



State of New Jersey

School Employees' Health Benefits Program

Plan Year 2022 Rate Renewal Recommendation Analysis

August 17, 2021

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Executive Summary

The purpose of this Analysis is to recommend premium levels for the School Employees' Health Benefits Program (SEHBP) for January 1, 2022 through December 31, 2022.

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 2022 are based on medical and prescription drug claims incurred January 1, 2020 through December 31, 2020 and paid through March 31, 2021. The following bullets summarize the major highlights in the Renewal Analysis:

- The total recommended Plan Year 2022 premium rate changes for the Local Education Actives, Early Retirees, and Medicare Retirees are as follows:
 - The recommended rate change for Local Education Actives is a 1.7% decrease for medical and a 2.8% increase for the prescription drug premium rates, for a total decrease of 1.2%.
 - Due to recent legislation signed into law on July 3, 2020, Local Education Early Retirees may only enroll in the New Jersey Educator Health Plan as of January 1, 2022. The recommended rate change for Early Retirees in Plan Year 2022 for the New Jersey Educator Health Plan is approximately a 4.3% increase for medical and a 4.2% decrease for the prescription drug premium rates, for a total increase of 2.7%.
 - The Medicare Retiree medical increase for Plan Year 2022 is 2.1%, which includes both self-insured medical premiums and fully insured Medicare Advantage premiums. The recommended prescription drug rate change in Plan Year 2022 is a 6.8% increase.

Recommended Premium Renewal Changes

The recommended Plan Year 2022 premium rate changes are as follows: a decrease of 1.2% for Active Employees, a 2.7% increase for Early Retirees and a 4.9% 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 increase for Plan Year 2022 includes both self-insured medical premiums and fully insured Medicare Advantage premiums.

The recommended renewal premium rate changes for Plan Year 2022 by benefit plan are listed below:

	Medical	Rx			Total
		Rx Card	MMRx	Total Rx	
Actives					
PPO	(1.7%)	(10.1%)	7.4%	(0.7%)	(1.6%)
NJEHP	(1.7%)	(10.1%)	23.1%	7.9%	(0.9%)
Total	(1.7%)	(10.1%)	13.8%	2.8%	(1.2%)
Early Retirees					
NJEHP	4.3%			(4.2%)	2.7%
Total	4.3%			(4.2%)	2.7%
Medicare Retirees					
Total	2.1%			6.8%	4.9%
Grand Total	(1.1%)			4.8%	0.0%

The table below shows the expected changes in the projected Claim Stabilization Reserve at the end of Plan Years 2020 through 2022 for Local Education. The projected reserve as of December 31, 2020 is based on the reserve balance as of September 30, 2020 provided by the State. The projected reserves as of December 31, 2021 and December 31, 2022 are based on the reserve balance as of March 31, 2021 provided by the State.

SEHBP Projected Active Claim Stabilization Reserve

(in \$ millions)

	Reserve Balance
12/31/2020	\$604
12/31/2021	\$638
12/31/2022	\$638
Months of Plan Cost as of 12/31/2022	6.3

COVID-19

Aon's current guidance is to project medical claims using 2020 claims data normalized for the impacts of COVID-19. For the Plan Year 2022 Renewals, 2020 claims used for projecting 2021 and 2022 are adjusted using a blend of actual vs. expected claims experience, Aon National COVID-19 medical claim factors, and Aon North East Regional COVID-19 medical claims factors. The Local Education medical normalization factor for Actives is 1.11, for Early Retirees is 1.09, and for Medicare Retirees is 1.16.

Plan Year 2021 and 2022 estimates are limited by unknown factors, including:

- Cost of regular testing for COVID-19 and multiple infection peaks
- Cost of new drugs or vaccines that are developed and requirements for employers to cover those costs, at any price
- Unforeseen impact of provider economic distress & healthcare system capacity limits
- Potential higher ongoing costs of patients who recovered from COVID-19 illness
- Increased severity of claims as a result of delayed treatment
- Spillover of delayed non-essential care from 2020 into 2021
- Impact of federal assistance
- Potential to create anti-selection among employee population (i.e. COBRA, covered dependents, opt-in rates)

The Plan Year 2022 premium projections do not include any additional margin for COVID-19.

Additional Disclosures

The projections in this analysis are measured on an incurred basis and are consistent with the assumptions and methodology disclosed herein. Future projections may differ significantly from the current projections presented in this analysis due to (but not limited to) such factors as the following:

- Plan experience differing from that anticipated by the economic or demographic assumptions;
- Changes in actuarial methods or in economic or demographic assumptions;
- Changes in plan provisions or applicable law.

This analysis contains the primary actuarial assumptions and methods used to develop the cost projections but may not include a comprehensive list of these methodologies and assumptions. Aon provided guidance with respect to these assumptions, and it is our belief that the assumptions represent reasonable expectations of anticipated plan experience.

Plan Year 2022 Overview

Chapter 44: Approved through the SEHBP Plan Design Committee on July 10, 2020 and as enacted in P.L.2020, c.44 ("Chapter 44"), the State of New Jersey approved legislation that requires the SEHBP to offer to Local Education Actives three plans and Early Retirees only one plan, effective January 1, 2021, for medical and prescription benefits coverage which include the PPO10, PPO15, and New Jersey Educators Health Plan (NJEHP). In addition to the three plans offered on January 1, 2021, Chapter 44 requires an additional plan be offered to Actives and Early Retirees beginning July 1, 2021 (later extended to January 1, 2022) called the Garden State Health Plan. This law requires the elimination of all other benefit plans available to SEHBP Active and Early Retiree members. There is no impact to Medicare Retirees associated with this legislation.

Garden State Health Plan: Beginning January 1, 2022, a new Garden State Health Plan will be implemented. Plan Design details for the Garden State Health Plan are yet to be determined. All employees hired on or after July 1, 2020 will be enrolled in the NJEHP and will have the option to enroll in the Garden State Plan beginning January 1, 2022. Cost or enrollment projections for the Garden State Health Plan will be developed when plan details are known and are not reflected in this Renewal Analysis.

Resolution 2020-02: Approved through the SEHBP Plan Design Committee on July 10, 2020 and effective as soon as reasonably practicable, but in no event later than August 1, 2020, the SEHBP agreed to limit out-of-network allowed amounts for coverage of chiropractic, acupuncture, and physical therapy services. The out-of-network coverage for chiropractic and acupuncture services will be no more than \$35 a visit for chiropractic services and \$60 a visit for acupuncture visits, or 75% of the average in-network cost per visit, whichever is less. The out-of-network coverage for physical therapy services be no more than 75% of the average in network cost per visit for physical therapy. Applicable co-insurance will apply for these services. This change affects Actives and Early Retirees and does not impact Medicare Retirees. Estimated annual savings of 7% for Actives and 5.4% for Early Retirees were provided by Horizon for Plan Year 2021. This legislation is assumed to continue to be in effect for Plan Year 2022.

Additional Plan Design Changes that have been made and are assumed to continue to be in effect for Plan Year 2022 are as follows:

- Implementation of Fair Health National Database Reimbursement Methodology: Effective March 1, 2020, Out-of-Network medical claims for plans that reimburse based on FAIR Health database will be reimbursed based on the National Database of associated charges, rather than based on charges grouped by three-digit zip code. The underlying Education Active and Early Retiree 2020 incurred claims were reduced 0.9% and 0.6%, respectively, to account for claims that were incurred prior to March 1, 2020. This estimated impact was provided by Horizon and does not impact Medicare Retirees. This legislation is assumed to continue in Plan Year 2022.
- HMS Data Integrity Vendor: In accordance with Public Law 2019, Chapter 143, the State recently conducted a bid solicitation awarding HMS the opportunity to provide Medical Claims Review and Data Warehouse services for self-insured Active, Early, and Medicare Retirees. This law requires the third party Medical Claims Reviewer to provide ongoing review and oversight of current medical claims processes. In addition, the Medical Claims Reviewer also must collect, store and maintain a secure archive of medical and prescription drug claims and other health services payment information, as well as document the cost and nature of claims incurred, demographic information on the covered population, emerging utilization and demographic trends. This program is estimated to reduce Local Education Active medical claims by \$5.1 million in Plan Year 2021 and \$6.4 million in Plan Year 2022. Local Education Active fees are estimated to be \$1.1 million in Plan Year 2021 and \$1.4 million in Plan Year 2022. This program is estimated to reduce Local Education Early Retiree medical claims by \$1.2 million in Plan Year 2021 and \$1.5 million in Plan Year 2022. Local Education Early Retiree fees are estimated to be \$0.3 million in Plan Years 2021 and 2022. Estimated savings and fees were based on data provided by HMS. This program does not impact Medicare Retirees.

- New Medicare Eligibility Vendor: The State implemented SSDC services to identify and conduct outreach to pre-65 retirees and spouses who are currently eligible or could become eligible for Medicare, in order to ensure enrollment in Medicare when appropriate. This program is estimated to reduce Local Education Early Retiree medical claims by \$0.8 million in Plan Year 2021 and \$2.5 million in Plan Year 2022. Local Education Early Retiree fees are estimated to be \$0.2 million in Plan Year 2021 and \$0.3 million in Plan Year 2022. Estimated savings and fees were based on data provided by SSDC.
- Navigation Advocacy: Effective January 1, 2020, Horizon implemented Horizon Health Guide, an enhanced Navigation and Advocacy Model. Estimated savings for this program are provided by Horizon and are reflected in the Plan Year 2021 and 2022 SEHBP Active and Early Retiree medical claim projections. The implementation of this program is estimated to reduce Active and Early Retiree projected Plan Year 2021 medical claims by 3.5% and Plan Year 2022 medical claims by an additional 3.0%. This program does not impact Medicare Retirees.
 - Livongo Diabetes Management: Effective January 31, 2020, Livongo, a diabetes management program was launched for Actives and Early Retirees. The goal of the program is to help keep members living with diabetes in the safe zone of blood glucose levels by providing a cellular-enabled glucometer with testing strips and access to coaching and a 24/7 chat feature. Livongo identifies eligible participants through Medical and Rx claims data sending targeted communications to members for enrollment. Livongo analyzes data to personalize the program for each member and provide real-time health insights. This program is estimated to reduce Local Education Active medical claims by \$2.8 million in Plan Year 2021 and \$6.2 million in Plan Year 2022 and reduce Local Education Active prescription drug claims by \$0.9 million in Plan Year 2021 and \$1.8 million in Plan Year 2022. Local Education Active fees are estimated to be \$1.6 million in Plan Year 2021 and \$3.1 million in Plan Year 2022. This program is estimated to reduce Local Education Early Retiree medical claims by \$0.7 million in Plan Year 2021 and \$1.4 million in Plan Year 2022 and reduce Local Education Early Retiree prescription drug claims by \$0.2 million in Plan Year 2021 and \$0.4 million in Plan Year 2022. Local Education Early Retiree fees are estimated to be \$0.4 million in Plan Year 2021 and \$0.7 million in Plan Year 2022. Estimated savings and fees were based on data provided by Livongo. This program does not impact Medicare Retirees.
 - Livongo Whole Person: Beginning Plan Year 2021, Livongo is also implementing the Livongo “Whole Person”, which provides a broader suite of services such as Livongo for Cardiovascular, Livongo for Weight Management, and Livongo for Behavioral Health in addition to the Livongo for Diabetes Management in effect January 31, 2020. This program is estimated to reduce Local Education Active medical claims by \$1.4 million in Plan Year 2021 and \$2.4 million in Plan Year 2022. Local Education Active fees are estimated to be \$1.1 million in Plan Year 2021 and \$1.8 million in Plan Year 2022. This program is estimated to reduce Local Education Early Retiree medical claims by \$0.3 million in Plan Year 2021 and \$0.6 million in Plan Year 2022. Local Education Early Retiree fees are estimated to be \$0.3 million in Plan Year 2021 and \$0.4 million in Plan Year 2022. Estimated savings and fees were based on data provided by Livongo. This program does not impact Medicare Retirees.
 - Hinge Health: Effective 2021, the State implemented Hinge Health, a coach-led, digital program using sensor guided exercise therapy for chronic back and joint pain. This program is estimated to reduce Local Education Active medical claims by \$4.5 million in Plan Year 2021 and \$4.3 million in Plan Year 2022. Local Education Active fees are estimated to be \$1.2 million in Plan Years 2021 and 2022. This program is estimated to reduce Local Education Early Retiree medical claims by \$1.1 million in Plan Year 2021 and \$1.0 million in Plan Year 2022. Local Education Early Retiree fees are estimated to be \$0.3 million in Plan Years 2021 and 2022. Estimated savings and fees were based on data provided by Hinge Health. This program does not impact Medicare Retirees.

- Amino: Effective 2021, the State implemented Amino, a provider directory promoting transparency that helps employees make smarter healthcare choices. The tool matches members with the highest quality, lowest cost in-network providers for their specific needs. This program is estimated to reduce Local Education Active medical claims by \$2.5 million and \$2.6 million in Plan Years 2021 and 2022, respectively. Local Education Active fees are estimated to be \$1.5 million in Plan Year 2021 and \$1.6 million in Plan Year 2022. This program is estimated to reduce Local Education Early Retiree medical claims by \$0.6 million in Plan Years 2021 and 2022. Local Education Early Retiree fees are estimated to be \$0.4 million in Plan Years 2021 and 2022. Estimated savings and fees were based on data provided by Amino. This program does not impact Medicare Retirees.
- Wondr Health (formerly Naturally Slim): Effective 2021, the State implemented Wondr Health, an online weight loss program that uses informative videos and learning tools to teach participants how to lose weight and improve their overall health. This program is estimated to reduce Local Education Active medical claims by \$3.5 million in Plan Year 2021 and \$2.7 million in Plan Year 2022. Local Education Active fees are estimated to be \$2.5 million in Plan Year 2021 and \$2.0 million in Plan Year 2022. This program is estimated to reduce Local Education Early Retiree medical claims by \$0.8 million in Plan Year 2021 and \$0.7 million in Plan Year 2022. Local Education Early Retiree fees are estimated to be \$0.6 million in Plan Year 2021 and \$0.5 million in Plan Year 2022. Estimated savings and fees were based on data provided by Wondr Health. This program does not impact Medicare Retirees.
- TurningPoint: Effective January 1, 2022, the State is implementing TurningPoint's Spinal Surgery Management Solution, which replaces existing fee-for-service spinal surgery claims with a guaranteed per member capitated rate. The utilization management program supports members and providers from condition identification through recovery by empowering members and providers with meaningful decision support ultimately resulting in high quality affordable care. The program is estimated to reduce Plan Year 2022 Local Education Active and Early Retiree medical claims \$1.8 million and \$0.4 million, respectively. This program does not impact Medicare Retirees. Savings were provided by TurningPoint and reflects guaranteed savings only.
- eviCore: Effective January 1, 2021, the State implemented eviCore's Advanced Imaging Solution, which delivers cost savings and improved patient outcomes by guiding members to receive the appropriate test or treatment using prior authorizations and medical necessity reviews. The program is estimated to reduce Plan Year 2021 Local Education Active and Early Retiree medical claims \$0.9 million and \$0.2 million, respectively. The program is estimated to reduce Plan Year 2022 Local Education Active and Early Retiree medical claims \$1.2 million and \$0.3 million, respectively. This program does not impact Medicare Retirees. Savings were provided by eviCore.

