EGWP Credits	(\$265,964,000)	(\$194,752,000)	(\$18,936,000)	N/A	N/A	(\$13,154,000)	(\$381,000)	N/A	(\$38,316,000)	(\$71,000)	(\$125,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$20,944,000	\$12,250,000	\$1,226,000	N/A	N/A	\$820,000	\$86,000	N/A	\$6,487,000	\$5,000	\$27,000
Total Cost	\$471,039,000	\$318,560,000	\$28,147,000	N/A	N/A	\$25,557,000	\$1,100,000	N/A	\$96,729,000	\$68,000	\$288,000
Total Premium	\$494,126,000	\$349,363,000	\$31,642,000	N/A	N/A	\$25,547,000	\$997,000	N/A	\$85,656,000	\$123,000	\$295,000
Gain (Loss)	\$23,087,000	\$30,803,000	\$3,495,000	N/A	N/A	(\$10,000)	(\$103,000)	N/A	(\$11,073,000)	\$55,000	\$7,000

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 3A – Plan Year 2019 Aggregate Costs

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	2030				2035			
	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees								
Average Medical Members	222	1,053	76	220	186	624	37	157
Incurred Medical Claims	\$1,215,000	\$6,659,000	\$316,000	\$1,461,000	\$825,000	\$2,583,000	\$283,000	\$254,000
Capitation	\$0	\$40,000	\$40,000	\$9,000	\$0	\$28,000	\$25,000	\$6,000
Incurred Prescription Drug Claims	\$80,000	\$1,706,000	\$33,000	\$150,000	\$358,000	\$488,000	\$22,000	\$55,000
Prescription Drug Rebates	(\$25,000)	(\$506,000)	(\$11,000)	(\$46,000)	(\$115,000)	(\$157,000)	(\$7,000)	(\$18,000)
EGWP Credits	N/A	(\$207,000)	N/A	(\$22,000)	N/A	N/A	N/A	N/A
Education Surcharge	(\$12,000)	(\$39,000)	(\$10,000)	(\$13,000)	N/A	N/A	N/A	N/A
Administrative Fees	\$43,000	\$178,000	\$18,000	\$81,000	\$45,000	\$125,000	\$11,000	\$64,000
Total Cost	\$1,301,000	\$7,831,000	\$386,000	\$1,620,000	\$1,113,000	\$3,067,000	\$334,000	\$361,000
Total Premium	\$2,069,000	\$9,385,000	\$678,000	\$2,127,000	\$1,553,000	\$5,194,000	\$299,000	\$1,266,000
Gain (Loss)	\$768,000	\$1,554,000	\$292,000	\$507,000	\$440,000	\$2,127,000	(\$35,000)	\$905,000
Employees								
Average Medical Members	208	905	65	194	186	624	37	157
Incurred Medical Claims	\$1,026,000	\$5,816,000	\$292,000	\$1,352,000	\$825,000	\$2,583,000	\$283,000	\$254,000
Capitation	\$0	\$36,000	\$34,000	\$8,000	\$0	\$28,000	\$25,000	\$6,000
Incurred Prescription Drug Claims	\$76,000	\$1,050,000	\$30,000	\$114,000	\$358,000	\$488,000	\$22,000	\$55,000
Prescription Drug Rebates	(\$24,000)	(\$337,000)	(\$10,000)	(\$37,000)	(\$115,000)	(\$157,000)	(\$7,000)	(\$18,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$41,000	\$136,000	\$14,000	\$72,000	\$45,000	\$125,000	\$11,000	\$64,000
Total Cost	\$1,119,000	\$6,701,000	\$360,000	\$1,509,000	\$1,113,000	\$3,067,000	\$334,000	\$361,000
Total Premium	\$1,894,000	\$8,459,000	\$564,000	\$1,929,000	\$1,553,000	\$5,194,000	\$299,000	\$1,266,000
Gain (Loss)	\$775,000	\$1,758,000	\$204,000	\$420,000	\$440,000	\$2,127,000	(\$35,000)	\$905,000
Early Retirees								
Average Medical Members	14	45	11	15	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$189,000	\$505,000	\$24,000	\$69,000	N/A	N/A	N/A	N/A
Capitation	\$0	\$4,000	\$6,000	\$1,000	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$4,000	\$164,000	\$3,000	\$7,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$1,000)	(\$53,000)	(\$1,000)	(\$2,000)	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$12,000)	(\$39,000)	(\$10,000)	(\$13,000)	N/A	N/A	N/A	N/A
Administrative Fees	\$2,000	\$4,000	\$4,000	\$4,000	N/A	N/A	N/A	N/A
Total Cost	\$182,000	\$585,000	\$26,000	\$66,000	N/A	N/A	N/A	N/A
Total Premium	\$175,000	\$473,000	\$114,000	\$148,000	N/A	N/A	N/A	N/A
Gain (Loss)	(\$7,000)	(\$112,000)	\$88,000	\$82,000	N/A	N/A	N/A	N/A
Medicare Retirees								
Average Medical Members	N/A	103	N/A	11	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$338,000	N/A	\$40,000	N/A	N/A	N/A	N/A
Capitation	N/A	\$0	N/A	\$0	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$492,000	N/A	\$29,000	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$116,000)	N/A	(\$7,000)	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$207,000)	N/A	(\$22,000)	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	\$38,000	N/A	\$5,000	N/A	N/A	N/A	N/A
Total Cost	N/A	\$545,000	N/A	\$45,000	N/A	N/A	N/A	N/A
Total Premium	N/A	\$453,000	N/A	\$50,000	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	(\$92,000)	N/A	\$5,000	N/A	N/A	N/A	N/A

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 3A – Plan Year 2019 Aggregate Costs

