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September 17, 2007

TO: State Departmental Certifying Officers
State Departmental Human Resources Directors
State Biweekly Human Resources Representatives

FROM: New Jersey State Health Benefits Program

SUBJECT: SHBP Open Enrollment 2007 — State Biweekly Employers

The State Health Benefits Program (SHBP) Open Enrollment period for all State employees will begin on **October 1, 2007 and end on October 31, 2007**. All changes to coverage made during this open enrollment will be effective on January 5, 2008 for State biweekly employees paid through the State Centralized Payroll Unit.

Please Note: The Fall 2007 Open Enrollment is only for plan changes or enrollment into the current SHBP plans. These include:

- **SHBP Medical Plans** — NJ PLUS, HMO plans (Aetna, AmeriHealth, CIGNA, Health Net, or Oxford), or the Traditional Plan. Newly contracted PPO plans and HMO plans are being prepared for State, Local Governmental, and Local Educational groups and scheduled to begin service in 2008. **If it is not imperative that an employee make a medical plan change at this time**, it may be best for them to wait for the “special” open enrollment scheduled for 2008.
- The **SHBP Employee Prescription Drug Plan**; and/or
- **SHBP Dental Plans** — Dental Expense Plan or DPO plans (Aetna DMO, Atlantic Southern Dental, CIGNA Dental Health, Community Dental Associates, Healthplex, Horizon Dental Choice) **See the information on page 2 regarding dental plan terminations.**

For changes made at this time, completed employer-certified *SHBP Health Benefit* and/or *Dental Applications* should be forwarded to the Health Benefits Bureau as soon as they are received from employees. The last day that certified applications may arrive at the Health Benefits Bureau to be effective for the start of the new plan year is November 5, 2007.

- Certain State employees hired on or after July 1, 2003 — and determined by union contract or not covered by a labor agreement as per Chapter 119, P.L. 2003 — are not eligible for coverage under the SHBP **Traditional Plan**. These employees may

choose one of the other plans offered by the SHBP — NJ PLUS or one of the HMO plans (Aetna, AmeriHealth, CIGNA, Health Net, or Oxford).

- Employees who are *newly married*, or enrolling in the SHBP for the first time during the Open Enrollment, and are enrolling their spouse as a dependent are required to provide a copy of the marriage certificate at the time of enrollment. Similarly, if an employee is enrolling a civil union partner or an eligible domestic partner as a dependent, a copy of the *NJ Civil Union Certificate* or *Certificate of Domestic Partnership* is required at the time of enrollment. To ensure that the documentation submitted is properly matched to the employee's record, the Health Benefits Bureau requests that employers provide the employee's Social Security number on the copy of the marriage/partnership documentation.

FOUR DENTAL PLANS TO BE TERMINATED

As of January 1, 2008, the SHBP will *terminate the participation* of four Dental Plan Organizations (DPOs): **Assurant Employee Benefits, Flagship Health Systems, Inc., Group Dental Health Administrators, Inc., and Dental Group of New Jersey, Inc.**

DPO members who are affected by this termination must choose a new plan and return a *SHBP Dental Plan Application* to their human resources representative by October 31, 2007. The new dental plan will become effective January 1, 2008. If you do not transfer to another plan you will be without dental coverage as of January 1st.

MEDICAL AND PRESCRIPTION DRUG PLAN COPAYMENT CHANGES

The medical and prescription drug plan changes that effect State Active Group members are as follows:

Copayment Amounts for 2008 — New SHBP medical and prescription drug plan copayment amounts were implemented in July 2007 for most State Active Group members (State employees covered under the CWA, AFSCME, IPFTE, and employees not covered by a labor agreement¹). These copayments will remain unchanged into the 2008 plan year.

- For **NJ PLUS** and **all HMO plans** (Aetna, AmeriHealth, CIGNA, Health Net and Oxford), the State Active Group copayment for primary doctor visits and visits to a specialist is \$15. The copayment for a visit to an emergency room is \$50. The emergency room copayment is waived if the member is admitted to the hospital.
- For State Active Group members enrolled in the SHBP **Employee Prescription Drug Plan**, the copayments for a 30 day supply purchased at a retail pharmacy are \$3 for generic drugs, \$10 for brand name prescription drugs *without generic equivalents*, and a new third tier copayment of \$25 for brand name drugs *where a generic equivalent is available*. The mail order prescription drug copayments for up to a 90-day supply, are \$5 for generic drugs, \$15 for brand name drugs *without generic equivalents*, and a third tier copayment of \$40 for brand name drugs *where a generic equivalent is available*.

¹ For employees covered under other labor agreements, refer to the information on page 3.

EMPLOYEE CONTRIBUTIONS AND PREMIUM SHARING

In July 2007, most contract agreements for State employees to share 5 percent of an HMO premium, or 25 percent of the Traditional Plan premium, ended. State employees covered under the CWA, AFSCME, IPFTE, and employees not covered by a labor agreement began to contribute 1.5 percent of annual base salary for SHBP medical plan and/or prescription drug plan coverage regardless of the medical plan, level of coverage selected, salary level, or date of hire.

EMPLOYEES COVERED UNDER *OTHER* LABOR AGREEMENTS

Current copayment and premium sharing arrangements will remain in effect for employees covered under labor agreements *other than those listed above* unless and until new contract negotiations establish different arrangements for the sharing of health benefit costs. For most of these employees the premium sharing arrangement of paying 5 percent of HMO premiums or 25 percent of the Traditional Plan premium remains in effect. The NJ PLUS and HMO copayment for a primary doctor or specialist is \$10 and the emergency room copayment is \$25 – waived if admitted. Employee Prescription Drug Plan copayments for a 30 day supply from a retail pharmacy are \$3 for generic drugs and \$10 for brand name prescription drugs. Mail order prescription drug copayments for up to a 90-day supply are \$5 for generic drugs and \$15 for brand name drugs.

EMPLOYER SHBP RATES FOR 2008

The State Health Benefits Commission has approved health, dental, and prescription drug plan rates for the 2008 plan year. These rates are based upon the recommendation of the Commission's actuarial consultant, Aon Consulting. Since the SHBP self-funds all of its medical plans, the claims experience used in projecting 2008 costs are based upon the actual claims experience of the group.

