



State of New Jersey

School Employees' Health Benefits Program

Plan Year 2020 Rate Renewal Recommendation Report

August 23, 2019

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Executive Summary

The purpose of this report is to recommend premium levels for the School Employees' Health Benefits Program (SEHBP) for January 1, 2020 through December 31, 2020.

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 2020 are based on medical and prescription drug claims paid from May 1, 2018 through April 30, 2019. The following bullets summarize the major highlights in the Renewal Report:

- The total recommended Plan Year 2020 premium rate change for the combined Local Education Actives, Early Retirees, and Medicare Retirees is a decrease of 2.3%. This reflects the following:
 - The recommended rate change for Local Education Actives is a 3.9% decrease for medical and a 9.7% decrease for the prescription drug premium rates, for a total decrease of 4.5%.
 - The recommended rate change for Local Education Early Retirees is a 7.4% decrease for medical and a 9.6% increase for the prescription drug premium rates, for a total decrease of 4.8%.
 - The Medicare Retiree medical increase for Plan Year 2020 is 36.4%, which includes both self-insured medical premiums and fully insured Medicare Advantage premiums. The medical change is driven by an increase in the fully insured Medicare Advantage premium rates, which reflect the additional cost of the Health Insurer Fee that was not applicable in Plan Year 2019. The recommended prescription drug rate change in Plan Year 2020 is a 5.4% decrease.
- Effective January 1, 2020, all self-insured medical plans will be 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 on August 5, 2019. The Self-Insured Medical Bid solicitation is expected to reduce Plan Year 2020 Local Education medical costs by 1.4%.
- Effective January 1, 2020, prescription drug benefits for Actives and Retirees will continue to be administered by Optum as a result of a 2019 Reverse Auction Bid Solicitation administered by Truveris, Inc. Based on data provided by Truveris, the PBM solicitation is expected to reduce Plan Year 2020 Local Education prescription drug costs by 2.9%.
- 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. Expected Plan Year 2020 savings are included in the projected medical and prescription drug costs.

Recommended Premium Renewal Changes

The recommended Plan Year 2020 premium rate changes are as follows: a decrease of 4.5% for Active Employees, a 4.8% decrease for Early Retirees and an 8.4% 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 increases for Plan Year 2020 includes both self-insured medical premiums and fully insured Medicare Advantage premiums. For all groups combined, the recommended change is a decrease of 2.3%.

The recommended renewal premium rate changes for Plan Year 2020 by benefit plan are listed below:

	Medical	Rx	Total
Actives			
PPO	(3.9%)	(9.7%)	(4.5%)
HMO	(3.9%)	(9.7%)	(4.7%)
Total	(3.9%)	(9.7%)	(4.5%)
Early Retirees			
PPO	(7.4%)	9.6%	(4.8%)
HMO	(7.4%)	9.6%	(4.5%)
Total	(7.4%)	9.6%	(4.8%)
Medicare Retirees			
Total	36.4%	(5.4%)	8.4%
Grand Total	(0.6%)	(6.1%)	(2.3%)

The table below shows the expected changes in the projected Claim Stabilization Reserve.

SEHBP Projected Claim Stabilization Reserve

(in \$ millions)

	Reserve Balance
12/31/2018	\$358
12/31/2019	\$446
12/31/2020	\$408
Months of Plan Cost as of 12/31/2020	4.3

Plan Year 2020 Overview

Self-Insured Medical Bid Solicitation: Effective January 1, 2020, all self-insured medical plans will be 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 will be implementing 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. The Self-Insured Medical Bid Solicitation is estimated to reduce Plan Year 2020 Active and Early Retiree medical claims by 2.0% and 1.8%, 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 2020 plan costs. Expected Plan Year 2020 savings are included in the projected medical and prescription drug costs.

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.

Employee/Retiree Contribution Changes

Actives: It is anticipated that the Chapter 78 contributions will motivate a small number of employees to migrate to the lower-cost benefit plans, and Plan Year 2020 enrollment projections assume that 0.5% of the enrollment in the Horizon NJ DIRECT10 plan will migrate to lower-cost plans from Plan Year 2019 to Plan Year 2020.

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 2020, which means that 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 imposes 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 places a moratorium on this tax in Plan Year 2019. Aon's projections assume that there is no moratorium on the HIF for Plan Year 2020.

In-Network Out-of-Pocket Maximum: Effective 1/1/2020, Federal Health Care Reform requires that in-network medical and prescription drug benefits have a combined out-of-pocket maximum no greater than \$8,150 single / \$16,300 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)
2018	\$7,350 / \$14,700
2019	\$7,900 / \$15,800
2020	\$8,150 / \$16,300

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 of the 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 report.

New Jersey State Mandates

3-D Mammography/Breast Cancer Screening Mandate: Effective January 1, 2019, this mandate will remove member cost-sharing for 3-D mammography screenings when used to screen for breast cancer in women 40 years of age or over. However, when a 3-D mammography is conducted to obtain a diagnosis in women of any age, the same cost sharing that applies to similar services will apply. This mandate is estimated to increase non-Medicare medical claims by approximately 0.1% annually.

NJ Coverage for Donated Breast Milk: Effective January 1, 2019, New Jersey is requiring coverage to cover the expenses incurred in the provision of donated human breast milk. The Department of Health is currently creating guidelines for this mandate. There are no milk banks at this time that qualify as the guidance is not final. This legislation is not expected to materially impact the SEHBP

NJ Out of Network Consumer Protection Act: Effective August 29, 2018, carriers are required to comply with certain disclosure, reimbursement, negotiation, and arbitration requirements with respect to out of network services received by its members. The act will enhance consumer protection related to emergent and surprise out of network health care charges. This mandate is estimated to reduce Plan Year 2019 PPO medical claims by 0.8% for Education Actives and 0.6% for Education Early Retirees.

Vendor Changes

Medical Vendors: Effective, January 1, 2020, Horizon will solely 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 2020.

Pharmacy Benefit Manager: Optum will continue to administer the prescription drug benefits for Actives and Retirees in Plan Year 2020.

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 119 as of May 2019.

Part-Time Coverage: Part-time Employees may enroll in any of the SEHBP plans, and as of May 2019, 55 Local Education Part-time Employees participate. Aon recommends a 0% rate load for Plan Year 2020, a decrease from the rate load of 1% used in Plan Year 2019. This 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 2017 through 2019 and includes a projection of enrollment from Plan Year 2019 to 2020. This projection assumes that Local Education Active enrollment will decrease 6.0% in Plan Year 2020. Early Retiree enrollment is projected to decrease 4.0% per year in Plan Year 2020; and Medicare Retiree enrollment is projected to increase 3.0% in Plan Year 2020.

Exhibit 1B shows the projected distribution of enrollment among benefit options and assumes that 0.5% of enrollment in the Horizon NJ DIRECT10 plan will migrate to the lower-cost benefit options for Plan Year 2020.

Exhibit 1C shows enrollment by benefit option and coverage tier as of May 2019.

Active Demographic Changes

Based on May 2019 census data, the Active Employee average age decreased 0.8 years from Plan Year 2018 to Plan Year 2019. The average HMO Employee age increased 0.3 years from Plan Year 2018 to Plan Year 2019, while the PPO Employee average age decreased 0.8 years. The average age of Employees enrolled in the new benefit options is approximately four years younger than the average age of Employees enrolled in the Legacy Plans.

Average Employee Age

	May 2018	May 2019	Change
Legacy PPO	47.5	46.7	(0.8)
Legacy HMO	50.4	50.7	0.3
Legacy Total	47.6	46.8	(0.8)
New Plans	43.3	42.6	(0.7)
Total	47.2	46.4	(0.8)

Trend Analysis

The recommended claim trend assumptions for Plan Years 2019 and 2020 are as follows:

	Plan Year 2019		Plan Year 2020	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives*	7.00%	7.00%	6.50%	7.00%
PPO Early Retirees	6.00%	7.00%	6.00%	7.00%
Self-Insured Medicare Retirees	5.00%	7.00%	5.00%	7.00%
HMO Actives*	7.00%	7.00%	6.50%	7.00%
HMO Early Retirees	7.00%	7.00%	6.50%	7.00%

*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 2020 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 2020 for medical and prescription drug, respectively. These experience trends are based on estimated incurred claim trends from May 1, 2017 to April 30, 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 2020	Vendor Recommendation			National AON Trend Guidance
	Horizon	Aetna	Optum	
PPO Actives	8.0%	7.3%	N/A	5.5%
PPO Early Retirees	6.5%	7.3%	N/A	5.5%
HMO	6.0%	7.6%	N/A	5.5%
Prescription Drugs	N/A	N/A	8.0%	6.5%

Medical Trends:

- PPO Actives: The recommended PPO medical trend for Actives has been reduced to 7.00% in Plan Year 2019, as compared to the Plan Year 2019 PPO Active medical trend of 8.00% reflected in the Plan Year 2019 Renewal Report (does not include the anti-selection adjustment described below). The recommended Active PPO medical trend is 6.5% in Plan Year 2020.
- PPO Early Retirees: The recommended PPO medical trend for Early Retirees remains level at 6.0% in Plan Year 2019 and Plan Year 2020, consistent with the PPO Early Retiree medical trend of 6.0% for Plan Year 2019 reflected in the Plan Year 2019 Renewal Report.
- Self-Insured Medicare Retirees (PPOs and HMOs): The self-insured Medicare Retiree medical trend is recommended to be increased to 5.0% in Plan Year 2019 and Plan Year 2020, as compared to the Plan Year 2019 Medicare Retiree medical trend of 4.0% in the Plan Year 2019 Renewal Report.

- **HMO Actives:** The Plan Year 2019 medical trend for HMO Actives is recommended to be increased to 7.0%, as compared to 6.0% in the Plan Year 2019 Renewal Report (does not include the anti-selection adjustment described below). The HMO Active trend assumption is 6.5% in Plan Year 2020.
- **HMO Early Retirees:** The Plan Year 2019 medical trend assumption for HMO Early Retirees is recommended to be increased to 7.0% in Plan Year 2019, as compared to 6.0% in the Plan Year 2019 Renewal Report. The HMO Early Retiree trend assumption is 6.5% in Plan Year 2020.

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 prescription drug trend recommendation for Actives and Retirees has been reduced to 7.0% for Plan Year 2019 from 10.0% for Actives and 8.0% for Retirees in the Plan Year 2019 Renewal Report.

Additional Trend Adjustments: Based on expected terminations of Local Education Active Employers from the SEHBP and the expectation of a 6% reduction in the Active enrollment, the Active medical and prescription drug trends have been increased by 150 basis points for Plan Year 2019 and 50 basis points for Plan Year 2020. The Plan Year 2019 Renewal Report reflected an adjustment of 150 basis points in Plan Year 2019. This adjustment is based on future expectations of the anti-selection risk (employers are terminating which will affect the SEHBP's overall loss ratio).

Medicare Advantage: The Medicare Advantage rates were provided by Aetna. These fully-insured premium rates reflect the Health Insurer Fee in Plan Year 2020. Below is a table summarizing the fully insured Medicare Advantage per member per month rates for Plan Years 2019 and 2020.

Aetna Monthly Per Member Medicare Advantage Premium Rates

Local Education	Aetna		
	2019	2020	% Change
PPO 10	\$ 92.53	\$ 125.66	35.8%
PPO 15	\$ 72.48	\$ 105.94	46.2%
HMO 10	\$ 114.50	\$ 151.11	32.0%
HMO 1525	\$ 80.00	\$ 115.68	44.6%

Financial Projections

Aggregate Financial Projections

Using the assumptions detailed in this report's Renewal Rate Development section, below are the current estimated projected costs for Plan Years 2018, 2019 and 2020.

Projected Financial Results (in \$ millions)

	PPO 10	PPO 15	Legacy HMOs	New Plans*	Total
Plan Year 2018					
Premium Rates x Enrollment	\$1,974.4	\$435.6	\$113.1	\$43.6	\$2,566.7
Incurred Claims	\$1,735.9	\$374.7	\$92.3	\$27.8	\$2,230.7
Administrative Charges	\$46.8	\$7.6	\$2.8	\$1.0	\$58.2
Net Gain (Loss)	\$191.7	\$53.3	\$18.0	\$14.8	\$277.8
Plan Year 2019					
Premium Rates x Enrollment	\$1,452.2	\$431.7	\$83.3	\$193.7	\$2,160.9
Incurred Claims	\$1,368.0	\$387.8	\$73.2	\$169.0	\$1,998.0
Administrative Charges	\$22.1	\$5.9	\$1.9	\$7.9	\$37.8
Net Gain (Loss)	\$62.1	\$38.0	\$8.2	\$16.8	\$125.1
Plan Year 2020					
Premium Rates x Enrollment	\$1,358.1	\$380.9	\$80.9	\$246.6	\$2,066.5
Incurred Claims	\$1,371.5	\$372.3	\$78.4	\$240.3	\$2,062.5
Administrative Charges	\$24.5	\$6.5	\$2.0	\$9.7	\$42.7
Net Gain (Loss)	(\$37.9)	\$2.1	\$0.5	(\$3.4)	(\$38.7)

*New plans include the \$0 Copay plan

The current Plan Year 2018 financial results project an increase in the gain of \$25 million compared to the gain shown in the Plan Year 2018 Mid-Year Report. This reduction in projected costs is largely due to better than expected medical and prescription drug experience for both Actives and Retirees.

The current Plan Year 2019 financial results project an increase of \$106 million in the gain shown in the Plan Year 2018 Mid-Year Report. The reduction in cost is largely due to better than expected medical and prescription drug claims experience.

The Plan Year 2020 renewal premiums are projected to produce a \$39 million loss and this loss is expected to reduce the Claims Stabilization Reserve. The Plan Year 2020 aggregate projected costs are \$2.1 billion: \$1.1 billion for Actives and \$1.0 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 2018

The total cost decreased approximately 1.1% from the Plan Year 2018 Mid-Year Report. For actives, the projected medical and prescription drug cost decreased 0.6% from Plan Year 2018 Mid-Year Report, primarily a result of additional claims runout through April 2019 resulting in lower than expected claims. Retiree costs decreased 1.6% from the Plan Year 2018 Mid-Year Report due to lower than expected additional claims runout through April 2019 and increases in actual prescription drug rebates.