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	HD 4000		HD 1500		\$0 Copay	
	Aetna Value	NJ DIRECT	Aetna Value	NJ DIRECT	Aetna FREEDOM 0	Horizon DIRECT 0
Employees and Retirees						
Average Medical Members	5	27	5	12	810	6,552
Incurred Medical Claims	\$2,000	\$82,000	\$3,000	\$27,000	\$6,263,000	\$39,800,000
Capitation	\$0	\$1,000	\$0	\$0	\$6,000	\$232,000
Incurred Prescription Drug Claims	\$1,000	\$128,000	\$0	\$0	\$837,000	\$5,634,000
Prescription Drug Rebates	\$0	(\$42,000)	\$0	\$0	(\$270,000)	(\$1,812,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$4,000)	(\$23,000)	\$0	\$0	(\$70,000)	(\$141,000)
Administrative Fees	\$2,000	\$8,000	\$1,000	\$3,000	\$125,000	\$779,000
Total Cost	\$1,000	\$154,000	\$4,000	\$30,000	\$6,891,000	\$44,492,000
Total Premium	\$45,000	\$241,000	\$39,000	\$113,000	\$7,101,000	\$53,592,000
Gain (Loss)	\$44,000	\$87,000	\$35,000	\$83,000	\$210,000	\$9,100,000
Employees						
Average Medical Members	N/A	N/A	5	12	729	6,390
Incurred Medical Claims	N/A	N/A	\$3,000	\$27,000	\$4,787,000	\$37,587,000
Capitation	N/A	N/A	\$0	\$0	\$6,000	\$225,000
Incurred Prescription Drug Claims	N/A	N/A	\$0	\$0	\$628,000	\$5,133,000
Prescription Drug Rebates	N/A	N/A	\$0	\$0	(\$202,000)	(\$1,649,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	\$1,000	\$3,000	\$120,000	\$767,000
Total Cost	N/A	N/A	\$4,000	\$30,000	\$5,339,000	\$42,063,000
Total Premium	N/A	N/A	\$39,000	\$113,000	\$6,282,000	\$52,029,000
Gain (Loss)	N/A	N/A	\$35,000	\$83,000	\$943,000	\$9,966,000
Early Retirees						
Average Medical Members	5	27	N/A	N/A	81	162
Incurred Medical Claims	\$2,000	\$82,000	N/A	N/A	\$1,476,000	\$2,213,000
Capitation	\$0	\$1,000	N/A	N/A	\$0	\$7,000
Incurred Prescription Drug Claims	\$1,000	\$128,000	N/A	N/A	\$209,000	\$501,000
Prescription Drug Rebates	\$0	(\$42,000)	N/A	N/A	(\$68,000)	(\$163,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$4,000)	(\$23,000)	N/A	N/A	(\$70,000)	(\$141,000)
Administrative Fees	\$2,000	\$8,000	N/A	N/A	\$5,000	\$12,000
Total Cost	\$1,000	\$154,000	N/A	N/A	\$1,552,000	\$2,429,000
Total Premium	\$45,000	\$241,000	N/A	N/A	\$819,000	\$1,563,000
Gain (Loss)	\$44,000	\$87,000	N/A	N/A	(\$733,000)	(\$866,000)
Medicare Retirees						
Average Medical Members	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A	N/A

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 3B – Plan Year 2020 Aggregate Costs

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	Legacy Plans							1525		
	Total	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees										
Average Medical Members	301,374	98,315	9,501	95,833	43,262	5,913	4,529	27,132	35	227
Incurred Medical Claims	\$1,600,347,000	\$148,429,000	\$12,095,000	\$877,637,000	\$321,741,000	\$10,733,000	\$27,519,000	\$98,465,000	\$49,000	\$1,093,000
Capitation	\$7,420,000	\$0	\$0	\$4,061,000	\$1,827,000	\$0	\$322,000	\$582,000	\$0	\$8,000
Incurred Prescription Drug Claims	\$998,191,000	\$536,680,000	\$51,061,000	\$168,035,000	\$53,289,000	\$35,181,000	\$11,416,000	\$121,853,000	\$197,000	\$650,000
Prescription Drug Rebates	(\$240,079,000)	(\$117,952,000)	(\$11,222,000)	(\$50,564,000)	(\$15,969,000)	(\$7,732,000)	(\$3,116,000)	(\$27,440,000)	(\$43,000)	(\$159,000)
EGWP Credits	(\$272,606,000)	(\$196,361,000)	(\$18,976,000)	N/A	N/A	(\$11,810,000)	(\$1,327,000)	(\$43,621,000)	(\$70,000)	(\$162,000)
Education Surcharge	(\$35,046,000)	\$0	\$0	(\$28,878,000)	(\$2,342,000)	\$0	(\$1,452,000)	(\$1,550,000)	\$0	(\$19,000)
Administrative Fees	\$46,325,000	\$11,932,000	\$1,186,000	\$13,449,000	\$6,276,000	\$726,000	\$1,093,000	\$8,727,000	\$5,000	\$73,000
Total Cost	\$2,104,552,000	\$382,728,000	\$34,144,000	\$983,740,000	\$364,824,000	\$27,098,000	\$34,455,000	\$157,016,000	\$138,000	\$1,484,000
Total Premium	\$2,187,452,000	\$380,505,000	\$34,522,000	\$1,007,368,000	\$405,341,000	\$24,881,000	\$41,563,000	\$157,899,000	\$133,000	\$1,748,000
Gain (Loss)	\$82,900,000	(\$2,223,000)	\$378,000	\$23,628,000	\$40,517,000	(\$2,217,000)	\$7,108,000	\$883,000	(\$5,000)	\$264,000
Employees										
Average Medical Members	129,718	N/A	N/A	66,856	40,912	N/A	2,407	3,737	N/A	127
Incurred Medical Claims	\$1,027,002,000	N/A	N/A	\$590,708,000	\$299,686,000	N/A	\$13,625,000	\$26,465,000	N/A	\$700,000
Capitation	\$5,364,000	N/A	N/A	\$2,777,000	\$1,720,000	N/A	\$116,000	\$160,000	N/A	\$5,000
Incurred Prescription Drug Claims	\$155,947,000	N/A	N/A	\$85,423,000	\$46,364,000	N/A	\$3,406,000	\$3,663,000	N/A	\$146,000
Prescription Drug Rebates	(\$46,663,000)	N/A	N/A	(\$25,561,000)	(\$13,873,000)	N/A	(\$1,019,000)	(\$1,096,000)	N/A	(\$44,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$18,191,000	N/A	N/A	\$8,481,000	\$5,876,000	N/A	\$560,000	\$576,000	N/A	\$40,000
Total Cost	\$1,159,841,000	N/A	N/A	\$661,828,000	\$339,773,000	N/A	\$16,688,000	\$29,768,000	N/A	\$847,000
Total Premium	\$1,206,192,000	N/A	N/A	\$646,367,000	\$378,092,000	N/A	\$22,126,000	\$33,404,000	N/A	\$1,143,000
Gain (Loss)	\$46,351,000	N/A	N/A	(\$15,461,000)	\$38,319,000	N/A	\$5,438,000	\$3,636,000	N/A	\$296,000
Early Retirees										
Average Medical Members	35,166	N/A	N/A	28,977	2,350	N/A	1,457	1,555	N/A	19
Incurred Medical Claims	\$341,495,000	N/A	N/A	\$286,929,000	\$22,055,000	N/A	\$11,865,000	\$14,191,000	N/A	\$152,000
Capitation	\$2,056,000	N/A	N/A	\$1,284,000	\$107,000	N/A	\$206,000	\$422,000	N/A	\$3,000
Incurred Prescription Drug Claims	\$100,230,000	N/A	N/A	\$82,612,000	\$6,925,000	N/A	\$4,057,000	\$4,443,000	N/A	\$50,000
Prescription Drug Rebates	(\$30,336,000)	N/A	N/A	(\$25,003,000)	(\$2,096,000)	N/A	(\$1,228,000)	(\$1,345,000)	N/A	(\$15,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$35,046,000)	N/A	N/A	(\$28,878,000)	(\$2,342,000)	N/A	(\$1,452,000)	(\$1,550,000)	N/A	(\$19,000)
Administrative Fees	\$5,861,000	N/A	N/A	\$4,968,000	\$402,000	N/A	\$280,000	\$67,000	N/A	\$3,000
Total Cost	\$384,260,000	N/A	N/A	\$321,912,000	\$25,051,000	N/A	\$13,728,000	\$16,228,000	N/A	\$174,000
Total Premium	\$425,517,000	N/A	N/A	\$361,001,000	\$27,249,000	N/A	\$15,419,000	\$13,938,000	N/A	\$170,000
Gain (Loss)	\$41,257,000	N/A	N/A	\$39,089,000	\$2,198,000	N/A	\$1,691,000	(\$2,290,000)	N/A	(\$4,000)
Medicare Retirees										
Average Medical Members	136,490	98,315	9,501	N/A	N/A	5,913	665	21,840	35	81
Incurred Medical Claims	\$231,850,000	\$148,429,000	\$12,095,000	N/A	N/A	\$10,733,000	\$2,029,000	\$57,809,000	\$49,000	\$241,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$742,014,000	\$536,680,000	\$51,061,000	N/A	N/A	\$35,181,000	\$3,953,000	\$113,747,000	\$197,000	\$454,000
Prescription Drug Rebates	(\$163,080,000)	(\$117,952,000)	(\$11,222,000)	N/A	N/A	(\$7,732,000)	(\$869,000)	(\$24,999,000)	(\$43,000)	(\$100,000)
EGWP Credits	(\$272,606,000)	(\$196,361,000)	(\$18,976,000)	N/A	N/A	(\$11,810,000)	(\$1,327,000)	(\$43,621,000)	(\$70,000)	(\$162,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$22,273,000	\$11,932,000	\$1,186,000	N/A	N/A	\$726,000	\$253,000	\$8,084,000	\$5,000	\$30,000
Total Cost	\$560,451,000	\$382,728,000	\$34,144,000	N/A	N/A	\$27,098,000	\$4,039,000	\$111,020,000	\$138,000	\$463,000
Total Premium	\$555,743,000	\$380,505,000	\$34,522,000	N/A	N/A	\$24,881,000	\$4,018,000	\$110,557,000	\$133,000	\$435,000
Gain (Loss)	(\$4,708,000)	(\$2,223,000)	\$378,000	N/A	N/A	(\$2,217,000)	(\$21,000)	(\$463,000)	(\$5,000)	(\$28,000)