Effective January 5, 2008, SHBP plan rates for the State Active Biweekly Group, will see the following percentage of change:

PLAN TYPE	RATE INCREASE/DECREASE
NJ PLUS	0%
Traditional Plan	0%
HMO Plans — AmeriHealth, Health Net	0%
HMO Plans — Aetna, Cigna, Oxford	6.0%
Prescription Drug Plan	0%
Dental Provider Organization (DPO) Plans	0%
Dental Expense Plan	0%

Employees are permitted to waive SHBP medical *and* prescription coverage to avoid the 1.5 percent contribution from salary — provided the employee has other health care coverage. To waive coverage a *SHBP State Waiver* form and a *SHBP Application* must be completed.

Premium sharing agreements regarding SHBP **dental plans** remain in place for all eligible State employees.

TAX\$AVE AND THE SHBP

The State Employees' Tax Savings Program (Tax\$ave) Open Enrollment Period runs concurrent with the SHBP Open Enrollment Period (October 1 – October 31, 2007). Tax\$ave is a benefit program available to full-time State employees who are eligible for the SHBP. Tax\$ave can save your employees tax money by paying health and dental benefit premiums and eligible unreimbursed medical and/or dependent care expenses from before-tax dollars. Separate Tax\$ave Open Enrollment materials were distributed to employers and contain more information about these valuable benefits. Please also note the items detailed below that relate to **both** Tax\$ave and SHBP medical and dental plan enrollment.

- **Limitations on Plan Changes if Enrolled in POP** — Internal Revenue Service (IRS) rules require that for an employee covered by the Premium Option Plan, payroll deductions for health and dental plan benefits remain the same for the entire plan year. Therefore, no coverage level changes can be made which result in a change in the amount of an employee's health and/or dental plan deduction unless a Qualifying Event has occurred.
- **Tax\$ave, Civil Unions, and Domestic Partners** — SHBP members need to be aware of the possible federal tax implications of adding a civil union partner or domestic partner to SHBP benefits. Since the federal tax code does not view civil union or domestic partners in the same manner as spouses, an employer may have to treat the civil union or domestic partner SHBP benefit as taxable to the employee and withhold federal income, Social Security, and Medicare taxes on its value. Similarly, since the partner's coverage is a federally taxable benefit, an employee who participates in the Tax\$ave Premium Option Plan cannot make pre-tax payments for the cost of a civil union or domestic partner's coverage. Pre-tax dollars may still be used to pay for the employee's portion of the cost of his or her own and dependent children's coverage. If an employee wants to claim a federal tax dependency exemption for a civil union or domestic partner, he or she should contact the Internal Revenue Service or see *IRS Tax Topic 354 — Dependents* for more details.

OPEN ENROLLMENT INFORMATIONAL MATERIALS

Please note that the SHBP is not providing health fairs during this open enrollment period.

MILESTONES — Enclosed is a milestone chart that lists the critical dates of the open enrollment period and outlines the efforts being made to educate employees. Please use this chart as a checklist to guide your activities during open enrollment.

RATE CHARTS — Enclosed you will find rate charts for your use, as well as a sample open enrollment announcement flier that provides a list of medical and dental plans and the dental plan premium sharing costs for your employees. This flier is designed to assist your employees in making informed decisions concerning their health care coverage during this open enrollment period.

On September 14, supplies of the open enrollment announcement flier were provided to employers through the State's Centralized Payroll Unit for distribution with paychecks on September 21 to all employees paying the new contribution rate of 1.5 percent of salary.

A rate flier for employees who are still covered under labor agreements requiring the older premium sharing arrangements for HMO or Traditional Plan premiums is included with this mailing. The SHBP asks employers to make copies of this rate information available to those employees who are still covered by the old arrangement.

HEALTH CAPSULE — The *Health Capsule* newsletter announces the SHBP Open Enrollment Period to employees and presents important information and changes that may affect their benefit selection. A sample is enclosed for your review.

Please note that the *Health Capsule* article addressing duplicate health coverage for dependent children only applies to employees covered under newly ratified labor agreements and employees not covered by a labor agreement.

On September 14, the *Health Capsule* newsletter was provided to employers through the State's Centralized Payroll Unit for distribution with paychecks on September 21 to all employees.

CHECK MESSAGE — On September 21, a heads up paycheck message announcing Open Enrollment to start October 1, 2007, will be provided to employees paid through the State Centralized Payroll Unit.

HEALTH PLAN CONTACTS — A list of marketing contacts for the various health and dental plans is enclosed. Use these contacts to obtain provider directories or other plan specific literature. (These telephone numbers are not for member services. Please do not give these telephone numbers to your employees.)

HEALTH AND DENTAL PLAN APPLICATIONS — The SHBP Medical plans (including prescription drug coverage) and the SHBP Employee Dental Plans use two different applications. The health and dental applications are available for printing from the SHBP Web site at: www.state.nj.us/treasury/pensions/shbp.htm

SUMMARY PROGRAM DESCRIPTION (SPD) BOOKLET, PLAN HANDBOOKS, AND HEALTH PLAN COMPARISON SUMMARY CHART — With the pending redesign of the SHBP plans in 2008, the SHBP *Summary Program Description*, SHBP plan *Member Handbooks* (NJ PLUS, Traditional Plan, HMOs, Dental Plans, and the Employee Prescription Drug Plan), and SHBP *Plan Comparison Summary* charts will not be revised

for the Open Enrollment. Changes regarding medical provider and prescription drug copayments for most State employees have been added to the online versions of the *Member Handbooks* and comparison charts on the SHBP Web site at: www.state.nj.us/treasury/pensions/shbp.htm

Plan materials will be updated as needed in 2008 based upon the planned implementation of the SHBP Plan redesign. Until that time, please refer to the 2007 plan year editions of these publications.