Plan Year 2019

For Plan Year 2019, there is an increase in the projected gain for Active Employees as a result of a 4.8% reduction in total active plan costs as shown in Plan Year 2018 Mid-Year Report. This reduction is primarily a result of the following:

- There is a 4.5% reduction in projected Plan Year 2019 active costs due to actual medical and prescription claims through April 2019 as compared to projected claims.
 - Emerging NJDIRECT claim experience through April 2019 shows a reduction in both cost and utilization trends. Rolling 12-month NJDIRECT claims experience through April 2019 shows Education Active cost and utilization trends have reduced 2% and 1%, respectively, as compared to experience in the 2018 Mid-Year Report.
 - Emerging Plan Year 2019 Horizon claims data through April shows inpatient utilization is trending negative, resulting in overall negative trends on inpatient services. Year to date April 2019 claims data shows lower trends in out-of-network physical therapy, acupuncture, and chiropractic services as compared to prior years.
- There is an additional 0.2% reduction in projected cost as a result of changes in Plan Year 2019 trend assumptions and investment income.
- Based on updated information from Optum, active prescription drug rebates are projected to increase slightly. As a result, total active cost is projected to decrease by 0.1%.

For Retirees, there is an increase in the projected gain due to a 6.0% reduction in total retiree plan costs from the results shown in Plan Year 2018 Mid-Year Report. This reduction is primarily a result of the following:

- There is a 6.1% reduction in projected Plan Year 2019 retiree plan cost due to updated medical and prescription drug claims experience through April 2019 in addition to updated Medicare retiree prescription drug claims data provided by Optum.
 - Emerging Plan Year 2019 experience shows low utilization trends for Early Retirees of approximately 1.1%.
 - Optum reporting shows reductions in utilization driven by the drug mix and drug quantity for Medicare Retirees and reductions in drug quantity for Early Retirees.
 - Emerging Plan Year 2019 Optum data shows an increase in the generic dispensing rate for both Early and Medicare Retirees.
- There is an additional 0.3% reduction in projected cost as a result of changes in Plan Year 2019 assumptions, investment income, and overhead.
- Based on updated information from Optum, reductions in retiree prescription drug rebates are projected to decrease projected retiree costs by approximately 0.2%, and an increase in EGWP credits are projected to decrease total costs by 0.1%.

Self-Insured Vendor Administrative Fees and Claim Charges

The sections below show Plan Year 2020 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 2020		
	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

* Note that Plan Year 2019 NJWELL fees applied to the entire Active population. Plan Year 2020 Fees are per attributed NJWELL employee.

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 2020 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 2020 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 66% for the \$4,000 High Deductible plan up to 97% for the Active NJ DIRECT0 plan.

Renewal Rate Development

Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2018, 2019 and 2020, separately for each PPO, HMO, and High Deductible 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 2020 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 incurred and paid claim data through April 2019 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 2020 using the annual trend rates listed in the Trend Analysis section of this document.
5. Aggregate claims for Plan Year 2020 are the product of projected enrollment and the projected claims per member.
6. Plan Year 2020 projected Medicare Advantage fully insured premiums are based rates provided by Aetna.
7. Prescription drug rebates for Plan Year 2018 are based on actual rebate payment data received from the State. Projected rebates for Plan Years 2019 and 2020 are based on information provided by Optum.
8. Prescription drug rebates paid through the medical plan for Plan Year 2018 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 2019 and 2020 are incorporated in the medical claim projections and are based on the actual Plan Year 2018 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 2019 and 2020.
 - a. CMS per capita payments: Plan Years 2018, 2019, and 2020 actual and expected CMS per capita payments were provided by Optum. The Plan Year 2020 CMS per capita payment is assumed to be \$7.91 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2018, 2019, and 2020 actual and expected coverage gap payments were provided by Optum. The Plan Year 2020 credits are assumed to be \$75.27 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2018 credit is not expected to be fully paid until the beginning of Plan Year 2020. Plan Years 2018, 2019, and 2020 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2020 credits are assumed to be \$81.24 PMPM.
 - d. Low Income Cost Sharing (LICS): Plan Years 2018 and 2019 actual and expected LICS payments were provided by Optum. For Plan Year 2020, the subsidy payment is assumed to be \$1.11 PMPM.
10. The Plan Year 2020 projected Education Surcharge is approximately \$31 million, and this is used as a credit against projected Early Retiree costs.
11. Total SEHBP projected Plan Year 2020 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 2020 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 \$3.8 million for Plan Year 2020.
14. All other fees and claim charges reported by the vendors have been reflected in the projections.
15. Projected investment income of \$7.8 million was used to reduce projected administrative costs for Plan Year 2020.
16. Based on participation in NJWELL, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2018 participation showed 2 Local Education employers (a total of 3 Employees) were eligible for this discount. The Plan Year 2019 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium discount in Plan Year 2019. No Employers are expected to be eligible for this discount in Plan Year 2020.

Claim Stabilization Reserve

1. Active premiums include no margin since the Active Claim Stabilization Reserve at the end of Plan Year 2020 is projected to be at or above the target reserve of 2.0 months of Plan costs as of 12/31/2020.
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, 2020 is based on the actual Claim Stabilization Reserve at June 30, 2018 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 a reduction in the Claim Stabilization Reserve for Plan Year 2020.

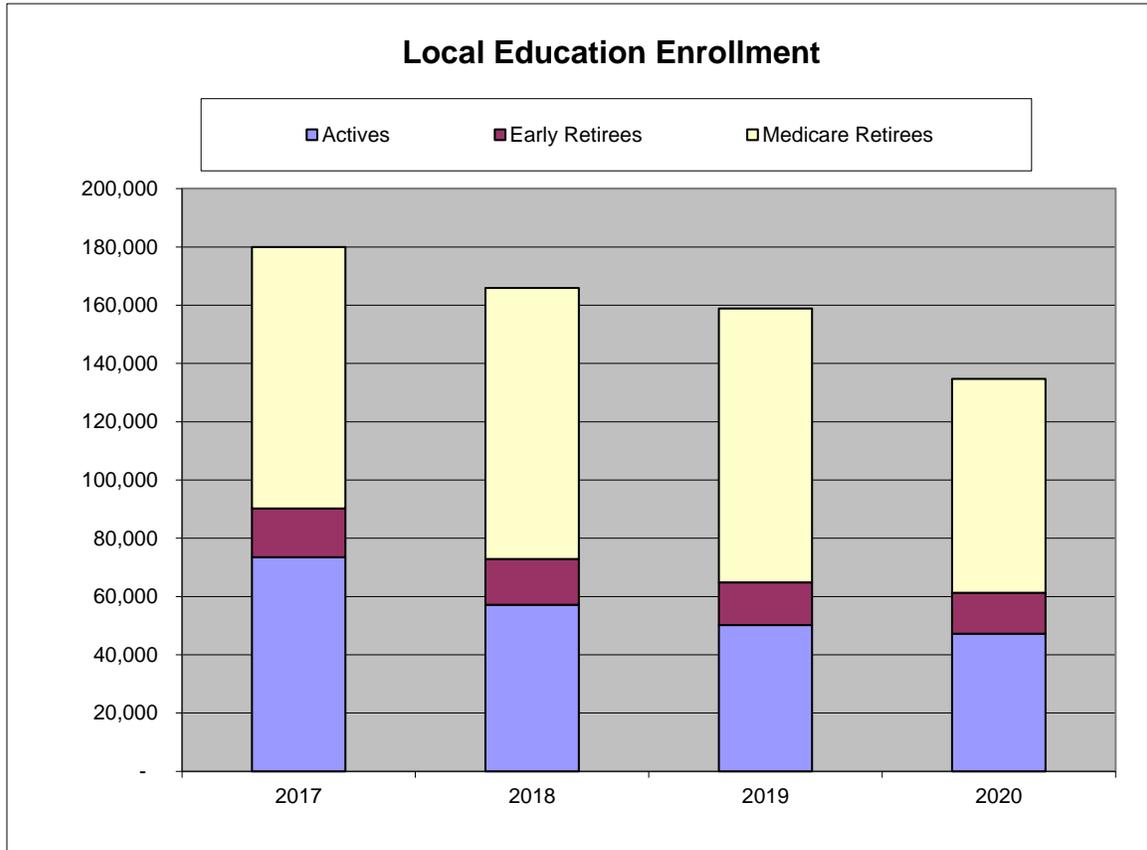
Projected Premiums

1. Plan Year 2020 self-insured premiums were developed by applying the premium increase percentages listed in the Executive Summary section of this document to the Plan Year 2019 premium rates. Plan Year 2020 fully insured Medicare Advantage premiums were provided by Aetna.
2. Aggregate Plan Year 2020 premium is calculated by multiplying projected Plan Year 2019 enrollment by Plan Year 2020 premium rates.

Data Assumptions

1. Claims: For medical and prescription drug claims, claim files from each of the vendors, which have claims paid through April 30, 2019, were used.
2. Enrollment: Billing counts from the Division of Pensions and Benefits through May 2019 are used for the exposure units in the cost analysis.

Exhibit 1A – Enrollment Projections

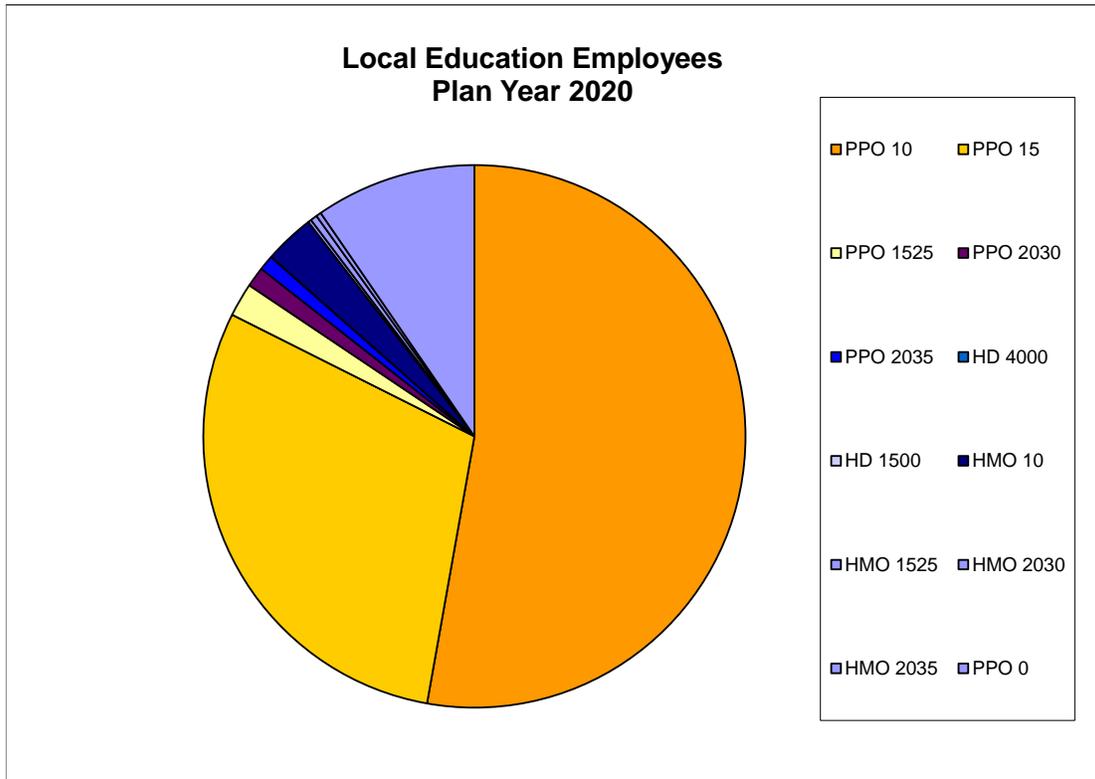


Annual Change in Enrollment

	Actual <u>2017 to 2018</u>	Actual <u>2018 to 2019</u>	Projected* <u>2019 to 2020</u>
Actives	(22.2%)	(12.2%)	(6.0%)
Early Retirees	(6.4%)	(6.7%)	(4.0%)
Medicare Retirees	3.7%	1.0%	3.0%

*Projected 2019 enrollment for Active Employees and Retirees was assumed to be consistent with enrollment data through May provided by the State.

Exhibit 1B Actives – Projected Plan Year 2020 Plan Distribution



Assumes approximately 56% of Employees will remain in the \$10 copay plans.

Assumes approximately 96% of Employees will enroll in the PPO plans, 4% in the HMO plans, and less than 1% in the High Deductible plans.

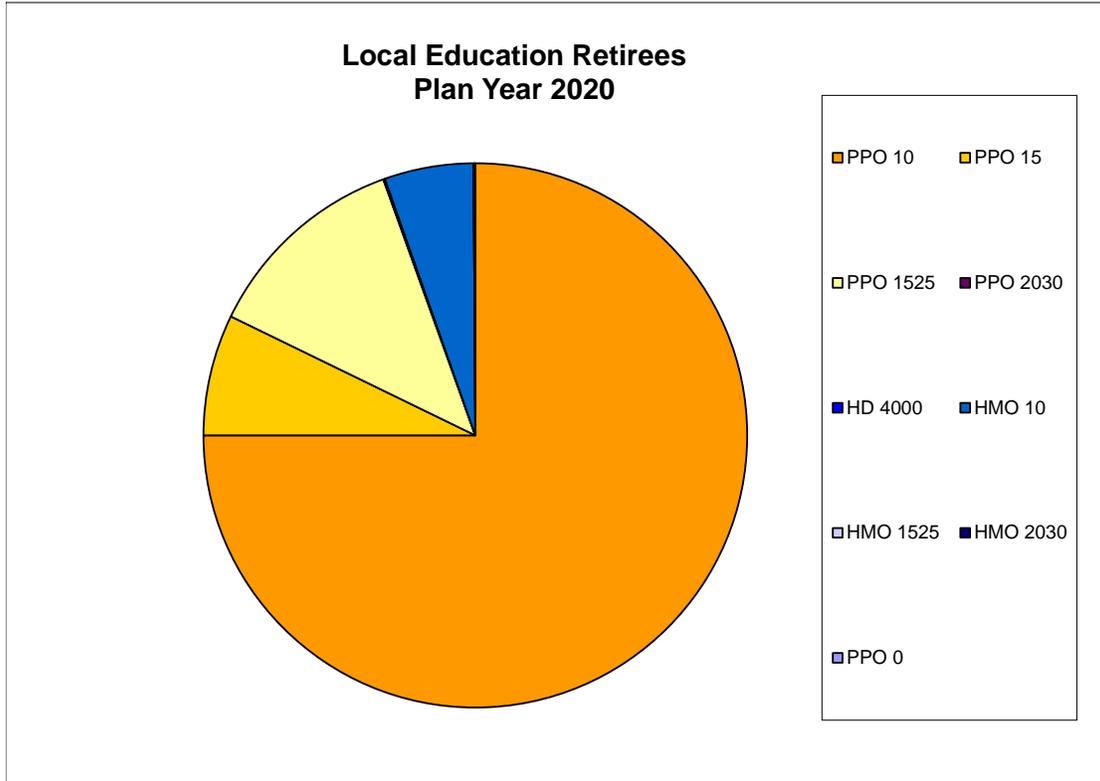
Assumes approximately 85% of Employees will enroll in the Legacy plans, with only approximately 15% in the new benefit options.