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 3B – Plan Year 2020 Aggregate Costs

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	2030		2035		HD 4000	HD 1500	\$0 Copay
	NJ DIRECT	Horizon HMO	NJ DIRECT	Horizon HMO	NJ DIRECT	NJ DIRECT	Horizon DIRECT 0
Employees and Retirees							
Average Medical Members	1,398	321	769	226	37	52	13,824
Incurred Medical Claims	\$9,027,000	\$1,707,000	\$4,417,000	\$1,016,000	\$188,000	\$305,000	\$85,926,000
Capitation	\$62,000	\$15,000	\$40,000	\$9,000	\$1,000	\$2,000	\$491,000
Incurred Prescription Drug Claims	\$2,464,000	\$585,000	\$881,000	\$218,000	\$59,000	\$58,000	\$15,564,000
Prescription Drug Rebates	(\$685,000)	(\$170,000)	(\$264,000)	(\$65,000)	(\$18,000)	(\$17,000)	(\$4,663,000)
EGWP Credits	(\$253,000)	(\$26,000)	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$57,000)	(\$26,000)	N/A	N/A	(\$36,000)	N/A	(\$686,000)
Administrative Fees	\$271,000	\$121,000	\$181,000	\$98,000	\$12,000	\$9,000	\$2,164,000
Total Cost	\$10,829,000	\$2,206,000	\$5,255,000	\$1,276,000	\$206,000	\$357,000	\$98,796,000
Total Premium	\$11,962,000	\$2,867,000	\$6,097,000	\$1,738,000	\$326,000	\$420,000	\$110,082,000
Gain (Loss)	\$1,133,000	\$661,000	\$842,000	\$462,000	\$120,000	\$63,000	\$11,286,000
Employees							
Average Medical Members	1,214	282	769	226	N/A	52	13,136
Incurred Medical Claims	\$8,109,000	\$1,479,000	\$4,417,000	\$1,016,000	N/A	\$305,000	\$80,492,000
Capitation	\$57,000	\$13,000	\$40,000	\$9,000	N/A	\$2,000	\$465,000
Incurred Prescription Drug Claims	\$1,632,000	\$443,000	\$881,000	\$218,000	N/A	\$58,000	\$13,713,000
Prescription Drug Rebates	(\$488,000)	(\$133,000)	(\$264,000)	(\$65,000)	N/A	(\$17,000)	(\$4,103,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$211,000	\$107,000	\$181,000	\$98,000	N/A	\$9,000	\$2,052,000
Total Cost	\$9,521,000	\$1,909,000	\$5,255,000	\$1,276,000	N/A	\$357,000	\$92,619,000
Total Premium	\$10,725,000	\$2,540,000	\$6,097,000	\$1,738,000	N/A	\$420,000	\$103,540,000
Gain (Loss)	\$1,204,000	\$631,000	\$842,000	\$462,000	N/A	\$63,000	\$10,921,000
Early Retirees							
Average Medical Members	57	26	N/A	N/A	37	N/A	688
Incurred Medical Claims	\$490,000	\$191,000	N/A	N/A	\$188,000	N/A	\$5,434,000
Capitation	\$5,000	\$2,000	N/A	N/A	\$1,000	N/A	\$26,000
Incurred Prescription Drug Claims	\$165,000	\$68,000	N/A	N/A	\$59,000	N/A	\$1,851,000
Prescription Drug Rebates	(\$50,000)	(\$21,000)	N/A	N/A	(\$18,000)	N/A	(\$560,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$57,000)	(\$26,000)	N/A	N/A	(\$36,000)	N/A	(\$686,000)
Administrative Fees	\$8,000	\$9,000	N/A	N/A	\$12,000	N/A	\$112,000
Total Cost	\$561,000	\$223,000	N/A	N/A	\$206,000	N/A	\$6,177,000
Total Premium	\$613,000	\$259,000	N/A	N/A	\$326,000	N/A	\$6,542,000
Gain (Loss)	\$52,000	\$36,000	N/A	N/A	\$120,000	N/A	\$365,000
Medicare Retirees							
Average Medical Members	127	13	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$428,000	\$37,000	N/A	N/A	N/A	N/A	N/A
Capitation	\$0	\$0	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$667,000	\$74,000	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$147,000)	(\$16,000)	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$253,000)	(\$26,000)	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$52,000	\$5,000	N/A	N/A	N/A	N/A	N/A
Total Cost	\$747,000	\$74,000	N/A	N/A	N/A	N/A	N/A
Total Premium	\$624,000	\$68,000	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	(\$123,000)	(\$6,000)	N/A	N/A	N/A	N/A	N/A

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 3C – Projected Plan Year 2021 Aggregate Costs