ONLINE INFORMATION

The SHBP's plan comparisons, member handbooks, newsletters, and rate information are available over the Internet at the State Health Benefits Program home page: www.state.nj.us/treasury/pensions/shbp.htm

Participating provider information for all SHBP medical plans is available in the Unified Provider Directory (UPD). The UPD is an online service that provides a comprehensive listing of health care providers and facilities that deliver their services through one or more of the SHBP's health care plans. Updated monthly, you can access the UPD through the SHBP home page at: www.state.nj.us/treasury/pensions/shbp.htm

ADDITIONAL INFORMATION

If you have any questions about the SHBP Open Enrollment Period or the information in this letter, please contact our Office of Client Services at (609) 292-7524 to speak with an Employer Group representative.

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

Enclosures:

2007 SHBP Open Enrollment Milestone Chart
Health and Dental Plan Rate Charts/Fliers
Health Capsule Newsletter
Health/Dental Plan Marketing Contacts

(STATE – MILESTONE – 2007)

FALL 2007 SHBP OPEN ENROLLMENT MILESTONE CHART for State Employers

Note: If the event is underlined, you should be accomplishing the event.

<u>PROJECTED DATE</u>	<u>EVENT</u>
September 7	Heads Up paycheck message to employees paid through the State Centralized Payroll Unit announcing Open Enrollment to start October 1, 2007.
Late-September	<i>SHBP Health Capsule</i> newsletter shipped to State universities, colleges, authorities and commissions.
September 21	Second Open Enrollment paycheck message to employees paid through State Centralized Payroll. <u>2007 Health and Dental Rate Charts and Health Capsule</u> newsletter distributed with payroll. State universities, colleges, authorities and commissions should <u>distribute the 2007 Health and Dental Rate Charts and Health Capsule newsletter</u> to their employees.
October 1	<u>Open Enrollment Begins.</u>
October 5	Open Enrollment “reminder” paycheck message to employees paid through State Centralized Payroll.
October 19	Open Enrollment “last chance” paycheck message to employees paid through State Centralized Payroll.
October 31	<u>Open Enrollment Ends.</u>
November 5	<u>Employer certified applications due at the Health Benefits Bureau.</u>
December 8	<u>Begin required deductions for employees paid through Centralized Payroll (start of pay period #26 – check date December 28).</u>
January 1, 2008	Open Enrollment changes effective for State employees at State universities, colleges, authorities and commissions.
January 5, 2008	Open Enrollment changes effective for State employees paid through State Centralized Payroll.

NEW JERSEY STATE HEALTH BENEFITS PROGRAM FALL 2007 ANNUAL OPEN ENROLLMENT PERIOD FOR STATE EMPLOYEES PAID THROUGH CENTRALIZED PAYROLL

The annual Open Enrollment period for the State Health Benefits Program (SHBP) is scheduled for **October 1 to October 31, 2007**. During this period, eligible employees have the opportunity to enroll in or change existing health coverage. Changes made during this Open Enrollment period will be **effective January 5, 2008**.

Please Note — This Open Enrollment is only for the SHBP plans that are currently in place (**NJ PLUS**, the **Traditional Plan**, the **HMO** plans: **Aetna**, **Amerihealth**, **CIGNA**, **Health Net**, and **Oxford**; along with the current **dental plans** and **Employee Prescription Drug Plan**). If it is not imperative that you make a plan change at this time, **you may want to wait for a “special” open enrollment to take place in 2008 for the SHBP’s new PPO and redesigned HMO plans.**

Employee Contributions — **State employees covered under the CWA, AFSCME, IPFTE, and employees not covered by a labor agreement** are now required to contribute 1.5 percent of annual base salary regardless of the SHBP medical plan or level of coverage that is selected; and the former premium sharing arrangement of paying 5 percent of HMO premiums or 25 percent of Traditional Plan premiums has ended.

The chart below provides SHBP medical plan contact numbers and coverage areas¹. Please also note the new SHBP medical plan numbers denoting the 1.5 percent employee contribution arrangement.

Employees covered under other labor bargaining units who remain subject to premium sharing, should see their human resources representative to obtain the premium sharing rate charts for the 2008 plan year.

Changes to Health Plans — Changes to SHBP health plans, including new provider and prescription drug copayment amounts, are detailed in the *Health Capsule* newsletter that accompanies this flier. If you did not receive the *Health Capsule*, please see your human resources representative for a copy.

Certain employees hired on or after July 1, 2003, are prohibited from enrolling in the Traditional Plan, including State employees as determined by union contract, all non-aligned State employees as provided under Chapter 119, P.L. 2003, all active Fraternal Order of Police members paid through Centralized Payroll and members of New Jersey State Police units effective July 1, 2005. See your human resources representative for information about your union affiliation.

AVAILABLE MEDICAL PLANS

Unit #	Health Plan Name	Member Services Telephone Number	Service Area
004	NJ PLUS	1-800-414-7427	All of NJ & FL; Parts of DE, NY & PA
102	Traditional Plan	1-800-414-7427	Unrestricted
005	Aetna Health	1-800-309-2386	All of NJ, CT, DE, ME & Wash. DC; Parts of AZ, FL, GA, IL, IN, MD, MA, NV, NH, NY, NC, OH, PA, TN, TX, VA & WA
006	CIGNA HealthCare	1-800-244-6224	All of NJ, AZ, CT, DE, MD, ME, NH, NM, RI, VT & Wash. DC; Parts of AL, AR, CA, CO, FL, GA, ID, IL, IN, KS, KY, LA, MA, MI, MO, MS, NV, NY, NC, OH, OK, OR, PA, SC, TN, TX, UT, VA, WA, WV & WI
007	Oxford Health Plans	1-800-760-4566	All of NJ; Parts of NY
008	AmeriHealth	1-800-877-9829	All of NJ & DE; Parts of PA
009	Health Net	1-800-441-5741	All of NJ & CT; Parts of NY

¹The cost of SHBP medical and prescription drug plan coverage is now independent of plan or coverage level selected, therefore, premium amounts are no longer shown. Employees are still required to share the premium cost if enrolled for SHBP Dental Plans which are listed on the reverse side of this chart.

EMPLOYEE DENTAL PLANS FALL 2007 ANNUAL OPEN ENROLLMENT PERIOD FOR STATE EMPLOYEES PAID THROUGH CENTRALIZED PAYROLL

The annual Open Enrollment period for the Employee Dental Plans is scheduled for **October 1 to October 31, 2007**. During this period, eligible employees have the opportunity to enroll in or change existing coverage. All enrollments or changes made during this Open Enrollment will be **effective January 5, 2008**.