Vendor Changes

Medical Vendors: Effective January 1, 2020, all self-insured medical plans are administered solely by Horizon. Aon assumes that Horizon will continue to be the sole self-insured medical vendor in Plan Year 2022.

Aon assumes that Aetna will continue to administer the fully-insured Medicare Advantage plan options for Plan Year 2022.

Pharmacy Benefit Manager: Effective January 1, 2020, prescription drug benefits for Actives and Retirees are administered by Optum as a result of a 2019 Reverse Auction Bid Solicitation administered by Truveris, Inc. Optum is assumed to administer all of the prescription drug plans in Plan Year 2022.

Federal Health Care Reform

In-Network Out-of-Pocket Maximum: Effective 1/1/2022, Federal Health Care Reform requires that in-network medical and prescription drug benefits have a combined out-of-pocket maximum no greater than \$8,700 single / \$17,400 family. This benefit change will not have a significant impact on projected costs. Aon did not include any specific additional administrative load for the Local Plans with private Rx cards, who may want to integrate the administration of their medical and prescription drug out-of-pocket limits. The chart below summarizes a history of these out-of-pocket maximums:

Plan Year	Out-of-Pocket Maximum (Single/Family)
2020	\$8,150 / \$16,300
2021	\$8,550 / \$17,100
2022	\$8,700 / \$17,400

Health Insurance Exchanges: The public health insurance exchanges that are mandated by Federal Health Care Reform (which began in 2014), and the State's marketplace effective for coverage in 2021 and later, are assumed to have minimal impact on enrollment or cost levels within the SEHBP due to the SEHBP's low employee contributions and rich benefit designs.

ACA 9010: Section 9010 of the ACA imposed 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 placed a moratorium on this tax in Plan Year 2019. As of December 20, 2019, the HIF is in place for Plan Year 2020, however has been repealed beginning Plan Year 2021.

Further Consolidated Appropriations Act, 2020: On December 20, 2019, the President signed an omnibus bill that included a repeal of the excise tax on high-cost employer-sponsored health coverage, the medical device excise tax, and the health insurance providers fee (also known as the health insurance tax). Although the excise tax has been twice delayed, it was scheduled to go into effect in 2022. The medical device excise tax was scheduled to expire on December 31, 2019. The health insurance providers fee had a moratorium placed on it during 2019, will go back into effect in 2020, and will be eliminated permanently beginning in 2021.

New Jersey State Mandates

NJ Fertility Preservation Services: Effective April 12, 2020, coverage for standard fertility preservation services must be provided when a medically necessary treatment may directly or indirectly cause iatrogenic infertility, meaning impairment of fertility through surgery, radiation, chemotherapy, or other medical treatment affecting reproductive organs or processes.

NJ Preventive Services Mandate: Effective April 15, 2020, the SEHBC must provide coverage without any cost sharing for the following preventive services: evidence-based items or services that have a rating of an "A" or "B" in the current recommendations of the United States Preventive Services Task Force, immunizations that have in effect a recommendation for the Advisor Committee on Immunization Practices of the Centers of Disease Control and Prevention, evidence-informed preventive care for infants, children and adolescents outlined in the comprehensive guidelines supported by the Health Resources and Services Administration, and additional preventive care and screenings for women outline in the comprehensive guidelines supported by the Health Resources and Services Administration.

NJ Contraceptive Mandate 2020: Effective April 15, 2020, the previous Contraceptive Mandate is expanded to cover any contraceptive drug, device or product approved by the United States Federal Drug Administration (FDA), any over-the-counter contraceptive drug with FDA approval without a prescription, and voluntary male and female sterilization at no cost share.

NJ Breastfeeding Support 2020: Effective July 15, 2020, the SEHBC are required to cover at no cost share breastfeeding equipment, such as a breast pump, and comprehensive lactation consultations and counseling.

NJ Early Elective C-Section: Effective 2019, the SEHBP is prohibited from providing health benefits coverage for certain non-medically indicated early elective deliveries.

NJ COVID-19 Emergency Guidance: During the Covid-19 pandemic, the SEHBP is subject to emergency guidance elimination member cost sharing on COVID-19 testing as well as telemedicine services.

These New Jersey State mandates are not expected to materially impact the projected SEHBP Plan Costs.

Eligibility Changes

Chapter 375 Coverage of Adult Children: The number of Local Education adult children covered under Chapter 375 as of April 2021 is 148. The premiums for this group are required to be equivalent to the premium charges for children and are included in the standard premiums, with a 2% load for expenses. Plan Year 2022 renewal premiums have been calculated based on this requirement. The adult child rate will be approximately 88% of the Single Employee rate.

Part-Time Coverage: Part-time Employees may enroll in any of the SEHBP plans, and as of April 2021, 37 Local Education Part-time Employees participate. A rate load of 6% is recommended for Plan Year 2022, no change from the rate load used in Plan Year 2021. The recommendation is based on the three-year average loss ratio for Part-time Employees from 2017-2019. Because of COVID-19's impact on 2020 utilization, 2020 data was not included in determining the Part-Time rate load.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns from Plan Year 2019 through 2021 and includes a projection of enrollment from Plan Year 2021 to 2022. This projection assumes that Local Education Active enrollment will increase by 2.0% in Plan Year 2022. Early Retiree enrollment is projected to decrease 2.0% in Plan Year 2022; and Medicare Retiree enrollment is projected to increase 2.0% in Plan Year 2022.

Exhibit 1B shows the projected distribution of enrollment among benefit options in Plan Year 2022. Approximately 50% of Local Education Actives are assumed to be enrolled in the new NJEHP plan and 35% are assumed to remain in the PPO10. Approximately 12% of Local Education Retirees are assumed to be enrolled in the new NJEHP plan, while 70% of the Local Education Retiree population is assumed to be enrolled in either the PPO10 or PPO15 plan.

Exhibit 1C shows enrollment by benefit option and coverage tier as of April 2021. Projected enrollment changes noted above do not reflect any potential impacts associated with COVID-19 (i.e. furloughs, layoffs, etc.)

Dependents per Subscriber are based on ratios using SEHBP enrollment as of April 2021 and are assumed to remain constant for Plan Year 2022

Enrollment Migration to Lower Cost Plans

Actives: Prior renewals assumed that contribution increases under Chapter 78 would motivate a small number of employees to migrate to lower cost plan options. For Local Education Actives, with the adoption of Chapter 44, no additional plan migration is anticipated beyond what is noted in this memo.

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, we are assuming no changes to retiree contributions for Plan Year 2022, which means that the majority of retirees will continue to have no contribution for the cost of their retiree health benefits. As such, no migration is assumed for Retirees.

Local Education NJEHP Enrollment

For Plan Year 2022, it is assumed that 50% of Local Education Active employees will enroll in the new NJEHP. Additionally, it is assumed that 35% and 15% of total Active employees remain in the PPO10 and PPO15 plan, respectively. For Plan Year 2021 and 2022, it is assumed that all Early Retirees enroll in the NJEHP plan.

Active Demographic Changes

Based on April 2021 census data, the Active Employee average age remained the same from Plan Year 2020 to Plan Year 2021. The average PPO Employee average age increased 1.2 years. The average age of Employees enrolled in the new NJEHP plan is approximately 4.7 years younger than the average age of Employees enrolled in the Legacy PPO Plans.

Average Employee Age

	April 2020	April 2021	Change
Legacy PPO	47.9	49.1	1.2
Legacy HMO	50.21	n/a	n/a
Horizon New Plans	44.25	n/a	n/a
NJEHP	n/a	44.4	n/a
Total	47.4	47.4	0.0

Trend Analysis

The recommended claim trend assumptions for Plan Years 2021 and 2022 are as follows:

	Plan Year 2021		Plan Year 2022	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives*	6.00%	5.00%	6.00%	5.00%
PPO Early Retirees	5.50%	5.50%	5.50%	5.50%
Self-Insured Medicare Retirees	5.00%	5.50%	5.00%	5.50%
HMO Actives*	6.00%	5.00%	6.00%	5.00%
HMO Early Retirees	6.00%	5.50%	6.00%	5.50%

*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 2022 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 2022 for medical and prescription drug, respectively. These experience trends are based on estimated incurred claim trends from January 1, 2019 to December 31, 2020 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 2022	Vendor Recommendation		National AON Trend Guidance
	Horizon	Optum	
PPO Actives	6.0%	N/A	5.0%
PPO Early Retirees	6.0%	N/A	5.0%
HMO	N/A	N/A	5.0%
Rx Actives	N/A	5.5%	6.0%
Rx Early Retirees	N/A	5.2%	6.0%

*Gross trend shown before impact of plan design changes.

** Aon National Trend Guidance does not include the impact of plan design leveraging.

Medical Trends:

- PPO Actives: The recommended PPO medical trend for Actives is 6.0%, a 0.5% decrease from the Plan Year 2021 Renewal Analysis (does not include the anti-selection adjustment described below). The recommended Active PPO medical trend is 6.0% in Plan Year 2022.
- PPO Early Retirees: The recommended PPO medical trend for Early Retirees is 5.5%, no change from the Plan Year 2021 Renewal Analysis. The recommended Early Retiree PPO medical trend is 5.5% in Plan Year 2022.
- Self-Insured Medicare Retirees (PPOs and HMOs): The self-insured Medicare Retiree medical trend is recommended to be 5.0% in Plan Year 2021 and Plan Year 2022, unchanged from the Plan Year 2021 Medicare Retiree medical trend in the Plan Year 2021 Renewal Analysis.

- **HMO Actives and Early Retirees:** The Plan Year 2021 HMO Actives and Early Retirees medical trend is 6.0%, a 0.5% decrease from the Plan Year 2021 Renewal Analysis (Active trends does not include the anti-selection adjustment described below). The HMO Active and Early Retiree medical trend assumption is 6.0% in Plan Year 2022.

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 recommended Plan Year 2021 prescription drug trend for Actives and Retirees has remained at 5.0% for Actives and 5.5% for Early and Self-Insured Medicare Retirees, consistent with that was used in the Plan Year 2021 Renewal Analysis. The recommended prescription drug trend for Plan Year 2022 is 5.0% for Actives and 5.5% for Early and Self-Insured Medicare Retirees.

Additional Trend Adjustments: Based on expected entrants and terminations of Local Education Active Employers from the SEHBP, the Active medical and prescription drug trends have been increased by 25 basis points for Plan Year 2021 and Plan Year 2022. This adjustment is consistent with long-term expectations and reflects anti-selection risk (employers with good experience are terminating or those with poor experience are entering which will affect the SEHBP's overall loss ratio).

Medicare Advantage: The Medicare Advantage rates in Plan Years 2021 and 2022 were provided by Aetna. Below is a table summarizing the fully insured Medicare Advantage per member per month rates for Plan Years 2021 and 2022. Aetna has projected that an \$11.04 PMPM gain-share premium credit may be available to reduce 2022 costs and the rates below reflect that reduction. Costs could be higher if the gain share does not apply.

Aetna Monthly Per Member Medicare Advantage Premium Rates

Local Education	Aetna Medicare Advantage Rates		
	2021	2022	\$ Change
PPO 10	\$ 125.81	\$ 133.38	\$ 7.57
PPO 15	\$ 106.09	\$ 113.66	\$ 7.57
HMO 10	\$ 151.26	\$ 160.90	\$ 9.64
HMO 1525	\$ 115.83	\$ 125.47	\$ 9.64

Financial Projections

Aggregate Financial Projections

Using the assumptions detailed in this Renewal Rate Development section of this analysis, below are the current estimated projected costs for Plan Years 2020, 2021 and 2022.

Projected Financial Results **(in \$ millions)**

	NJEHP	PPO 10	PPO 15	Legacy HMOs	New Plans*	Total
Plan Year 2020						
Premium Rates x Enrollment	N/A	\$1,399.6	\$462.3	\$64.9	\$304.6	\$2,231.4
Incurred Claims	N/A	\$1,244.6	\$380.0	\$55.1	\$244.5	\$1,924.2
Administrative Charges	N/A	\$31.1	\$10.0	\$1.9	\$13.7	\$56.7
Net Gain (Loss)	N/A	\$123.9	\$72.3	\$7.9	\$46.4	\$250.5
Plan Year 2021						
Premium Rates x Enrollment	\$718.4	\$953.8	\$312.5	\$27.7	\$122.7	\$2,135.1
Incurred Claims	\$690.5	\$885.6	\$296.3	\$28.2	\$109.9	\$2,010.5
Administrative Charges	\$20.7	\$25.5	\$8.5	\$0.8	\$8.4	\$63.9
Net Gain (Loss)	\$7.2	\$42.7	\$7.7	(\$1.3)	\$4.4	\$60.7
Plan Year 2022						
Premium Rates x Enrollment	\$898.2	\$893.2	\$225.9	\$30.0	\$123.6	\$2,170.9
Incurred Claims	\$873.4	\$856.3	\$222.2	\$31.2	\$120.4	\$2,103.5
Administrative Charges	\$27.1	\$24.6	\$6.6	\$0.8	\$8.6	\$67.7
Net Gain (Loss)	(\$2.3)	\$12.3	(\$2.9)	(\$2.0)	(\$5.4)	(\$0.3)

*Includes the \$0 Copay plan in Plan Year 2020. In Plan Year 2021 and 2022, this includes only certain self-insured Medicare Retiree plans.

The current Plan Year 2020 financial results project an increase of \$167.6 million in the gain compared to the gain shown in the Plan Year 2021 Renewal Analysis, likely due to utilization suppression as a result of COVID-19.

The current Plan Year 2021 financial results project a \$61.0 million increase in the gain from the Plan Year 2021 Renewal Analysis.

