

IBEW, STFA, AFT, and Non-Aligned Employee Medical Plan Conversion

Frequently Asked Questions

ACTIVE EMPLOYEES

- 1. Q. Why are certain State Health Benefits Program (SHBP) members currently enrolled in NJ DIRECT15, 1525, 2030, or 2035 being automatically converted to a new medical plan, NJ DIRECT?**

A. The International Brotherhood of Electrical Workers (IBEW), State Troopers Fraternal Association (STFA), and American Federation of Teachers Council of New Jersey State College Locals (AFT), ratified recent labor agreements which require that certain active members of the SHBP currently enrolled in the NJ DIRECT15, 1525, 2030, or 2035 plans be converted to a new medical plan, NJ DIRECT/NJ DIRECT2019*.

Members currently enrolled in the Horizon HMO, OMNIA Tiered Network, HD4000, or HD1500 plans will continue enrollment in those plans.

**Employees hired before July 1, 2019, will be enrolled in NJ DIRECT. Employees hired after July 1, 2019, will be enrolled in NJ DIRECT2019.*

- 2. Q. When is the conversion to the new NJ DIRECT plan effective?**

A. For members on the IBEW, STFA, and non-aligned employees the conversion to NJ DIRECT/NJ DIRECT2019 is effective September 1, 2020.

For members of the AFT the conversion to NJ DIRECT is effective October 1, 2020.

- 3. Q. Why are non-aligned State employees also being converted from the NJ DIRECT15, 1525, 2030, or 2035 to the new NJ DIRECT plan?**

A. On March 11, 2020, the State Health Benefits Commission (SHBC) passed a resolution deeming all non-aligned employees to AFCSME Council 1, which represents the bargaining unit with the largest and most diverse State employment from among the bargaining units that have identical provisions regarding NJ DIRECT/NJ DIRECT2019.

- 4. Q. Why did the SHBC deem non-aligned employees to the AFCSME Council 1 for purposes of health coverage under the SHBP?**

A. The SHBC noted in the resolution which deemed non-aligned employees to this contract that the intent was to ensure that the health benefits coverage and costs applicable to non-aligned employees are identical to the coverage and costs applicable to the majority of the State workforce.

- 5. Q. Who is included in non-aligned staff? Does this include managerial, unclassified, as well as V, W, and Y Units?**

A. The affected non-aligned staff includes staff in M (managerial), X (unclassified), V, W, and Y Units. Staff that have been deemed confidential in the IBEW Unit are also covered by this conversion.

THE NJ DIRECT PLAN

- 6. Q. What are the significant changes to coverage under the NJ DIRECT Plan?**

A. You can review a side-by-side [comparison of the plan designs](#) for NJ DIRECT/NJ DIRECT2019 and NJ DIRECT15, 1525, 2030, and 2035. As outlined in the [NJ DIRECT plan design](#) there will be changes to copayments and applicable coinsurance on certain services. In addition, for the new NJ DIRECT/NJ DIRECT2019 plan — and the OMNIA Tiered Network plan — contributions will be based on a percentage of salary rather than a percentage of premium.

7. Q. What are contributions like under the NJ DIRECT plan?

A. Employees and certain retirees enrolled in the NJ DIRECT plan or the OMNIA Tiered Network plan are required to contribute a percentage of either their base salary or retirement allowance (including any cost-of-living adjustment) as applicable. Employees and certain retirees enrolled in the Horizon HMO, HD4000, or HD1500 plans will continue to contribute based on percentage of premium. See the [Negotiated Plans Contribution Chart](#).

8. Q. Will there be a change in the provider network?

A. No, there will not be any effect on the provider network. The current third-party administrator for active employees and non-Medicare eligible retirees remains Horizon Blue Cross Blue Shield of New Jersey (BCBSNJ).

9. Q. Will I be receiving a new ID card from Horizon BCBSNJ?

A. Yes, you will receive a new ID card from Horizon BCBSNJ. You can also download a digital version of your ID card from the Horizon Blue app or the Horizon BCBSNJ SHBP website.

RETIREES

10. Q. How do the agreements impact employees who retire with 25 years of service?

A. For employees who retire and are not eligible for Medicare:

- If an IBEW, STFA, AFT, or non-aligned member had at least 25 years of service prior to July 2, 2019, and retires on or after July 2, 2029, the plan selections will be from all available SHBP plans and required contributions will be determined by the negotiated agreement in place at the time the member attained 25 years. If the member chooses to be in the NJ DIRECT plan, the contribution will be based on a percentage of retirement allowance (unless the prior agreement provides 100 percent State-paid coverage or a contribution of 1.5 percent of the retirement allowance).
- If an IBEW, STFA, AFT, or non-aligned member attains 25 years of service on or after July 2, 2019, the plan selections will be NJ DIRECT/NJ DIRECT2019, the OMNIA Tiered Network, Horizon HMO, HD4000, or HD1500 plans. Required contributions for NJ DIRECT/NJ DIRECT2019 or the OMNIA Tiered Network plan will be based on a percentage of retirement allowance. Required contributions for the HMO, HD4000, or HD1500 plans will be based on a percentage of premium.

See the NJDPB website for [SHBP plan rates for retirees](#).

11. Q. What about employees who do not have 25 years of service at retirement?

A. If an IBEW, STFA, AFT, or non-aligned member retires with less than 25 years of service and is not eligible for Medicare, the plan selections will be from all available SHBP plans and the member will pay the full monthly premium for coverage. See the NJDPB website for [SHBP plan rates for retirees](#).

12. Q. What about disability retirees?

A. For IBEW, STFA, AFT, or non-aligned members who retire on a Disability Retirement after July 2, 2019, and are not eligible for Medicare, the plan selections will be NJ DIRECT/NJ DIRECT2019, the OMNIA Tiered Network, Horizon HMO, HD4000, or HD1500 plans. The required contribution for most disability retirees will be 1.5 percent of the monthly retirement allowance; however, members represented by the IBEW 33 or IFPTE Unions who retire on a Disability Retirement after January 1, 2017, must pay a contribution toward post-retirement medical coverage based on the applicable percentage of premium.

13. Q. Do the agreements impact retirees who retired prior to July 2, 2019?

A. No. IBEW, STFA, AFT, or non-aligned retirees who retired prior to July 2, 2019, may maintain their current SHBP plan choices and contribution schedules.

14. Q. Do the agreements impact Medicare-eligible retirees?

A. No. Medicare-eligible retirees maintain their current Medicare Advantage plan choices and contribution schedules. See the NJDPB website for information about [SHBP Medicare Advantage Plans](#).

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