Any eligible employee wishing to make a change may choose between:

- one of six **Dental Plan Organizations**; or
- the **Dental Expense Plan** (administered by Aetna Dental).

Dental Plan Changes — As of January 1, 2008, the SHBP will terminate the participation of four Dental Plan Organizations (DPOs): **Assurant Employee Benefits, Flagship Health Systems, Inc., Group Dental Health Administrators, Inc., and Dental Group of New Jersey, Inc.**

DPO members who are affected by this termination must choose a new plan and return a *Dental Plan Enrollment Application* to your human resources representative by October 31. The new dental plan you choose will become effective January 1, 2008. If you do not transfer to another plan you will be without dental coverage as of January 1.

Dental Plan Rates — The State and State employees share dental plan premiums. Employees will pay the same premium amounts for any DPO in the 2008 plan year. Employee premiums for each plan and coverage level are shown in the chart below. **There is no increase in dental plan rates for the 2008 plan year.**

Employees must maintain enrollment in a dental plan choice for a minimum of 12 months before they are permitted to change plans. Therefore, if you were not enrolled in a dental plan as of January 1, 2007; you cannot make a dental plan change during this open enrollment (unless you are a member of one of the DPO plans that are being terminated).

See your human resources representative to obtain a *Dental Plan Enrollment Application* and to find out when completed applications are due.

If you are changing DPOs, contact the new DPO to confirm participation of a particular dentist or dental facility in its program. Be sure you confirm that the dentist or dental facility you select is taking new patients and participates with the DPO in the State program since DPOs also service other organizations.

AVAILABLE DENTAL PLANS			EMPLOYEE PREMIUM INFORMATION				
Unit#	Dental Plan Name	Member Services Telephone Number	Service Area (contact dental plan to verify available providers in your county)	BIWEEKLY COST (26 Pay Periods)			
				Single	Member & Spouse/ Partner ²	Family	Parent & Child(ren)
301	Atlantic Southern Dental (BeneCare)	1-800-843-4727	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
302	Community Dental Associates	(856) 451-8844	Cumberland County NJ	\$4.75	\$8.31	\$13.55	\$9.96
305	CIGNA Dental Health, Inc.	1-800-367-1037	Parts of NJ, Eastern PA	\$4.75	\$8.31	\$13.55	\$9.96
307	Healthplex (International Health Care Svcs.)	1-800-468-0600	Parts of NJ	\$4.75	\$8.31	\$13.55	\$9.96
317	Horizon Dental Choice	1-800-433-6825	All of NJ (except Salem and Hunterdon Co.)	\$4.75	\$8.31	\$13.55	\$9.96
319	Aetna DMO	1-800-843-3661	All of NJ, Eastern PA	\$4.75	\$8.31	\$13.55	\$9.96
399	Dental Expense Plan ¹ (administered by Aetna Dental)	1-877-238-6200	Unrestricted	\$9.51	\$16.53	\$27.05	\$20.03

¹ Dental Expense Plan allowable charges are subject to the reasonable and customary allowances applied by Aetna Dental.

² "Partner" denotes a *civil union partner* or an eligible same-sex *domestic partner* as recognized under New Jersey State Law.

NEW JERSEY STATE HEALTH BENEFITS PROGRAM FALL 2007 ANNUAL OPEN ENROLLMENT PERIOD

FOR STATE EMPLOYEES WHO PREMIUM SHARE AND ARE PAID THROUGH CENTRALIZED PAYROLL

The annual Open Enrollment period for the State Health Benefits Program (SHBP) is scheduled for **October 1 to October 31, 2007**. During this period, eligible employees have the opportunity to enroll in or change existing health coverage. Changes made during this Open Enrollment period will be **effective January 5, 2008**.

Please Note — This Open Enrollment is only for the SHBP plans that are currently in place (**NJ PLUS**, the **Traditional Plan**, the **HMO** plans: **Aetna**, **Amerihealth**, **CIGNA**, **Health Net**, and **Oxford**; along with the current **dental plans** and **Employee Prescription Drug Plan**). If it is not imperative that you make a plan change at this time, **you may want to wait for a “special” open enrollment to take place in 2008 for the SHBP’s new PPO and redesigned HMO plans.**

Employee Contributions and Premium Sharing — A medical/prescription drug plan contribution of 1.5 percent of base salary is now required for State employees cov-

ered under the CWA, AFSCME, IPFTE, and employees not covered by a labor agreement.

For State employees covered under other labor agreements, the premium sharing arrangement of paying 5 percent of HMO premiums or 25 percent of the Traditional Plan premium remains in effect for 2008. **This chart shows the 2008 SHBP premium sharing amounts for employees who remain subject to premium sharing.** For these employees, there is no premium cost to enroll in NJ PLUS. For all other plans, employees pay a percentage of the cost.

Some employees are represented by unions with contracts that do not permit premium sharing — including State Police Troopers, Sergeants, Lieutenants, and employees in the four law enforcement bargaining units (except members of the State Law Enforcement Committee of the PBA Non-Corrections hired after June 30, 2000; members of the NJ Law Enforcement

Supervisors Association Sergeants Non-Corrections FOP hired after November 1, 2002; and members of the NJ Superior Officers Association Lieutenants Unit Non-Corrections FOP 183 hired after November 1, 2002 who must premium share).

Changes to Health Plans — Changes to SHBP health plans are outlined in the *Health Capsule* newsletter that accompanies this flier. If you did not receive the *Health Capsule*, please see your human resources representative to obtain a copy.

Certain employees hired on or after July 1, 2003, are prohibited from enrolling in the Traditional Plan, including State employees as determined by union contract, all non-aligned State employees as provided under Chapter 119, P.L. 2003, all active Fraternal Order of Police members paid through Centralized Payroll and members of New Jersey State Police units effective July 1, 2005. See your human resources representative to verify your union affiliation.