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	NJEHP		Legacy Plans					
	Total	Horizon PPO	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO
Employees and Retirees								
Average Medical Members	305,777	138,720	101,627	9,825	15,947	9,996	6,120	684
Incurred Medical Claims	\$1,518,776,000	\$1,070,948,000	\$153,429,000	\$12,508,000	\$127,428,000	\$77,881,000	\$11,109,000	\$2,182,000
Capitation	\$6,873,000	\$5,717,000	\$0	\$0	\$707,000	\$449,000	\$0	\$0
Incurred Prescription Drug Claims	\$1,013,740,000	\$171,894,000	\$584,661,000	\$55,651,000	\$20,285,000	\$13,061,000	\$38,374,000	\$4,289,000
Prescription Drug Rebates	(\$233,870,000)	(\$50,521,000)	(\$125,539,000)	(\$11,949,000)	(\$5,930,000)	(\$3,818,000)	(\$8,240,000)	(\$921,000)
EGWP Credits	(\$291,959,000)	N/A	(\$210,261,000)	(\$20,328,000)	N/A	N/A	(\$12,663,000)	(\$1,415,000)
Education Surcharge	(\$37,333,000)	(\$37,333,000)	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$58,459,000	\$30,304,000	\$12,434,000	\$1,237,000	\$2,996,000	\$1,901,000	\$758,000	\$265,000
Total Cost	\$2,034,686,000	\$1,191,009,000	\$414,724,000	\$37,119,000	\$145,486,000	\$89,474,000	\$29,338,000	\$4,400,000
Total Premium	\$2,034,411,000	\$1,190,978,000	\$413,763,000	\$37,677,000	\$146,820,000	\$88,151,000	\$27,000,000	\$4,490,000
Gain (Loss)	(\$275,000)	(\$31,000)	(\$961,000)	\$558,000	\$1,334,000	(\$1,323,000)	(\$2,338,000)	\$90,000
Employees								
Average Medical Members	129,716	103,773	N/A	N/A	15,947	9,996	N/A	N/A
Incurred Medical Claims	\$962,646,000	\$757,337,000	N/A	N/A	\$127,428,000	\$77,881,000	N/A	N/A
Capitation	\$5,352,000	\$4,196,000	N/A	N/A	\$707,000	\$449,000	N/A	N/A
Incurred Prescription Drug Claims	\$124,769,000	\$91,423,000	N/A	N/A	\$20,285,000	\$13,061,000	N/A	N/A
Prescription Drug Rebates	(\$36,475,000)	(\$26,727,000)	N/A	N/A	(\$5,930,000)	(\$3,818,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$25,003,000	\$20,106,000	N/A	N/A	\$2,996,000	\$1,901,000	N/A	N/A
Total Cost	\$1,081,295,000	\$846,335,000	N/A	N/A	\$145,486,000	\$89,474,000	N/A	N/A
Total Premium	\$1,081,342,000	\$846,371,000	N/A	N/A	\$146,820,000	\$88,151,000	N/A	N/A
Gain (Loss)	\$47,000	\$36,000	N/A	N/A	\$1,334,000	(\$1,323,000)	N/A	N/A
Early Retirees								
Average Medical Members	34,947	34,947	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$313,611,000	\$313,611,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$1,521,000	\$1,521,000	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$80,471,000	\$80,471,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$23,794,000)	(\$23,794,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$37,333,000)	(\$37,333,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$10,198,000	\$10,198,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$344,674,000	\$344,674,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$344,607,000	\$344,607,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	(\$67,000)	(\$67,000)	N/A	N/A	N/A	N/A	N/A	N/A
Medicare Retirees								
Average Medical Members	141,114	N/A	101,627	9,825	N/A	N/A	6,120	684
Incurred Medical Claims	\$242,519,000	N/A	\$153,429,000	\$12,508,000	N/A	N/A	\$11,109,000	\$2,182,000
Capitation	\$0	N/A	\$0	\$0	N/A	N/A	\$0	\$0
Incurred Prescription Drug Claims	\$808,500,000	N/A	\$584,661,000	\$55,651,000	N/A	N/A	\$38,374,000	\$4,289,000
Prescription Drug Rebates	(\$173,601,000)	N/A	(\$125,539,000)	(\$11,949,000)	N/A	N/A	(\$8,240,000)	(\$921,000)
EGWP Credits	(\$291,959,000)	N/A	(\$210,261,000)	(\$20,328,000)	N/A	N/A	(\$12,663,000)	(\$1,415,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$23,258,000	N/A	\$12,434,000	\$1,237,000	N/A	N/A	\$758,000	\$265,000
Total Cost	\$608,717,000	N/A	\$414,724,000	\$37,119,000	N/A	N/A	\$29,338,000	\$4,400,000
Total Premium	\$608,462,000	N/A	\$413,763,000	\$37,677,000	N/A	N/A	\$27,000,000	\$4,490,000
Gain (Loss)	(\$255,000)	N/A	(\$961,000)	\$558,000	N/A	N/A	(\$2,338,000)	\$90,000

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 3C – Projected Plan Year 2021 Aggregate Costs

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	1525			2030	
	NJ DIRECT	Aetna HMO	Horizon HMO	NJ DIRECT	Horizon HMO
Employees and Retirees					
Average Medical Members	22,593	36	84	131	14
Incurred Medical Claims	\$62,478,000	\$51,000	\$260,000	\$463,000	\$39,000
Capitation	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$124,008,000	\$215,000	\$494,000	\$728,000	\$80,000
Prescription Drug Rebates	(\$26,627,000)	(\$46,000)	(\$106,000)	(\$156,000)	(\$17,000)
EGWP Credits	(\$46,743,000)	(\$75,000)	(\$174,000)	(\$272,000)	(\$28,000)
Education Surcharge	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$8,469,000	\$5,000	\$31,000	\$54,000	\$5,000
Total Cost	\$121,585,000	\$150,000	\$505,000	\$817,000	\$79,000
Total Premium	\$124,122,000	\$145,000	\$488,000	\$701,000	\$76,000
Gain (Loss)	\$2,537,000	(\$5,000)	(\$17,000)	(\$116,000)	(\$3,000)
Employees					
Average Medical Members	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A
Early Retirees					
Average Medical Members	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A
Medicare Retirees					
Average Medical Members	22,593	36	84	131	14
Incurred Medical Claims	\$62,478,000	\$51,000	\$260,000	\$463,000	\$39,000
Capitation	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$124,008,000	\$215,000	\$494,000	\$728,000	\$80,000
Prescription Drug Rebates	(\$26,627,000)	(\$46,000)	(\$106,000)	(\$156,000)	(\$17,000)
EGWP Credits	(\$46,743,000)	(\$75,000)	(\$174,000)	(\$272,000)	(\$28,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,469,000	\$5,000	\$31,000	\$54,000	\$5,000
Total Cost	\$121,585,000	\$150,000	\$505,000	\$817,000	\$79,000
Total Premium	\$124,122,000	\$145,000	\$488,000	\$701,000	\$76,000
Gain (Loss)	\$2,537,000	(\$5,000)	(\$17,000)	(\$116,000)	(\$3,000)

*Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

Exhibit 4A – Plan Year 2021 Monthly Active Premiums

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	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Medical Coverage Only</u>			
Single	\$788.87	\$869.56	\$827.80
Employee+Spouse	\$1,577.74	\$1,739.12	\$1,655.60
Family	\$2,256.16	\$2,486.94	\$2,367.51
Employee+Child(ren)	\$1,467.30	\$1,617.38	\$1,539.71
Adult Child Rate	\$692.00	\$762.78	\$726.15
	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Rx Card</u>			
Single	\$128.72	\$188.43	\$188.43
Employee+Spouse	\$257.45	\$376.85	\$376.85
Family	\$368.15	\$538.90	\$538.90
Employee+Child(ren)	\$239.43	\$350.47	\$350.47
Adult Child Rate	\$112.92	\$165.28	\$165.28

The projections in this report reflect a prescription drug premium rate for members enrolled in the MMRx program which is approximately 25-30% lower than the prescription drug premium rate for the Rx Card.