Actives	Horizon	Aetna*	Total
PPO 10	49.9%	2.9%	52.8%
PPO 15	28.5%	1.1%	29.6%
PPO 1525	1.6%	0.4%	2.0%
PPO 2030	0.9%	0.3%	1.2%
PPO 2035	0.7%	0.2%	0.9%
HD 4000	0.0%	0.0%	0.0%
HD 1500	0.0%	0.0%	0.0%
HMO 10	0.5%	2.5%	3.0%
HMO 1525	0.1%	0.1%	0.2%
HMO 2030	0.3%	0.1%	0.4%
HMO 2035	0.2%	0.1%	0.3%
PPO 0	8.9%	0.7%	9.6%
Total	91.6%	8.4%	100.0%

*Aetna enrollment in medical self-insured plans is assumed to migrate to Horizon plans due to the medical RFP.

**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 2020 Plan Distribution



Assumes approximately 80% of Retirees will remain in the \$10 copay plans.

Assumes approximately 95% of Retirees will enroll in the PPO plans, 5% in the HMO plans, and less than 1% in the High Deductible plan.

Assumes approximately 88% of Retirees will enroll in the Legacy plans, with less than 12% in the new benefit options.

Retirees	Horizon	Aetna*	Total
PPO 10	9.9%	65.1%	75.0%
PPO 15	0.6%	6.6%	7.2%
PPO 1525	12.3%	0.0%	12.3%
PPO 2030	0.1%	0.0%	0.1%
HD 4000	0.0%	0.0%	0.0%
HMO 10	0.2%	5.1%	5.3%
HMO 1525	0.0%	0.0%	0.0%
HMO 2030	0.0%	0.0%	0.0%
PPO 0	0.1%	0.0%	0.1%
Total	23.2%	76.8%	100.0%

*Aetna early retiree enrollment in medical self-insured plans is assumed to migrate to Horizon plans due to the medical RFP.

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

Exhibit 1C Actives – May 2019 Enrollment

	Number of Contracts as of May 2019				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION - ACTIVE & COBRA					
Medical Plans					
NJ DIRECT10	8,300	4,946	10,633	2,570	26,449
NJ DIRECT15	5,174	2,424	5,964	1,527	15,089
NJ DIRECT1525	340	116	286	64	806
NJ DIRECT2030	187	67	122	42	418
NJ DIRECT2035	179	43	70	31	323
NJ DIRECT HD4000	1	0	0	0	1
NJ DIRECT HD1500	5	1	1	0	7
Horizon Legacy HMO (10)	126	20	49	40	235
Horizon 1525 HMO	30	4	6	1	41
Horizon 2030 HMO	121	7	15	2	145
Horizon 2035 HMO	95	5	7	9	116
Horizon DIRECT ZERO	755	278	1,037	316	2,386
Horizon Total	15,313	7,911	18,190	4,602	46,016
Aetna Freedom 10	551	236	602	170	1,559
Aetna Freedom 15	239	79	228	45	591
Aetna Freedom 1525	69	18	38	12	137
Aetna Freedom 2030	60	11	33	6	110
Aetna Freedom 2035	67	14	21	5	107
Aetna Value HD4000	1	0	0	0	1
Aetna Value HD1500	2	0	1	0	3
Aetna Legacy HMO (10)	382	249	427	176	1,234
Aetna 1525 HMO	22	6	7	3	38
Aetna 2030 HMO	13	5	9	4	31
Aetna 2035 HMO	19	1	5	1	26
Aetna Freedom ZERO	103	37	91	39	270
Aetna Total	1,528	656	1,462	461	4,107
Total	16,841	8,567	19,652	5,063	50,123

Exhibit 1C Early and Medicare Retirees – May 2019 Enrollment

	Number of Contracts as of May 2019				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION RETIREES					
Medical Plans					
NJ DIRECT10	3,934	6,809	3,469	1,221	15,433
NJ DIRECT15	254	462	259	126	1,101
NJ DIRECT1525	7,423	5,812	266	118	13,619
NJ DIRECT2030	58	33	3	5	99
NJ DIRECT HD4000	8	5	0	0	13
NJ DIRECT HD1500	0	0	0	0	0
Horizon Legacy HMO (10)	101	66	19	12	198
Horizon 1525 HMO	22	18	2	1	43
Horizon 2030 HMO	8	4	1	2	15
Horizon DIRECT ZERO	12	7	16	3	38
Horizon Total	11,820	13,216	4,035	1,488	30,559
Aetna Freedom 10	39,377	25,892	401	140	65,810
Aetna Freedom 15	4,358	2,290	17	12	6,677
Aetna Freedom 1525	3	2	1	1	7
Aetna Freedom 2030	2	3	1	1	7
Aetna Value HD4000	2	1	0	0	3
Aetna Value HD1500	0	0	0	0	0
Aetna Legacy HMO (10)	3,015	2,103	234	143	5,495
Aetna 1525 HMO	23	6	0	1	30
Aetna 2030 HMO	5	0	1	1	7
Aetna Freedom ZERO	1	3	8	1	13
Aetna Total	46,786	30,300	663	300	78,049
Total	58,606	43,516	4,698	1,788	108,608

Exhibit 2A – Medical Trend

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
<u>PPO Active</u>			
05/01/2017 - 04/30/2018	10.6%	0.6%	10.0%
05/01/2018 - 04/30/2019	6.8%	(0.2%)	7.0%
Average			8.5%
Aon Plan Year 2020 Trend Assumption			6.5%
<u>PPO Early Retiree</u>			
05/01/2017 - 04/30/2018	5.2%	0.6%	4.6%
05/01/2018 - 04/30/2019	6.8%	(0.2%)	7.0%
Average			5.8%
Aon Plan Year 2020 Trend Assumption			6.0%
<u>Self-Insured PPO Medicare Retiree</u>			
05/01/2017 - 04/30/2018	4.9%	0.0%	4.9%
05/01/2018 - 04/30/2019	3.9%	0.0%	3.9%
Average			4.4%
Aon Plan Year 2020 Trend Assumption			5.0%
<u>HMO Active and Early Retiree</u>			
05/01/2017 - 04/30/2018	4.8%	0.6%	4.2%
05/01/2018 - 04/30/2019	11.6%	0.0%	11.6%
Average			7.9%
Aon Plan Year 2020 Trend Assumption			6.5%

Normalizing Adjustments

1/1/2017: Expansion of Health Program requirements to transgender individuals (ACA 1557).

5/16/2017: Treatments for Substance Use Disorder and Restrictions on Opioids Law.

8/29/2018: 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			
05/01/2017 - 04/30/2018	1.4%	(4.8%)	6.2%
05/01/2018 - 04/30/2019	(5.9%)	(8.2%)	2.3%
Average			4.2%
Aon Plan Year 2020 Trend Assumption			7.0%

Retiree Rx			
05/01/2017 - 04/30/2018	3.1%	(6.9%)	10.0%
05/01/2018 - 04/30/2019	2.7%	(8.0%)	10.7%
Average			10.4%
Aon Plan Year 2020 Trend Assumption			7.0%

Normalizing Adjustments:

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

Exhibit 3A – Plan Year 2018 Aggregate Costs

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	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	312,126	11,037	1,972	231,038	48,826	13,450	916	342	1,468	130	122
Incurred Medical Claims	\$1,780,262,000	\$73,008,000	\$11,153,000	\$1,296,778,000	\$310,573,000	\$60,060,000	\$4,491,000	\$1,838,000	\$8,774,000	\$544,000	\$634,000
Capitation	\$17,704,000	\$0	\$0	\$10,961,000	\$3,212,000	\$3,052,000	\$76,000	\$0	\$108,000	\$41,000	\$9,000
Incurred Prescription Drug Claims	\$885,772,000	\$26,702,000	\$2,671,000	\$713,905,000	\$88,016,000	\$47,557,000	\$1,664,000	\$222,000	\$2,191,000	\$172,000	\$152,000
Prescription Drug Rebates	(\$216,787,000)	(\$7,044,000)	(\$702,000)	(\$173,634,000)	(\$21,983,000)	(\$11,571,000)	(\$428,000)	(\$63,000)	(\$584,000)	(\$46,000)	(\$39,000)
EGWP Credits	(\$196,384,000)	(\$5,162,000)	(\$344,000)	(\$164,554,000)	(\$15,606,000)	(\$10,018,000)	(\$256,000)	\$0	(\$268,000)	(\$44,000)	(\$24,000)
Education Surcharge	(\$39,872,000)	(\$2,879,000)	(\$161,000)	(\$32,198,000)	(\$2,093,000)	(\$2,191,000)	(\$146,000)	(\$9,000)	(\$79,000)	(\$7,000)	(\$14,000)
Administrative Fees	\$58,201,000	\$1,581,000	\$340,000	\$45,229,000	\$7,258,000	\$2,575,000	\$237,000	\$71,000	\$232,000	\$40,000	\$36,000
Total Cost	\$2,288,896,000	\$86,206,000	\$12,957,000	\$1,696,487,000	\$369,377,000	\$89,464,000	\$5,638,000	\$2,059,000	\$10,374,000	\$700,000	\$754,000
Total Premium	\$2,566,728,000	\$102,777,000	\$18,384,000	\$1,871,592,000	\$417,262,000	\$104,751,000	\$8,339,000	\$3,288,000	\$13,362,000	\$1,085,000	\$1,090,000
Gain (Loss)	\$277,832,000	\$16,571,000	\$5,427,000	\$175,105,000	\$47,885,000	\$15,287,000	\$2,701,000	\$1,229,000	\$2,988,000	\$385,000	\$336,000
Employees											
Average Medical Members	143,986	4,900	1,592	91,287	36,473	4,725	609	333	1,216	95	93
Incurred Medical Claims	\$1,123,812,000	\$36,306,000	\$9,080,000	\$755,363,000	\$270,335,000	\$28,000,000	\$3,046,000	\$1,818,000	\$7,598,000	\$304,000	\$516,000
Capitation	\$12,643,000	\$0	\$0	\$7,275,000	\$2,937,000	\$1,999,000	\$52,000	\$0	\$100,000	\$38,000	\$7,000
Incurred Prescription Drug Claims	\$139,261,000	\$5,093,000	\$1,290,000	\$91,526,000	\$31,542,000	\$6,170,000	\$491,000	\$211,000	\$1,027,000	\$59,000	\$32,000
Prescription Drug Rebates	(\$39,172,000)	(\$1,433,000)	(\$363,000)	(\$25,744,000)	(\$8,872,000)	(\$1,735,000)	(\$138,000)	(\$59,000)	(\$289,000)	(\$17,000)	(\$9,000)
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	\$15,880,000	\$749,000	\$280,000	\$8,679,000	\$3,830,000	\$1,351,000	\$137,000	\$68,000	\$168,000	\$35,000	\$26,000
Total Cost	\$1,252,424,000	\$40,715,000	\$10,287,000	\$837,099,000	\$299,772,000	\$35,785,000	\$3,588,000	\$2,038,000	\$8,604,000	\$419,000	\$572,000
Total Premium	\$1,390,016,000	\$48,495,000	\$15,111,000	\$893,355,000	\$341,755,000	\$45,446,000	\$5,818,000	\$3,173,000	\$11,643,000	\$875,000	\$863,000
Gain (Loss)	\$137,592,000	\$7,780,000	\$4,824,000	\$56,256,000	\$41,983,000	\$9,661,000	\$2,230,000	\$1,135,000	\$3,039,000	\$456,000	\$291,000
Early Retirees											
Average Medical Members	37,407	2,701	151	30,206	1,964	2,056	137	9	74	6	13
Incurred Medical Claims	\$369,954,000	\$26,507,000	\$1,407,000	\$304,648,000	\$18,781,000	\$15,551,000	\$1,158,000	\$20,000	\$800,000	\$178,000	\$88,000
Capitation	\$5,061,000	\$0	\$0	\$3,686,000	\$275,000	\$1,053,000	\$24,000	\$0	\$8,000	\$3,000	\$2,000
Incurred Prescription Drug Claims	\$94,967,000	\$7,083,000	\$273,000	\$77,421,000	\$4,176,000	\$5,157,000	\$247,000	\$11,000	\$323,000	\$33,000	\$31,000
Prescription Drug Rebates	(\$31,577,000)	(\$2,355,000)	(\$91,000)	(\$25,743,000)	(\$1,389,000)	(\$1,715,000)	(\$82,000)	(\$4,000)	(\$107,000)	(\$11,000)	(\$10,000)
EGWP Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education Surcharge	(\$39,872,000)	(\$2,879,000)	(\$161,000)	(\$32,198,000)	(\$2,093,000)	(\$2,191,000)	(\$146,000)	(\$9,000)	(\$79,000)	(\$7,000)	(\$14,000)
Administrative Fees	\$4,680,000	\$494,000	\$37,000	\$3,367,000	\$171,000	\$549,000	\$26,000	\$3,000	\$8,000	\$2,000	\$3,000
Total Cost	\$403,213,000	\$28,850,000	\$1,465,000	\$331,181,000	\$19,921,000	\$18,404,000	\$1,227,000	\$21,000	\$953,000	\$198,000	\$100,000
Total Premium	\$477,179,000	\$34,337,000	\$1,957,000	\$390,990,000	\$22,543,000	\$23,617,000	\$1,570,000	\$115,000	\$864,000	\$64,000	\$147,000
Gain (Loss)	\$73,966,000	\$5,487,000	\$492,000	\$59,809,000	\$2,622,000	\$5,213,000	\$343,000	\$94,000	(\$89,000)	(\$134,000)	\$47,000
Medicare Retirees											
Average Medical Members	130,733	3,436	229	109,545	10,389	6,669	170	N/A	178	29	16
Incurred Medical Claims	\$286,496,000	\$10,195,000	\$666,000	\$236,767,000	\$21,457,000	\$16,509,000	\$287,000	N/A	\$376,000	\$62,000	\$30,000
Capitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$651,544,000	\$14,526,000	\$1,108,000	\$544,958,000	\$52,298,000	\$36,230,000	\$926,000	N/A	\$841,000	\$80,000	\$89,000
Prescription Drug Rebates	(\$146,038,000)	(\$3,256,000)	(\$248,000)	(\$122,147,000)	(\$11,722,000)	(\$8,121,000)	(\$208,000)	N/A	(\$188,000)	(\$18,000)	(\$20,000)
EGWP Credits	(\$196,384,000)	(\$5,162,000)	(\$344,000)	(\$164,554,000)	(\$15,606,000)	(\$10,018,000)	(\$256,000)	N/A	(\$268,000)	(\$44,000)	(\$24,000)
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	\$37,641,000	\$338,000	\$23,000	\$33,183,000	\$3,257,000	\$675,000	\$74,000	N/A	\$56,000	\$3,000	\$7,000
Total Cost	\$633,259,000	\$16,641,000	\$1,205,000	\$528,207,000	\$49,684,000	\$35,275,000	\$823,000	N/A	\$817,000	\$83,000	\$82,000
Total Premium	\$699,533,000	\$19,945,000	\$1,316,000	\$587,247,000	\$52,964,000	\$35,688,000	\$951,000	N/A	\$855,000	\$146,000	\$80,000
Gain (Loss)	\$66,274,000	\$3,304,000	\$111,000	\$59,040,000	\$3,280,000	\$413,000	\$128,000	N/A	\$38,000	\$63,000	(\$2,000)