AVAILABLE MEDICAL PLANS				EMPLOYEE PREMIUM INFORMATION			
				BIWEEKLY COST (26 Pay Periods)			
				(Represents 25% of full Traditional Plan premium or 5% of full HMO premium)			
Unit#	Health Plan Name	Member Services Telephone Number	Service Area	Single	Member & Spouse/ Partner ¹	Family	Parent & Child(ren)
101	NJ PLUS	1-800-414-7427	All of NJ & FL; Parts of DE, NY & PA	\$0.00	\$0.00	\$0.00	\$0.00
102	Traditional Plan	1-800-414-7427	Unrestricted	\$80.33	\$171.95	\$204.64	\$118.66
119	Aetna Health	1-800-309-2386	All of NJ, CT, DE, ME & Wash. DC; Parts of AZ, FL, GA, IL, IN, MD, MA, NV, NH, NY, NC, OH, PA, TN, TX, VA & WA	\$9.10	\$20.10	\$23.38	\$13.44
120	CIGNA HealthCare	1-800-244-6224	All of NJ, AZ, CT, DE, MD, ME, NH, NM, RI, VT & Wash. DC; Parts of AL, AR, CA, CO, FL, GA, ID, IL, IN, KS, KY, LA, MA, MI, MO, MS, NV, NY, NC, OH, OK, OR, PA, SC, TN, TX, UT, VA, WA, WV & WI	\$10.39	\$22.67	\$27.04	\$15.60
128	Oxford Health Plans	1-800-760-4566	All of NJ; Parts of NY	\$8.71	\$19.17	\$22.65	\$13.07
133	AmeriHealth	1-800-877-9829	All of NJ & DE; Parts of PA	\$9.47	\$21.07	\$24.53	\$13.98
134	Health Net	1-800-441-5741	All of NJ & CT; Parts of NY	\$9.12	\$19.87	\$24.13	\$13.99

¹ “Partner” denotes a *civil union partner* or an eligible same-sex *domestic partner* as recognized under New Jersey State Law.

DEPARTMENT OF THE TREASURY - DIVISION OF PENSIONS AND BENEFITS
 NEW JERSEY STATE HEALTH BENEFITS PROGRAM
 STATE BIWEEKLY ACTIVE GROUP
 RATES EFFECTIVE 1/05/2008

For Employees Paying Contribution of 1.5% of Salary for Any Plan or Coverage Level
 NJ PLUS and HMO office visit copayment \$15

PLAN/COVERAGE DESCRIPTION	TOTAL
<u>NJ PLUS - #004</u>	
Single	\$159.55
Member & Spouse/Partner	\$347.78
Family	\$413.94
Parent & Child	\$240.04
<u>TRADITIONAL - #102</u>	
Single	\$321.36
Member & Spouse/Partner	\$687.80
Family	\$818.60
Parent & Child	\$474.66
<u>AETNA, INC. - #005</u>	
Single	\$182.04
Member & Spouse/Partner	\$402.04
Family	\$467.60
Parent & Child	\$268.81
<u>CIGNA HEALTHCARE - #006</u>	
Single	\$207.93
Member & Spouse/Partner	\$453.57
Family	\$540.96
Parent & Child	\$312.13
<u>OXFORD - #007</u>	
Single	\$174.30
Member & Spouse/Partner	\$383.42
Family	\$453.12
Parent & Child	\$261.45
<u>AMERIHEALTH - #008</u>	
Single	\$189.40
Member & Spouse/Partner	\$421.43
Family	\$490.78
Parent & Child	\$279.61
<u>HEALTH NET - #009</u>	
Single	\$182.52
Member & Spouse/Partner	\$397.59
Family	\$482.64
Parent & Child	\$279.99
<u>PRESCRIPTION DRUG PROGRAM - #203</u>	
Single	\$51.13
Member & Spouse/Partner	\$116.87
Family	\$122.76
Parent & Child	\$68.24

Partner means a Civil Union Partner or eligible Same-sex Domestic Partner as recognized under New Jersey State Law.

DEPARTMENT OF THE TREASURY - DIVISION OF PENSIONS AND BENEFITS
NEW JERSEY STATE HEALTH BENEFITS PROGRAM
DENTAL PLAN RATES
STATE BIWEEKLY ACTIVE GROUP
RATES EFFECTIVE 1/05/2008-1/03/09

DESCRIPTION OF COVERAGE	STATE CONTRIBUTION	EMPLOYEE CONTRIBUTION	TOTAL
<u>DENTAL EXPENSE PLAN - #399</u>			
Single	\$9.52	\$9.51	\$19.03
Member & Spouse/Partner	\$16.53	\$16.53	\$33.06
Family	\$27.05	\$27.05	\$54.10
Parent & Child	\$20.04	\$20.03	\$40.07
<u>DENTAL PROVIDER ORGANIZATIONS (DPO)</u>			
BENECARE (DPO #301)			
Single	\$6.45	\$4.75	\$11.20
Member & Spouse/Partner	\$11.14	\$8.31	\$19.45
Family	\$18.28	\$13.55	\$31.83
Parent & Child	\$13.62	\$9.96	\$23.58
COMMUNITY DENTAL (DPO #302)			
Single	\$5.93	\$4.75	\$10.68
Member & Spouse/Partner	\$10.27	\$8.31	\$18.58
Family	\$16.83	\$13.55	\$30.38
Parent & Child	\$12.54	\$9.96	\$22.50
CIGNA (DPO #305)			
Single	\$4.99	\$4.75	\$9.74
Member & Spouse/Partner	\$8.63	\$8.31	\$16.94
Family	\$14.16	\$13.55	\$27.71
Parent & Child	\$10.58	\$9.96	\$20.54
HEALTHPLEX (DPO #307)			
Single	\$4.76	\$4.75	\$9.51
Member & Spouse/Partner	\$8.22	\$8.31	\$16.53
Family	\$13.49	\$13.55	\$27.04
Parent & Child	\$10.07	\$9.96	\$20.03
HORIZON DENTAL CHOICE (DPO #317)			
Single	\$4.26	\$4.75	\$9.01
Member & Spouse/Partner	\$7.34	\$8.31	\$15.65
Family	\$12.06	\$13.55	\$25.61
Parent & Child	\$9.01	\$9.96	\$18.97
AETNA DMO (DPO #319)			
Single	\$4.75	\$4.75	\$9.50
Member & Spouse/Partner	\$8.22	\$8.31	\$16.53
Family	\$13.49	\$13.55	\$27.04
Parent & Child	\$10.08	\$9.96	\$20.04

Partner means a Civil Union Partner or eligible Same-sex Domestic Partner as recognized under New Jersey State Law.

