



# State of New Jersey

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April 2019

**TO:** State Biweekly and State Monthly SHBP Certifying Officers, Human Resources Representatives, and Benefit Administrators

**FROM:** David J. Pointer  
Deputy Director, Benefit Operations

**SUBJECT: Announcement of New State Health Benefits Program (SHBP) Medical Plans for CWA Employees**

A recent labor agreement requires that new medical plans be offered to certain active members of the New Jersey State Health Benefits Program (SHBP). This letter outlines the new plan design for these employees.

## NEW MEDICAL PLANS

For active State employees represented by the CWA, two new Preferred Provider Organization (PPO) plans will be introduced: CWA Unity DIRECT (administered by Horizon) and CWA Unity Freedom (administered by Aetna). Along with the new PPOs, the current Health Maintenance Organizations (HMO), Tiered Network Plans, and High Deductible Health Plans (HDHP) will be offered. The attached *Plan Design Chart* outlines plan coverage, including in-network and out-of-network deductibles; coinsurance; and primary care, specialist care, emergency room, and prescription drug copayments.

- For State Monthly employees, the effective date of coverage for the CWA Unity DIRECT and CWA Unity Freedom plans will be July 1, 2019.
- For State Biweekly employees, the effective date of coverage will be July 6, 2019.

## PLAN DESIGN CHANGES

### CWA Unity DIRECT and CWA Unity Freedom

For the new plans, the out-of-network reimbursement rate will be 175 percent of Centers for Medicare & Medicaid Services (CMS) reimbursement amounts with the following exclusions:

- Obstetrical care – for employees receiving obstetrical care as of July 1, 2019, the reimbursement rate will be 195 percent of the CMS amount for the duration of their care; and

- Mental Health – for employees receiving mental health services, the reimbursement rate will be 175 percent of the CMS amount up to the employee reaching the out-of-pocket maximums of \$2,000 (individual) or \$5,000 (family). The reimbursement will then be made at 195 percent of the CMS amount for the remainder of that plan year. This exclusion will remain in effect through June 30, 2021.

Out-of-network routine laboratory services will be added to the out-of-network routine care exclusion list with the following exceptions:

- Genetics lab testing;
- The first out-of-network lab expense will be forgiven (all enrollees will receive advance notification of the change to lab services prior to July 1, 2019. Any enrollee who utilized out-of-network lab services in 2018 or 2019 will also receive direct communication advising them this service will be out of network); and
- Direct Primary Care Medical Home (DPCMH) lab services will be covered in network.

Emergency room copayments are: \$150 for adults; \$50 for adults directed to the emergency room by their primary care physician; and \$50 for pediatric (through age 19). These copayments will be waived if admitted to the hospital.

Members and spouses who participate in NJWELL and complete their necessary health screenings and activities can earn a financial reward of \$350 each.

### **EMPLOYEE CONTRIBUTIONS**

1. Active members covered under the new agreement and participating in the CWA Unity DIRECT or CWA Unity Freedom plans will contribute a percentage of their salary to the cost of benefits (see Schedule #1 enclosed).
2. Members participating in an HMO plan or a HDHP will continue to contribute a percentage of premium based on their salary (see Schedule #2 enclosed).
3. Members covered under the new agreement and participating in a Tiered Network plan will contribute 75 percent of the CWA Unity DIRECT and CWA Unity Freedom contribution rates in #1 above (see Schedule #3 enclosed).

### **SPECIAL OPEN ENROLLMENT**

The SHBP will hold a special Open Enrollment for employees covered under the new CWA agreement from April 22, 2019, to May 3, 2019. Current CWA subscribers will be automatically transferred or remain in the same plan as outlined below unless they submit a *CWA Open Enrollment Application* and choose another plan:

- CWA employees enrolled in NJ DIRECT15, 1525, 2030, or 2035 will be automatically transferred to the new CWA Unity DIRECT plan.
- CWA employees enrolled in Aetna Freedom 15, 1525, 2030, or 2035 will be automatically transferred to the new CWA Unity Freedom plan.

- CWA employees enrolled in a Tiered Network plan will remain in the plan in which they are currently enrolled.
- CWA employees enrolled in an HMO will remain in the plan in which they are currently enrolled.
- CWA employees enrolled in a HDHP will remain in the plan in which they are currently enrolled.

The special Open Enrollment is for medical plan changes only and limited to the CWA employees covered under the new labor agreement. Members will not be permitted to add dependents to coverage, change coverage levels, or make changes to dental or prescription drug plans. Completed *CWA Open Enrollment Applications* for active employees must be submitted through the employer and received by the NJDPB before May 10, 2019.

#### **ADDITIONAL INFORMATION**

If you have questions regarding any of the information provided in this letter, contact the NJDPB's Office of Client Services at (609) 292-7524, or email the NJDPB at: [pensions.nj@treas.nj.gov](mailto:pensions.nj@treas.nj.gov)

Enclosures