Exhibit 4B – Plan Year 2021 Annual Active Premiums

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	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Medical Coverage Only</u>			
Single	\$9,466	\$10,435	\$9,934
Employee+Spouse	\$18,933	\$20,869	\$19,867
Family	\$27,074	\$29,843	\$28,410
Employee+Child(ren)	\$17,608	\$19,409	\$18,477
Adult Child Rate	\$8,304	\$9,153	\$8,714
	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Rx Card</u>			
Single	\$1,545	\$2,261	\$2,261
Employee+Spouse	\$3,089	\$4,522	\$4,522
Family	\$4,418	\$6,467	\$6,467
Employee+Child(ren)	\$2,873	\$4,206	\$4,206
Adult Child Rate	\$1,355	\$1,983	\$1,983

The projections in this report reflect a prescription drug premium rate for members enrolled in the MMRx program which is approximately 25-30% lower than the prescription drug premium rate for the Rx Card.

Exhibit 4C – Plan Year 2021 Monthly Retiree Premiums

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	NJEHP	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)		
	Horizon PPO	PPO10			PPO15			Legacy HMO		
		Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium
Total Premium										
Single - 0 Medicare	\$1,000.42	\$1,000.42	N/A	\$1,000.42	\$1,000.42	N/A	\$1,000.42	\$1,000.42	N/A	\$1,000.42
Single - 1 Medicare	N/A	N/A	\$341.70	\$341.70	N/A	\$321.98	\$321.98	N/A	\$370.08	\$370.08
EE+Spouse - 0 Medicare	\$2,180.90	\$2,180.90	N/A	\$2,180.90	\$2,180.90	N/A	\$2,180.90	\$2,180.90	N/A	\$2,180.90
EE+Spouse - 1 Medicare	N/A	\$1,180.48	\$341.70	\$1,522.18	\$1,180.48	\$321.98	\$1,502.46	\$1,180.48	\$370.08	\$1,550.56
EE+Spouse - 2 Medicare	N/A	N/A	\$683.40	\$683.43	N/A	\$643.96	\$643.99	N/A	\$740.16	\$740.15
Family - 0 Medicare	\$2,481.02	\$2,481.02	N/A	\$2,481.02	\$2,481.02	N/A	\$2,481.02	\$2,481.02	N/A	\$2,481.02
Family - 1 Medicare	N/A	\$1,480.59	\$341.70	\$1,822.29	\$1,480.59	\$321.98	\$1,802.57	\$1,480.59	\$370.08	\$1,850.67
Family - 2 Medicare	N/A	\$189.79	\$683.40	\$873.19	\$182.16	\$643.96	\$826.12	\$173.51	\$740.16	\$913.67
EE+Ch - 0 Medicare	\$1,400.58	\$1,400.58	N/A	\$1,400.58	\$1,400.58	N/A	\$1,400.58	\$1,400.58	N/A	\$1,400.58
EE+Ch - 1 Medicare	N/A	\$195.60	\$341.70	\$537.30	\$187.74	\$321.98	\$509.72	\$172.56	\$370.08	\$542.64
Medical Premium										
Single - 0 Medicare	\$811.16	\$811.16	N/A	\$811.16	\$811.16	N/A	\$811.16	\$811.16	N/A	\$811.16
Single - 1 Medicare	N/A	N/A	\$125.81	\$125.81	N/A	\$106.09	\$106.09	N/A	\$151.26	\$151.26
EE+Spouse - 0 Medicare	\$1,768.34	\$1,768.34	N/A	\$1,768.34	\$1,768.34	N/A	\$1,768.34	\$1,768.34	N/A	\$1,768.34
EE+Spouse - 1 Medicare	N/A	\$957.17	\$125.81	\$1,082.98	\$957.17	\$106.09	\$1,063.26	\$957.17	\$151.26	\$1,108.43
EE+Spouse - 2 Medicare	N/A	N/A	\$251.62	\$251.62	N/A	\$212.18	\$212.18	N/A	\$302.52	\$302.52
Family - 0 Medicare	\$2,011.69	\$2,011.69	N/A	\$2,011.69	\$2,011.69	N/A	\$2,011.69	\$2,011.69	N/A	\$2,011.69
Family - 1 Medicare	N/A	\$1,200.52	\$125.81	\$1,326.33	\$1,200.52	\$106.09	\$1,306.61	\$1,200.52	\$151.26	\$1,351.78
Family - 2 Medicare	N/A	\$67.57	\$251.62	\$319.19	\$59.94	\$212.18	\$272.12	\$71.14	\$302.52	\$373.66
EE+Ch - 0 Medicare	\$1,135.62	\$1,135.62	N/A	\$1,135.62	\$1,135.62	N/A	\$1,135.62	\$1,135.62	N/A	\$1,135.62
EE+Ch - 1 Medicare	N/A	\$69.64	\$125.81	\$195.45	\$61.78	\$106.09	\$167.87	\$70.50	\$151.26	\$221.76
Rx Premium										
Single - 0 Medicare	\$189.26	\$189.26	N/A	\$189.26	\$189.26	N/A	\$189.26	\$189.26	N/A	\$189.26
Single - 1 Medicare	N/A	N/A	\$215.89	\$215.89	N/A	\$215.89	\$215.89	N/A	\$218.82	\$218.82
EE+Spouse - 0 Medicare	\$412.56	\$412.56	N/A	\$412.56	\$412.56	N/A	\$412.56	\$412.56	N/A	\$412.56
EE+Spouse - 1 Medicare	N/A	\$223.31	\$215.89	\$439.20	\$223.31	\$215.89	\$439.20	\$223.31	\$218.82	\$442.13
EE+Spouse - 2 Medicare	N/A	N/A	\$431.78	\$431.81	N/A	\$431.78	\$431.81	N/A	\$437.64	\$437.63
Family - 0 Medicare	\$469.33	\$469.33	N/A	\$469.33	\$469.33	N/A	\$469.33	\$469.33	N/A	\$469.33
Family - 1 Medicare	N/A	\$280.07	\$215.89	\$495.96	\$280.07	\$215.89	\$495.96	\$280.07	\$218.82	\$498.89
Family - 2 Medicare	N/A	\$122.22	\$431.78	\$554.00	\$122.22	\$431.78	\$554.00	\$102.37	\$437.64	\$540.01
EE+Ch - 0 Medicare	\$264.96	\$264.96	N/A	\$264.96	\$264.96	N/A	\$264.96	\$264.96	N/A	\$264.96
EE+Ch - 1 Medicare	N/A	\$125.96	\$215.89	\$341.85	\$125.96	\$215.89	\$341.85	\$102.06	\$218.82	\$320.88