The Plan Year 2022 renewal premiums are projected to produce approximately no gain or loss. The Plan Year 2022 aggregate projected costs are \$2.2 billion: Approximately \$1.2 billion for Actives and approximately \$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 2020

Projected active costs decreased 7.5% from the Plan Year 2021 Renewal Analysis. This decrease in plan cost is primarily a result of the following:

- Total active cost decreased 8.5% due to updated medical claims experience and enrollment, likely a result of reduced utilization due to COVID-19 and offset by increases in enrollment. Updated medical claims experience includes costs associated with telehealth services.
 - Calendar Year 2020 PPO claims experience shows a 17.5% reduction in PMPM claims.
 - Horizon reporting shows the decrease in medical experience trends is driven by a 29% reduction in doctor's visits and a 17% decrease in outpatient facility cost trends.
 - There is a 50.4% decrease in PMPM for Acupuncture, Chiropractic, and Physical Therapy benefits, likely a result of both COVID-19 and the implementation of out-of-network benefit limits on these services.
- There is a 0.3% increase in total active cost due to updated prescription drug claims experience and enrollment.
 - Actual 2020 Rx membership was 6.0% higher than estimated in the 2021 Renewal Analysis.
 - This increase in total cost was offset by favorable Rx trends. Calendar Year 2020 prescription drug experience shows a -0.4% PMPM claims trend.
 - Optum reporting shows a 19% PMPM trend in Inflammatory Conditions and an 8% PMPM trend in Diabetes.
 - The high cost category claims trends were offset by a 10.6% decrease in Rx count.
- There is a 0.7% increase in total active cost due to differences between actual and expected administrative fees and investment income, offset by a 0.1% decrease due to changes in overhead costs. The increase in fees is partly due to changes in expected and actual effective dates of point solution programs in 2020 and 2021.
- Additionally, based on updated reporting from Optum, a reduction in active prescription drug rebates is projected to increase total active cost by 0.1%.

Retiree cost is projected to decrease 3.9% from the Plan Year 2021 Renewal Analysis.

- Updated medical claims experience and enrollment resulted in a 4.9% decrease in total retiree cost. Updated medical claims experience includes costs associated with telehealth services.
 - Calendar Year 2020 PPO claims experience shows a 15.9% reduction in Early Retiree PMPM claims.
 - Horizon reporting shows the decrease in medical experience trends is driven by a 31% decrease in cost due to doctor's office and a 23% decrease in cost due to inpatient professional services.
- Updated Retiree prescription drug experience increased total retiree plan costs by approximately 2.8%.

- Calendar Year 2020 total Retiree prescription drug experience shows a 5.0% PMPM claims trend.
 - Optum reporting shows that Early Retiree trends were driven by a 12.4% trend in inflammatory conditions and a 5.9% trend in diabetes PMPMs.
- There is a 0.4% increase in total retiree cost due to differences between actual and expected administrative fees, investment income, overhead costs, and education surcharge. The increase in fees is partly due to changes in expected and actual effective dates of point solution programs in 2020 and 2021.
- Based on updated information from Optum, increases in retiree prescription drug rebates and EGWP credits are projected to decrease projected retiree costs by approximately 2.2%.

Plan Year 2021

For Plan Year 2021, active medical and prescription drug costs are projected to increase 9.6% compared to the results shown in the Plan Year 2021 Renewal Analysis.

- Aggregate medical and prescription drug costs are estimated to increase 15.2% from the results shown in the Plan Year 2021 Renewal Analysis due to changes in Local Education Active enrollment.
 - Local Education Active membership increased 8.4% in 2021. The Plan Year 2021 Renewal assumed no change to enrollment from 2020.
 - The Plan Year 2021 Renewal Analysis assumed that 80% of actives would migrate to the lower cost New Jersey Educator's Health Plan (NJEHP). Actual April 2021 enrollment showed that approximately 36% of the active population is enrolled in the NJEHP, resulting in a 6.8% increase in expected cost.
- Total active medical and prescription drug cost is expected to decrease 3.3% due to updated medical claims experience normalized for COVID-19 and prescription drug claims experience. Horizon reporting shows that employers entering the SEHBP in 2020 have favorable plan loss ratios relative to existing groups, helping reduce average costs.
- There is a 1.8% decrease in total active cost due to benefit changes, offset by a 0.6% increase due to changes in administrative fees and investment income.
- Based on updated reporting from Optum, active prescription drug rebates are projected to increase, resulting in a 1.1% decrease in total active cost.

For Retirees, there is a 6.7% decrease in total retiree costs from what was projected in the Plan Year 2021 Renewal Analysis.

- Differences in actual and expected Plan Year 2021 enrollment resulted in a 4.9% decrease in retiree total costs, offset by a 2.0% increase in total retiree cost due to updated medical claims experience normalized for COVID-19 and prescription drug claims experience.
- There is a 1.1% reduction in total cost due to changes in education surcharge, administrative fees, overhead charges, and benefit changes. Changes in investment income is projected to increase total retiree cost by 0.2%.
- Based on updated information provided by Optum, increases in expected 2021 prescription drug rebates and EGWP credits are projected to result in a 2.9% reduction in total retiree costs.

Self-Insured Vendor Administrative Fees and Claim Charges

The sections below show Plan Year 2022 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 2022		
	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

* Plan Year 2022 Fees are per attributed NJWELL employee and paid on a Per Enrolled Per Month basis. An attributed member is defined as an employee that is engaged in the wellness platform through completion of one or more of the point-achieving activities including, but not limited to, Health Assessment, Biometric Screening, Flu Shots, Telemedicine Wellness/Disease Management Coaching, Online Activities, etc. The NJWELL program includes access to WebMD wellness resources, custom rewards lobby, online tracking tools, monthly webinars and a comprehensive Health Management portal to track all activities.

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 2022 are \$5.25 PEPM for Commercial and \$8.00 PMPM for EGWP.

Renewal Rate Development

Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2020, 2021 and 2022, separately for each PPO and HMO 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 2022 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 2020 incurred claims data paid through March 2021 supplied by Horizon, Aetna, and Optum, incurred claims were completed for Plan Year 2020 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 2020 were divided by average covered members to get average claims per member per year. Covered members were based on April census enrollment data by coverage tier and adjusted with assumptions for the number of members per coverage tier.
4. Aon's current guidance is to project medical claims using 2020 claims data normalized for the impacts of COVID-19. Estimated 2020 incurred claims used for projecting 2021 and 2022 are adjusted using a blend of actual vs. expected claims experience, Aon National COVID-19 medical claim factors, and Aon North East Regional COVID-19 medical claims factors. The Local Education medical normalization factor for Actives is 1.11, for Early Retirees is 1.16, and for Medicare Retirees is 1.24
5. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2022 using the annual trend rates listed in the Trend Analysis section of this document.
6. Aggregate claims for Plan Year 2022 are the product of projected enrollment and the projected claims per member.
7. Plan Year 2022 projected Medicare Advantage fully insured premiums are based rates provided by Aetna.
8. Prescription drug rebates for Plan Year 2020 are based on actual rebate payment data received from the State. Projected rebates for Plan Years 2021 and 2022 are based on information provided by Optum. Rebates provided by Optum were adjusted to reflect historical Local Education Active, Early Retiree, and Medicare Retiree distributions.
9. Prescription drug rebates paid through the medical plan for Plan Year 2020 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 2021 and 2022 are incorporated in the medical

claim projections and are based on the actual Plan Year 2020 data provided by Aetna and Horizon.

10. 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 2021 and 2022.
 - a. CMS per capita payments: Plan Years 2020, 2021, and 2022 actual and expected CMS per capita payments were provided by Optum. The Plan Year 2022 CMS per capita payment is assumed to be a reduction of \$1.32 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2020, 2021, and 2022 actual and expected coverage gap payments were provided by Optum. The Plan Year 2022 credits are assumed to be \$83.46 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2020 credit is not expected to be fully paid until the beginning of Plan Year 2022. Plan Years 2020, 2021, and 2022 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2022 credits are assumed to be \$105.72 PMPM.
 - d. Low Income Cost Sharing (LICS): Plan Years 2020 and 2021 actual and expected LICS payments were provided by Optum. For Plan Year 2022, the subsidy payment is assumed to be \$1.05 PMPM.
11. The Plan Year 2022 projected Education Surcharge is approximately \$40.9 million, and this is used as a credit against projected Early Retiree costs.
12. Total SEHBP projected Plan Year 2022 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.
13. 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 2022 administrative fees were provided by Horizon and Optum.
14. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected to be equal to \$6.1 million for Plan Year 2022. Overhead charges were provided by the State.
15. All other fees and claim charges reported by the vendors have been reflected in the projections.
16. Projected investment income of \$3.6 million was used to reduce projected administrative costs for Plan Year 2022. Projected investment income was estimated based on provided by the State.
17. Based on participation in NJWELL, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2020 participation showed 5 Local Education employers (a total of 327 Employees) were eligible for this discount. The Plan Year 2021 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium

discount in Plan Year 2021. 1% of employers are expected to be eligible for this discount in Plan Year 2022.

Claim Stabilization Reserve

1. Active premiums include no margin since the Active Claim Stabilization Reserve at the end of Plan Year 2022 is projected to be at or above the target reserve of 2.0 months of Plan costs as of 12/31/2022.
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, 2022 is based on the actual Claim Stabilization Reserve at March 31, 2021 provided by the Division.
4. The Claim Stabilization Reserve can be used to reduce the Active premiums. The Local Education Active premium rate changes reflect no reduction in the Claim Stabilization Reserve for Plan Year 2022.

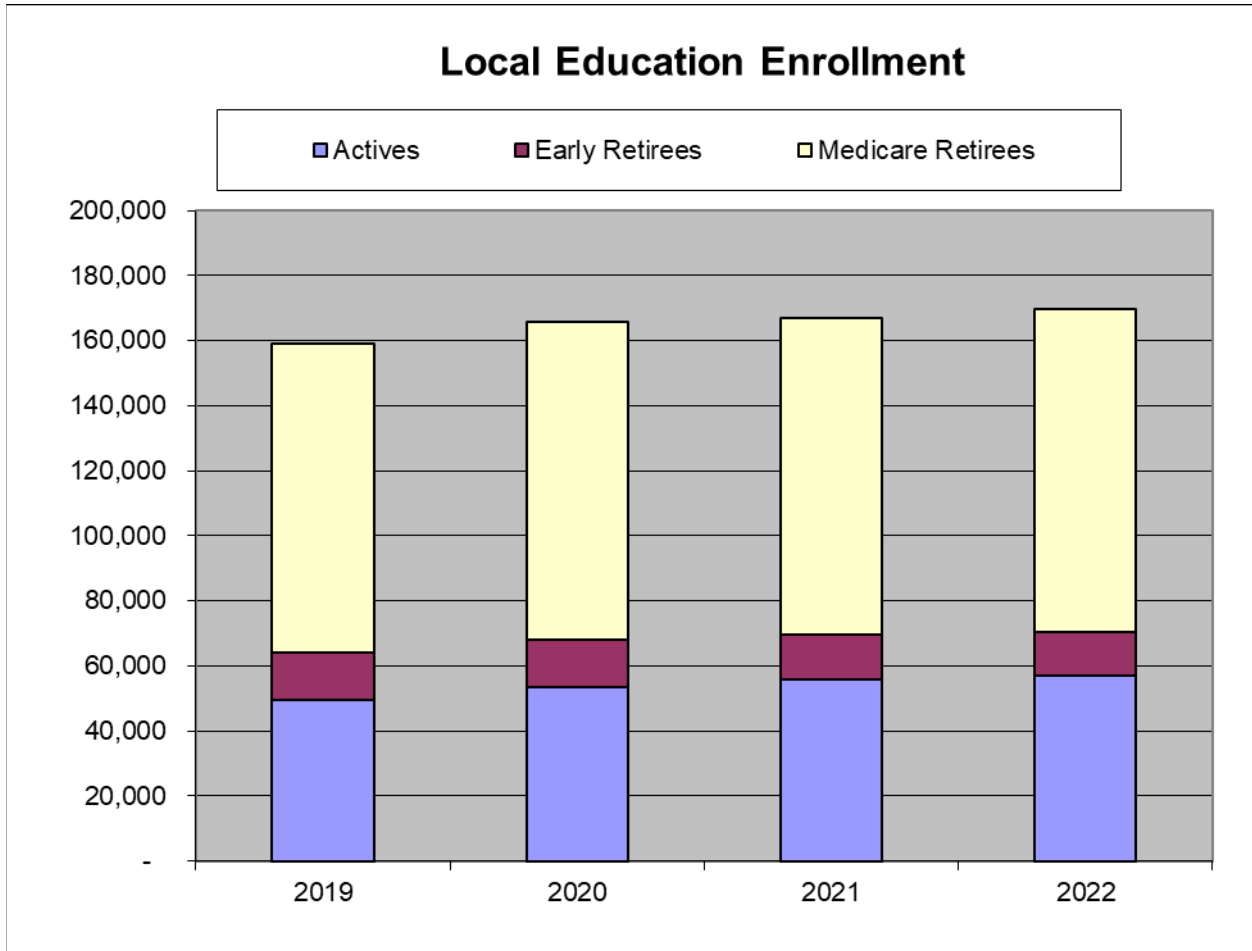
Projected Premiums

1. Plan Year 2020 SEHBP Active and Early Retiree medical and prescription drug experience was trended to Plan Year 2022 and adjusted for plan design changes. This plan experience was used to develop expected PPO10, PPO15, and NJEHP per member per month plan costs based on plan relative cost differences. Furthermore, it is assumed that participants remaining in the PPO10 and PPO15 will have 2% and 1% higher than average utilization, respectively. Plan Year 2022 fully insured Medicare Advantage premiums were provided by Aetna.
2. Aggregate Plan Year 2022 premium is calculated by multiplying projected Plan Year 2022 enrollment by Plan Year 2022 premium rates.

Data Assumptions

1. Claims: For medical and prescription drug claims, Aon is using claim files from each of the vendors which have claims incurred through December 31, 2020 and paid through March 31, 2021 for all groups.
2. Enrollment: Plan Year 2021 enrollment and Plan Year 2022 projected enrollment is based on April 2021 snap-shot census data from the Division. Aon also receives billing counts from the Division, which are used for the 2020 exposure units in the cost analysis.