DEPARTMENT OF THE TREASURY - DIVISION OF PENSIONS AND BENEFITS
 NEW JERSEY STATE HEALTH BENEFITS PROGRAM
 STATE BIWEEKLY ACTIVE GROUP
 RATES EFFECTIVE 1/05/2008

For Employees Sharing 25% of Traditional Plan or 5% of HMO Premium;
 NJ PLUS and HMO office visit copayment \$10

PLAN/COVERAGE DESCRIPTION	STATE CONTRIBUTION	EMPLOYEE CONTRIBUTION	TOTAL
<u>NJ PLUS - #101</u>			
Single	\$159.55	-----	\$159.55
Member & Spouse/Partner	\$347.78	-----	\$347.78
Family	\$413.94	-----	\$413.94
Parent & Child	\$240.04	-----	\$240.04
<u>TRADITIONAL - #102</u>			
Single	\$241.03	\$80.33	\$321.36
Member & Spouse/Partner	\$515.85	\$171.95	\$687.80
Family	\$613.96	\$204.64	\$818.60
Parent & Child	\$356.00	\$118.66	\$474.66
<u>AETNA, INC. - #119</u>			
Single	\$172.94	\$9.10	\$182.04
Member & Spouse/Partner	\$381.94	\$20.10	\$402.04
Family	\$444.22	\$23.38	\$467.60
Parent & Child	\$255.37	\$13.44	\$268.81
<u>CIGNA HEALTHCARE - #120</u>			
Single	\$197.54	\$10.39	\$207.93
Member & Spouse/Partner	\$430.90	\$22.67	\$453.57
Family	\$513.92	\$27.04	\$540.96
Parent & Child	\$296.53	\$15.60	\$312.13
<u>OXFORD - #128</u>			
Single	\$165.59	\$8.71	\$174.30
Member & Spouse/Partner	\$364.25	\$19.17	\$383.42
Family	\$430.47	\$22.65	\$453.12
Parent & Child	\$248.38	\$13.07	\$261.45
<u>AMERIHEALTH - #133</u>			
Single	\$179.93	\$9.47	\$189.40
Member & Spouse/Partner	\$400.36	\$21.07	\$421.43
Family	\$466.25	\$24.53	\$490.78
Parent & Child	\$265.63	\$13.98	\$279.61
<u>HEALTH NET - #134</u>			
Single	\$173.40	\$9.12	\$182.52
Member & Spouse/Partner	\$377.72	\$19.87	\$397.59
Family	\$458.51	\$24.13	\$482.64
Parent & Child	\$266.00	\$13.99	\$279.99
<u>PRESCRIPTION DRUG PROGRAM - #202</u>			
Single	\$51.13	-----	\$51.13
Member & Spouse/Partner	\$116.87	-----	\$116.87
Family	\$122.76	-----	\$122.76
Parent & Child	\$68.24	-----	\$68.24

Partner means a Civil Union Partner or eligible Same-sex Domestic Partner as recognized under New Jersey State Law.



Health Capsule

The Division of Pensions and Benefits ♦ For State Employees ♦ Issue #22

Two Open Enrollments for Plan Year 2008

Every fall the State Health Benefits Program (SHBP) holds the Open Enrollment period as your annual opportunity to review your health, prescription drug, and dental benefits, and to make any changes for you and your dependents for the following plan year. However, for the 2008 plan year two open enrollments will be held.

Fall 2007 Open Enrollment

For all eligible State employees the Fall Open Enrollment will take place from October 1 through October 31, 2007. Coverage changes made during this Open Enrollment will be effective on January 5, 2008 for State employees paid by the State's Centralized Payroll Unit, and January 1, 2008 for all other State employees.

The Fall 2007 Open Enrollment is for the medical plans that are currently in place — NJ PLUS, the Traditional Plan,

the HMO plans: Aetna, Amerihealth, CIGNA, Health Net, and Oxford; along with the current dental plans (see article below) and Employee Prescription Drug Plan. If you are considering making a medical plan change, please note that brand new medical plan redesigns will be put into place in 2008. If it is not imperative that you change plans at this time, you may want to wait for the “special” open enrollment in 2008 so you can review the new plans before making a change.

2008 Special Open Enrollment

A second “special” open enrollment, scheduled for 2008, will introduce the new plans to be offered by the SHBP. The final details for the new medical PPO and HMO plans are yet to be finalized. Additional information about the plan design will be made *(continued on page 2)*

Attention Dental Plan Organization Members

Four DPOs to No Longer Participate in SHBP Employee Dental Plans as of January 2008.

As of January 1, 2008 the SHBP will terminate the participation of four Dental Plan Organizations (DPOs). Those DPOs are: **Assurant Employee Benefits, Flagship Health Systems, Inc., Group Dental Health Administrators, Inc., and Dental Group of New Jersey, Inc.** All DPO members who are affected by this termination will be mailed material announcing the termination.

DPO members must choose a new plan and return a dental enrollment application to their human resources representative or benefits administrator by October 31. The new dental plan you choose will become effective January 1, 2008. **If you do not transfer to another plan you will be without dental coverage as of January 1.** Your current dentist may participate in one of the remaining DPOs. Check with your current dentist or the DPO plans to find out.

What Are Your Dental Plan Choices?

You have a choice between two types of dental plans:

- One of six Dental Plan Organizations (DPO); or
- The Dental Expense Plan.

(continued on page 2)



Fall 2007 CONTENTS

HIPAA Notice for 2007	2
New Copayment and Health Care Contributions	3
Duplicate Coverage for Dependent Children	3
Continuing Coverage for Children Age 23 to 30	4

Two Open Enrollments for Plan Year 2008 (continued from page 1)

available later. The *Request for Proposal* for the new plans is available for viewing on the SHBP Web site at: www.state.nj.us/treasury/pensions/shbp.htm

How to Enroll and/or Make Changes

During the open enrollment period, closely examine your health care coverage to make sure that your health plan has the services you and your dependents need, and that the health care providers you want are available to you. You may:

- enroll in the SHBP if you have not previously done so;
- change to a different health and/or dental plan;
- add eligible dependents you have not previously enrolled (including over age dependents up to age 30 who are not currently covered or who are reaching the end of COBRA eligibility - see page 4); and
- remove dependents from coverage.