Exhibit 4C – Plan Year 2021 Monthly Retiree Premiums

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	Legacy HMO	1525 PPO	1525 HMO (Aetna Medicare Subscriber)			1525 HMO	2030	
	Horizon HMO	Horizon PPO	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon HMO	Horizon PPO	Horizon HMO
Total Premium								
Single - 0 Medicare	\$1,000.42	\$1,000.42	\$1,000.42	N/A	\$1,000.42	\$1,000.42	\$1,000.42	\$1,000.42
Single - 1 Medicare	\$549.37	\$460.17	N/A	\$334.55	\$334.55	\$486.68	\$447.05	\$472.32
EE+Spouse - 0 Medicare	\$2,180.90	\$2,180.90	\$2,180.90	N/A	\$2,180.90	\$2,180.90	\$2,180.90	\$2,180.90
EE+Spouse - 1 Medicare	\$1,729.85	\$1,640.65	\$1,180.48	\$334.55	\$1,515.03	\$1,667.16	\$1,627.53	\$1,652.80
EE+Spouse - 2 Medicare	\$1,098.71	\$920.33	N/A	\$669.10	\$669.12	\$973.24	\$894.12	\$944.59
Family - 0 Medicare	\$2,481.02	\$2,481.02	\$2,481.02	N/A	\$2,481.02	\$2,481.02	\$2,481.02	\$2,481.02
Family - 1 Medicare	\$2,029.96	\$1,940.76	\$1,480.59	\$334.55	\$1,815.14	\$1,967.27	\$1,927.64	\$1,952.91
Family - 2 Medicare	\$1,356.71	\$1,180.78	\$163.01	\$669.10	\$832.11	\$1,187.93	\$1,147.13	\$1,152.40
EE+Ch - 0 Medicare	\$1,400.58	\$1,400.58	\$1,400.58	N/A	\$1,400.58	\$1,400.58	\$1,400.58	\$1,400.58
EE+Ch - 1 Medicare	\$805.67	\$728.58	\$162.85	\$334.55	\$497.40	\$695.90	\$707.80	\$674.77
Medical Premium								
Single - 0 Medicare	\$811.16	\$811.16	\$811.16	N/A	\$811.16	\$811.16	\$811.16	\$811.16
Single - 1 Medicare	\$330.55	\$250.95	N/A	\$115.83	\$115.83	\$267.96	\$235.85	\$251.51
EE+Spouse - 0 Medicare	\$1,768.34	\$1,768.34	\$1,768.34	N/A	\$1,768.34	\$1,768.34	\$1,768.34	\$1,768.34
EE+Spouse - 1 Medicare	\$1,287.72	\$1,208.12	\$957.17	\$115.83	\$1,073.00	\$1,225.13	\$1,193.02	\$1,208.68
EE+Spouse - 2 Medicare	\$661.08	\$501.89	N/A	\$231.66	\$231.66	\$535.78	\$471.70	\$502.97
Family - 0 Medicare	\$2,011.69	\$2,011.69	\$2,011.69	N/A	\$2,011.69	\$2,011.69	\$2,011.69	\$2,011.69
Family - 1 Medicare	\$1,531.07	\$1,451.47	\$1,200.52	\$115.83	\$1,316.35	\$1,468.48	\$1,436.37	\$1,452.03
Family - 2 Medicare	\$816.70	\$643.92	\$39.20	\$231.66	\$270.86	\$626.68	\$605.17	\$585.80
EE+Ch - 0 Medicare	\$1,135.62	\$1,135.62	\$1,135.62	N/A	\$1,135.62	\$1,135.62	\$1,135.62	\$1,135.62
EE+Ch - 1 Medicare	\$484.79	\$397.31	\$35.25	\$115.83	\$151.08	\$349.58	\$373.39	\$325.15
Rx Premium								
Single - 0 Medicare	\$189.26	\$189.26	\$189.26	N/A	\$189.26	\$189.26	\$189.26	\$189.26
Single - 1 Medicare	\$218.82	\$209.22	N/A	\$218.72	\$218.72	\$218.72	\$211.20	\$220.81
EE+Spouse - 0 Medicare	\$412.56	\$412.56	\$412.56	N/A	\$412.56	\$412.56	\$412.56	\$412.56
EE+Spouse - 1 Medicare	\$442.13	\$432.53	\$223.31	\$218.72	\$442.03	\$442.03	\$434.51	\$444.12
EE+Spouse - 2 Medicare	\$437.63	\$418.44	N/A	\$437.44	\$437.46	\$437.46	\$422.42	\$441.62
Family - 0 Medicare	\$469.33	\$469.33	\$469.33	N/A	\$469.33	\$469.33	\$469.33	\$469.33
Family - 1 Medicare	\$498.89	\$489.29	\$280.07	\$218.72	\$498.79	\$498.79	\$491.27	\$500.88
Family - 2 Medicare	\$540.01	\$536.86	\$123.81	\$437.44	\$561.25	\$561.25	\$541.96	\$566.60
EE+Ch - 0 Medicare	\$264.96	\$264.96	\$264.96	N/A	\$264.96	\$264.96	\$264.96	\$264.96
EE+Ch - 1 Medicare	\$320.88	\$331.27	\$127.60	\$218.72	\$346.32	\$346.32	\$334.41	\$349.62

Exhibit 4D – Plan Year 2021 Annual Retiree Premiums

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	NJEPH	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)		
	Horizon PPO	PPO10			PPO15			Legacy HMO		
		Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium
Total Premium										
Single - 0 Medicare	\$12,005	\$12,005	N/A	\$12,005	\$12,005	N/A	\$12,005	\$12,005	N/A	\$12,005
Single - 1 Medicare	N/A	N/A	\$4,100	\$4,100	N/A	\$3,864	\$3,864	N/A	\$4,441	\$4,441
EE+Spouse - 0 Medicare	\$26,171	\$26,171	N/A	\$26,171	\$26,171	N/A	\$26,171	\$26,171	N/A	\$26,171
EE+Spouse - 1 Medicare	N/A	\$14,166	\$4,100	\$18,266	\$14,166	\$3,864	\$18,030	\$14,166	\$4,441	\$18,607
EE+Spouse - 2 Medicare	N/A	N/A	\$8,201	\$8,201	N/A	\$7,728	\$7,728	N/A	\$8,882	\$8,882
Family - 0 Medicare	\$29,772	\$29,772	N/A	\$29,772	\$29,772	N/A	\$29,772	\$29,772	N/A	\$29,772
Family - 1 Medicare	N/A	\$17,767	\$4,100	\$21,867	\$17,767	\$3,864	\$21,631	\$17,767	\$4,441	\$22,208
Family - 2 Medicare	N/A	\$2,277	\$8,201	\$10,478	\$2,186	\$7,728	\$9,913	\$2,082	\$8,882	\$10,964
EE+Ch - 0 Medicare	\$16,807	\$16,807	N/A	\$16,807	\$16,807	N/A	\$16,807	\$16,807	N/A	\$16,807
EE+Ch - 1 Medicare	N/A	\$2,347	\$4,100	\$6,448	\$2,253	\$3,864	\$6,117	\$2,071	\$4,441	\$6,512
Medical Premium										
Single - 0 Medicare	\$9,734	\$9,734	N/A	\$9,734	\$9,734	N/A	\$9,734	\$9,734	N/A	\$9,734
Single - 1 Medicare	N/A	N/A	\$1,510	\$1,510	N/A	\$1,273	\$1,273	N/A	\$1,815	\$1,815
EE+Spouse - 0 Medicare	\$21,220	\$21,220	N/A	\$21,220	\$21,220	N/A	\$21,220	\$21,220	N/A	\$21,220
EE+Spouse - 1 Medicare	N/A	\$11,486	\$1,510	\$12,996	\$11,486	\$1,273	\$12,759	\$11,486	\$1,815	\$13,301
EE+Spouse - 2 Medicare	N/A	N/A	\$3,019	\$3,019	N/A	\$2,546	\$2,546	N/A	\$3,630	\$3,630
Family - 0 Medicare	\$24,140	\$24,140	N/A	\$24,140	\$24,140	N/A	\$24,140	\$24,140	N/A	\$24,140
Family - 1 Medicare	N/A	\$14,406	\$1,510	\$15,916	\$14,406	\$1,273	\$15,679	\$14,406	\$1,815	\$16,221
Family - 2 Medicare	N/A	\$811	\$3,019	\$3,830	\$719	\$2,546	\$3,265	\$854	\$3,630	\$4,484
EE+Ch - 0 Medicare	\$13,627	\$13,627	N/A	\$13,627	\$13,627	N/A	\$13,627	\$13,627	N/A	\$13,627
EE+Ch - 1 Medicare	N/A	\$836	\$1,510	\$2,345	\$741	\$1,273	\$2,014	\$846	\$1,815	\$2,661
Rx Premium										
Single - 0 Medicare	\$2,271	\$2,271	N/A	\$2,271	\$2,271	N/A	\$2,271	\$2,271	N/A	\$2,271
Single - 1 Medicare	N/A	N/A	\$2,591	\$2,591	N/A	\$2,591	\$2,591	N/A	\$2,626	\$2,626
EE+Spouse - 0 Medicare	\$4,951	\$4,951	N/A	\$4,951	\$4,951	N/A	\$4,951	\$4,951	N/A	\$4,951
EE+Spouse - 1 Medicare	N/A	\$2,680	\$2,591	\$5,270	\$2,680	\$2,591	\$5,270	\$2,680	\$2,626	\$5,306
EE+Spouse - 2 Medicare	N/A	N/A	\$5,181	\$5,182	N/A	\$5,181	\$5,182	N/A	\$5,252	\$5,252
Family - 0 Medicare	\$5,632	\$5,632	N/A	\$5,632	\$5,632	N/A	\$5,632	\$5,632	N/A	\$5,632
Family - 1 Medicare	N/A	\$3,361	\$2,591	\$5,952	\$3,361	\$2,591	\$5,952	\$3,361	\$2,626	\$5,987
Family - 2 Medicare	N/A	\$1,467	\$5,181	\$6,648	\$1,467	\$5,181	\$6,648	\$1,228	\$5,252	\$6,480
EE+Ch - 0 Medicare	\$3,180	\$3,180	N/A	\$3,180	\$3,180	N/A	\$3,180	\$3,180	N/A	\$3,180
EE+Ch - 1 Medicare	N/A	\$1,512	\$2,591	\$4,102	\$1,512	\$2,591	\$4,102	\$1,225	\$2,626	\$3,851