Exhibit 1A – Enrollment Projections

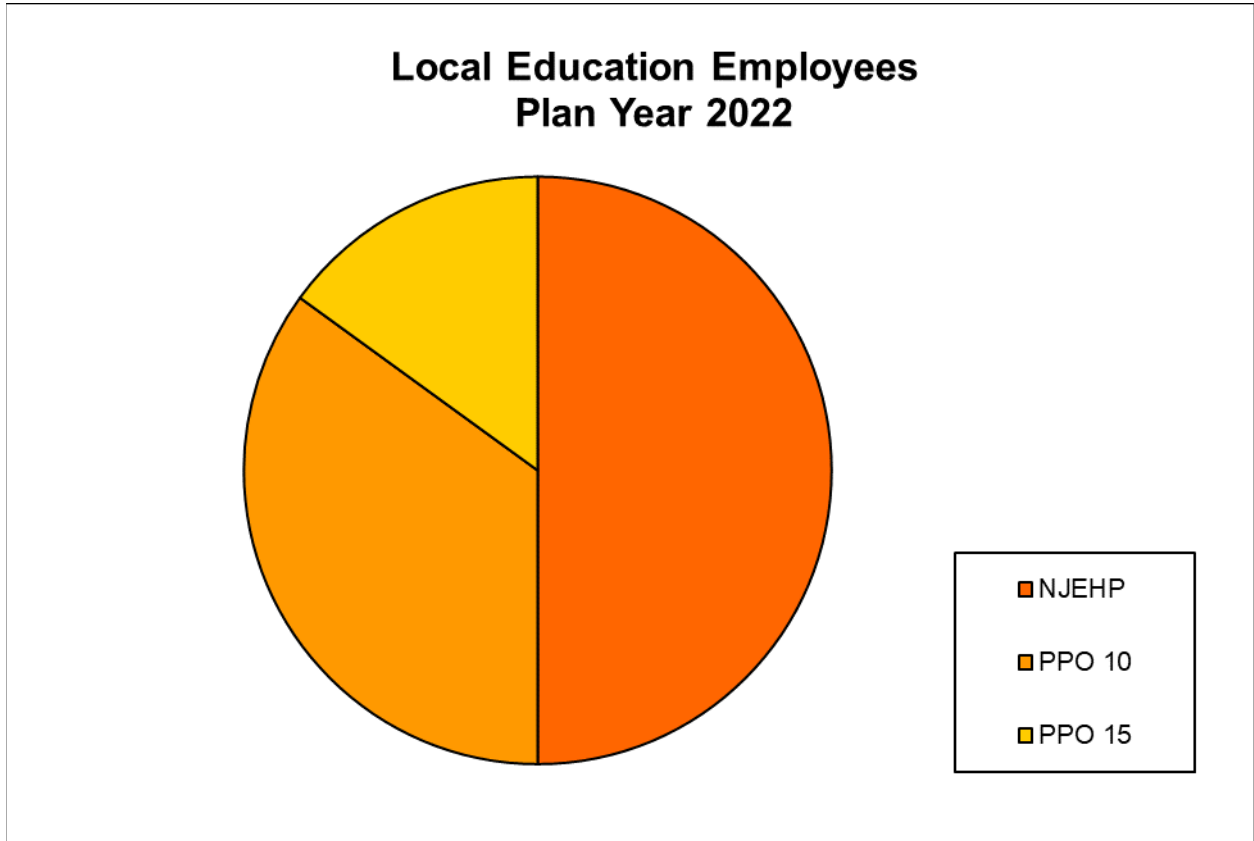


Annual Change in Enrollment

	<u>Actual</u> <u>2019 to 2020</u>	<u>Actual</u> <u>2020 to 2021</u>	<u>Projected</u> <u>2021 to 2022</u>
Actives	8.5%	4.4%	2.0%
Early Retirees	(2.2%)	(6.9%)	(2.0%)
Medicare Retirees	3.2%	(0.2%)	2.0%

*Projected 2021 enrollment for Active Employees and Retirees was assumed to be consistent with enrollment data through April 2021 provided by the State.

Exhibit 1B Actives – Projected Plan Year 2022 Plan Distribution



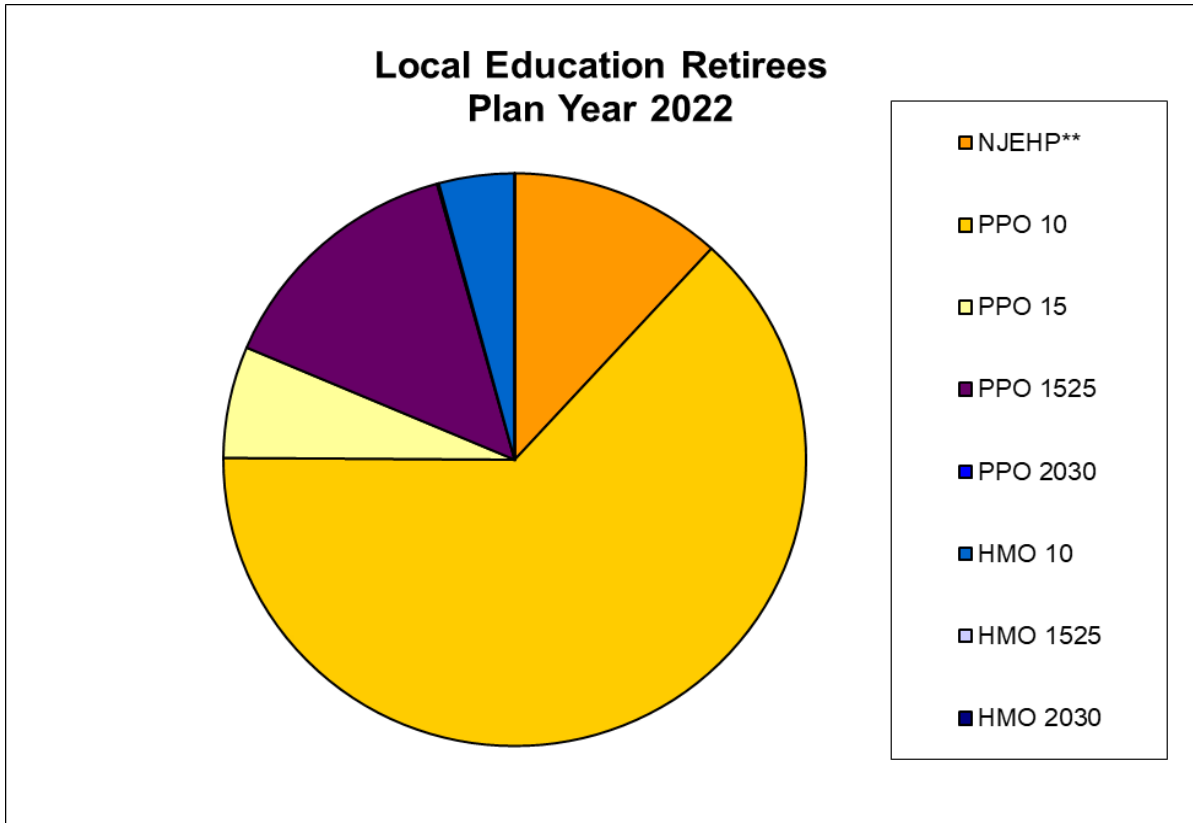
Assumes approximately 50% of Employees enroll in the NJEHP.

Assumes approximately 35% of Employees will remain in the \$10 copay plan.

Actives	Horizon
NJEHP	50.0%
PPO 10	35.0%
PPO 15	15.0%
Total	100.0%

*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 2022 Plan Distribution



Assumes approximately 68% of Retirees will remain in the \$10 copay plans.

Assumes approximately 12% of Retirees enroll in the NJEHP.

Assumes approximately 96% of Retirees will enroll in the PPO plans, 4% in the HMO Plans.

Assumes approximately 74% of Retirees will enroll in the Legacy plans and less than 26% in the new benefit options.

Retirees	Horizon	Aetna	Total
NJEHP**	11.8%	0.0%	11.8%
PPO 10	0.0%	63.3%	63.3%
PPO 15	0.0%	6.3%	6.3%
PPO 1525	14.3%	0.0%	14.3%
PPO 2030	0.1%	0.0%	0.1%
HMO 10	0.2%	4.0%	4.2%
HMO 1525	0.0%	0.0%	0.0%
HMO 2030	0.0%	0.0%	0.0%
Total	26.4%	73.6%	100.0%

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

**Assumes 100% of Early Retirees enroll in the NJEHP

Exhibit 1C Actives – April 2021 Enrollment

Number of Contracts as of April 2021					
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION - ACTIVE & COBRA					
<u>Medical Plans</u>					
NJEHP	7,948	2,446	7,686	2,296	20,376
NJ DIRECT10	7,132	4,341	9,510	2,354	23,337
NJ DIRECT15	3,942	2,207	5,012	1,151	12,312
Horizon Total	19,022	8,994	22,208	5,801	56,025

Exhibit 1C Early and Medicare Retirees – April 2021 Enrollment

	Number of Contracts as of April 2021				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION RETIREES					
<u>Medical Plans</u>					
NJEHP	4,838	4,986	2,876	780	13,480
NJ DIRECT1525	8,924	6,493	262	116	15,795
NJ DIRECT2030	74	31	3	2	110
Horizon Legacy HMO (10)	97	59	10	5	171
Horizon 1525 HMO	31	18	1	1	51
Horizon 2030 HMO	6	4	0	0	10
Horizon Total	9,132	6,605	276	124	29,617
Aetna Freedom 10	39,659	28,228	1,353	695	69,935
Aetna Freedom 15	4,344	2,414	135	89	6,982
Aetna Legacy HMO (10)	2,642	1,640	75	42	4,399
Aetna 1525 HMO	25	6	1	1	33
Aetna Total	46,670	32,288	1,564	827	81,349
Total	55,802	38,893	1,840	951	110,966

Exhibit 2A – Medical Trend

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
<u>PPO Active</u>			
01/01/2019 - 12/31/2019	6.3%	(0.7%)	7.0%
01/01/2020 - 12/31/2020	(17.5%)	(11.7%)	(5.8%)
Average			0.6%
Recommended Plan Year 2022 Trend Assumption			6.0%

<u>PPO Early Retiree</u>			
01/01/2019 - 12/31/2019	3.8%	(0.6%)	4.4%
01/01/2020 - 12/31/2020	(15.9%)	(11.8%)	(4.1%)
Average			0.1%
Recommended Plan Year 2022 Trend Assumption			5.5%

<u>HMO Active and Early Retiree</u>			
01/01/2019 - 12/31/2019	1.9%	0.1%	1.8%
01/01/2020 - 12/31/2020	(15.8%)	(6.2%)	(9.6%)
Average			-3.9%
Recommended Plan Year 2022 Trend Assumption			6.0%

Normalizing Adjustments

1/1/2019: 3-D Mammography/Breast Cancer Screening Mandate
 1/1/2020: Hospital Discount
 1/1/2020: DEVA Audit Results
 1/1/2020: Medicare Eligibility Vendor
 1/1/2020: Livongo Diabetes Impact
 2/1/2020: Navigation / Advocacy Services
 3/1/2020: Fair Health National
 8/1/2020: Physical Therapy / Chiropractic Changes

Exhibit 2B – Prescription Drug Trend

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
Active Rx			
01/01/2019 - 12/31/2019	10.9%	0.0%	10.9%
01/01/2020 - 12/31/2020	(0.4%)	(3.2%)	2.8%
Average			6.9%
Recommended Plan Year 2022 Trend Assumption			5.0%

Retiree Rx			
01/01/2019 - 12/31/2019	7.9%	0.0%	7.9%
01/01/2020 - 12/31/2020	5.0%	(2.7%)	7.7%
Average			7.8%
Recommended Plan Year 2022 Trend Assumption			5.5%

Normalizing Adjustments:

1/1/2020: Rx RFP Results

1/1/2020: DEVA Audit Results

1/1/2020: Livongo Diabetes Impact

Exhibit 3A – Plan Year 2020 Aggregate Costs

Page 1 of 2

	Legacy Plans							1525		
	Total	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees										
Average Medical Members	306,696	98,509	9,587	97,311	45,527	5,881	4,390	27,695	36	242
Incurred Medical Claims	\$1,456,708,000	\$148,721,000	\$12,205,000	\$780,445,000	\$306,144,000	\$10,674,000	\$23,393,000	\$82,451,000	\$50,000	\$719,000
Capitation	\$6,433,000	\$0	\$0	\$3,336,000	\$1,624,000	\$0	\$234,000	\$556,000	\$0	\$9,000
Incurred Prescription Drug Claims	\$1,028,383,000	\$546,880,000	\$53,866,000	\$170,716,000	\$57,174,000	\$36,008,000	\$10,666,000	\$135,591,000	\$103,000	\$385,000
Prescription Drug Rebates	(\$250,202,000)	(\$125,009,000)	(\$12,313,000)	(\$49,018,000)	(\$16,411,000)	(\$8,231,000)	(\$2,813,000)	(\$31,447,000)	(\$24,000)	(\$90,000)
EGWP Credits	(\$283,029,000)	(\$203,608,000)	(\$19,815,000)	\$0	\$0	(\$12,155,000)	(\$1,343,000)	(\$45,560,000)	(\$74,000)	(\$177,000)
Education Surcharge	(\$34,126,000)	\$0	\$0	(\$27,887,000)	(\$2,436,000)	\$0	(\$1,345,000)	(\$1,543,000)	\$0	(\$28,000)
Administrative Fees	\$56,709,000	\$11,519,000	\$1,137,000	\$19,546,000	\$8,845,000	\$688,000	\$1,222,000	\$9,875,000	\$4,000	\$87,000
Total Cost	\$1,980,876,000	\$378,503,000	\$35,080,000	\$897,138,000	\$354,940,000	\$26,984,000	\$30,014,000	\$149,923,000	\$59,000	\$905,000
Total Premium	\$2,231,392,000	\$381,254,000	\$34,835,000	\$1,018,331,000	\$427,442,000	\$24,745,000	\$40,128,000	\$162,033,000	\$136,000	\$1,901,000
Gain (Loss)	\$250,516,000	\$2,751,000	(\$245,000)	\$121,193,000	\$72,502,000	(\$2,239,000)	\$10,114,000	\$12,110,000	\$77,000	\$996,000
Employees										
Average Medical Members	134,105	N/A	N/A	68,175	42,982	N/A	2,334	4,040	N/A	127
Incurred Medical Claims	\$928,951,000	N/A	N/A	\$524,237,000	\$283,990,000	N/A	\$11,826,000	\$24,087,000	N/A	\$467,000
Capitation	\$5,030,000	N/A	N/A	\$2,520,000	\$1,555,000	N/A	\$137,000	\$166,000	N/A	\$6,000
Incurred Prescription Drug Claims	\$158,408,000	N/A	N/A	\$87,707,000	\$51,015,000	N/A	\$2,577,000	\$3,380,000	N/A	\$26,000
Prescription Drug Rebates	(\$45,468,000)	N/A	N/A	(\$25,174,000)	(\$14,642,000)	N/A	(\$740,000)	(\$970,000)	N/A	(\$7,000)
EGWP Credits	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
Administrative Fees	\$25,716,000	N/A	N/A	\$12,551,000	\$8,249,000	N/A	\$572,000	\$820,000	N/A	\$41,000
Total Cost	\$1,072,637,000	N/A	N/A	\$601,841,000	\$330,167,000	N/A	\$14,372,000	\$27,483,000	N/A	\$533,000
Total Premium	\$1,247,256,000	N/A	N/A	\$659,226,000	\$397,969,000	N/A	\$21,527,000	\$36,152,000	N/A	\$1,146,000
Gain (Loss)	\$174,619,000	N/A	N/A	\$57,385,000	\$67,802,000	N/A	\$7,155,000	\$8,669,000	N/A	\$613,000
Early Retirees										
Average Medical Members	35,655	N/A	N/A	29,136	2,545	N/A	1,406	1,612	N/A	29
Incurred Medical Claims	\$311,362,000	N/A	N/A	\$256,208,000	\$22,154,000	N/A	\$11,073,000	\$14,593,000	N/A	\$48,000
Capitation	\$1,403,000	N/A	N/A	\$816,000	\$69,000	N/A	\$97,000	\$390,000	N/A	\$3,000
Incurred Prescription Drug Claims	\$100,045,000	N/A	N/A	\$83,009,000	\$6,159,000	N/A	\$3,813,000	\$4,344,000	N/A	\$26,000
Prescription Drug Rebates	(\$28,737,000)	N/A	N/A	(\$23,844,000)	(\$1,769,000)	N/A	(\$1,095,000)	(\$1,248,000)	N/A	(\$7,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$34,126,000)	N/A	N/A	(\$27,887,000)	(\$2,436,000)	N/A	(\$1,345,000)	(\$1,543,000)	N/A	(\$28,000)
Administrative Fees	\$8,365,000	N/A	N/A	\$6,995,000	\$596,000	N/A	\$344,000	\$183,000	N/A	\$8,000
Total Cost	\$358,312,000	N/A	N/A	\$295,297,000	\$24,773,000	N/A	\$12,887,000	\$16,719,000	N/A	\$50,000
Total Premium	\$426,485,000	N/A	N/A	\$359,105,000	\$29,473,000	N/A	\$14,671,000	\$14,299,000	N/A	\$296,000
Gain (Loss)	\$68,173,000	N/A	N/A	\$63,808,000	\$4,700,000	N/A	\$1,784,000	(\$2,420,000)	N/A	\$246,000
Medicare Retirees										
Average Medical Members	136,936	98,509	9,587	N/A	N/A	5,881	650	22,043	36	86
Incurred Medical Claims	\$216,395,000	\$148,721,000	\$12,205,000	N/A	N/A	\$10,674,000	\$494,000	\$43,771,000	\$50,000	\$204,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$769,930,000	\$546,880,000	\$53,866,000	N/A	N/A	\$36,008,000	\$4,276,000	\$127,867,000	\$103,000	\$333,000
Prescription Drug Rebates	(\$175,997,000)	(\$125,009,000)	(\$12,313,000)	N/A	N/A	(\$8,231,000)	(\$978,000)	(\$29,229,000)	(\$24,000)	(\$76,000)
EGWP Credits	(\$283,029,000)	(\$203,608,000)	(\$19,815,000)	N/A	N/A	(\$12,155,000)	(\$1,343,000)	(\$45,560,000)	(\$74,000)	(\$177,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$22,628,000	\$11,519,000	\$1,137,000	N/A	N/A	\$688,000	\$306,000	\$8,872,000	\$4,000	\$38,000
Total Cost	\$549,927,000	\$378,503,000	\$35,080,000	N/A	N/A	\$26,984,000	\$2,755,000	\$105,721,000	\$59,000	\$322,000
Total Premium	\$557,651,000	\$381,254,000	\$34,835,000	N/A	N/A	\$24,745,000	\$3,930,000	\$111,582,000	\$136,000	\$459,000
Gain (Loss)	\$7,724,000	\$2,751,000	(\$245,000)	N/A	N/A	(\$2,239,000)	\$1,175,000	\$5,861,000	\$77,000	\$137,000

