P.L. 2020, Chapter 44

Frequently Asked Questions

1. Q. What is Chapter 44?

A. On July 1, 2020, Governor Murphy signed P.L. 2020, Chapter 44 (S2273/A20), which will reduce the health care contributions for certain school employees who elect the newly created New Jersey Educators Health Plan (NJEHP) or the Garden State Health Plan (GSHP). The GSHP will be available July 1, 2021, for new employees who are hired after July 1, 2021, and for those having a qualifying event. All other employees will be able to enroll in the GSHP for Plan Year 2022 during the designated open enrollment.

2. Q. What health plans will be available to members during the Affirmative Election in the Fall of 2020?

A. The Fall Affirmative Election Period is not an open enrollment period. This election is strictly to keep your current level of coverage or migrate into the Educators Health Plan.

All new employees hired *on or after* July 1, 2020, will have the option to enroll in the New Jersey Educators Health Plan (NJEHP) or waive coverage.

All employees hired *prior to* July 1, 2020, will have to submit their affirmative election form choosing to remain in their current plan, enroll into the Educators Health Plan or continue to waive coverage. If you currently are enrolled in the District's health plan and fail to submit an affirmative election form with your decision, you will be automatically enrolled into the EHP effective January 1, 2020.

PLAN COSTS

3. Q. What do contributions look like under the NJEHP?

A. Employees and certain retirees* are required to contribute a percentage of their base salary or retirement allowance (including any cost-of-living adjustment) as applicable. See the chart below.

Salary/Ret. Allowance*	Coverage Level Percentages			
	Single	Parent & Child	Member & Spouse/Partner	Family
$40,000 or Less	1.7%	2.2%	2.8%	3.3%
>$40,000 to $50,000	1.9%	2.5%	3.3%	3.9%
>$50,000 to $60,000	2.2%	2.8%	3.9%	4.4%
>$60,000 to $70,000	2.5%	3.0%	4.4%	5.0%
>$70,000 to $80,000	2.8%	3.3%	5.0%	5.5%
>$80,000 to $90,000	3.0%	3.6%	5.5%	6.0%
>$90,000 to $100,000	3.3%	3.9%	6.0%	6.6%
>$100,000 to $125,000	3.6%	4.4%	6.6%	7.2%
More than $125,000	Percentage to be contributed shall be the same as for a base salary/allowance of $125,000.			

** Applies to retirees who are not Medicare-eligible and who are required by another provision of law to contribute in ment toward the cost of health benefits coverage under the SEHBP.*

PLAN ROLLOUT

4. **Q. What coverage do employees receive who were hired on or after July 1, 2020, between the time of hire and January 1, 2021, when the new NJEHP will become available?**

   A. If an employee is hired after July 1, 2020, but prior to December 31, 2020, the employee will receive whatever health benefits options a new employee would otherwise be entitled to under their existing CNA. Such an employee will have the ability to waive coverage during open enrollment, and in the absence of such a waiver of coverage that employee and any applicable dependents will be enrolled in the NJEHP as of January 1, 2021.

5. **Q. If an employee who was hired prior to July 1, 2020, elects to join the NJEHP for Plan Year 2021, are they able to move back to the other plans offered by their employer?**

   A. Yes. Employees hired prior to July 1, 2020, have the option to switch to any eligible plan offered by their employer upon the next open enrollment. Plan changes may only occur during a designated enrollment period or immediately following a qualifying HIPAA event.

PLAN DESIGN

6. **Q. What is the Plan Design of the New Jersey Educator's Health Plan?**

Medical Coverage and Copayment(s)/Coinsurance

New Jersey Educators Health Plan	
Primary Care Copayment	$10
Specialist Care Copayment	$15
Emergency Room Copayment	$125 (to be waived if admitted)
In-Network Deductible	$0
In-Network Coinsurance	10% applicable to Emergency Transportation and Durable Medical Equipment
In-Network Out-of-Pocket Maximum (Individual/Family)	$500 single/$1,000 Family (covers all in network copayments, coinsurance, and deductible)
Out-of-Network Allowance	200% CMS
Out-of-Network Deductible (Individual/Family)	$350 single/$700 Family
Out-of-Network Coinsurance	30% of out-of-network fee schedule
Out-of-Network Out-of-Pocket Maximum (Individual/Family)	$2,000/$5,000
Out-of-Network Inpatient Hospital Deductible	Out-of-Network Deductible applies (see above)
Out-of-Network Physical Therapy Services	75% of in-network cost/service ($52)
Out-of-Network Acupuncture Services	Lesser of $60/visit or 75% of in-network cost/visit
Out-of-Network Chiropractic Services	Lesser of $35/visit or 75% of in-network cost/visit

Prescription Drug Coverage and Copayment(s)