Exhibit 4D – Plan Year 2021 Annual Retiree Premiums

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	Legacy HMO	1525 PPO	1525 HMO (Aetna Medicare Subscriber)			1525 HMO	2030	
	Horizon HMO	Horizon PPO	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon HMO	Horizon PPO	Horizon HMO
Total Premium								
Single - 0 Medicare	\$12,005	\$12,005	\$12,005	N/A	\$12,005	\$12,005	\$12,005	\$12,005
Single - 1 Medicare	\$6,592	\$5,522	N/A	\$4,015	\$4,015	\$5,840	\$5,365	\$5,668
EE+Spouse - 0 Medicare	\$26,171	\$26,171	\$26,171	N/A	\$26,171	\$26,171	\$26,171	\$26,171
EE+Spouse - 1 Medicare	\$20,758	\$19,688	\$14,166	\$4,015	\$18,180	\$20,006	\$19,530	\$19,834
EE+Spouse - 2 Medicare	\$13,185	\$11,044	N/A	\$8,029	\$8,029	\$11,679	\$10,729	\$11,335
Family - 0 Medicare	\$29,772	\$29,772	\$29,772	N/A	\$29,772	\$29,772	\$29,772	\$29,772
Family - 1 Medicare	\$24,360	\$23,289	\$17,767	\$4,015	\$21,782	\$23,607	\$23,132	\$23,435
Family - 2 Medicare	\$16,281	\$14,169	\$1,956	\$8,029	\$9,985	\$14,255	\$13,766	\$13,829
EE+Ch - 0 Medicare	\$16,807	\$16,807	\$16,807	N/A	\$16,807	\$16,807	\$16,807	\$16,807
EE+Ch - 1 Medicare	\$9,668	\$8,743	\$1,954	\$4,015	\$5,969	\$8,351	\$8,494	\$8,097
Medical Premium								
Single - 0 Medicare	\$9,734	\$9,734	\$9,734	N/A	\$9,734	\$9,734	\$9,734	\$9,734
Single - 1 Medicare	\$3,967	\$3,011	N/A	\$1,390	\$1,390	\$3,216	\$2,830	\$3,018
EE+Spouse - 0 Medicare	\$21,220	\$21,220	\$21,220	N/A	\$21,220	\$21,220	\$21,220	\$21,220
EE+Spouse - 1 Medicare	\$15,453	\$14,497	\$11,486	\$1,390	\$12,876	\$14,702	\$14,316	\$14,504
EE+Spouse - 2 Medicare	\$7,933	\$6,023	N/A	\$2,780	\$2,780	\$6,429	\$5,660	\$6,036
Family - 0 Medicare	\$24,140	\$24,140	\$24,140	N/A	\$24,140	\$24,140	\$24,140	\$24,140
Family - 1 Medicare	\$18,373	\$17,418	\$14,406	\$1,390	\$15,796	\$17,623	\$17,236	\$17,424
Family - 2 Medicare	\$9,800	\$7,727	\$470	\$2,780	\$3,250	\$7,520	\$7,262	\$7,030
EE+Ch - 0 Medicare	\$13,627	\$13,627	\$13,627	N/A	\$13,627	\$13,627	\$13,627	\$13,627
EE+Ch - 1 Medicare	\$5,817	\$4,768	\$423	\$1,390	\$1,813	\$4,195	\$4,481	\$3,902
Rx Premium								
Single - 0 Medicare	\$2,271	\$2,271	\$2,271	N/A	\$2,271	\$2,271	\$2,271	\$2,271
Single - 1 Medicare	\$2,626	\$2,511	N/A	\$2,625	\$2,625	\$2,625	\$2,534	\$2,650
EE+Spouse - 0 Medicare	\$4,951	\$4,951	\$4,951	N/A	\$4,951	\$4,951	\$4,951	\$4,951
EE+Spouse - 1 Medicare	\$5,306	\$5,190	\$2,680	\$2,625	\$5,304	\$5,304	\$5,214	\$5,329
EE+Spouse - 2 Medicare	\$5,252	\$5,021	N/A	\$5,249	\$5,250	\$5,250	\$5,069	\$5,299
Family - 0 Medicare	\$5,632	\$5,632	\$5,632	N/A	\$5,632	\$5,632	\$5,632	\$5,632
Family - 1 Medicare	\$5,987	\$5,871	\$3,361	\$2,625	\$5,985	\$5,985	\$5,895	\$6,011
Family - 2 Medicare	\$6,480	\$6,442	\$1,486	\$5,249	\$6,735	\$6,735	\$6,504	\$6,799
EE+Ch - 0 Medicare	\$3,180	\$3,180	\$3,180	N/A	\$3,180	\$3,180	\$3,180	\$3,180
EE+Ch - 1 Medicare	\$3,851	\$3,975	\$1,531	\$2,625	\$4,156	\$4,156	\$4,013	\$4,195