*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 2020 Aggregate Costs

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	2030		2035		HD 4000	HD 1500	\$0 Copay
	NJ DIRECT	Horizon HMO	NJ DIRECT	Horizon HMO	NJ DIRECT	NJ DIRECT	Horizon DIRECT 0
Employees and Retirees							
Average Medical Members	1,424	319	787	223	30	35	14,700
Incurred Medical Claims	\$7,377,000	\$942,000	\$3,296,000	\$402,000	\$140,000	\$149,000	\$79,600,000
Capitation	\$51,000	\$16,000	\$29,000	\$9,000	\$0	\$1,000	\$568,000
Incurred Prescription Drug Claims	\$2,100,000	\$205,000	\$521,000	\$114,000	\$157,000	\$2,000	\$13,895,000
Prescription Drug Rebates	(\$571,000)	(\$57,000)	(\$150,000)	(\$33,000)	(\$45,000)	(\$1,000)	(\$3,989,000)
EGWP Credits	(\$269,000)	(\$28,000)	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$62,000)	(\$22,000)	N/A	N/A	(\$28,000)	\$0	(\$775,000)
Administrative Fees	\$346,000	\$123,000	\$223,000	\$97,000	\$13,000	\$8,000	\$2,976,000
Total Cost	\$8,972,000	\$1,179,000	\$3,919,000	\$589,000	\$237,000	\$159,000	\$92,275,000
Total Premium	\$12,206,000	\$2,840,000	\$6,255,000	\$1,727,000	\$267,000	\$287,000	\$117,005,000
Gain (Loss)	\$3,234,000	\$1,661,000	\$2,336,000	\$1,138,000	\$30,000	\$128,000	\$24,730,000
Employees							
Average Medical Members	1,229	282	787	223	N/A	35	13,891
Incurred Medical Claims	\$6,409,000	\$845,000	\$3,296,000	\$402,000	N/A	\$149,000	\$73,243,000
Capitation	\$47,000	\$14,000	\$29,000	\$9,000	N/A	\$1,000	\$546,000
Incurred Prescription Drug Claims	\$1,351,000	\$152,000	\$521,000	\$114,000	N/A	\$2,000	\$11,563,000
Prescription Drug Rebates	(\$388,000)	(\$44,000)	(\$150,000)	(\$33,000)	N/A	(\$1,000)	(\$3,319,000)
EGWP Credits	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
Administrative Fees	\$274,000	\$108,000	\$223,000	\$97,000	N/A	\$8,000	\$2,773,000
Total Cost	\$7,693,000	\$1,075,000	\$3,919,000	\$589,000	N/A	\$159,000	\$84,806,000
Total Premium	\$10,891,000	\$2,547,000	\$6,255,000	\$1,727,000	N/A	\$287,000	\$109,529,000
Gain (Loss)	\$3,198,000	\$1,472,000	\$2,336,000	\$1,138,000	N/A	\$128,000	\$24,723,000
Early Retirees							
Average Medical Members	65	23	N/A	N/A	30	N/A	809
Incurred Medical Claims	\$725,000	\$64,000	N/A	N/A	\$140,000	N/A	\$6,357,000
Capitation	\$4,000	\$2,000	N/A	N/A	\$0	N/A	\$22,000
Incurred Prescription Drug Claims	\$195,000	\$10,000	N/A	N/A	\$157,000	N/A	\$2,332,000
Prescription Drug Rebates	(\$56,000)	(\$3,000)	N/A	N/A	(\$45,000)	N/A	(\$670,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$62,000)	(\$22,000)	N/A	N/A	(\$28,000)	N/A	(\$775,000)
Administrative Fees	\$14,000	\$9,000	N/A	N/A	\$13,000	N/A	\$203,000
Total Cost	\$820,000	\$60,000	N/A	N/A	\$237,000	N/A	\$7,469,000
Total Premium	\$675,000	\$223,000	N/A	N/A	\$267,000	N/A	\$7,476,000
Gain (Loss)	(\$145,000)	\$163,000	N/A	N/A	\$30,000	N/A	\$7,000
Medicare Retirees							
Average Medical Members	130	14	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$243,000	\$33,000	N/A	N/A	N/A	N/A	N/A
Capitation	\$0	\$0	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$554,000	\$43,000	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$127,000)	(\$10,000)	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$269,000)	(\$28,000)	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
Administrative Fees	\$58,000	\$6,000	N/A	N/A	N/A	N/A	N/A
Total Cost	\$459,000	\$44,000	N/A	N/A	N/A	N/A	N/A
Total Premium	\$640,000	\$70,000	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$181,000	\$26,000	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 2021 Aggregate Costs

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	Total	NJEHP	Legacy Plans					
			Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO
Employees and Retirees								
Average Medical Members	310,235	82,535	98,780	9,283	59,816	31,309	5,961	220
Incurred Medical Claims	\$1,548,937,000	\$638,851,000	\$149,130,000	\$11,818,000	\$451,882,000	\$232,250,000	\$10,820,000	\$204,000
Capitation	\$6,273,000	\$2,721,000	\$0	\$0	\$2,348,000	\$1,204,000	\$0	\$0
Incurred Prescription Drug Claims	\$1,049,052,000	\$121,684,000	\$578,548,000	\$55,027,000	\$76,461,000	\$41,153,000	\$38,506,000	\$1,527,000
Prescription Drug Rebates	(\$250,040,000)	(\$34,896,000)	(\$129,177,000)	(\$12,286,000)	(\$22,328,000)	(\$12,016,000)	(\$8,598,000)	(\$341,000)
EGWP Credits	(\$305,865,000)	\$0	(\$221,221,000)	(\$20,790,000)	N/A	N/A	(\$13,350,000)	(\$493,000)
Education Surcharge	(\$37,812,000)	(\$37,812,000)	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$63,890,000	\$20,684,000	\$11,603,000	\$1,110,000	\$13,904,000	\$7,372,000	\$702,000	\$89,000
Total Cost	\$2,074,435,000	\$711,232,000	\$388,883,000	\$34,879,000	\$522,267,000	\$269,963,000	\$28,080,000	\$986,000
Total Premium	\$2,135,100,000	\$718,417,000	\$402,170,000	\$35,598,000	\$551,639,000	\$276,909,000	\$26,297,000	\$1,444,000
Gain (Loss)	\$60,665,000	\$7,185,000	\$13,287,000	\$719,000	\$29,372,000	\$6,946,000	(\$1,783,000)	\$458,000
Employees								
Average Medical Members	140,566	49,441	N/A	N/A	59,816	31,309	N/A	N/A
Incurred Medical Claims	\$1,027,679,000	\$343,547,000	N/A	N/A	\$451,882,000	\$232,250,000	N/A	N/A
Capitation	\$5,342,000	\$1,790,000	N/A	N/A	\$2,348,000	\$1,204,000	N/A	N/A
Incurred Prescription Drug Claims	\$167,065,000	\$49,451,000	N/A	N/A	\$76,461,000	\$41,153,000	N/A	N/A
Prescription Drug Rebates	(\$48,809,000)	(\$14,465,000)	N/A	N/A	(\$22,328,000)	(\$12,016,000)	N/A	N/A
EGWP Credits	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
Administrative Fees	\$33,593,000	\$12,317,000	N/A	N/A	\$13,904,000	\$7,372,000	N/A	N/A
Total Cost	\$1,184,870,000	\$392,640,000	N/A	N/A	\$522,267,000	\$269,963,000	N/A	N/A
Total Premium	\$1,232,846,000	\$404,298,000	N/A	N/A	\$551,639,000	\$276,909,000	N/A	N/A
Gain (Loss)	\$47,976,000	\$11,658,000	N/A	N/A	\$29,372,000	\$6,946,000	N/A	N/A
Early Retirees								
Average Medical Members	33,094	33,094	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$295,304,000	\$295,304,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$931,000	\$931,000	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$72,233,000	\$72,233,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$20,431,000)	(\$20,431,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$37,812,000)	(\$37,812,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,367,000	\$8,367,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$318,592,000	\$318,592,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$314,119,000	\$314,119,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	(\$4,473,000)	(\$4,473,000)	N/A	N/A	N/A	N/A	N/A	N/A
Medicare Retirees								
Average Medical Members	136,575	N/A	98,780	9,283	N/A	N/A	5,961	220
Incurred Medical Claims	\$225,954,000	N/A	\$149,130,000	\$11,818,000	N/A	N/A	\$10,820,000	\$204,000
Capitation	\$0	N/A	\$0	\$0	N/A	N/A	\$0	\$0
Incurred Prescription Drug Claims	\$809,754,000	N/A	\$578,548,000	\$55,027,000	N/A	N/A	\$38,506,000	\$1,527,000
Prescription Drug Rebates	(\$180,800,000)	N/A	(\$129,177,000)	(\$12,286,000)	N/A	N/A	(\$8,598,000)	(\$341,000)
EGWP Credits	(\$305,865,000)	N/A	(\$221,221,000)	(\$20,790,000)	N/A	N/A	(\$13,350,000)	(\$493,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$21,930,000	N/A	\$11,603,000	\$1,110,000	N/A	N/A	\$702,000	\$89,000
Total Cost	\$570,973,000	N/A	\$388,883,000	\$34,879,000	N/A	N/A	\$28,080,000	\$986,000
Total Premium	\$588,135,000	N/A	\$402,170,000	\$35,598,000	N/A	N/A	\$26,297,000	\$1,444,000
Gain (Loss)	\$17,162,000	N/A	\$13,287,000	\$719,000	N/A	N/A	(\$1,783,000)	\$458,000

*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 2021 Aggregate Costs

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	1525			2030	
	NJ DIRECT	Aetna HMO	Horizon HMO	NJ DIRECT	Horizon HMO
Employees and Retirees					
Average Medical Members	22,074	40	69	135	13
Incurred Medical Claims	\$53,381,000	\$56,000	\$199,000	\$307,000	\$39,000
Capitation	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$135,092,000	\$121,000	\$283,000	\$606,000	\$44,000
Prescription Drug Rebates	(\$30,163,000)	(\$27,000)	(\$63,000)	(\$135,000)	(\$10,000)
EGWP Credits	(\$49,435,000)	(\$90,000)	(\$155,000)	(\$302,000)	(\$29,000)
Education Surcharge	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$8,333,000	\$5,000	\$27,000	\$56,000	\$5,000
Total Cost	\$117,208,000	\$65,000	\$291,000	\$532,000	\$49,000
Total Premium	\$121,273,000	\$159,000	\$401,000	\$720,000	\$73,000
Gain (Loss)	\$4,065,000	\$94,000	\$110,000	\$188,000	\$24,000
Employees					
Average Medical Members	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A
Early Retirees					
Average Medical Members	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A
Medicare Retirees					
Average Medical Members	22,074	40	69	135	13
Incurred Medical Claims	\$53,381,000	\$56,000	\$199,000	\$307,000	\$39,000
Capitation	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$135,092,000	\$121,000	\$283,000	\$606,000	\$44,000
Prescription Drug Rebates	(\$30,163,000)	(\$27,000)	(\$63,000)	(\$135,000)	(\$10,000)
EGWP Credits	(\$49,435,000)	(\$90,000)	(\$155,000)	(\$302,000)	(\$29,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,333,000	\$5,000	\$27,000	\$56,000	\$5,000
Total Cost	\$117,208,000	\$65,000	\$291,000	\$532,000	\$49,000
Total Premium	\$121,273,000	\$159,000	\$401,000	\$720,000	\$73,000
Gain (Loss)	\$4,065,000	\$94,000	\$110,000	\$188,000	\$24,000