Retail: Generic	$5 – 30-day supply
Retail: Preferred Brand	$10 — 30-day supply
Retail: Non-Preferred Brand	Member Pays Difference between generic and brand *plus* brand copayment**
Mail: Generic	$10 – 90-day supply
Mail: Preferred Brand	$20 — 90-day supply
Mail: Non-Preferred Brand	Member pays difference between generic and brand plus brand copayment**
Prescription Drug annual Out-of-Pocket Maximum (Individual/Family)	$1,600 single/$3200 family (Indexed Annually Pursuant to Federal Law)

***This cost to the member does not apply to the out-of-pocket maximum*

7. **Q. What are the major differences in benefit level for the NJEHP?**

   A. The most significant differences are an increase in copayment for emergency room visits that do not result in a hospital admission, the out-of-network deductible and coinsurance, and a different reimbursement schedule for all out-of-network providers. Members will still be able to utilize the same network of providers with the NJEHP as they do with their current benefit in network.

   For prescription drugs, there will be a closed formulary, an increase in most copayments, and mandatory use of generic drugs when they are available.

OUT-OF-NETWORK REIMBURSEMENT CHANGES

8. **Q. Why are out-of-network reimbursements changing?**

   A. Chapter 44 calls for a new out-of-network reimbursement structure comparable to the structure of the State Health Benefits Program. This includes out-of-network reimbursements for physical therapy, acupuncture, and chiropractic care that have a per visit dollar cap, along with all other services to be reimbursed at 200% of Centers for Medicare & Medicaid Services (CMS) reimbursement amounts.

9. **Q. How are reimbursements changing?**

   A. If you use an out-of-network provider for physical therapy, acupuncture, or chiropractic services, you must meet your annual deductible. Then, you will pay the coinsurance amount (20 percent or 30 percent) for your plan, plus any amount exceeding the out-of-network benefit limits shown below:

   - ✓ Physical Therapy: **$52 per visit**
   - ✓ Acupuncture for Pain Management: **$60 per visit**
   - ✓ Chiropractic Services: **$35 per visit (can vary depending on your medical carrier)**

   Please Note: There is a 30-visit maximum per calendar year for both in-network and out-of-network chiropractic services.

10. **Q. Which plans are impacted by the out-of-network reimbursement change?**

    A. This change applies only to the Educators Health Plan.

11. **Q. Can I continue to receive out-of-network physical therapy, acupuncture, or chiropractic services?**

    A. Yes. However, you will be subject to out-of-network coinsurance if you see an out-of-network provider and may be able to save money when you receive these services from an in-network provider.

12. **Q. Is the out-of-pocket maximum for the health plan separate from the prescription drug out-of-pocket maximum?**

    A. Yes. The out-of-pocket costs for the health plan and the prescription drug plan are separate.

13. **Q. Can the difference paid between generic and non-preferred brand prescription drugs be applied to the out-of-pocket maximum?**

    A. No. Any difference paid between generic and non-preferred brand prescription drugs is not to be applied to the out-of-pocket maximum.

GARDEN STATE HEALTH PLAN

14. **Q. What is the Garden State Health Plan?**

    A. The Garden State Health Plan (GSHP) will be created by the School Employees' Health Benefit Program Plan Design Committee (SEHBP PDC) by December 31, 2020, or the Department of the Treasury, Division of Pensions & Benefits, if the SEHBP PDC has not done so by the legislatively mandated deadline. Chapter 44 requires that the GSHP include only New Jersey-based providers, with certain exceptions as set forth in the plan documents.

15. **Q. What is the Plan Design of the GSHP?**

    A. Chapter 44 requires that the Plan Design of the GSHP be the same as the Plan Design for the NJEHP. (see charts above).

16. **Q. When is the GSHP going to be available?**

    A. The GSHP will be available to newly hired employees after July 1, 2021, and will be available as a plan option to all employees during the Open Enrollment period held in 2021. Also, any employees experiencing a qualifying life event between July 1, 2021, and January 1, 2022, will have the ability to select the GSHP as a plan option.

17. **Q. Why is the employee contribution for the GSHP one-half (50%) of the NJEHP employee contribution?**

    A. Chapter 44 states that the contribution for the GSHP will be 50% of the NJEHP (or a minimum of 1.5 percent of salary/retirement allowance). The SEHBP PDC, or the Division of Pensions & Benefits, as appropriate, will develop the GSHP accordingly.

RETIREES

18. **Q. Does Chapter 44 impact non-Medicare Eligible Retirees?**

    A. Yes. Chapter 44 mandates that all non-Medicare Retirees in the SEHBP must be enrolled in the NJEHP. Non-Medicare Retirees will not have the option to enroll in any other plan; however, they will have the ability to waive coverage on a yearly basis.

    Non-Medicare Eligible Retirees who are required to share the cost of SEHBP coverage in retirement, will contribute a percentage of retirement allowance when enrolled in the NJEHP.

19. **Q. Does Chapter 44 impact Medicare-Eligible Retirees?**

    A. No. Medicare-Eligible Retirees maintain their current plan choices and contribution schedules.