Exhibit 5A – Plan Year 2021 Employee Plan Option Summary

	Education Actives		
	\$10 PPO	\$15 PPO	NJ Educators Health Plan
In-Network			
Deductible (Single/Family)	None	None	None
Coinsurance OOP Maximum (Single/ Family)	None	\$400/\$1,000	None
Total In-Network OOP Maximum (Single/Family)	\$400/\$1,000	\$6,840/\$13,680	\$500/\$1000
Overall Coinsurance	10% ¹	10% ¹	10% ¹
PCP	\$10 copay	\$15 copay	\$10 copay
Specialist	\$10 copay	\$15 copay	\$15 copay
Emergency Room	\$25 copay	\$50 copay	\$125 copay
Inpatient Hospital	No charge	No charge	No charge
Out-of-Network			
Deductible (Single/Family)	\$100/\$250	\$100/\$250	\$350/\$700
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000
Overall Coinsurance	20%	30%	30% (200% CMS)
Out-of-Network Chiropractic Services	Lesser of \$35/visit or 75% of In-Network cost/visit	Lesser of \$35/visit or 75% of In-Network cost/visit	Lesser of \$35/visit or 75% of In-Network cost/visit
Out-of-Network Acupuncture Services	Lesser of \$60/visit or 75% of In-Network cost/visit	Lesser of \$60/visit or 75% of In-Network cost/visit	Lesser of \$60/visit or 75% of In-Network cost/visit
Out-of-Network Physical Therapy Services	75% of In-Network cost/visit	75% of In-Network cost/visit	75% of In-Network cost/visit
Prescription Drug			
OOP Maximum (Single/Family)	\$1,710/\$3,420	\$1,710/\$3,420	\$1600/\$3200
Retail - Generic	\$3	\$3	\$5
Retail - Preferred Brand	\$10	\$10	\$10
Retail - Non-Preferred Brand	\$10	\$10	Member Pays the Difference between generic and brand plus brand copayment
Mail - Generic	\$5	\$5	\$10
Mail - Preferred Brand	\$15	\$15	\$20
Mail - Non-Preferred Brand	\$15	\$15	Member Pays the Difference between generic and brand plus brand copayment

¹ On Select Services

Note: Local education employers can select from the SEHBP's Prescription Drug Plans, purchase their own prescription drug coverage plan, or receive prescription drug coverage through the SEHBP medical plan. Copayments shown apply to the plans when coverage is through the SEHBP's Prescription Drug Plans. If prescription drug coverage is through the medical plan: Coinsurance is 10% for NJ DIRECT10 and NJ DIRECT15.

Note: Beginning 7/1/2021 a new Garden State Health Plan is to be implemented. Plan Design details for the Garden State Health Plan are yet to be determined.

All employees hired on or after 7/1/20 will be enrolled in the NJ Educators Health plan and will have the option to enroll in the Garden State Plan after 7/1/21.

Exhibit 5B – Plan Year 2021 Early Retiree Plan Option Summary

Education Early Retirees	
NJ Educators Health Plan	
In-Network	
Deductible (Single/Family)	None
Coinsurance OOP Maximum (Single/ Family)	None
Total In-Network OOP Maximum (Single/Family)	\$500/\$1000
Overall Coinsurance	10% ¹
PCP	\$10 copay
Specialist	\$15 copay
Emergency Room	\$125 copay
Inpatient Hospital	No charge
Out-of-Network	
Deductible (Single/Family)	\$350/\$700
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000
Overall Coinsurance	30% (200% of CMS)
Out-of-Network Chiropractic Services	Lesser of \$35/visit or 75% of In-Network cost/visit
Out-of-Network Acupuncture Services	Lesser of \$60/visit or 75% of In-Network cost/visit
Out-of-Network Physical Therapy Services	75% of In-Network cost/visit
Prescription Drug	
OOP Maximum (Single/Family)	\$1,600/\$3,200
Retail - Generic	\$5
Retail - Preferred Brand	\$10
Retail - Non-Preferred Brand	Member Pays the Difference between generic and brand plus brand copayment
Mail - Generic	\$10
Mail - Preferred Brand	\$20
Mail - Non-Preferred Brand	Member Pays the Difference between generic and brand plus brand copayment

¹ On Select Services

Exhibit 5C – Plan Year 2021 Medicare Retiree Plan Option Summary

	Education Medicare Advantage ³				Education Medicare Supplement				
	\$10 PPO	\$15 PPO	\$10 HMO	1525HMO	\$10 HMO	1525PPO	1525HMO	2030PPO	2030HMO
In-Network									
Deductible (Single/Family)	None	None	None	None	None	None	None	None	None
Coinsurance OOP Maximum (Single/ Family) ¹	None	None	None	None	None	\$400/\$1,000	None	\$800/\$2,000	None
Total In-Network OOP Maximum (Single/Family)	\$400 per person	\$1,000 per person	\$2,500 per person	\$2,500 per person	\$7,139/\$14,278	\$7,139/\$14,278	\$7,139/\$14,278	\$7,139/\$14,278	\$7,139/\$14,278
Overall Coinsurance	None	None	None	None	10% ⁴	10% ⁴	10% ⁴	10% ⁴	10% ⁴
PCP ²	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay
Specialist	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)
Emergency Room	\$25 copay	\$50 copay	\$35 copay	\$65 copay	\$35 copay	\$75 copay	\$75 copay	\$125 copay	\$125 copay
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge
Out-of-Network									
Deductible (Single/Family)	None	None	Not Covered	Not Covered	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered
Total Out-of-Network OOP Maximum (Single/Family)	\$400 per person; Combined with IN OOP	\$1,000 per person; Combined with IN OOP	Not Covered	Not Covered	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered
Overall Coinsurance	None	None	Not Covered	Not Covered	Not covered	30%	Not covered	30%	Not covered
Prescription Drug									
OOP Maximum (Single/Family)	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822	\$1,411/\$2,822
Retail - Generic	\$10	\$10	\$6	\$7	\$6	\$7	\$7	\$3	\$3
Retail - Preferred Brand	\$21	\$21	\$13	\$17	\$13	\$17	\$17	\$19	\$19
Retail - Non-Preferred Brand	\$42	\$42	\$26	\$36	\$26	\$36	\$36	\$48	\$48
Mail - Generic	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Mail - Preferred Brand	\$31	\$31	\$19	\$41	\$19	\$41	\$41	\$37	\$37
Mail - Non-Preferred Brand	\$52	\$52	\$31	\$91	\$31	\$91	\$91	\$95	\$95

¹ Coinsurance OOP Maximum applies on the applicable Horizon plans for IN outpatient private duty nursing, IN or OON ambulance, DME and some prosthetic and orthotic services

² Physician visits for Medicare Advantage Plan Options will be reimbursed up to \$250 each visit

³ Medicare Advantage plans do not have In-Network and Out-of-Network differentiation. Medicare Advantage plans provide coverage at the same benefit level regardless of network status for visits to any provider that accepts Medicare.

⁴ On Select Services

The plan options shown above are provided for reference purposes and reflect potential options available to a member. The plan options shown above are not available for all members and can be dependent on multiple factors such as union designation, years of service, etc.

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