*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 3C – Plan Year 2022 Aggregate Costs

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	NJEHP		Legacy Plans					
	Total	Horizon PPO	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO
Employees and Retirees								
Average Medical Members	315,342	104,438	100,665	9,469	50,182	21,507	6,080	224
Incurred Medical Claims	\$1,602,685,000	\$806,891,000	\$161,120,000	\$12,914,000	\$388,563,000	\$163,424,000	\$11,740,000	\$218,000
Capitation	\$6,701,000	\$3,729,000	\$0	\$0	\$2,093,000	\$879,000	\$0	\$0
Incurred Prescription Drug Claims	\$1,117,665,000	\$148,381,000	\$622,012,000	\$59,215,000	\$69,209,000	\$29,260,000	\$41,437,000	\$1,644,000
Prescription Drug Rebates	(\$267,069,000)	(\$44,675,000)	(\$137,350,000)	(\$13,076,000)	(\$21,158,000)	(\$8,946,000)	(\$9,150,000)	(\$363,000)
EGWP Credits	(\$315,597,000)	N/A	(\$228,203,000)	(\$21,465,000)	N/A	N/A	(\$13,784,000)	(\$509,000)
Education Surcharge	(\$40,921,000)	(\$40,921,000)	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$67,680,000	\$27,067,000	\$11,869,000	\$1,136,000	\$12,731,000	\$5,464,000	\$719,000	\$91,000
Total Cost	\$2,171,144,000	\$900,472,000	\$429,448,000	\$38,724,000	\$451,438,000	\$190,081,000	\$30,962,000	\$1,081,000
Total Premium	\$2,170,854,000	\$898,205,000	\$436,558,000	\$38,823,000	\$456,615,000	\$187,051,000	\$28,602,000	\$1,442,000
Gain (Loss)	(\$290,000)	(\$2,267,000)	\$7,110,000	\$99,000	\$5,177,000	(\$3,030,000)	(\$2,360,000)	\$361,000
Employees								
Average Medical Members	143,378	71,689	N/A	N/A	50,182	21,507	N/A	N/A
Incurred Medical Claims	\$1,062,912,000	\$510,925,000	N/A	N/A	\$388,563,000	\$163,424,000	N/A	N/A
Capitation	\$5,729,000	\$2,757,000	N/A	N/A	\$2,093,000	\$879,000	N/A	N/A
Incurred Prescription Drug Claims	\$171,623,000	\$73,154,000	N/A	N/A	\$69,209,000	\$29,260,000	N/A	N/A
Prescription Drug Rebates	(\$52,538,000)	(\$22,434,000)	N/A	N/A	(\$21,158,000)	(\$8,946,000)	N/A	N/A
EGWP Credits	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
Administrative Fees	\$36,497,000	\$18,302,000	N/A	N/A	\$12,731,000	\$5,464,000	N/A	N/A
Total Cost	\$1,224,223,000	\$582,704,000	N/A	N/A	\$451,438,000	\$190,081,000	N/A	N/A
Total Premium	\$1,224,146,000	\$580,480,000	N/A	N/A	\$456,615,000	\$187,051,000	N/A	N/A
Gain (Loss)	(\$77,000)	(\$2,224,000)	N/A	N/A	\$5,177,000	(\$3,030,000)	N/A	N/A
Early Retirees								
Average Medical Members	32,749	32,749	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$295,966,000	\$295,966,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$972,000	\$972,000	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$75,227,000	\$75,227,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$22,241,000)	(\$22,241,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Education Surcharge	(\$40,921,000)	(\$40,921,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,765,000	\$8,765,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$317,768,000	\$317,768,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$317,725,000	\$317,725,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	(\$43,000)	(\$43,000)	N/A	N/A	N/A	N/A	N/A	N/A
Medicare Retirees								
Average Medical Members	139,215	N/A	100,665	9,469	N/A	N/A	6,080	224
Incurred Medical Claims	\$243,807,000	N/A	\$161,120,000	\$12,914,000	N/A	N/A	\$11,740,000	\$218,000
Capitation	\$0	N/A	\$0	\$0	N/A	N/A	\$0	\$0
Incurred Prescription Drug Claims	\$870,815,000	N/A	\$622,012,000	\$59,215,000	N/A	N/A	\$41,437,000	\$1,644,000
Prescription Drug Rebates	(\$192,290,000)	N/A	(\$137,350,000)	(\$13,076,000)	N/A	N/A	(\$9,150,000)	(\$363,000)
EGWP Credits	(\$315,597,000)	N/A	(\$228,203,000)	(\$21,465,000)	N/A	N/A	(\$13,784,000)	(\$509,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$22,418,000	N/A	\$11,869,000	\$1,136,000	N/A	N/A	\$719,000	\$91,000
Total Cost	\$629,153,000	N/A	\$429,448,000	\$38,724,000	N/A	N/A	\$30,962,000	\$1,081,000
Total Premium	\$628,983,000	N/A	\$436,558,000	\$38,823,000	N/A	N/A	\$28,602,000	\$1,442,000
Gain (Loss)	(\$170,000)	N/A	\$7,110,000	\$99,000	N/A	N/A	(\$2,360,000)	\$361,000

*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 3C – Projected Plan Year 2022 Aggregate Costs

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	1525			2030	
	NJ DIRECT	Aetna HMO	Horizon HMO	NJ DIRECT	Horizon HMO
Employees and Retirees					
Average Medical Members	22,515	41	70	138	13
Incurred Medical Claims	\$57,171,000	\$61,000	\$214,000	\$328,000	\$41,000
Capitation	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$145,373,000	\$131,000	\$304,000	\$652,000	\$47,000
Prescription Drug Rebates	(\$32,101,000)	(\$29,000)	(\$67,000)	(\$144,000)	(\$10,000)
EGWP Credits	(\$51,042,000)	(\$92,000)	(\$160,000)	(\$312,000)	(\$30,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,508,000	\$5,000	\$27,000	\$58,000	\$5,000
Total Cost	\$127,909,000	\$76,000	\$318,000	\$582,000	\$53,000
Total Premium	\$122,177,000	\$175,000	\$404,000	\$728,000	\$74,000
Gain (Loss)	(\$5,732,000)	\$99,000	\$86,000	\$146,000	\$21,000
Employees					
Average Medical Members	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A
Early Retirees					
Average Medical Members	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	N/A	N/A	N/A	N/A	N/A
Capitation	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	N/A	N/A	N/A	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	N/A	N/A	N/A	N/A	N/A
Total Cost	N/A	N/A	N/A	N/A	N/A
Total Premium	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	N/A	N/A	N/A	N/A	N/A
Medicare Retirees					
Average Medical Members	22,515	41	70	138	13
Incurred Medical Claims	\$57,171,000	\$61,000	\$214,000	\$328,000	\$41,000
Capitation	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$145,373,000	\$131,000	\$304,000	\$652,000	\$47,000
Prescription Drug Rebates	(\$32,101,000)	(\$29,000)	(\$67,000)	(\$144,000)	(\$10,000)
EGWP Credits	(\$51,042,000)	(\$92,000)	(\$160,000)	(\$312,000)	(\$30,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,508,000	\$5,000	\$27,000	\$58,000	\$5,000
Total Cost	\$127,909,000	\$76,000	\$318,000	\$582,000	\$53,000
Total Premium	\$122,177,000	\$175,000	\$404,000	\$728,000	\$74,000
Gain (Loss)	(\$5,732,000)	\$99,000	\$86,000	\$146,000	\$21,000

*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 4A – Plan Year 2022 Monthly Active Premiums

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	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Medical Coverage Only</u>			
Single	\$775.77	\$855.13	\$814.06
Employee+Spouse	\$1,551.54	\$1,710.25	\$1,628.11
Family	\$2,218.70	\$2,445.66	\$2,328.20
Employee+Child(ren)	\$1,442.93	\$1,590.53	\$1,514.15
Adult Child Rate	\$680.50	\$750.11	\$714.10
	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Rx Card</u>			
Single	\$115.69	\$169.36	\$169.36
Employee+Spouse	\$231.38	\$338.72	\$338.72
Family	\$330.87	\$484.37	\$484.37
Employee+Child(ren)	\$215.18	\$315.01	\$315.01
Adult Child Rate	\$101.48	\$148.56	\$148.56
	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Rx with Medical Coverage</u>			
Single	\$891.46	\$1,001.62	\$957.58
Employee+Spouse	\$1,782.92	\$2,003.25	\$1,915.16
Family	\$2,549.57	\$2,864.65	\$2,738.68
Employee+Child(ren)	\$1,658.11	\$1,863.02	\$1,781.11
Adult Child Rate	\$781.98	\$878.62	\$840.00

Exhibit 4B – Plan Year 2022 Annual Active Premiums

Page 1 of 1

	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Medical Coverage Only</u>			
Single	\$9,309	\$10,262	\$9,769
Employee+Spouse	\$18,618	\$20,523	\$19,537
Family	\$26,624	\$29,348	\$27,938
Employee+Child(ren)	\$17,315	\$19,086	\$18,170
Adult Child Rate	\$8,166	\$9,001	\$8,569
	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Rx Card</u>			
Single	\$1,388	\$2,032	\$2,032
Employee+Spouse	\$2,777	\$4,065	\$4,065
Family	\$3,970	\$5,812	\$5,812
Employee+Child(ren)	\$2,582	\$3,780	\$3,780
Adult Child Rate	\$1,218	\$1,783	\$1,783
	NJEHP	Legacy Plans	
	Horizon PPO	Horizon DIR10	Horizon DIR15
<u>Rx with Medical Coverage</u>			
Single	\$10,698	\$12,019	\$11,491
Employee+Spouse	\$21,395	\$24,039	\$22,982
Family	\$30,595	\$34,376	\$32,864
Employee+Child(ren)	\$19,897	\$22,356	\$21,373
Adult Child Rate	\$9,384	\$10,543	\$10,080

Exhibit 4C – Plan Year 2022 Monthly Retiree Premiums

	NJEHP	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)		
	Horizon Early Retiree Subscriber	PPO10			PPO15			Legacy 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	\$1,027.29	\$1,027.29	N/A	\$1,027.29	\$1,027.29	N/A	\$1,027.29	\$1,027.29	N/A	\$1,027.29
Single - 1 Medicare	N/A	N/A	\$363.98	\$363.98	N/A	\$344.26	\$344.26	N/A	\$394.63	\$394.63
EE+Spouse - 0 Medicare	\$2,239.47	\$2,239.47	N/A	\$2,239.47	\$2,239.47	N/A	\$2,239.47	\$2,239.47	N/A	\$2,239.47
EE+Spouse - 1 Medicare	N/A	\$1,212.18	\$363.98	\$1,576.16	\$1,212.18	\$344.26	\$1,556.44	\$1,212.18	\$394.63	\$1,606.81
EE+Spouse - 2 Medicare	N/A	N/A	\$727.96	\$727.99	N/A	\$688.52	\$688.55	N/A	\$789.26	\$789.24
Family - 0 Medicare	\$2,547.65	\$2,547.65	N/A	\$2,547.65	\$2,547.65	N/A	\$2,547.65	\$2,547.65	N/A	\$2,547.65
Family - 1 Medicare	N/A	\$1,520.36	\$363.98	\$1,884.34	\$1,520.36	\$344.26	\$1,864.62	\$1,520.36	\$394.63	\$1,914.99
Family - 2 Medicare	N/A	\$202.18	\$727.96	\$930.14	\$194.76	\$688.52	\$883.28	\$185.01	\$789.26	\$974.27
EE+Ch - 0 Medicare	\$1,438.20	\$1,438.20	N/A	\$1,438.20	\$1,438.20	N/A	\$1,438.20	\$1,438.20	N/A	\$1,438.20
EE+Ch - 1 Medicare	N/A	\$208.37	\$363.98	\$572.35	\$200.73	\$344.26	\$544.99	\$184.00	\$394.63	\$578.63
Medical Premium										
Single - 0 Medicare	\$845.96	\$845.96	N/A	\$845.96	\$845.96	N/A	\$845.96	\$845.96	N/A	\$845.96
Single - 1 Medicare	N/A	N/A	\$133.38	\$133.38	N/A	\$113.66	\$113.66	N/A	\$160.90	\$160.90
EE+Spouse - 0 Medicare	\$1,844.18	\$1,844.18	N/A	\$1,844.18	\$1,844.18	N/A	\$1,844.18	\$1,844.18	N/A	\$1,844.18
EE+Spouse - 1 Medicare	N/A	\$998.22	\$133.38	\$1,131.60	\$998.22	\$113.66	\$1,111.88	\$998.22	\$160.90	\$1,159.12
EE+Spouse - 2 Medicare	N/A	N/A	\$266.76	\$266.76	N/A	\$227.32	\$227.32	N/A	\$321.80	\$321.80
Family - 0 Medicare	\$2,097.97	\$2,097.97	N/A	\$2,097.97	\$2,097.97	N/A	\$2,097.97	\$2,097.97	N/A	\$2,097.97
Family - 1 Medicare	N/A	\$1,252.01	\$133.38	\$1,385.39	\$1,252.01	\$113.66	\$1,365.67	\$1,252.01	\$160.90	\$1,412.91
Family - 2 Medicare	N/A	\$71.64	\$266.76	\$338.40	\$64.22	\$227.32	\$291.54	\$75.67	\$321.80	\$397.47
EE+Ch - 0 Medicare	\$1,184.34	\$1,184.34	N/A	\$1,184.34	\$1,184.34	N/A	\$1,184.34	\$1,184.34	N/A	\$1,184.34
EE+Ch - 1 Medicare	N/A	\$73.83	\$133.38	\$207.21	\$66.19	\$113.66	\$179.85	\$74.99	\$160.90	\$235.89
Rx Premium										
Single - 0 Medicare	\$181.33	\$181.33	N/A	\$181.33	\$181.33	N/A	\$181.33	\$181.33	N/A	\$181.33
Single - 1 Medicare	N/A	N/A	\$230.60	\$230.60	N/A	\$230.60	\$230.60	N/A	\$233.73	\$233.73
EE+Spouse - 0 Medicare	\$395.29	\$395.29	N/A	\$395.29	\$395.29	N/A	\$395.29	\$395.29	N/A	\$395.29
EE+Spouse - 1 Medicare	N/A	\$213.96	\$230.60	\$444.56	\$213.96	\$230.60	\$444.56	\$213.96	\$233.73	\$447.69
EE+Spouse - 2 Medicare	N/A	N/A	\$461.20	\$461.23	N/A	\$461.20	\$461.23	N/A	\$467.46	\$467.44
Family - 0 Medicare	\$449.68	\$449.68	N/A	\$449.68	\$449.68	N/A	\$449.68	\$449.68	N/A	\$449.68
Family - 1 Medicare	N/A	\$268.35	\$230.60	\$498.95	\$268.35	\$230.60	\$498.95	\$268.35	\$233.73	\$502.08
Family - 2 Medicare	N/A	\$130.54	\$461.20	\$591.74	\$130.54	\$461.20	\$591.74	\$109.34	\$467.46	\$576.80
EE+Ch - 0 Medicare	\$253.86	\$253.86	N/A	\$253.86	\$253.86	N/A	\$253.86	\$253.86	N/A	\$253.86
EE+Ch - 1 Medicare	N/A	\$134.54	\$230.60	\$365.14	\$134.54	\$230.60	\$365.14	\$109.01	\$233.73	\$342.74