To make a change to your coverage, contact your human resources representative or benefits administrator to obtain an application. Health and prescription drug coverage changes are made on the same application. Dental coverage changes are made on a separate application. Completed applications must be returned to your human resources representative or benefits administrator by October 31, 2007. **Do not send the application directly to the SHBP.**

Attention Dental Plan Organization Members (continued from page 1)

If you join another **Dental Plan Organization** you must use providers participating with the DPO you select to receive coverage. Be sure you confirm that the dentist or dental facility you select is taking new patients and participates with the SHBP Employee Dental Plans. When you use a DPO dentist, diagnostic and preventive services are covered in full. Most other eligible expenses require a copayment. The following DPOs are remaining with the SHBP Employee Dental Plan:

- **Aetna DMO** — 1-800-843-3661
- **Atlantic Southern Dental Foundation** — (BeneCare) 1-800-843-4727
- **CIGNA Dental Health, Inc** — 1-800-367-1037
- **Community Dental Associates** — (856) 451-8844
- **Healthplex (International Health Care Services)** — 1-800-468-0600
- **Horizon Dental Choice** — 1-800-433-6825

The **Dental Expense Plan** is a traditional indemnity-type

plan administered by Aetna Dental. The plan allows you to choose any licensed dentist for your dental care; however, there is a deductible to satisfy for some services and some services are eligible only up to a limited amount. The deductible does not apply to diagnostic, preventive, and orthodontic services. After you satisfy the annual deductible, you are reimbursed a percentage of the reasonable and customary charges for services that are covered under the plan. **Call Aetna at 1-877-238-6200 for more information.**

For more detailed information about see the *Employee Dental Plans Handbook* that is available on our Web site at: www.state.nj.us/treasury/pensions and select “Forms and Publications.”

If you have dental coverage through one of the terminated plans and have not received information by mail or you are unsure as to which dental plan you have, see your human resources representative or benefits administrator.

HIPAA Notice for 2007

The federal Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires group health plans to implement several provisions contained within the law to annually notify its membership of any provisions for which they file an exemption. For plan year 2007, all SHBP health plans meet or exceed the federal requirements, with the exception of mental health parity for the Traditional Plan and NJ PLUS. The State Health Benefits Commission filed an exemption from the area of mental health parity for non-biologically based mental illness with the federal Centers for Medicare and Medicaid Services for calendar year 2007 for the Traditional Plan and NJ PLUS. The maximum annual and lifetime dollar limits for mental health benefits under the Traditional Plan and NJ PLUS will not change. These limitations are outlined in your health plan’s handbook or contact your health plan for more information.

New Copayment and Health Care Contributions for SHBP Members

As discussed in the last issue of *Health Capsule*, beginning July 2007 the copayments have changed and a health care contribution is now required for employees covered under certain labor groups who are enrolled in the SHBP for health and/or prescription drug coverage. Employees not covered by a labor agreement are also affected by these changes.

The contribution changes went into effect the first full pay period in July (for employees paid on a 10-month basis, the contribution change was effective September 1, 2007). Additional labor bargaining groups may be added to the employees affected by these changes as pending labor contracts are settled.

Copayments as of July 2007

- For NJ PLUS and all HMOs (Aetna, AmeriHealth, CIGNA, Health Net, and Oxford), the copayment for primary doctor visits and visits to a specialist is \$15. The copayment for a visit to an emergency room is \$50. The emergency room copayment is waived if you are admitted to the hospital.
- The structure of the Employee Prescription Drug Plan has been modified to include a third tier of copayments. The copayment for each 30-day supply when purchased at a retail pharmacy remains \$3 for generic drugs and \$10 for brand name prescription drugs without generic

equivalents. The new third tier includes a \$25 copayment for brand name drugs where a generic equivalent is available for a 30-day supply purchased at a retail pharmacy.

- The mail order prescription drug copayments, for up to a 90-day supply, remain \$5 for generic drugs and \$15 for brand name drugs without generic equivalents. The third tier mail order copayment is \$40 for brand name drugs where a generic equivalent is available.

Contribution Rate as of July 2007

If you are enrolled as an employee in the SHBP for health and/or prescription drug coverage, the existing premium sharing arrangement of paying 5 percent of an HMO premium, or 25 percent of the Traditional Plan premium, has ended — you are required to contribute 1.5 percent of your annual base salary regardless of the medical plan or level of coverage that is selected. The contribution amount changes any time there is a change in your base annual salary. You can waive your SHBP medical and prescription coverage to avoid the 1.5 percent contribution from salary — provided you have other health care coverage. A *SHBP State Waiver* form and a *SHBP Application* (both available from your human resource representative or benefits administrator) must be completed and may be submitted anytime. Do not send the application directly to the SHBP.

Elimination of Duplicate Coverage for Dependent Children

The SHBP prohibits duplicate health coverage — meaning an individual covered under the SHBP is not permitted to have coverage under more than one plan. This rule also includes dependent children* who may not be covered under more than one parent's SHBP plan. For example, for a family with parents who are both eligible for coverage under the SHBP as employees — one may elect single coverage and one may elect parent/child coverage or one may elect family coverage (covering the spouse and children as a dependents) and the spouse waives his or her own SHBP coverage. Members with dependent children covered by the SHBP under more than one employee must

choose one coverage for the children. If you need to make a change to your dependent's coverage a *SHBP Application* must be completed and returned to your human resources representative or benefits administrator.

**Dependent children means your unmarried children under age 23 who live with you in a regular parent-child relationship, your children who are away at school, as well as divorced children living at home provided that they are dependent upon you for support and maintenance. If you are a single parent, divorced, or legally separated, your children who do not live with you are eligible if you are legally required to support those children. Affidavits of Dependency and legal documentation are required with enrollment forms for these cases. If a Qualified Medical Child Support Order (QMCSO) is issued for your child, the health plan of the parent named in the QMCSO will be the primary plan for that child.*

Continuing Coverage for Children Age 23 to 30

The SHBP has very specific guidelines about providing health coverage to children past the age of 23. The following explains the different coverage options and eligibility requirements your child must meet in order to maintain coverage through the SHBP.