*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 2018 Aggregate Costs

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	2030				2035				HD 4000		HD 1500	
	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO	Aetna Value	NJ DIRECT	Aetna Value	NJ DIRECT
Employees and Retirees												
Average Medical Members	293	1,141	106	265	165	609	42	154	4	24	6	16
Incurred Medical Claims	\$1,366,000	\$4,992,000	\$561,000	\$1,246,000	\$470,000	\$2,802,000	\$107,000	\$647,000	\$27,000	\$169,000	\$10,000	\$12,000
Capitation	\$0	\$88,000	\$48,000	\$22,000	\$0	\$53,000	\$19,000	\$12,000	\$0	\$2,000	\$0	\$1,000
Incurred Prescription Drug Claims	\$110,000	\$1,446,000	\$30,000	\$140,000	\$234,000	\$383,000	\$33,000	\$45,000	\$0	\$97,000	\$0	\$2,000
Prescription Drug Rebates	(\$32,000)	(\$385,000)	(\$9,000)	(\$38,000)	(\$66,000)	(\$108,000)	(\$9,000)	(\$13,000)	\$0	(\$32,000)	\$0	(\$1,000)
EGWP Credits	\$0	(\$94,000)	\$0	(\$14,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education Surcharge	(\$10,000)	(\$34,000)	(\$5,000)	(\$17,000)	\$0	\$0	\$0	\$0	(\$4,000)	(\$25,000)	\$0	\$0
Administrative Fees	\$64,000	\$177,000	\$36,000	\$87,000	\$44,000	\$102,000	\$23,000	\$56,000	\$2,000	\$5,000	\$2,000	\$4,000
Total Cost	\$1,498,000	\$6,190,000	\$661,000	\$1,426,000	\$682,000	\$3,232,000	\$173,000	\$747,000	\$25,000	\$216,000	\$12,000	\$18,000
Total Premium	\$2,699,000	\$10,230,000	\$907,000	\$2,469,000	\$1,374,000	\$5,086,000	\$352,000	\$1,215,000	\$42,000	\$222,000	\$58,000	\$144,000
Gain (Loss)	\$1,201,000	\$4,040,000	\$246,000	\$1,043,000	\$692,000	\$1,854,000	\$179,000	\$468,000	\$17,000	\$6,000	\$46,000	\$126,000
Employees												
Average Medical Members	284	1,046	101	240	165	609	42	154	0	0	6	16
Incurred Medical Claims	\$1,195,000	\$4,720,000	\$550,000	\$933,000	\$470,000	\$2,802,000	\$107,000	\$647,000	\$0	\$0	\$10,000	\$12,000
Capitation	\$0	\$84,000	\$46,000	\$20,000	\$0	\$53,000	\$19,000	\$12,000	\$0	\$0	\$0	\$1,000
Incurred Prescription Drug Claims	\$105,000	\$894,000	\$27,000	\$97,000	\$234,000	\$383,000	\$33,000	\$45,000	\$0	\$97,000	\$0	\$2,000
Prescription Drug Rebates	(\$30,000)	(\$251,000)	(\$8,000)	(\$27,000)	(\$66,000)	(\$108,000)	(\$9,000)	(\$13,000)	\$0	\$0	\$0	(\$1,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	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	N/A
Administrative Fees	\$62,000	\$151,000	\$33,000	\$80,000	\$44,000	\$102,000	\$23,000	\$56,000	\$0	\$0	\$2,000	\$4,000
Total Cost	\$1,332,000	\$5,598,000	\$648,000	\$1,103,000	\$682,000	\$3,232,000	\$173,000	\$747,000	\$0	\$0	\$12,000	\$18,000
Total Premium	\$2,578,000	\$9,564,000	\$850,000	\$2,261,000	\$1,374,000	\$5,086,000	\$352,000	\$1,215,000	\$0	\$0	\$58,000	\$144,000
Gain (Loss)	\$1,246,000	\$3,966,000	\$202,000	\$1,158,000	\$692,000	\$1,854,000	\$179,000	\$468,000	\$0	\$0	\$46,000	\$126,000
Early Retirees												
Average Medical Members	9	32	5	16	N/A	N/A	N/A	N/A	4	24	N/A	N/A
Incurred Medical Claims	\$171,000	\$154,000	\$11,000	\$284,000	N/A	N/A	N/A	N/A	\$27,000	\$169,000	N/A	N/A
Capitation	\$0	\$4,000	\$2,000	\$2,000	N/A	N/A	N/A	N/A	\$0	\$2,000	N/A	N/A
Incurred Prescription Drug Claims	\$5,000	\$95,000	\$3,000	\$12,000	N/A	N/A	N/A	N/A	\$0	\$97,000	N/A	N/A
Prescription Drug Rebates	(\$2,000)	(\$31,000)	(\$1,000)	(\$4,000)	N/A	N/A	N/A	N/A	\$0	(\$32,000)	N/A	N/A
EGWP Credits	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A	\$0	\$0	N/A	N/A
Education Surcharge	(\$10,000)	(\$34,000)	(\$5,000)	(\$17,000)	N/A	N/A	N/A	N/A	(\$4,000)	(\$25,000)	N/A	N/A
Administrative Fees	\$2,000	\$5,000	\$3,000	\$3,000	N/A	N/A	N/A	N/A	\$2,000	\$5,000	N/A	N/A
Total Cost	\$166,000	\$193,000	\$13,000	\$280,000	N/A	N/A	N/A	N/A	\$25,000	\$216,000	N/A	N/A
Total Premium	\$121,000	\$371,000	\$57,000	\$162,000	N/A	N/A	N/A	N/A	\$42,000	\$222,000	N/A	N/A
Gain (Loss)	(\$45,000)	\$178,000	\$44,000	(\$118,000)	N/A	N/A	N/A	N/A	\$17,000	\$6,000	N/A	N/A
Medicare Retirees												
Average Medical Members	N/A	63	N/A	9	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$118,000	N/A	\$29,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	\$0	N/A	\$0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$457,000	N/A	\$31,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$103,000)	N/A	(\$7,000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$94,000)	N/A	(\$14,000)	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	N/A
Administrative Fees	N/A	\$21,000	N/A	\$4,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	\$399,000	N/A	\$43,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	\$295,000	N/A	\$46,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	(\$104,000)	N/A	\$3,000	N/A	N/A	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 2019 Aggregate Costs

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	Legacy Plans							1525			
	Total	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	292,903	103,664	11,071	94,748	39,635	11,497	795	300	21,450	107	133
Incurred Medical Claims	\$1,562,716,000	\$167,829,000	\$19,347,000	\$895,717,000	\$316,378,000	\$43,212,000	\$3,564,000	\$1,535,000	\$64,903,000	\$295,000	\$342,000
Capitation	\$13,213,000	\$0	\$0	\$6,877,000	\$2,648,000	\$2,841,000	\$38,000	\$0	\$153,000	\$39,000	\$4,000
Incurred Prescription Drug Claims	\$931,897,000	\$516,517,000	\$51,537,000	\$156,024,000	\$42,072,000	\$48,393,000	\$1,935,000	\$309,000	\$105,728,000	\$167,000	\$746,000
Prescription Drug Rebates	(\$227,457,000)	(\$117,428,000)	(\$11,763,000)	(\$46,492,000)	(\$12,580,000)	(\$11,634,000)	(\$496,000)	(\$93,000)	(\$24,254,000)	(\$41,000)	(\$196,000)
EGWP Credits	(\$251,255,000)	(\$184,802,000)	(\$18,035,000)	\$0	\$0	(\$12,544,000)	(\$351,000)	\$0	(\$35,141,000)	(\$65,000)	(\$106,000)
Education Surcharge	(\$31,187,000)	(\$2,501,000)	(\$164,000)	(\$23,760,000)	(\$1,626,000)	(\$1,633,000)	(\$126,000)	(\$12,000)	(\$1,160,000)	(\$3,000)	(\$11,000)
Administrative Fees	\$37,835,000	\$11,344,000	\$1,289,000	\$10,739,000	\$4,608,000	\$1,637,000	\$223,000	\$58,000	\$6,326,000	\$24,000	\$47,000
Total Cost	\$2,035,762,000	\$390,959,000	\$42,211,000	\$999,105,000	\$351,500,000	\$70,272,000	\$4,787,000	\$1,797,000	\$116,555,000	\$416,000	\$826,000
Total Premium	\$2,160,867,000	\$465,226,000	\$52,292,000	\$986,952,000	\$379,400,000	\$76,192,000	\$7,104,000	\$2,953,000	\$109,763,000	\$818,000	\$1,024,000
Gain (Loss)	\$125,105,000	\$74,267,000	\$10,081,000	(\$12,153,000)	\$27,900,000	\$5,920,000	\$2,317,000	\$1,156,000	(\$6,792,000)	\$402,000	\$198,000
Employees											
Average Medical Members	125,761	3,869	1,422	67,843	37,794	3,066	469	286	1,699	70	66
Incurred Medical Claims	\$1,027,587,000	\$30,054,000	\$9,504,000	\$611,812,000	\$296,949,000	\$19,258,000	\$1,505,000	\$1,426,000	\$10,303,000	\$196,000	\$91,000
Capitation	\$6,028,000	\$0	\$0	\$2,566,000	\$1,444,000	\$1,615,000	\$19,000	\$0	\$65,000	\$37,000	\$3,000
Incurred Prescription Drug Claims	\$139,660,000	\$4,703,000	\$1,424,000	\$81,676,000	\$37,423,000	\$4,874,000	\$539,000	\$297,000	\$1,369,000	\$36,000	\$18,000
Prescription Drug Rebates	(\$41,805,000)	(\$1,408,000)	(\$426,000)	(\$24,449,000)	(\$11,202,000)	(\$1,459,000)	(\$161,000)	(\$89,000)	(\$410,000)	(\$11,000)	(\$6,000)
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	\$15,064,000	\$562,000	\$222,000	\$7,377,000	\$4,427,000	\$549,000	\$118,000	\$55,000	\$243,000	\$19,000	\$22,000
Total Cost	\$1,146,534,000	\$33,911,000	\$10,724,000	\$678,982,000	\$329,041,000	\$24,837,000	\$2,020,000	\$1,689,000	\$11,570,000	\$277,000	\$128,000
Total Premium	\$1,234,592,000	\$39,466,000	\$13,825,000	\$687,076,000	\$362,891,000	\$30,057,000	\$4,611,000	\$2,777,000	\$16,093,000	\$671,000	\$647,000
Gain (Loss)	\$88,058,000	\$5,555,000	\$3,101,000	\$8,094,000	\$33,850,000	\$5,220,000	\$2,591,000	\$1,088,000	\$4,523,000	\$394,000	\$519,000
Early Retirees											
Average Medical Members	35,312	2,832	186	26,905	1,841	1,849	142	14	1,313	3	12
Incurred Medical Claims	\$364,593,000	\$30,214,000	\$1,623,000	\$283,905,000	\$19,429,000	\$14,911,000	\$1,468,000	\$109,000	\$10,062,000	\$66,000	\$35,000
Capitation	\$7,185,000	\$0	\$0	\$4,311,000	\$1,204,000	\$1,226,000	\$19,000	\$0	\$88,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$98,039,000	\$8,076,000	\$472,000	\$74,348,000	\$4,649,000	\$5,063,000	\$290,000	\$12,000	\$4,283,000	\$18,000	\$367,000
Prescription Drug Rebates	(\$29,066,000)	(\$2,394,000)	(\$140,000)	(\$22,043,000)	(\$1,378,000)	(\$1,501,000)	(\$86,000)	(\$4,000)	(\$1,270,000)	(\$5,000)	(\$109,000)
EGWP Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education Surcharge	(\$31,187,000)	(\$2,501,000)	(\$164,000)	(\$23,760,000)	(\$1,626,000)	(\$1,633,000)	(\$126,000)	(\$12,000)	(\$1,160,000)	(\$3,000)	(\$11,000)
Administrative Fees	\$4,492,000	\$401,000	\$35,000	\$3,362,000	\$181,000	\$390,000	\$25,000	\$3,000	\$62,000	\$1,000	\$2,000
Total Cost	\$414,056,000	\$33,796,000	\$1,826,000	\$320,123,000	\$22,459,000	\$18,456,000	\$1,590,000	\$108,000	\$12,065,000	\$79,000	\$285,000
Total Premium	\$435,496,000	\$76,855,000	\$6,749,000	\$299,876,000	\$16,509,000	\$20,493,000	\$1,525,000	\$176,000	\$10,992,000	\$29,000	\$115,000
Gain (Loss)	\$21,440,000	\$43,059,000	\$4,923,000	(\$20,247,000)	(\$5,950,000)	\$2,037,000	(\$65,000)	\$68,000	(\$1,073,000)	(\$50,000)	(\$170,000)
Medicare Retirees											
Average Medical Members	131,830	96,963	9,463	N/A	N/A	6,582	184	N/A	18,438	34	55
Incurred Medical Claims	\$170,536,000	\$107,561,000	\$8,220,000	N/A	N/A	\$9,043,000	\$591,000	N/A	\$44,538,000	\$33,000	\$216,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	N/A	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$694,198,000	\$503,738,000	\$49,641,000	N/A	N/A	\$38,456,000	\$1,106,000	N/A	\$100,076,000	\$113,000	\$361,000
Prescription Drug Rebates	(\$156,586,000)	(\$113,626,000)	(\$11,197,000)	N/A	N/A	(\$8,674,000)	(\$249,000)	N/A	(\$22,574,000)	(\$25,000)	(\$81,000)
EGWP Credits	(\$251,255,000)	(\$184,802,000)	(\$18,035,000)	N/A	N/A	(\$12,544,000)	(\$351,000)	N/A	(\$35,141,000)	(\$65,000)	(\$106,000)
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	\$18,279,000	\$10,381,000	\$1,032,000	N/A	N/A	\$698,000	\$80,000	N/A	\$6,021,000	\$4,000	\$23,000
Total Cost	\$475,172,000	\$323,252,000	\$29,661,000	N/A	N/A	\$26,979,000	\$1,177,000	N/A	\$92,920,000	\$60,000	\$413,000
Total Premium	\$490,779,000	\$348,905,000	\$31,718,000	N/A	N/A	\$25,642,000	\$968,000	N/A	\$82,678,000	\$118,000	\$262,000
Gain (Loss)	\$15,607,000	\$25,653,000	\$2,057,000	N/A	N/A	(\$1,337,000)	(\$209,000)	N/A	(\$10,242,000)	\$58,000	(\$151,000)