Exhibit 4C – Plan Year 2022 Monthly Retiree Premiums

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	Legacy HMO			1525 PPO			1525 HMO (Aetna Medicare Subscriber)		
	Legacy HMO			1525 PPO			1525 HMO		
	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium
Total Premium									
Single - 0 Medicare	\$1,027.29	N/A	\$1,027.29	\$1,027.29	N/A	\$1,027.29	\$1,027.29	N/A	\$1,027.29
Single - 1 Medicare	N/A	\$538.30	\$538.30	N/A	\$454.70	\$454.70	N/A	\$359.09	\$359.09
EE+Spouse - 0 Medicare	\$2,239.47	N/A	\$2,239.47	\$2,239.47	N/A	\$2,239.47	\$2,239.47	N/A	\$2,239.47
EE+Spouse - 1 Medicare	\$1,212.18	\$538.30	\$1,750.48	\$1,212.18	\$454.70	\$1,666.88	\$1,212.18	\$359.09	\$1,571.27
EE+Spouse - 2 Medicare	N/A	\$1,076.56	\$1,076.56	N/A	\$909.39	\$909.39	N/A	\$718.18	\$718.20
Family - 0 Medicare	\$2,547.65	N/A	\$2,547.65	\$2,547.65	N/A	\$2,547.65	\$2,547.65	N/A	\$2,547.65
Family - 1 Medicare	\$1,520.36	\$538.30	\$2,058.66	\$1,520.36	\$454.70	\$1,975.06	\$1,520.36	\$359.09	\$1,879.45
Family - 2 Medicare	\$252.75	\$1,076.56	\$1,329.31	\$257.35	\$909.39	\$1,166.74	\$174.71	\$718.18	\$892.89
EE+Ch - 0 Medicare	\$1,438.20	N/A	\$1,438.20	\$1,438.20	N/A	\$1,438.20	\$1,438.20	N/A	\$1,438.20
EE+Ch - 1 Medicare	\$251.13	\$538.30	\$789.43	\$265.22	\$454.70	\$719.92	\$174.47	\$359.09	\$533.56
Medical Premium									
Single - 0 Medicare	\$845.96	N/A	\$845.96	\$845.96	N/A	\$845.96	\$845.96	N/A	\$845.96
Single - 1 Medicare	N/A	\$304.57	\$304.57	N/A	\$231.23	\$231.23	N/A	\$125.47	\$125.47
EE+Spouse - 0 Medicare	\$1,844.18	N/A	\$1,844.18	\$1,844.18	N/A	\$1,844.18	\$1,844.18	N/A	\$1,844.18
EE+Spouse - 1 Medicare	\$998.22	\$304.57	\$1,302.79	\$998.22	\$231.23	\$1,229.45	\$998.22	\$125.47	\$1,123.69
EE+Spouse - 2 Medicare	N/A	\$609.12	\$609.12	N/A	\$462.44	\$462.44	N/A	\$250.94	\$250.94
Family - 0 Medicare	\$2,097.97	N/A	\$2,097.97	\$2,097.97	N/A	\$2,097.97	\$2,097.97	N/A	\$2,097.97
Family - 1 Medicare	\$1,252.01	\$304.57	\$1,556.58	\$1,252.01	\$231.23	\$1,483.24	\$1,252.01	\$125.47	\$1,377.48
Family - 2 Medicare	\$143.39	\$609.12	\$752.51	\$130.87	\$462.44	\$593.31	\$42.46	\$250.94	\$293.40
EE+Ch - 0 Medicare	\$1,184.34	N/A	\$1,184.34	\$1,184.34	N/A	\$1,184.34	\$1,184.34	N/A	\$1,184.34
EE+Ch - 1 Medicare	\$142.12	\$304.57	\$446.69	\$134.85	\$231.23	\$366.08	\$38.18	\$125.47	\$163.65
Rx Premium									
Single - 0 Medicare	\$181.33	N/A	\$181.33	\$181.33	N/A	\$181.33	\$181.33	N/A	\$181.33
Single - 1 Medicare	N/A	\$233.73	\$233.73	N/A	\$223.47	\$223.47	N/A	\$233.62	\$233.62
EE+Spouse - 0 Medicare	\$395.29	N/A	\$395.29	\$395.29	N/A	\$395.29	\$395.29	N/A	\$395.29
EE+Spouse - 1 Medicare	\$213.96	\$233.73	\$447.69	\$213.96	\$223.47	\$437.43	\$213.96	\$233.62	\$447.58
EE+Spouse - 2 Medicare	N/A	\$467.44	\$467.44	N/A	\$446.95	\$446.95	N/A	\$467.24	\$467.26
Family - 0 Medicare	\$449.68	N/A	\$449.68	\$449.68	N/A	\$449.68	\$449.68	N/A	\$449.68
Family - 1 Medicare	\$268.35	\$233.73	\$502.08	\$268.35	\$223.47	\$491.82	\$268.35	\$233.62	\$501.97
Family - 2 Medicare	\$109.36	\$467.44	\$576.80	\$126.48	\$446.95	\$573.43	\$132.25	\$467.24	\$599.49
EE+Ch - 0 Medicare	\$253.86	N/A	\$253.86	\$253.86	N/A	\$253.86	\$253.86	N/A	\$253.86
EE+Ch - 1 Medicare	\$109.01	\$233.73	\$342.74	\$130.37	\$223.47	\$353.84	\$136.29	\$233.62	\$369.91

Exhibit 4C – Plan Year 2022 Monthly Retiree Premiums

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	1525 HMO			2030 Plans					
	1525 HMO			Horizon PPO			Horizon HMO		
	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium
Total Premium									
Single - 0 Medicare	\$1,027.29	N/A	\$1,027.29	\$1,027.29	N/A	\$1,027.29	\$1,027.29	N/A	\$1,027.29
Single - 1 Medicare	N/A	\$480.52	\$480.52	N/A	\$442.90	\$442.90	N/A	\$467.59	\$467.59
EE+Spouse - 0 Medicare	\$2,239.47	N/A	\$2,239.47	\$2,239.47	N/A	\$2,239.47	\$2,239.47	N/A	\$2,239.47
EE+Spouse - 1 Medicare	\$1,212.18	\$480.52	\$1,692.70	\$1,212.18	\$442.90	\$1,655.08	\$1,212.18	\$467.59	\$1,679.77
EE+Spouse - 2 Medicare	N/A	\$960.93	\$960.93	N/A	\$885.82	\$885.82	N/A	\$935.15	\$935.15
Family - 0 Medicare	\$2,547.65	N/A	\$2,547.65	\$2,547.65	N/A	\$2,547.65	\$2,547.65	N/A	\$2,547.65
Family - 1 Medicare	\$1,520.36	\$480.52	\$2,000.88	\$1,520.36	\$442.90	\$1,963.26	\$1,520.36	\$467.59	\$1,987.95
Family - 2 Medicare	\$215.98	\$960.93	\$1,176.91	\$250.66	\$885.82	\$1,136.48	\$209.81	\$935.15	\$1,144.96
EE+Ch - 0 Medicare	\$1,438.20	N/A	\$1,438.20	\$1,438.20	N/A	\$1,438.20	\$1,438.20	N/A	\$1,438.20
EE+Ch - 1 Medicare	\$211.49	\$480.52	\$692.01	\$258.33	\$442.90	\$701.23	\$205.44	\$467.59	\$673.03
Medical Premium									
Single - 0 Medicare	\$845.96	N/A	\$845.96	\$845.96	N/A	\$845.96	\$845.96	N/A	\$845.96
Single - 1 Medicare	N/A	\$246.90	\$246.90	N/A	\$217.31	\$217.31	N/A	\$231.74	\$231.74
EE+Spouse - 0 Medicare	\$1,844.18	N/A	\$1,844.18	\$1,844.18	N/A	\$1,844.18	\$1,844.18	N/A	\$1,844.18
EE+Spouse - 1 Medicare	\$998.22	\$246.90	\$1,245.12	\$998.22	\$217.31	\$1,215.53	\$998.22	\$231.74	\$1,229.96
EE+Spouse - 2 Medicare	N/A	\$493.67	\$493.67	N/A	\$434.62	\$434.62	N/A	\$463.44	\$463.44
Family - 0 Medicare	\$2,097.97	N/A	\$2,097.97	\$2,097.97	N/A	\$2,097.97	\$2,097.97	N/A	\$2,097.97
Family - 1 Medicare	\$1,252.01	\$246.90	\$1,498.91	\$1,252.01	\$217.31	\$1,469.32	\$1,252.01	\$231.74	\$1,483.75
Family - 2 Medicare	\$83.75	\$493.67	\$577.42	\$122.98	\$434.62	\$557.60	\$76.32	\$463.44	\$539.76
EE+Ch - 0 Medicare	\$1,184.34	N/A	\$1,184.34	\$1,184.34	N/A	\$1,184.34	\$1,184.34	N/A	\$1,184.34
EE+Ch - 1 Medicare	\$75.20	\$246.90	\$322.10	\$126.73	\$217.31	\$344.04	\$67.85	\$231.74	\$299.59
Rx Premium									
Single - 0 Medicare	\$181.33	N/A	\$181.33	\$181.33	N/A	\$181.33	\$181.33	N/A	\$181.33
Single - 1 Medicare	N/A	\$233.62	\$233.62	N/A	\$225.59	\$225.59	N/A	\$235.85	\$235.85
EE+Spouse - 0 Medicare	\$395.29	N/A	\$395.29	\$395.29	N/A	\$395.29	\$395.29	N/A	\$395.29
EE+Spouse - 1 Medicare	\$213.96	\$233.62	\$447.58	\$213.96	\$225.59	\$439.55	\$213.96	\$235.85	\$449.81
EE+Spouse - 2 Medicare	N/A	\$467.26	\$467.26	N/A	\$451.20	\$451.20	N/A	\$471.71	\$471.71
Family - 0 Medicare	\$449.68	N/A	\$449.68	\$449.68	N/A	\$449.68	\$449.68	N/A	\$449.68
Family - 1 Medicare	\$268.35	\$233.62	\$501.97	\$268.35	\$225.59	\$493.94	\$268.35	\$235.85	\$504.20
Family - 2 Medicare	\$132.23	\$467.26	\$599.49	\$127.68	\$451.20	\$578.88	\$133.49	\$471.71	\$605.20
EE+Ch - 0 Medicare	\$253.86	N/A	\$253.86	\$253.86	N/A	\$253.86	\$253.86	N/A	\$253.86
EE+Ch - 1 Medicare	\$136.29	\$233.62	\$369.91	\$131.60	\$225.59	\$357.19	\$137.59	\$235.85	\$373.44

Exhibit 4D – Plan Year 2022 Annual Retiree Premiums

	Legacy Plans											Legacy HMO (Aetna Medicare Subscriber)		
	NJEHP	PPO10						PPO15				Legacy HMO		
	Horizon Early Retiree Subscriber	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	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	
Total Premium														
Single - 0 Medicare	\$12,327	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327	
Single - 1 Medicare	N/A	N/A	\$4,368	\$4,368	N/A	\$4,131	\$4,131	N/A	\$4,736	N/A	\$4,736	N/A	\$4,736	
EE+Spouse - 0 Medicare	\$26,874	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874	
EE+Spouse - 1 Medicare	N/A	\$14,546	\$4,368	\$18,914	\$14,546	\$4,131	\$18,677	\$14,546	\$4,736	\$19,282	\$4,736	\$19,282	\$19,282	
EE+Spouse - 2 Medicare	N/A	N/A	\$8,736	\$8,736	N/A	\$8,262	\$8,263	N/A	\$9,471	\$9,471	N/A	\$9,471	\$9,471	
Family - 0 Medicare	\$30,572	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572	
Family - 1 Medicare	N/A	\$18,244	\$4,368	\$22,612	\$18,244	\$4,131	\$22,375	\$18,244	\$4,736	\$22,980	\$4,736	\$22,980	\$22,980	
Family - 2 Medicare	N/A	\$2,426	\$8,736	\$11,162	\$2,337	\$8,262	\$10,599	\$2,220	\$9,471	\$11,691	\$9,471	\$11,691	\$11,691	
EE+Ch - 0 Medicare	\$17,258	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258	
EE+Ch - 1 Medicare	N/A	\$2,500	\$4,368	\$6,868	\$2,409	\$4,131	\$6,540	\$2,208	\$4,736	\$6,944	\$4,736	\$6,944	\$6,944	
Medical Premium														
Single - 0 Medicare	\$10,152	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152	
Single - 1 Medicare	N/A	N/A	\$1,601	\$1,601	N/A	\$1,364	\$1,364	N/A	\$1,931	\$1,931	N/A	\$1,931	\$1,931	
EE+Spouse - 0 Medicare	\$22,130	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130	
EE+Spouse - 1 Medicare	N/A	\$11,979	\$1,601	\$13,579	\$11,979	\$1,364	\$13,343	\$11,979	\$1,931	\$13,909	\$1,931	\$13,909	\$13,909	
EE+Spouse - 2 Medicare	N/A	N/A	\$3,201	\$3,201	N/A	\$2,728	\$2,728	N/A	\$3,862	\$3,862	N/A	\$3,862	\$3,862	
Family - 0 Medicare	\$25,176	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176	
Family - 1 Medicare	N/A	\$15,024	\$1,601	\$16,625	\$15,024	\$1,364	\$16,388	\$15,024	\$1,931	\$16,955	\$1,931	\$16,955	\$16,955	
Family - 2 Medicare	N/A	\$860	\$3,201	\$4,061	\$771	\$2,728	\$3,498	\$908	\$3,862	\$4,770	\$3,862	\$4,770	\$4,770	
EE+Ch - 0 Medicare	\$14,212	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212	
EE+Ch - 1 Medicare	N/A	\$886	\$1,601	\$2,487	\$794	\$1,364	\$2,158	\$900	\$1,931	\$2,831	\$1,931	\$2,831	\$2,831	
Rx Premium														
Single - 0 Medicare	\$2,176	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176	
Single - 1 Medicare	N/A	N/A	\$2,767	\$2,767	N/A	\$2,767	\$2,767	N/A	\$2,805	\$2,805	N/A	\$2,805	\$2,805	
EE+Spouse - 0 Medicare	\$4,743	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743	
EE+Spouse - 1 Medicare	N/A	\$2,568	\$2,767	\$5,335	\$2,568	\$2,767	\$5,335	\$2,568	\$2,805	\$5,372	\$2,805	\$5,372	\$5,372	
EE+Spouse - 2 Medicare	N/A	N/A	\$5,534	\$5,535	N/A	\$5,534	\$5,535	N/A	\$5,610	\$5,609	N/A	\$5,609	\$5,609	
Family - 0 Medicare	\$5,396	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396	
Family - 1 Medicare	N/A	\$3,220	\$2,767	\$5,987	\$3,220	\$2,767	\$5,987	\$3,220	\$2,805	\$6,025	\$2,805	\$6,025	\$6,025	
Family - 2 Medicare	N/A	\$1,566	\$5,534	\$7,101	\$1,566	\$5,534	\$7,101	\$1,312	\$5,610	\$6,922	\$5,610	\$6,922	\$6,922	
EE+Ch - 0 Medicare	\$3,046	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046	
EE+Ch - 1 Medicare	N/A	\$1,614	\$2,767	\$4,382	\$1,614	\$2,767	\$4,382	\$1,308	\$2,805	\$4,113	\$2,805	\$4,113	\$4,113	