COBRA for Children Turning Age 23 during 2007

Do you have a child who turned/or will turn age 23 during 2007? A dependent child who is age 23 as of December 31 will automatically be deleted from your coverage after December 31, 2007. However, your over age child may continue the same group coverage under the provisions of the federal COBRA law.

Under COBRA, your over age dependent will be billed once a month for the COBRA coverage (cost plus a 2 percent administrative charge) and can continue the coverage for up to 36 months. Dependents may enroll in any of the medical, dental, and/or prescription drug plans under which they were eligible. To ensure receipt of a COBRA notice and application, you must notify your benefits administrator if your dependent is no longer eligible for coverage. **Your dependent child must submit a completed COBRA application within 60 days of the date your employer provides you with a COBRA notice or 60 days from the date of termination, whichever is later.**

Over Age Dependents with Disabilities

Unmarried children with disabilities who turn age 23 in 2007 and who are still dependent on you for support, may remain on your health plan upon approval of their disabled status. **Requests for the continuation of coverage must be sent to the SHBP by the January 31, 2008 deadline.** To apply for an extension of health benefits coverage for a dependent with disabilities, write to the Division of Pensions and Benefits, State Health Benefits Program, PO Box 299, Trenton, NJ 08625-0299 or call (609) 292-7524. Please provide your name, address, and Social Security number, and ask for the *Request for Continuance for Dependent with Disabilities* form.

Children Over Age 23 but Ineligible for COBRA

A child who previously "aged-out" of a plan and does not currently receive coverage or who is coming to the end of a COBRA eligibility period, provided he or she meet certain requirements for dependent status, may elect continued coverage — even if there has been a gap in coverage. Those eligibility requirements are outlined as follows: 1. Be less than 30 years of age; 2. Be unmarried; 3. Have no dependent(s) of his or her own; 4. Be a resident of New Jersey or enrolled as a full-time student at an accredited public or private institution of higher education; and 5. Have no other coverage as a named subscriber, insured, enrollee, or covered person under any other group or individual health benefits plan, church plan, or health benefits plan, or entitled to benefits under Medicare.

An over age child is eligible for coverage in the medical and/or prescription drug plan that is identical to the plan in which the parent is enrolled. There is no provision under Chapter 375 for enrollment in dental or vision benefits. **In order to enroll, you must complete a *Chapter 375 Enrollment Application* and return it to your human resources representative or benefits administrator by October 31, 2007.** The application for over age children must be signed by both the child and parent responsible for paying for the cost of coverage.

For more information regarding COBRA coverage, continuing coverage for a disabled child, or obtaining separate coverage for a child under 30 who is ineligible for COBRA see your human resources representative or benefits administrator.

New Jersey SHBP

Health Capsule

Division of Pensions
and Benefits
(609) 292-7524

www.state.nj.us/treasury/pensions

Health Capsule is published periodically for State employees and is designed to keep employees informed about developments in their health benefits program. The newsletter will address issues affecting your health and prescription benefits and will include articles on new or proposed legislation, New Jersey Administrative Code changes, decisions of the State Health Benefits Commission, and national issues affecting our programs.

The selections in this publication are for information purposes only and, while every attempt at accuracy is made, it cannot be guaranteed.

If you would like to see any particular health benefits issue addressed, please forward your ideas to *Health Capsule*, Division of Pensions and Benefits, Office of Client Services, P.O. Box 295, Trenton, NJ 08625-0295.

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(HFR-2007)

**NEW JERSEY STATE HEALTH BENEFITS PROGRAM MEDICAL PLANS
MARKETING MATERIAL CONTACTS*
2007 OPEN ENROLLMENT**

PLAN NAME	PLAN/ HMO #	PHONE NUMBER	CONTACT PERSON
NJ PLUS Administered by Horizon Blue Cross Blue Shield of New Jersey	001 004 101	(973) 466-6666	Bella Bustamante
Traditional Plan Administered by Horizon Blue Cross Blue Shield of New Jersey	002 102	(973) 466-6666	Bella Bustamante

HEALTH MAINTENANCE ORGANIZATIONS

Aetna Health	005 019 119	(215) 775-0354	Colleen Zoto
CIGNA HealthCare	006 020 120	(201) 533-7758	Kathy Reed E-mail: kathy.reed@cigna.com
Oxford Health Plan	007 028 128	(732) 623-1937	Janet Green E-mail: JaGreen@oxhp.com
AmeriHealth HMO Plan	008 033 133	(856) 778-2789 <i>(Adrienne)</i> (856) 273-6079 <i>(Kevin)</i>	Adrienne Pascale (If not available please call – Kevin Sellers) E-mail: Adrienne.Pascale@amerihealth.com Kevin.Sellers@amerihealth.com
Health Net	009 034 134	1-888-747-7095	Lisa Geffert E-mail: Lisa.A.Geffert@Healthnet.com

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

(9/07)

**NEW JERSEY STATE HEALTH BENEFITS PROGRAM DENTAL PLANS
MARKETING MATERIAL CONTACTS*
2007 OPEN ENROLLMENT**

PLAN NAME	UNIT/ DPO #	PHONE NUMBER	CONTACT PERSON
Atlantic Southern Dental Foundation (Benecare)	301	(215) 440-1020	Lisa Conaway E-mail: lconaway@benecare.com
Community Dental Associates	302	(856) 692-4670 Fax: (856) 692-3068	Dr. Gorsen
CIGNA Dental Health, Inc.	305	(201) 533-7758	Kathy Reed E-mail: kathy.reed@cigna.com
International Health Care Services (Healthplex)	307	(516) 542-2208 Fax: (516) 794-3186	Patricia Mastandrea E-mail: PatriciaM@Healthplex.com
Horizon Healthcare Dental, Inc.	317	(973) 466-5380	Misti Bloomer
Aetna DMO	319	(215) 775-0354	Colleen Zoto
Dental Expense Plan – Administered by Aetna Dental	399	(215) 775-0354	Colleen Zoto

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