*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 2019 Aggregate Costs

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	2030				2035				HD 4000		HD 1500		\$0 Copay	
	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO	Aetna Freedom	NJ DIRECT	Aetna HMO	Horizon HMO	Aetna Value	NJ DIRECT	Aetna Value	NJ DIRECT	Aetna FREEDOM 0	Horizon DIRECT 0
Employees and Retirees														
Average Medical Members	244	1,061	79	224	191	626	44	156	4	18	6	11	657	6,182
Incurred Medical Claims	\$1,094,000	\$5,993,000	\$316,000	\$981,000	\$648,000	\$2,149,000	\$91,000	\$245,000	\$0	\$12,000	\$6,000	\$2,000	\$3,810,000	\$34,247,000
Capitation	\$0	\$361,000	\$38,000	\$9,000	\$0	\$28,000	\$95,000	\$5,000	\$0	\$3,000	\$0	\$0	\$2,000	\$72,000
Incurred Prescription Drug Claims	\$127,000	\$2,196,000	\$30,000	\$159,000	\$365,000	\$532,000	\$37,000	\$27,000	\$1,000	\$130,000	\$0	\$0	\$584,000	\$4,281,000
Prescription Drug Rebates	(\$38,000)	(\$607,000)	(\$9,000)	(\$46,000)	(\$109,000)	(\$159,000)	(\$11,000)	(\$8,000)	\$0	(\$38,000)	\$0	\$0	(\$174,000)	(\$1,281,000)
EGWP Credits	\$0	(\$192,000)	\$0	(\$19,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education Surcharge	(\$13,000)	(\$38,000)	(\$10,000)	(\$13,000)	\$0	\$0	\$0	\$0	(\$3,000)	(\$16,000)	\$0	\$0	(\$29,000)	(\$69,000)
Administrative Fees	\$48,000	\$182,000	\$18,000	\$83,000	\$46,000	\$120,000	\$13,000	\$60,000	\$1,000	\$6,000	\$1,000	\$3,000	\$117,000	\$842,000
Total Cost	\$1,218,000	\$7,895,000	\$383,000	\$1,154,000	\$950,000	\$2,670,000	\$225,000	\$329,000	(\$1,000)	\$97,000	\$7,000	\$5,000	\$4,310,000	\$38,092,000
Total Premium	\$2,265,000	\$9,471,000	\$705,000	\$2,162,000	\$1,601,000	\$5,194,000	\$344,000	\$1,261,000	\$38,000	\$180,000	\$46,000	\$103,000	\$5,662,000	\$50,111,000
Gain (Loss)	\$1,047,000	\$1,576,000	\$322,000	\$1,008,000	\$651,000	\$2,524,000	\$119,000	\$932,000	\$39,000	\$83,000	\$39,000	\$98,000	\$1,352,000	\$12,019,000
Employees														
Average Medical Members	230	917	68	199	191	626	44	156	0	0	6	11	625	6,104
Incurred Medical Claims	\$1,088,000	\$5,454,000	\$296,000	\$745,000	\$648,000	\$2,149,000	\$91,000	\$245,000	\$0	\$6,000	\$2,000	\$0	\$2,862,000	\$32,903,000
Capitation	\$0	\$38,000	\$32,000	\$8,000	\$0	\$28,000	\$95,000	\$5,000	\$0	\$0	\$0	\$0	\$2,000	\$71,000
Incurred Prescription Drug Claims	\$122,000	\$1,355,000	\$22,000	\$125,000	\$365,000	\$532,000	\$37,000	\$27,000	\$0	\$0	\$0	\$0	\$559,000	\$4,157,000
Prescription Drug Rebates	(\$36,000)	(\$406,000)	(\$7,000)	(\$37,000)	(\$109,000)	(\$159,000)	(\$11,000)	(\$8,000)	\$0	\$0	\$0	\$0	(\$167,000)	(\$1,244,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	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	N/A	N/A	N/A
Administrative Fees	\$45,000	\$142,000	\$14,000	\$75,000	\$46,000	\$120,000	\$13,000	\$60,000	\$0	\$1,000	\$3,000	\$0	\$116,000	\$835,000
Total Cost	\$1,219,000	\$6,583,000	\$357,000	\$916,000	\$950,000	\$2,670,000	\$225,000	\$329,000	\$0	\$0	\$7,000	\$5,000	\$3,372,000	\$36,722,000
Total Premium	\$2,090,000	\$8,565,000	\$592,000	\$1,968,000	\$1,601,000	\$5,194,000	\$344,000	\$1,261,000	\$0	\$46,000	\$103,000	\$5,352,000	\$49,362,000	
Gain (Loss)	\$871,000	\$1,982,000	\$235,000	\$1,052,000	\$651,000	\$2,524,000	\$119,000	\$932,000	\$0	\$0	\$39,000	\$98,000	\$1,980,000	\$12,640,000
Early Retirees														
Average Medical Members	14	43	11	15	N/A	N/A	N/A	N/A	4	18	N/A	N/A	32	78
Incurred Medical Claims	\$6,000	\$275,000	\$20,000	\$166,000	N/A	N/A	N/A	N/A	\$0	\$12,000	N/A	N/A	\$948,000	\$1,344,000
Capitation	\$0	\$323,000	\$6,000	\$1,000	N/A	N/A	N/A	N/A	\$0	\$3,000	N/A	N/A	\$0	\$1,000
Incurred Prescription Drug Claims	\$5,000	\$159,000	\$8,000	\$9,000	N/A	N/A	N/A	N/A	\$1,000	\$130,000	N/A	N/A	\$25,000	\$124,000
Prescription Drug Rebates	(\$2,000)	(\$47,000)	(\$2,000)	(\$3,000)	N/A	N/A	N/A	N/A	\$0	(\$38,000)	N/A	N/A	(\$7,000)	(\$37,000)
EGWP Credits	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$0
Education Surcharge	(\$13,000)	(\$38,000)	(\$10,000)	(\$13,000)	N/A	N/A	N/A	N/A	(\$3,000)	(\$16,000)	N/A	N/A	(\$29,000)	(\$69,000)
Administrative Fees	\$3,000	\$4,000	\$4,000	\$4,000	N/A	N/A	N/A	N/A	\$1,000	\$6,000	N/A	N/A	\$1,000	\$7,000
Total Cost	(\$1,000)	\$676,000	\$26,000	\$164,000	N/A	N/A	N/A	N/A	(\$1,000)	\$97,000	N/A	N/A	\$938,000	\$1,370,000
Total Premium	\$175,000	\$464,000	\$113,000	\$148,000	N/A	N/A	N/A	N/A	N/A	\$180,000	N/A	N/A	\$310,000	\$749,000
Gain (Loss)	\$176,000	(\$212,000)	\$87,000	(\$16,000)	N/A	N/A	N/A	N/A	\$39,000	\$83,000	N/A	N/A	(\$628,000)	(\$621,000)
Medicare Retirees														
Average Medical Members	N/A	101	N/A	10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$264,000	N/A	\$70,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	\$0	N/A	\$0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$682,000	N/A	\$25,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$154,000)	N/A	(\$6,000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$192,000)	N/A	(\$19,000)	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	N/A	N/A	N/A
Administrative Fees	N/A	\$36,000	N/A	\$4,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	\$636,000	N/A	\$74,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	\$442,000	N/A	\$46,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	(\$194,000)	N/A	(\$28,000)	N/A	N/A	N/A	N/A	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 3C – Projected 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	Aetna Freedom*	NJ DIRECT	Aetna HMO*	Horizon HMO
Employees and Retirees											
Average Medical Members	288,440	105,905	11,187	86,002	35,500	11,468	770	402	22,034	104	131
Incurred Medical Claims	\$1,607,943,000	\$212,599,000	\$24,692,000	\$843,696,000	\$294,003,000	\$46,185,000	\$4,459,000	\$3,236,000	\$75,512,000	\$487,000	\$636,000
Capitation	\$14,215,000	\$0	\$0	\$7,056,000	\$2,740,000	\$3,038,000	\$40,000	\$0	\$171,000	\$42,000	\$4,000
Incurred Prescription Drug Claims	\$977,642,000	\$550,634,000	\$55,578,000	\$150,425,000	\$41,937,000	\$50,971,000	\$1,952,000	\$574,000	\$105,486,000	\$311,000	\$398,000
Prescription Drug Rebates	(\$236,577,000)	(\$121,514,000)	(\$12,382,000)	(\$47,050,000)	(\$13,132,000)	(\$12,068,000)	(\$513,000)	(\$180,000)	(\$23,548,000)	(\$79,000)	(\$98,000)
EGWP Credits	(\$269,318,000)	(\$198,043,000)	(\$19,343,000)	\$0	\$0	(\$13,453,000)	(\$377,000)	\$0	(\$37,693,000)	(\$70,000)	(\$113,000)
Education Surcharge	(\$31,389,000)	(\$2,496,000)	(\$163,000)	(\$23,735,000)	(\$1,640,000)	(\$1,649,000)	(\$126,000)	(\$12,000)	(\$1,207,000)	(\$3,000)	(\$11,000)
Administrative Fees	\$42,725,000	\$11,490,000	\$1,281,000	\$12,972,000	\$5,195,000	\$1,746,000	\$217,000	\$74,000	\$7,119,000	\$24,000	\$43,000
Total Cost	\$2,105,241,000	\$452,670,000	\$49,663,000	\$943,364,000	\$329,103,000	\$74,770,000	\$5,652,000	\$3,692,000	\$125,840,000	\$712,000	\$859,000
Total Premium	\$2,066,535,000	\$501,311,000	\$54,747,000	\$856,807,000	\$326,114,000	\$74,135,000	\$6,741,000	\$3,763,000	\$123,698,000	\$760,000	\$1,001,000
Gain (Loss)	(\$38,706,000)	\$48,641,000	\$5,084,000	(\$86,557,000)	(\$2,989,000)	(\$635,000)	\$1,089,000	\$71,000	(\$2,142,000)	\$48,000	\$142,000
Employees											
Average Medical Members	118,314	3,450	1,268	59,892	33,696	2,882	441	389	1,728	66	62
Incurred Medical Claims	\$1,014,709,000	\$32,310,000	\$10,352,000	\$559,908,000	\$274,403,000	\$18,767,000	\$2,774,000	\$3,094,000	\$13,661,000	\$412,000	\$378,000
Capitation	\$6,652,000	\$0	\$0	\$2,622,000	\$1,490,000	\$1,757,000	\$20,000	\$0	\$77,000	\$40,000	\$3,000
Incurred Prescription Drug Claims	\$144,204,000	\$4,754,000	\$2,002,000	\$74,655,000	\$37,155,000	\$4,656,000	\$550,000	\$537,000	\$1,878,000	\$103,000	\$76,000
Prescription Drug Rebates	(\$45,171,000)	(\$1,489,000)	(\$627,000)	(\$23,385,000)	(\$11,639,000)	(\$1,458,000)	(\$172,000)	(\$168,000)	(\$588,000)	(\$32,000)	(\$24,000)
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	\$17,215,000	\$487,000	\$196,000	\$8,081,000	\$4,882,000	\$597,000	\$118,000	\$71,000	\$286,000	\$19,000	\$21,000
Total Cost	\$1,137,609,000	\$36,062,000	\$11,923,000	\$621,881,000	\$306,291,000	\$24,319,000	\$3,290,000	\$3,534,000	\$15,314,000	\$542,000	\$454,000
Total Premium	\$1,099,066,000	\$33,220,000	\$11,846,000	\$578,623,000	\$310,764,000	\$26,587,000	\$4,147,000	\$3,602,000	\$15,802,000	\$601,000	\$581,000
Gain (Loss)	(\$38,543,000)	(\$2,842,000)	(\$77,000)	(\$43,258,000)	\$4,473,000	\$2,268,000	\$857,000	\$68,000	\$488,000	\$59,000	\$127,000
Early Retirees											
Average Medical Members	34,530	2,745	180	26,110	1,804	1,813	139	13	1,328	3	12
Incurred Medical Claims	\$369,271,000	\$29,934,000	\$1,959,000	\$283,788,000	\$19,600,000	\$15,136,000	\$1,134,000	\$142,000	\$14,027,000	\$26,000	\$97,000
Capitation	\$7,563,000	\$0	\$0	\$4,434,000	\$1,250,000	\$1,281,000	\$20,000	\$0	\$94,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$98,970,000	\$7,896,000	\$517,000	\$75,770,000	\$4,782,000	\$5,215,000	\$369,000	\$37,000	\$3,412,000	\$9,000	\$31,000
Prescription Drug Rebates	(\$30,911,000)	(\$2,466,000)	(\$161,000)	(\$23,665,000)	(\$1,493,000)	(\$1,629,000)	(\$115,000)	(\$12,000)	(\$1,066,000)	(\$3,000)	(\$10,000)
EGWP Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education Surcharge	(\$31,389,000)	(\$2,496,000)	(\$163,000)	(\$23,735,000)	(\$1,640,000)	(\$1,649,000)	(\$126,000)	(\$12,000)	(\$1,207,000)	(\$3,000)	(\$11,000)
Administrative Fees	\$6,321,000	\$483,000	\$38,000	\$4,891,000	\$313,000	\$442,000	\$29,000	\$3,000	\$56,000	\$1,000	\$2,000
Total Cost	\$419,825,000	\$33,351,000	\$2,190,000	\$321,483,000	\$22,812,000	\$18,796,000	\$1,311,000	\$158,000	\$15,316,000	\$32,000	\$110,000
Total Premium	\$419,673,000	\$82,367,000	\$7,531,000	\$278,184,000	\$15,350,000	\$19,061,000	\$1,447,000	\$161,000	\$11,829,000	\$27,000	\$115,000
Gain (Loss)	(\$152,000)	\$49,016,000	\$5,341,000	(\$43,299,000)	(\$7,462,000)	\$265,000	\$136,000	\$3,000	(\$3,487,000)	(\$5,000)	\$5,000
Medicare Retirees											
Average Medical Members	135,596	99,710	9,739	N/A	N/A	6,773	190	N/A	18,978	35	57
Incurred Medical Claims	\$223,963,000	\$150,355,000	\$12,381,000	N/A	N/A	\$12,282,000	\$551,000	N/A	\$47,824,000	\$49,000	\$161,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	N/A	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$734,468,000	\$537,984,000	\$53,059,000	N/A	N/A	\$41,100,000	\$1,033,000	N/A	\$100,196,000	\$199,000	\$291,000
Prescription Drug Rebates	(\$160,495,000)	(\$117,559,000)	(\$11,594,000)	N/A	N/A	(\$8,981,000)	(\$226,000)	N/A	(\$21,894,000)	(\$44,000)	(\$64,000)
EGWP Credits	(\$269,318,000)	(\$198,043,000)	(\$19,343,000)	N/A	N/A	(\$13,453,000)	(\$377,000)	N/A	(\$37,693,000)	(\$70,000)	(\$113,000)
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	\$19,189,000	\$10,520,000	\$1,047,000	N/A	N/A	\$707,000	\$70,000	N/A	\$6,777,000	\$4,000	\$20,000
Total Cost	\$547,807,000	\$383,257,000	\$35,550,000	N/A	N/A	\$31,655,000	\$1,051,000	N/A	\$95,210,000	\$138,000	\$295,000
Total Premium	\$547,796,000	\$385,724,000	\$35,370,000	N/A	N/A	\$28,487,000	\$1,147,000	N/A	\$96,067,000	\$132,000	\$305,000
Gain (Loss)	(\$11,000)	\$2,467,000	(\$180,000)	N/A	N/A	(\$3,168,000)	\$96,000	N/A	\$857,000	(\$6,000)	\$10,000

*Aetna enrollment in medical self-insured plans assumed to migrate to Horizon plans due to the RFP.