Exhibit 4D – Plan Year 2022 Annual Retiree Premiums

	Legacy HMO			1525 PPO			1525 HMO (Aetna Medicare Subscriber)		
	Legacy HMO			1525 PPO			1525 HMO		
	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium
Total Premium									
Single - 0 Medicare	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327
Single - 1 Medicare	N/A	\$6,460	\$6,460	N/A	\$5,456	\$5,456	N/A	\$4,309	\$4,309
EE+Spouse - 0 Medicare	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874
EE+Spouse - 1 Medicare	\$14,546	\$6,460	\$21,006	\$14,546	\$5,456	\$20,003	\$14,546	\$4,309	\$18,855
EE+Spouse - 2 Medicare	N/A	\$12,919	\$12,919	N/A	\$10,913	\$10,913	N/A	\$8,618	\$8,618
Family - 0 Medicare	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572
Family - 1 Medicare	\$18,244	\$6,460	\$24,704	\$18,244	\$5,456	\$23,701	\$18,244	\$4,309	\$22,553
Family - 2 Medicare	\$3,033	\$12,919	\$15,952	\$3,088	\$10,913	\$14,001	\$2,097	\$8,618	\$10,715
EE+Ch - 0 Medicare	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258
EE+Ch - 1 Medicare	\$3,014	\$6,460	\$9,473	\$3,183	\$5,456	\$8,639	\$2,094	\$4,309	\$6,403
Medical Premium									
Single - 0 Medicare	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152
Single - 1 Medicare	N/A	\$3,655	\$3,655	N/A	\$2,775	\$2,775	N/A	\$1,506	\$1,506
EE+Spouse - 0 Medicare	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130
EE+Spouse - 1 Medicare	\$11,979	\$3,655	\$15,633	\$11,979	\$2,775	\$14,753	\$11,979	\$1,506	\$13,484
EE+Spouse - 2 Medicare	N/A	\$7,309	\$7,309	N/A	\$5,549	\$5,549	N/A	\$3,011	\$3,011
Family - 0 Medicare	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176
Family - 1 Medicare	\$15,024	\$3,655	\$18,679	\$15,024	\$2,775	\$17,799	\$15,024	\$1,506	\$16,530
Family - 2 Medicare	\$1,721	\$7,309	\$9,030	\$1,570	\$5,549	\$7,120	\$510	\$3,011	\$3,521
EE+Ch - 0 Medicare	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212
EE+Ch - 1 Medicare	\$1,705	\$3,655	\$5,360	\$1,618	\$2,775	\$4,393	\$458	\$1,506	\$1,964
Rx Premium									
Single - 0 Medicare	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176
Single - 1 Medicare	N/A	\$2,805	\$2,805	N/A	\$2,682	\$2,682	N/A	\$2,803	\$2,803
EE+Spouse - 0 Medicare	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743
EE+Spouse - 1 Medicare	\$2,568	\$2,805	\$5,372	\$2,568	\$2,682	\$5,249	\$2,568	\$2,803	\$5,371
EE+Spouse - 2 Medicare	N/A	\$5,609	\$5,609	N/A	\$5,363	\$5,363	N/A	\$5,607	\$5,607
Family - 0 Medicare	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396
Family - 1 Medicare	\$3,220	\$2,805	\$6,025	\$3,220	\$2,682	\$5,902	\$3,220	\$2,803	\$6,024
Family - 2 Medicare	\$1,312	\$5,609	\$6,922	\$1,518	\$5,363	\$6,881	\$1,587	\$5,607	\$7,194
EE+Ch - 0 Medicare	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046
EE+Ch - 1 Medicare	\$1,308	\$2,805	\$4,113	\$1,564	\$2,682	\$4,246	\$1,635	\$2,803	\$4,439

Exhibit 4D – Plan Year 2022 Annual Retiree Premiums

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	1525 HMO			2030 Plans					
	1525 HMO			Horizon PPO			Horizon HMO		
	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Horizon Medicare Subscriber	Total Plan Premium
Total Premium									
Single - 0 Medicare	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327	\$12,327	N/A	\$12,327
Single - 1 Medicare	N/A	\$5,766	\$5,766	N/A	\$5,315	\$5,315	N/A	\$5,611	\$5,611
EE+Spouse - 0 Medicare	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874	\$26,874	N/A	\$26,874
EE+Spouse - 1 Medicare	\$14,546	\$5,766	\$20,312	\$14,546	\$5,315	\$19,861	\$14,546	\$5,611	\$20,157
EE+Spouse - 2 Medicare	N/A	\$11,531	\$11,531	N/A	\$10,630	\$10,630	N/A	\$11,222	\$11,222
Family - 0 Medicare	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572	\$30,572	N/A	\$30,572
Family - 1 Medicare	\$18,244	\$5,766	\$24,011	\$18,244	\$5,315	\$23,559	\$18,244	\$5,611	\$23,855
Family - 2 Medicare	\$2,592	\$11,531	\$14,123	\$3,008	\$10,630	\$13,638	\$2,518	\$11,222	\$13,740
EE+Ch - 0 Medicare	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258	\$17,258	N/A	\$17,258
EE+Ch - 1 Medicare	\$2,538	\$5,766	\$8,304	\$3,100	\$5,315	\$8,415	\$2,465	\$5,611	\$8,076
Medical Premium									
Single - 0 Medicare	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152	\$10,152	N/A	\$10,152
Single - 1 Medicare	N/A	\$2,963	\$2,963	N/A	\$2,608	\$2,608	N/A	\$2,781	\$2,781
EE+Spouse - 0 Medicare	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130	\$22,130	N/A	\$22,130
EE+Spouse - 1 Medicare	\$11,979	\$2,963	\$14,941	\$11,979	\$2,608	\$14,586	\$11,979	\$2,781	\$14,760
EE+Spouse - 2 Medicare	N/A	\$5,924	\$5,924	N/A	\$5,215	\$5,215	N/A	\$5,561	\$5,561
Family - 0 Medicare	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176	\$25,176	N/A	\$25,176
Family - 1 Medicare	\$15,024	\$2,963	\$17,987	\$15,024	\$2,608	\$17,632	\$15,024	\$2,781	\$17,805
Family - 2 Medicare	\$1,005	\$5,924	\$6,929	\$1,476	\$5,215	\$6,691	\$916	\$5,561	\$6,477
EE+Ch - 0 Medicare	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212	\$14,212	N/A	\$14,212
EE+Ch - 1 Medicare	\$902	\$2,963	\$3,865	\$1,521	\$2,608	\$4,128	\$814	\$2,781	\$3,595
Rx Premium									
Single - 0 Medicare	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176	\$2,176	N/A	\$2,176
Single - 1 Medicare	N/A	\$2,803	\$2,803	N/A	\$2,707	\$2,707	N/A	\$2,830	\$2,830
EE+Spouse - 0 Medicare	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743	\$4,743	N/A	\$4,743
EE+Spouse - 1 Medicare	\$2,568	\$2,803	\$5,371	\$2,568	\$2,707	\$5,275	\$2,568	\$2,830	\$5,398
EE+Spouse - 2 Medicare	N/A	\$5,607	\$5,607	N/A	\$5,414	\$5,414	N/A	\$5,661	\$5,661
Family - 0 Medicare	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396	\$5,396	N/A	\$5,396
Family - 1 Medicare	\$3,220	\$2,803	\$6,024	\$3,220	\$2,707	\$5,927	\$3,220	\$2,830	\$6,050
Family - 2 Medicare	\$1,587	\$5,607	\$7,194	\$1,532	\$5,414	\$6,947	\$1,602	\$5,661	\$7,262
EE+Ch - 0 Medicare	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046	\$3,046	N/A	\$3,046
EE+Ch - 1 Medicare	\$1,635	\$2,803	\$4,439	\$1,579	\$2,707	\$4,286	\$1,651	\$2,830	\$4,481

Exhibit 5A – Plan Year 2022 Employee Plan Option Summary

	Education Actives			
	\$10 PPO	\$15 PPO	NJ Educators Health Plan	NJ Garden State Health Plan
In-Network				
Deductible (Single/Family)	None	None	None	None
Coinsurance OOP Maximum (Single/ Family)	None	\$400/\$1,000	None	None
Total In-Network OOP Maximum (Single/Family)	\$400/\$1,000	\$6,960/\$13,920	\$500/\$1000	\$500/\$1000
Overall Coinsurance	10% ¹	10% ¹	10% ¹	10% ¹
PCP	\$10 copay	\$15 copay	\$10 copay	\$10 copay
Specialist	\$10 copay	\$15 copay	\$15 copay	\$15 copay
Emergency Room	\$25 copay	\$50 copay	\$125 copay	\$125 copay
Inpatient Hospital	No charge	No charge	No charge	No charge
Out-of-Network				
Deductible (Single/Family)	\$100/\$250	\$100/\$250	\$350/\$700	\$350/\$700
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000
Overall Coinsurance	20%	30%	30% (200% CMS)	30% (200% CMS)
Out-of-Network Chiropractic Services	Lesser of \$35/visit or 75% of In-Network cost/visit	Lesser of \$35/visit or 75% of In-Network cost/visit	Lesser of \$35/visit or 75% of In-Network cost/visit	Lesser of \$35/visit or 75% of In-Network cost/visit
Out-of-Network Acupuncture Services	Lesser of \$60/visit or 75% of In-Network cost/visit	Lesser of \$60/visit or 75% of In-Network cost/visit	Lesser of \$60/visit or 75% of In-Network cost/visit	Lesser of \$60/visit or 75% of In-Network cost/visit
Out-of-Network Physical Therapy Services	75% of In-Network cost/visit	75% of In-Network cost/visit	75% of In-Network cost/visit	75% of In-Network cost/visit
Prescription Drug				
OOP Maximum (Single/Family)	\$1,740/\$3,480	\$1,740/\$3,480	\$1600/\$3200	\$1600/\$3200
Retail - Generic	\$3	\$3	\$5	\$5
Retail - Preferred Brand	\$10	\$10	\$10	\$10
Retail - Non-Preferred Brand	\$10	\$10	Member Pays the Difference between generic and brand plus brand copayment	Member Pays the Difference between generic and brand plus brand copayment
Mail - Generic	\$5	\$5	\$10	\$10
Mail - Preferred Brand	\$15	\$15	\$20	\$20
Mail - Non-Preferred Brand	\$15	\$15	Member Pays the Difference between generic and brand plus brand copayment	Member Pays the Difference between generic and brand plus brand copayment

¹ On Select Services

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.

Note: Beginning 1/1/2022 a new Garden State Health Plan is to be implemented. Plan Design details for the Garden State Health Plan are yet to be determined.

All employees hired on or after 7/1/20 will be enrolled in the NJ Educators Health plan and will have the option to enroll in the Garden State Plan after 1/1/22.

Exhibit 5B – Plan Year 2022 Early Retiree Plan Option Summary

	Education Early Retirees	
	NJ Educators Health Plan	NJ Garden State Health Plan
In-Network		
Deductible (Single/Family)	None	None
Coinsurance OOP Maximum (Single/ Family)	None	None
Total In-Network OOP Maximum (Single/Family)	\$500/\$1000	\$500/\$1000
Overall Coinsurance	10% ¹	10% ¹
PCP	\$10 copay	\$10 copay
Specialist	\$15 copay	\$15 copay
Emergency Room	\$125 copay	\$125 copay
Inpatient Hospital	No charge	No charge
Out-of-Network		
Deductible (Single/Family)	\$350/\$700	\$350/\$700
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000
Overall Coinsurance	30% (200% of CMS)	30% (200% of CMS)
Out-of-Network Chiropractic Services	Lesser of \$35/visit or 75% of In-Network cost/visit	Lesser of \$35/visit or 75% of In-Network cost/visit
Out-of-Network Acupuncture Services	Lesser of \$60/visit or 75% of In-Network cost/visit	Lesser of \$60/visit or 75% of In-Network cost/visit
Out-of-Network Physical Therapy Services	75% of In-Network cost/visit	75% of In-Network cost/visit
Prescription Drug		
OOP Maximum (Single/Family)	\$1,600/\$3,200	\$1,600/\$3,200
Retail - Generic	\$5	\$5
Retail - Preferred Brand	\$10	\$10
Retail - Non-Preferred Brand	Member Pays the Difference between generic and brand plus brand copayment	Member Pays the Difference between generic and brand plus brand copayment
Mail - Generic	\$10	\$10
Mail - Preferred Brand	\$20	\$20
Mail - Non-Preferred Brand	Member Pays the Difference between generic and brand plus brand copayment	Member Pays the Difference between generic and brand plus brand copayment

¹ On Select Services

Exhibit 5C – Plan Year 2022 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)	\$400 per person	\$1,000 per person	\$2,500 per person	\$2,500 per person	\$7,289/\$14,578	\$7,289/\$14,578	\$7,289/\$14,578	\$7,289/\$14,578	\$7,289/\$14,578
Overall Coinsurance	None	None	None	None	10% ⁴	10% ⁴	10% ⁴	10% ⁴	10% ⁴
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)	\$400 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 applicable Horizon plans 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.

⁴On Select Services

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.

About Aon

Aon plc (NYSE: AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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