**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 2020 Aggregate Costs

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	2030				2035				HD 4000		HD 1500		\$0 Copay	
	Aetna Freedom*	NJ DIRECT	Aetna HMO*	Horizon HMO	Aetna Freedom*	NJ DIRECT	Aetna HMO*	Horizon HMO	Aetna Value*	NJ DIRECT	Aetna Value*	NJ DIRECT	Aetna	Horizon
													FREEDOM 0*	DIRECT 0
Employees and Retirees														
Average Medical Members	329	1,111	75	211	196	607	41	147	4	18	13	18	886	11,281
Incurred Medical Claims	\$2,496,000	\$7,918,000	\$455,000	\$1,168,000	\$1,260,000	\$3,878,000	\$202,000	\$705,000	\$23,000	\$105,000	\$87,000	\$118,000	\$6,207,000	\$77,816,000
Capitation	\$0	\$384,000	\$41,000	\$10,000	\$0	\$32,000	\$104,000	\$5,000	\$0	\$3,000	\$0	\$1,000	\$0	\$544,000
Incurred Prescription Drug Claims	\$463,000	\$1,793,000	\$126,000	\$340,000	\$288,000	\$656,000	\$57,000	\$180,000	\$6,000	\$26,000	\$14,000	\$19,000	\$1,355,000	\$14,053,000
Prescription Drug Rebates	(\$145,000)	(\$510,000)	(\$40,000)	(\$102,000)	(\$90,000)	(\$206,000)	(\$18,000)	(\$56,000)	(\$2,000)	(\$8,000)	(\$4,000)	(\$6,000)	(\$424,000)	(\$4,402,000)
EGWP Credits	\$0	(\$206,000)	\$0	(\$20,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Education Surcharge	(\$12,000)	(\$39,000)	(\$10,000)	(\$13,000)	\$0	\$0	\$0	\$0	(\$3,000)	(\$16,000)	\$0	\$0	(\$46,000)	(\$208,000)
Administrative Fees	\$62,000	\$214,000	\$19,000	\$81,000	\$45,000	\$127,000	\$13,000	\$60,000	\$1,000	\$6,000	\$3,000	\$5,000	\$155,000	\$1,773,000
Total Cost	\$2,864,000	\$9,554,000	\$591,000	\$1,464,000	\$1,503,000	\$4,487,000	\$358,000	\$894,000	\$25,000	\$116,000	\$100,000	\$137,000	\$7,247,000	\$89,576,000
Total Premium	\$2,907,000	\$9,428,000	\$626,000	\$1,885,000	\$1,568,000	\$4,726,000	\$304,000	\$1,159,000	\$35,000	\$165,000	\$105,000	\$159,000	\$7,089,000	\$87,302,000
Gain (Loss)	\$43,000	(\$126,000)	\$35,000	\$421,000	\$65,000	\$239,000	(\$54,000)	\$265,000	\$10,000	\$49,000	\$5,000	\$22,000	(\$158,000)	(\$2,274,000)
Employees														
Average Medical Members	315	964	64	187	196	607	41	147	0	0	13	18	836	11,052
Incurred Medical Claims	\$2,359,000	\$7,161,000	\$375,000	\$1,033,000	\$1,260,000	\$3,878,000	\$202,000	\$705,000	\$0	\$0	\$87,000	\$118,000	\$5,747,000	\$75,725,000
Capitation	\$0	\$46,000	\$35,000	\$9,000	\$0	\$32,000	\$104,000	\$5,000	\$0	\$0	\$0	\$1,000	\$0	\$411,000
Incurred Prescription Drug Claims	\$424,000	\$1,129,000	\$97,000	\$251,000	\$288,000	\$656,000	\$57,000	\$180,000	\$0	\$0	\$14,000	\$19,000	\$1,223,000	\$13,500,000
Prescription Drug Rebates	(\$133,000)	(\$354,000)	(\$31,000)	(\$79,000)	(\$90,000)	(\$206,000)	(\$18,000)	(\$56,000)	\$0	\$0	(\$4,000)	(\$6,000)	(\$383,000)	(\$4,229,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	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	N/A	N/A	N/A
Administrative Fees	\$59,000	\$170,000	\$15,000	\$73,000	\$45,000	\$127,000	\$13,000	\$60,000	\$0	\$0	\$3,000	\$5,000	\$149,000	\$1,738,000
Total Cost	\$2,709,000	\$8,152,000	\$491,000	\$1,287,000	\$1,503,000	\$4,487,000	\$358,000	\$894,000	\$0	\$0	\$100,000	\$137,000	\$6,736,000	\$87,145,000
Total Premium	\$2,747,000	\$8,466,000	\$523,000	\$1,695,000	\$1,568,000	\$4,726,000	\$304,000	\$1,159,000	\$0	\$0	\$105,000	\$159,000	\$6,630,000	\$85,211,000
Gain (Loss)	\$38,000	\$314,000	\$32,000	\$408,000	\$65,000	\$239,000	(\$54,000)	\$265,000	\$0	\$0	\$5,000	\$22,000	(\$106,000)	(\$1,934,000)
Early Retirees														
Average Medical Members	14	43	11	14	N/A	N/A	N/A	N/A	4	18	N/A	N/A	50	229
Incurred Medical Claims	\$137,000	\$424,000	\$80,000	\$108,000	N/A	N/A	N/A	N/A	\$23,000	\$105,000	N/A	N/A	\$460,000	\$2,091,000
Capitation	\$0	\$338,000	\$6,000	\$1,000	N/A	N/A	N/A	N/A	\$0	\$3,000	N/A	N/A	\$0	\$133,000
Incurred Prescription Drug Claims	\$39,000	\$111,000	\$29,000	\$36,000	N/A	N/A	N/A	N/A	\$6,000	\$26,000	N/A	N/A	\$132,000	\$553,000
Prescription Drug Rebates	(\$12,000)	(\$35,000)	(\$9,000)	(\$11,000)	N/A	N/A	N/A	N/A	(\$2,000)	(\$8,000)	N/A	N/A	(\$41,000)	(\$173,000)
EGWP Credits	\$0	\$0	\$0	\$0	N/A	N/A	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$0
Education Surcharge	(\$12,000)	(\$39,000)	(\$10,000)	(\$13,000)	N/A	N/A	N/A	N/A	(\$3,000)	(\$16,000)	N/A	N/A	(\$46,000)	(\$208,000)
Administrative Fees	\$3,000	\$4,000	\$4,000	\$4,000	N/A	N/A	N/A	N/A	\$1,000	\$6,000	N/A	N/A	\$6,000	\$35,000
Total Cost	\$155,000	\$803,000	\$100,000	\$125,000	N/A	N/A	N/A	N/A	\$25,000	\$116,000	N/A	N/A	\$511,000	\$2,431,000
Total Premium	\$160,000	\$452,000	\$103,000	\$136,000	N/A	N/A	N/A	N/A	\$35,000	\$165,000	N/A	N/A	\$459,000	\$2,091,000
Gain (Loss)	\$5,000	(\$351,000)	\$3,000	\$11,000	N/A	N/A	N/A	N/A	\$10,000	\$49,000	N/A	N/A	(\$52,000)	(\$340,000)
Medicare Retirees														
Average Medical Members	N/A	104	N/A	10	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	\$333,000	N/A	\$27,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	\$0	N/A	\$0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	\$553,000	N/A	\$53,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	(\$121,000)	N/A	(\$12,000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	(\$206,000)	N/A	(\$20,000)	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	N/A	N/A	N/A
Administrative Fees	N/A	\$40,000	N/A	\$4,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	\$599,000	N/A	\$52,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	\$510,000	N/A	\$54,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	(\$89,000)	N/A	\$2,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Aetna enrollment in medical self-insured plans is assumed to migrate to Horizon plans due to the RFP.

**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 2020 Monthly Active Premiums

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	Legacy Plans			1525	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO
Medical Coverage Only					
Single	\$928.03	\$883.46	\$842.45	\$857.42	\$777.92
Employee+Spouse	\$1,856.06	\$1,766.92	\$1,684.90	\$1,714.84	\$1,555.84
Family	\$2,654.17	\$2,526.70	\$2,409.41	\$2,452.22	\$2,224.85
Employee+Child(ren)	\$1,726.14	\$1,643.24	\$1,566.96	\$1,594.80	\$1,446.93
Adult Child Rate	\$814.07	\$774.98	\$739.00	\$752.13	\$682.39
Rx Card					
Legacy Plans					
1525					
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO
Single	\$171.50	\$171.50	\$171.50	\$155.54	\$155.54
Employee+Spouse	\$343.00	\$343.00	\$343.00	\$311.08	\$311.08
Family	\$490.49	\$490.49	\$490.49	\$444.84	\$444.84
Employee+Child(ren)	\$318.99	\$318.99	\$318.99	\$289.30	\$289.30
Adult Child Rate	\$150.44	\$150.44	\$150.44	\$136.44	\$136.44
Rx with Medical Coverage					
Legacy Plans					
1525					
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO
Single	\$1,053.23	\$1,002.64	\$1,007.28	\$969.11	\$933.46
Employee+Spouse	\$2,106.46	\$2,005.28	\$2,014.56	\$1,938.22	\$1,866.92
Family	\$3,012.24	\$2,867.55	\$2,880.82	\$2,771.65	\$2,669.69
Employee+Child(ren)	\$1,959.01	\$1,864.91	\$1,873.54	\$1,802.54	\$1,736.23
Adult Child Rate	\$923.90	\$879.52	\$883.59	\$850.10	\$818.83

Exhibit 4A – Plan Year 2020 Monthly Active Premiums

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	2030		2035		HD 1500	\$0 Copay Plan
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	DIRECT 0
Medical Coverage Only						
Single	\$805.81	\$731.51	\$693.01	\$629.09	\$723.01	\$743.11
Employee+Spouse	\$1,611.62	\$1,463.02	\$1,386.02	\$1,258.18	\$1,446.02	\$1,486.22
Family	\$2,304.62	\$2,092.12	\$1,982.01	\$1,799.20	\$2,067.81	\$2,125.29
Employee+Child(ren)	\$1,498.81	\$1,360.61	\$1,289.00	\$1,170.11	\$1,344.80	\$1,382.18
Adult Child Rate	\$706.86	\$641.68	\$607.91	\$551.84	\$634.23	\$651.85
Rx Card						
Single	\$158.29	\$158.29	\$142.47	\$142.47	\$162.58	\$156.49
Employee+Spouse	\$316.58	\$316.58	\$284.94	\$284.94	\$325.16	\$312.98
Family	\$452.71	\$452.71	\$407.46	\$407.46	\$464.98	\$447.56
Employee+Child(ren)	\$294.42	\$294.42	\$264.99	\$264.99	\$302.40	\$291.07
Adult Child Rate	\$138.85	\$138.85	\$124.97	\$124.97	\$142.62	\$137.27
Rx with Medical Coverage						
Single	\$917.50	\$889.80	\$793.54	\$771.56	\$885.59	\$868.31
Employee+Spouse	\$1,835.00	\$1,779.60	\$1,587.08	\$1,543.12	\$1,771.18	\$1,736.62
Family	\$2,624.05	\$2,544.83	\$2,269.53	\$2,206.66	\$2,532.79	\$2,483.36
Employee+Child(ren)	\$1,706.55	\$1,655.03	\$1,475.99	\$1,435.10	\$1,647.20	\$1,615.05
Adult Child Rate	\$804.83	\$780.53	\$696.10	\$676.81	\$776.84	\$761.67

Exhibit 4B – Plan Year 2020 Annual Active Premiums

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	Legacy Plans			1525	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO
<u>Medical Coverage Only</u>					
Single	\$11,136	\$10,602	\$10,109	\$10,289	\$9,335
Employee+Spouse	\$22,273	\$21,203	\$20,219	\$20,578	\$18,670
Family	\$31,850	\$30,320	\$28,913	\$29,427	\$26,698
Employee+Child(ren)	\$20,714	\$19,719	\$18,804	\$19,138	\$17,363
Adult Child Rate	\$9,769	\$9,300	\$8,868	\$9,026	\$8,189
	Legacy Plans			1525	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO
<u>Rx Card</u>					
Single	\$2,058	\$2,058	\$2,058	\$1,866	\$1,866
Employee+Spouse	\$4,116	\$4,116	\$4,116	\$3,733	\$3,733
Family	\$5,886	\$5,886	\$5,886	\$5,338	\$5,338
Employee+Child(ren)	\$3,828	\$3,828	\$3,828	\$3,472	\$3,472
Adult Child Rate	\$1,805	\$1,805	\$1,805	\$1,637	\$1,637
	Legacy Plans			1525	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO
<u>Rx with Medical Coverage</u>					
Single	\$12,639	\$12,032	\$12,087	\$11,629	\$11,202
Employee+Spouse	\$25,278	\$24,063	\$24,175	\$23,259	\$22,403
Family	\$36,147	\$34,411	\$34,570	\$33,260	\$32,036
Employee+Child(ren)	\$23,508	\$22,379	\$22,482	\$21,630	\$20,835
Adult Child Rate	\$11,087	\$10,554	\$10,603	\$10,201	\$9,826

Exhibit 4B – Plan Year 2020 Annual Active Premiums

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	2030		2035		HD 1500	\$0 Copay Plan
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	DIRECT 0
Medical Coverage Only						
Single	\$9,670	\$8,778	\$8,316	\$7,549	\$8,676	\$8,917
Employee+Spouse	\$19,339	\$17,556	\$16,632	\$15,098	\$17,352	\$17,835
Family	\$27,655	\$25,105	\$23,784	\$21,590	\$24,814	\$25,503
Employee+Child(ren)	\$17,986	\$16,327	\$15,468	\$14,041	\$16,138	\$16,586
Adult Child Rate	\$8,482	\$7,700	\$7,295	\$6,622	\$7,611	\$7,822
	2030		2035		HD 1500	\$0 Copay Plan
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	DIRECT 0
Rx Card						
Single	\$1,899	\$1,899	\$1,710	\$1,710	\$1,951	\$1,878
Employee+Spouse	\$3,799	\$3,799	\$3,419	\$3,419	\$3,902	\$3,756
Family	\$5,433	\$5,433	\$4,890	\$4,890	\$5,580	\$5,371
Employee+Child(ren)	\$3,533	\$3,533	\$3,180	\$3,180	\$3,629	\$3,493
Adult Child Rate	\$1,666	\$1,666	\$1,500	\$1,500	\$1,711	\$1,647
	2030		2035		HD 1500	\$0 Copay Plan
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	DIRECT 0
Rx with Medical Coverage						
Single	\$11,010	\$10,678	\$9,522	\$9,259	\$10,627	\$10,420
Employee+Spouse	\$22,020	\$21,355	\$19,045	\$18,517	\$21,254	\$20,839
Family	\$31,489	\$30,538	\$27,234	\$26,480	\$30,393	\$29,800
Employee+Child(ren)	\$20,479	\$19,860	\$17,712	\$17,221	\$19,766	\$19,381
Adult Child Rate	\$9,658	\$9,366	\$8,353	\$8,122	\$9,322	\$9,140

Exhibit 4C – Plan Year 2020 Monthly Retiree Premiums

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	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)			Legacy HMO
	PPO10			PPO15			Legacy HMO			Horizon 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	\$1,275.49	N/A	\$1,275.49	\$1,212.70	N/A	\$1,212.70	\$1,166.10	N/A	\$1,166.10	\$1,166.10
Single - 1 Medicare	N/A	\$324.60	\$324.60	N/A	\$304.88	\$304.88	N/A	\$352.75	\$352.75	\$506.19
EE+Spouse - 0 Medicare	\$2,780.53	N/A	\$2,780.53	\$2,643.68	N/A	\$2,643.68	\$2,542.33	N/A	\$2,542.33	\$2,542.33
EE+Spouse - 1 Medicare	\$1,407.58	\$324.60	\$1,732.18	\$1,393.70	\$304.88	\$1,698.58	\$1,110.97	\$352.75	\$1,463.72	\$1,617.16
EE+Spouse - 2 Medicare	N/A	\$649.20	\$649.22	N/A	\$609.76	\$609.78	N/A	\$705.50	\$705.49	\$1,012.35
Family - 0 Medicare	\$3,163.18	N/A	\$3,163.18	\$3,007.49	N/A	\$3,007.49	\$2,891.95	N/A	\$2,891.95	\$2,891.95
Family - 1 Medicare	\$1,762.13	\$324.60	\$2,086.73	\$1,744.69	\$304.88	\$2,049.57	\$1,426.35	\$352.75	\$1,779.10	\$1,932.54
Family - 2 Medicare	\$180.19	\$649.20	\$829.39	\$172.56	\$609.76	\$782.32	\$165.47	\$705.50	\$870.97	\$1,250.07
EE+Ch - 0 Medicare	\$1,785.67	N/A	\$1,785.67	\$1,697.77	N/A	\$1,697.77	\$1,632.82	N/A	\$1,632.82	\$1,632.82
EE+Ch - 1 Medicare	\$185.71	\$324.60	\$510.31	\$177.85	\$304.88	\$482.73	\$164.54	\$352.75	\$517.29	\$742.34
Medical Premium										
Single - 0 Medicare	\$1,048.65	N/A	\$1,048.65	\$985.86	N/A	\$985.86	\$932.19	N/A	\$932.19	\$932.19
Single - 1 Medicare	N/A	\$125.66	\$125.66	N/A	\$105.94	\$105.94	N/A	\$151.11	\$151.11	\$304.55
EE+Spouse - 0 Medicare	\$2,286.04	N/A	\$2,286.04	\$2,149.19	N/A	\$2,149.19	\$2,032.16	N/A	\$2,032.16	\$2,032.16
EE+Spouse - 1 Medicare	\$1,143.43	\$125.66	\$1,269.09	\$1,129.55	\$105.94	\$1,235.49	\$839.80	\$151.11	\$990.91	\$1,144.35
EE+Spouse - 2 Medicare	N/A	\$251.32	\$251.32	N/A	\$211.88	\$211.88	N/A	\$302.22	\$302.22	\$609.08
Family - 0 Medicare	\$2,600.65	N/A	\$2,600.65	\$2,444.96	N/A	\$2,444.96	\$2,311.80	N/A	\$2,311.80	\$2,311.80
Family - 1 Medicare	\$1,437.96	\$125.66	\$1,563.62	\$1,420.52	\$105.94	\$1,526.46	\$1,093.38	\$151.11	\$1,244.49	\$1,397.93
Family - 2 Medicare	\$67.57	\$251.32	\$318.89	\$59.94	\$211.88	\$271.82	\$71.14	\$302.22	\$373.36	\$752.46
EE+Ch - 0 Medicare	\$1,468.10	N/A	\$1,468.10	\$1,380.20	N/A	\$1,380.20	\$1,305.05	N/A	\$1,305.05	\$1,305.05
EE+Ch - 1 Medicare	\$69.64	\$125.66	\$195.30	\$61.78	\$105.94	\$167.72	\$70.50	\$151.11	\$221.61	\$446.66
Rx Premium										
Single - 0 Medicare	\$226.84	N/A	\$226.84	\$226.84	N/A	\$226.84	\$233.91	N/A	\$233.91	\$233.91
Single - 1 Medicare	N/A	\$198.94	\$198.94	N/A	\$198.94	\$198.94	N/A	\$201.64	\$201.64	\$201.64
EE+Spouse - 0 Medicare	\$494.49	N/A	\$494.49	\$494.49	N/A	\$494.49	\$510.17	N/A	\$510.17	\$510.17
EE+Spouse - 1 Medicare	\$264.15	\$198.94	\$463.09	\$264.15	\$198.94	\$463.09	\$271.17	\$201.64	\$472.81	\$472.81
EE+Spouse - 2 Medicare	N/A	\$397.88	\$397.90	N/A	\$397.88	\$397.90	N/A	\$403.28	\$403.27	\$403.27
Family - 0 Medicare	\$562.53	N/A	\$562.53	\$562.53	N/A	\$562.53	\$580.15	N/A	\$580.15	\$580.15
Family - 1 Medicare	\$324.17	\$198.94	\$523.11	\$324.17	\$198.94	\$523.11	\$332.97	\$201.64	\$534.61	\$534.61
Family - 2 Medicare	\$112.62	\$397.88	\$510.50	\$112.62	\$397.88	\$510.50	\$94.33	\$403.28	\$497.61	\$497.61
EE+Ch - 0 Medicare	\$317.57	N/A	\$317.57	\$317.57	N/A	\$317.57	\$327.77	N/A	\$327.77	\$327.77
EE+Ch - 1 Medicare	\$116.07	\$198.94	\$315.01	\$116.07	\$198.94	\$315.01	\$94.04	\$201.64	\$295.68	\$295.68

Exhibit 4C – Plan Year 2020 Monthly Retiree Premiums

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	1525 PPO	1525 HMO (Aetna Medicare Subscriber)			1525 HMO	2030		HD 4000	\$0 Copay Plan
	Horizon PPO	1525 HMO			Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon DIRECT 0
		Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium					
Total Premium									
Single - 0 Medicare	\$1,169.60	\$1,074.06	N/A	\$1,074.06	\$1,074.06	\$1,120.52	\$1,028.31	\$746.52	\$1,036.37
Single - 1 Medicare	\$424.00	N/A	\$317.23	\$317.23	\$448.43	\$411.92	\$435.20	N/A	N/A
EE+Spouse - 0 Medicare	\$2,549.71	\$2,341.43	N/A	\$2,341.43	\$2,341.43	\$2,442.81	\$2,241.77	\$1,627.42	\$2,259.28
EE+Spouse - 1 Medicare	\$1,543.26	\$1,028.66	\$317.23	\$1,345.89	\$1,477.09	\$1,487.20	\$1,423.29	N/A	N/A
EE+Spouse - 2 Medicare	\$847.99	N/A	\$634.46	\$634.47	\$896.75	\$823.85	\$870.35	N/A	N/A
Family - 0 Medicare	\$2,900.57	\$2,663.63	N/A	\$2,663.63	\$2,663.63	\$2,778.97	\$2,550.28	\$1,851.38	\$2,570.19
Family - 1 Medicare	\$1,862.40	\$1,319.13	\$317.23	\$1,636.36	\$1,767.56	\$1,792.81	\$1,701.28	N/A	N/A
Family - 2 Medicare	\$1,087.97	\$153.28	\$634.46	\$787.74	\$1,094.57	\$1,056.97	\$1,061.83	N/A	N/A
EE+Ch - 0 Medicare	\$1,637.39	\$1,503.68	N/A	\$1,503.68	\$1,503.68	\$1,568.78	\$1,439.67	\$1,045.12	\$1,450.89
EE+Ch - 1 Medicare	\$671.32	\$152.83	\$317.23	\$470.06	\$641.21	\$652.17	\$621.74	N/A	N/A
Medical Premium									
Single - 0 Medicare	\$949.77	\$844.34	N/A	\$844.34	\$844.34	\$898.62	\$796.42	\$584.95	\$829.11
Single - 1 Medicare	\$231.21	N/A	\$115.68	\$115.68	\$246.88	\$217.30	\$231.73	N/A	N/A
EE+Spouse - 0 Medicare	\$2,070.50	\$1,840.65	N/A	\$1,840.65	\$1,840.65	\$1,959.05	\$1,736.23	\$1,275.19	\$1,807.47
EE+Spouse - 1 Medicare	\$1,094.49	\$761.13	\$115.68	\$876.81	\$1,008.01	\$1,034.16	\$949.75	N/A	N/A
EE+Spouse - 2 Medicare	\$462.41	N/A	\$231.36	\$231.36	\$493.64	\$434.60	\$463.41	N/A	N/A
Family - 0 Medicare	\$2,355.44	\$2,093.95	N/A	\$2,093.95	\$2,093.95	\$2,228.63	\$1,975.16	\$1,450.68	\$2,056.22
Family - 1 Medicare	\$1,355.45	\$990.79	\$115.68	\$1,106.47	\$1,237.67	\$1,281.05	\$1,166.36	N/A	N/A
Family - 2 Medicare	\$593.27	\$39.20	\$231.36	\$270.56	\$577.39	\$557.57	\$539.72	N/A	N/A
EE+Ch - 0 Medicare	\$1,329.65	\$1,182.07	N/A	\$1,182.07	\$1,182.07	\$1,258.10	\$1,115.00	\$818.93	\$1,160.74
EE+Ch - 1 Medicare	\$366.06	\$35.25	\$115.68	\$150.93	\$322.08	\$344.02	\$299.57	N/A	N/A
Rx Premium									
Single - 0 Medicare	\$219.83	\$229.72	N/A	\$229.72	\$229.72	\$221.90	\$231.89	\$161.57	\$207.26
Single - 1 Medicare	\$192.79	N/A	\$201.55	\$201.55	\$201.55	\$194.62	\$203.47	N/A	N/A
EE+Spouse - 0 Medicare	\$479.21	\$500.78	N/A	\$500.78	\$500.78	\$483.76	\$505.54	\$352.23	\$451.81
EE+Spouse - 1 Medicare	\$448.77	\$267.53	\$201.55	\$469.08	\$469.08	\$453.04	\$473.54	N/A	N/A
EE+Spouse - 2 Medicare	\$385.58	N/A	\$403.10	\$403.11	\$403.11	\$389.25	\$406.94	N/A	N/A
Family - 0 Medicare	\$545.13	\$569.68	N/A	\$569.68	\$569.68	\$550.34	\$575.12	\$400.70	\$513.97
Family - 1 Medicare	\$506.95	\$328.34	\$201.55	\$529.89	\$529.89	\$511.76	\$534.92	N/A	N/A
Family - 2 Medicare	\$494.70	\$114.08	\$403.10	\$517.18	\$517.18	\$499.40	\$522.11	N/A	N/A
EE+Ch - 0 Medicare	\$307.74	\$321.61	N/A	\$321.61	\$321.61	\$310.68	\$324.67	\$226.19	\$290.15
EE+Ch - 1 Medicare	\$305.26	\$117.58	\$201.55	\$319.13	\$319.13	\$308.15	\$322.17	N/A	N/A

Exhibit 4D – Plan Year 2020 Annual Retiree Premiums

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	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)			Legacy HMO
	PPO10			PPO15			Legacy HMO			Horizon 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	\$15,306	N/A	\$15,306	\$14,552	N/A	\$14,552	\$13,993	N/A	\$13,993	\$13,993
Single - 1 Medicare	N/A	\$3,895	\$3,895	N/A	\$3,659	\$3,659	N/A	\$4,233	\$4,233	\$6,074
EE+Spouse - 0 Medicare	\$33,366	N/A	\$33,366	\$31,724	N/A	\$31,724	\$30,508	N/A	\$30,508	\$30,508
EE+Spouse - 1 Medicare	\$16,891	\$3,895	\$20,786	\$16,724	\$3,659	\$20,383	\$13,332	\$4,233	\$17,565	\$19,406
EE+Spouse - 2 Medicare	N/A	\$7,790	\$7,791	N/A	\$7,317	\$7,317	N/A	\$8,466	\$8,466	\$12,148
Family - 0 Medicare	\$37,958	N/A	\$37,958	\$36,090	N/A	\$36,090	\$34,703	N/A	\$34,703	\$34,703
Family - 1 Medicare	\$21,146	\$3,895	\$25,041	\$20,936	\$3,659	\$24,595	\$17,116	\$4,233	\$21,349	\$23,190
Family - 2 Medicare	\$2,162	\$7,790	\$9,953	\$2,071	\$7,317	\$9,388	\$1,986	\$8,466	\$10,452	\$15,001
EE+Ch - 0 Medicare	\$21,428	N/A	\$21,428	\$20,373	N/A	\$20,373	\$19,594	N/A	\$19,594	\$19,594
EE+Ch - 1 Medicare	\$2,229	\$3,895	\$6,124	\$2,134	\$3,659	\$5,793	\$1,974	\$4,233	\$6,207	\$8,908
Medical Premium										
Single - 0 Medicare	\$12,584	N/A	\$12,584	\$11,830	N/A	\$11,830	\$11,186	N/A	\$11,186	\$11,186
Single - 1 Medicare	N/A	\$1,508	\$1,508	N/A	\$1,271	\$1,271	N/A	\$1,813	\$1,813	\$3,655
EE+Spouse - 0 Medicare	\$27,432	N/A	\$27,432	\$25,790	N/A	\$25,790	\$24,386	N/A	\$24,386	\$24,386
EE+Spouse - 1 Medicare	\$13,721	\$1,508	\$15,229	\$13,555	\$1,271	\$14,826	\$10,078	\$1,813	\$11,891	\$13,732
EE+Spouse - 2 Medicare	N/A	\$3,016	\$3,016	N/A	\$2,543	\$2,543	N/A	\$3,627	\$3,627	\$7,309
Family - 0 Medicare	\$31,208	N/A	\$31,208	\$29,340	N/A	\$29,340	\$27,742	N/A	\$27,742	\$27,742
Family - 1 Medicare	\$17,256	\$1,508	\$18,763	\$17,046	\$1,271	\$18,318	\$13,121	\$1,813	\$14,934	\$16,775
Family - 2 Medicare	\$811	\$3,016	\$3,827	\$719	\$2,543	\$3,262	\$854	\$3,627	\$4,480	\$9,030
EE+Ch - 0 Medicare	\$17,617	N/A	\$17,617	\$16,562	N/A	\$16,562	\$15,661	N/A	\$15,661	\$15,661
EE+Ch - 1 Medicare	\$836	\$1,508	\$2,344	\$741	\$1,271	\$2,013	\$846	\$1,813	\$2,659	\$5,360
Rx Premium										
Single - 0 Medicare	\$2,722	N/A	\$2,722	\$2,722	N/A	\$2,722	\$2,807	N/A	\$2,807	\$2,807
Single - 1 Medicare	N/A	\$2,387	\$2,387	N/A	\$2,387	\$2,387	N/A	\$2,420	\$2,420	\$2,420
EE+Spouse - 0 Medicare	\$5,934	N/A	\$5,934	\$5,934	N/A	\$5,934	\$6,122	N/A	\$6,122	\$6,122
EE+Spouse - 1 Medicare	\$3,170	\$2,387	\$5,557	\$3,170	\$2,387	\$5,557	\$3,254	\$2,420	\$5,674	\$5,674
EE+Spouse - 2 Medicare	N/A	\$4,775	\$4,775	N/A	\$4,775	\$4,775	N/A	\$4,839	\$4,839	\$4,839
Family - 0 Medicare	\$6,750	N/A	\$6,750	\$6,750	N/A	\$6,750	\$6,962	N/A	\$6,962	\$6,962
Family - 1 Medicare	\$3,890	\$2,387	\$6,277	\$3,890	\$2,387	\$6,277	\$3,996	\$2,420	\$6,415	\$6,415
Family - 2 Medicare	\$1,351	\$4,775	\$6,126	\$1,351	\$4,775	\$6,126	\$1,132	\$4,839	\$5,971	\$5,971
EE+Ch - 0 Medicare	\$3,811	N/A	\$3,811	\$3,811	N/A	\$3,811	\$3,933	N/A	\$3,933	\$3,933
EE+Ch - 1 Medicare	\$1,393	\$2,387	\$3,780	\$1,393	\$2,387	\$3,780	\$1,128	\$2,420	\$3,548	\$3,548

Exhibit 4D – Plan Year 2020 Annual Retiree Premiums

	1525 PPO	1525 HMO (Aetna Medicare Subscriber)			1525 HMO	2030		HD 4000	\$0 Copay Plan
	Horizon PPO	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon DIRECT 0
Total Premium									
Single - 0 Medicare	\$14,035	\$12,889	N/A	\$12,889	\$12,889	\$13,446	\$12,340	\$8,958	\$12,436
Single - 1 Medicare	\$5,088	N/A	\$3,807	\$3,807	\$5,381	\$4,943	\$5,222	N/A	N/A
EE+Spouse - 0 Medicare	\$30,597	\$28,097	N/A	\$28,097	\$28,097	\$29,314	\$26,901	\$19,529	\$27,111
EE+Spouse - 1 Medicare	\$18,519	\$12,344	\$3,807	\$16,151	\$17,725	\$17,846	\$17,079	N/A	N/A
EE+Spouse - 2 Medicare	\$10,176	N/A	\$7,614	\$7,614	\$10,761	\$9,886	\$10,444	N/A	N/A
Family - 0 Medicare	\$34,807	\$31,964	N/A	\$31,964	\$31,964	\$33,348	\$30,603	\$22,217	\$30,842
Family - 1 Medicare	\$22,349	\$15,830	\$3,807	\$19,636	\$21,211	\$21,514	\$20,415	N/A	N/A
Family - 2 Medicare	\$13,056	\$1,839	\$7,614	\$9,453	\$13,135	\$12,684	\$12,742	N/A	N/A
EE+Ch - 0 Medicare	\$19,649	\$18,044	N/A	\$18,044	\$18,044	\$18,825	\$17,276	\$12,541	\$17,411
EE+Ch - 1 Medicare	\$8,056	\$1,834	\$3,807	\$5,641	\$7,695	\$7,826	\$7,461	N/A	N/A
Medical Premium									
Single - 0 Medicare	\$11,397	\$10,132	N/A	\$10,132	\$10,132	\$10,783	\$9,557	\$7,019	\$9,949
Single - 1 Medicare	\$2,775	N/A	\$1,388	\$1,388	\$2,963	\$2,608	\$2,781	N/A	N/A
EE+Spouse - 0 Medicare	\$24,846	\$22,088	N/A	\$22,088	\$22,088	\$23,509	\$20,835	\$15,302	\$21,690
EE+Spouse - 1 Medicare	\$13,134	\$9,134	\$1,388	\$10,522	\$12,096	\$12,410	\$11,397	N/A	N/A
EE+Spouse - 2 Medicare	\$5,549	N/A	\$2,776	\$2,776	\$5,924	\$5,215	\$5,561	N/A	N/A
Family - 0 Medicare	\$28,265	\$25,127	N/A	\$25,127	\$25,127	\$26,744	\$23,702	\$17,408	\$24,675
Family - 1 Medicare	\$16,265	\$11,889	\$1,388	\$13,278	\$14,852	\$15,373	\$13,996	N/A	N/A
Family - 2 Medicare	\$7,119	\$470	\$2,776	\$3,247	\$6,929	\$6,691	\$6,477	N/A	N/A
EE+Ch - 0 Medicare	\$15,956	\$14,185	N/A	\$14,185	\$14,185	\$15,097	\$13,380	\$9,827	\$13,929
EE+Ch - 1 Medicare	\$4,393	\$423	\$1,388	\$1,811	\$3,865	\$4,128	\$3,595	N/A	N/A
Rx Premium									
Single - 0 Medicare	\$2,638	\$2,757	N/A	\$2,757	\$2,757	\$2,663	\$2,783	\$1,939	\$2,487
Single - 1 Medicare	\$2,313	N/A	\$2,419	\$2,419	\$2,419	\$2,335	\$2,442	N/A	N/A
EE+Spouse - 0 Medicare	\$5,751	\$6,009	N/A	\$6,009	\$6,009	\$5,805	\$6,066	\$4,227	\$5,422
EE+Spouse - 1 Medicare	\$5,385	\$3,210	\$2,419	\$5,629	\$5,629	\$5,436	\$5,682	N/A	N/A
EE+Spouse - 2 Medicare	\$4,627	N/A	\$4,837	\$4,837	\$4,837	\$4,671	\$4,883	N/A	N/A
Family - 0 Medicare	\$6,542	\$6,836	N/A	\$6,836	\$6,836	\$6,604	\$6,901	\$4,808	\$6,168
Family - 1 Medicare	\$6,083	\$3,940	\$2,419	\$6,359	\$6,359	\$6,141	\$6,419	N/A	N/A
Family - 2 Medicare	\$5,936	\$1,369	\$4,837	\$6,206	\$6,206	\$5,993	\$6,265	N/A	N/A
EE+Ch - 0 Medicare	\$3,693	\$3,859	N/A	\$3,859	\$3,859	\$3,728	\$3,896	\$2,714	\$3,482
EE+Ch - 1 Medicare	\$3,663	\$1,411	\$2,419	\$3,830	\$3,830	\$3,698	\$3,866	N/A	N/A

Exhibit 5A – Plan Year 2020 Employee Plan Option Summary

	Education Actives										
	\$0 PPO	\$10 PPO	\$15 PPO	\$10 HMO	1525PPO	1525HMO	2030PPO	2030HMO	2035PPO	2035HMO	HDHP 1500
In-Network											
Deductible (Single/Family) ¹	None	None	None	None	None	None	None	None	\$200/\$500 for non-copayment services	\$200/\$500 for non-copayment services	\$1,500/\$3,000
Coinsurance OOP Maximum (Single/ Family)	None	None	\$400/\$1,000	None	\$400/\$1,000	None	\$800/\$2,000	None	\$2,000/\$5,000	\$2,000/\$5,000	None
Total In-Network OOP Maximum (Single/Family) ¹	\$400/\$1,000	\$400/\$1,000	\$6,520/\$13,040	\$6,520/\$13,040	\$6,520/\$13,040	\$6,520/\$13,040	\$6,520/\$13,040	\$6,520/\$13,040	\$6,520/\$13,040	\$6,520/\$13,040	\$2,500/\$5,000
Overall Coinsurance	None	None	None	None	None	None	None	None	None	None	20%
PCP	\$0 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay	\$20 copay	\$20 copay	20% coinsurance after deductible
Specialist	\$0 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)	\$35 copay	\$35 copay	20% coinsurance after deductible
Emergency Room	\$50 copay	\$25 copay	\$50 copay	\$35 copay	\$75 copay	\$75 copay	\$125 copay	\$125 copay	\$300 copay	\$300 copay	20% coinsurance after deductible
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	20% coinsurance after deductible	20% coinsurance after deductible	20% coinsurance after deductible
Out-of-Network											
Deductible (Single/Family)	\$100/\$250	\$100/\$250	\$100/\$250	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered	\$800/\$2,000	Not covered	Combined with In-Network Deductible
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered	\$6,500/\$13,000	Not covered	\$3,500/\$7,000
Overall Coinsurance	20%	20%	30%	Not covered	30%	Not covered	30%	Not covered	40%	Not covered	40%
Prescription Drug											
OOP Maximum (Single/Family)	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260	\$1,630/\$3,260
Retail - Generic	\$3	\$3	\$3	\$3	\$7	\$7	\$3	\$3	\$7	\$7	Subject to Deductible and Coinsurance
Retail - Preferred Brand	\$10	\$10	\$10	\$10	\$16	\$16	\$18	\$18	\$21	\$21	
Retail - Non-Preferred Brand	Member pays the difference	\$10	\$10	\$10	\$35	\$35	\$46	\$46	Member pays the difference	Member pays the difference	
Mail - Generic	\$5	\$5	\$5	\$5	\$18	\$18	\$6	\$6	\$18	\$18	
Mail - Preferred Brand	\$15	\$15	\$15	\$15	\$40	\$40	\$36	\$36	\$52	\$52	
Mail - Non-Preferred Brand	Member pays the difference	\$15	\$15	\$15	\$88	\$88	\$92	\$92	Member pays the difference	Member pays the difference	

¹ For all HDHP plans the in-network and out-of-network OOP Maximum and the in-network Deductible for Medical and Prescription Drug are integrated.

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; Coinsurance is 15% for NJ DIRECT1525 and NJ DIRECT2030; Coinsurance is 20% for NJ DIRECT2035. Copayments for Aetna Freedom10, Aetna Freedom15, Aetna HMO, and Horizon HMO are \$5, \$10, \$20 (Retail 30-day supply) and \$5, \$15, \$25 (Mail Order 90-day supply); Copayments for Aetna Freedom1525, Aetna HMO1525, Horizon HMO1525, Aetna Freedom2030, Aetna HMO2030, Horizon HMO2030, Aetna Freedom2035, Aetna HMO2035, Horizon HMO2035A are shown in chart above. For High Deductible Health Plans, prescription drug coverage must be through the SEHBP medical plan and are subject to the plan's deductible and coinsurance amounts.

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.

Exhibit 5B – Plan Year 2020 Early Retiree Plan Option Summary

	Education Early Retirees								
	\$0 PPO	\$10 PPO	\$15 PPO	\$10 HMO	1525PPO	1525HMO	2030PPO	2030HMO	HDHP 4000
In-Network									
Deductible (Single/Family) ¹	None	None	None	None	None	None	None	None	\$4,000/\$8,000
Coinsurance OOP Maximum (Single/ Family)	None	None	\$400/\$1,000	None	\$400/\$1,000	None	\$800/\$2,000	None	None
Total In-Network OOP Maximum (Single/Family) ¹	\$400/\$1,000	\$400/\$1,000	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478	\$5,000/\$10,000
Overall Coinsurance	None	None	None	None	None	None	None	None	20%
PCP	\$0 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay	20% coinsurance after deductible
Specialist	\$0 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)	20% coinsurance after deductible
Emergency Room	\$50 copay	\$25 copay	\$50 copay	\$35 copay	\$75 copay	\$75 copay	\$125 copay	\$125 copay	20% coinsurance after deductible
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	20% coinsurance after deductible
Out-of-Network									
Deductible (Single/Family)	\$100/\$250	\$100/\$250	\$100/\$250	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered	Combined with In-Network Deductible
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered	\$6,000/\$12,000
Overall Coinsurance	20%	20%	30%	Not covered	30%	Not covered	30%	Not covered	40%
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	Subject to Deductible and Coinsurance
Retail - Generic	\$10	\$10	\$10	\$6	\$7	\$7	\$3	\$3	
Retail - Preferred Brand	\$21	\$21	\$21	\$13	\$17	\$17	\$19	\$19	
Retail - Non-Preferred Brand	Member pays the difference	\$42	\$42	\$26	\$36	\$36	\$48	\$48	
Mail - Generic	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	
Mail - Preferred Brand	\$31	\$31	\$31	\$19	\$41	\$41	\$37	\$37	
Mail - Non-Preferred Brand	Member pays the difference	\$52	\$52	\$31	\$91	\$91	\$95	\$95	

¹ For all HDHP plans the in-network and out-of-network OOP Maximum and the in-network Deductible for Medical and Prescription Drug are integrated.

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.

Exhibit 5C – Plan Year 2020 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)	\$1,000 per person	\$1,000 per person	\$2,500 per person	\$2,500 per person	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478	\$6,739/\$13,478
Overall Coinsurance	None	None	None	None	None	None	None	None	None
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)	\$1,000 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 Horizon \$15 PPO for IN outpatient private duty nursing, IN or OON ambulance, DME and some prosthetic and orthotic services

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

³Medicare 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.

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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