



State of New Jersey School Employees' Health Benefits Program

Plan Year 2024 Rate Setting Recommendation
Analysis

As Approved on July 24, 2023

Table of Contents

Subject	Page
Executive Summary	3
Plan Year 2024 Overview	10
Trend Analysis	16
Financial Projections	18
Rate Setting Development	23
Exhibits	27
1 - Enrollment Projections	27
2 - Trend Assumption	32
3 - Aggregate Costs	34
4 - Plan Year 2024 Premiums	40
5 - Plan Year 2024 Plan Option Summary	46
About Aon	49

Executive Summary

The purpose of this Analysis is to recommend premium levels for the School Employees' Health Benefits Program (SEHBP) for January 1, 2024 through December 31, 2024.

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 2024 are based on medical and prescription drug claims incurred January 1, 2022 through December 31, 2022 and paid through March 31, 2023. The following bullets summarize the major highlights in the Rate Setting Analysis:

- The total recommended Plan Year 2024 premium rate changes for the Local Education Actives, Early Retirees, and Medicare Retirees are as follows:
 - On July 24, 2023, the SEHBC approved the active premium rate increases outlined in scenario 3 below. For this scenario, the recommended rate change for Local Education Actives is a 4.8% increase for medical and an 20.1% increase for the prescription drug premium rates, for a total increase of 6.3%.
 - The recommended Plan Year 2024 rate change for Local Education Early Retirees is a 0.4% increase for medical and a 16.0% increase for the prescription drug premium rates, for a total increase of 3.4%.
 - The Medicare Retiree medical decrease for Plan Year 2024 is 1.9%, which includes both self-insured medical premiums and fully insured Medicare Advantage premiums. The recommended prescription drug rate change in Plan Year 2024 is a 11.8% increase. The total premium rate change for Medicare Retirees is a 6.9% increase.
- The projected Active Medical and Prescription Drug Claim Stabilization Reserve Balance is projected to be below the targeted 2.0 months of plan cost in Plan Year 2024. As a result, 0.6% margin, on a fully pooled basis, has been added to the Active Medical and Prescription Drugs premiums to bring the projected Plan Year 2024 Claims Stabilization Reserve Balance to the recommended level of 2.0 months of plan cost.

Recommended Premium Rate Changes: Actives

The NJEHP was initially established January 1, 2021 and, since no plan specific experience was available, premium rates for the new plan were set for Plan Years 2021 and 2022 based on the pooled experience in the other plans that existed during each experience period, adjusted for differences in plan design value and assumed consumerism. Premium rates for 2023 were set on a fully pooled basis over all existing plans. However, the NJEHP/GSHP is now at a level that is considered credible for premium setting on a stand-alone basis. As such, this analysis has been done on several alternative scenarios

The recommended rate setting active premium rate changes for Plan Year 2024 were developed on three alternative scenarios: 1) fully pooled with all other active plans as in prior years, 2) based on two distinct stand-alone experience pools representing combined PPO10/PPO15 experience and separately combined NJEHP/GSHP experience, and 3) a transitional alternative which blends 33% of the stand-alone experience and 67% of pooled experience. Because of resulting PPO10 and PPO15 employee contribution changes in alternatives 2 and 3, assumptions have been made for migration from the PPO10/PPO15 plans to NJEHP for those alternatives. There are also small changes in the margin required to bring the Claims Stabilization Reserve to 2.0 months of plan cost in each scenario.

The recommended active premium rate changes for Plan Year 2024 are shown below. The rate change for the GSHP in all scenarios is a change from the previous 18-month rate developed prior to the Plan Year 2023 Rate Setting Analysis and effective for July 1, 2022 through December 31, 2023, to a 12-month rate to be effective for the 2024 Plan Year. As such the GSHP increase includes a higher trend impact and also an experience adjustment for experience measured in the Plan Year 2023 Rate Setting Analysis, which was not previously reflected.

Additionally, the Claim Stabilization Reserve (CSR) tables shown below project total CSR balances at the end of Plan Years 2022 through 2024 for Local Education. The projected reserve balances are based on the reserve balance as of June 30, 2022 provided by the State and adjusted to December 31, 2022 based on actual expenses and revenues provided by the State. The CSR balances below are intended to illustrate how the claims stabilization reserve may fluctuate due to gains and losses in the active plans. Actual balances as of December 31, 2023 and December 31, 2024 may differ.

Scenario 1: All Plans Rated on Combined Basis

	Medical	Rx			Total
		Rx Card	MMRx	Total	
Actives					
NJ DIRECT 10/15	4.8%	17.3%	21.7%	19.6%	6.5%
NJEHP	4.8%	17.3%	17.3%	17.3%	5.9%
GSHP	15.2%	20.6%	20.6%	20.6%	15.7%
Total	4.9%	17.3%	19.7%	18.5%	6.3%

Claim Stabilization Reserve (\$ millions)	Total
12/31/2022	\$240
12/31/2023	\$257
12/31/2024	\$269
Months of Plan Cost	2.0

Scenario Overview:

The projected costs are consistent with the assumptions and methodologies outlined in this document assuming 55% of subscribers enroll in the NJEHP, 30% enroll in the PPO10, 14% enroll in the PPO15, and 1% enroll in the GSHP.

For purposes of projecting premiums, each benefit plan is projected separately and then experience is combined to develop uniform premium increases across groupings of similar plans. Plan premium increase reflects projected combined experience for the PPO10, PPO15, NJEHP, GSHP. The GSHP premium increase was calculated by adjusting the projected 2024 NJEHP Premium for the expected difference in plan value. Local Education Active Results include 0.75% premium margin.

Scenario 2: NJEHP and GSHP Rated Separately from PPO10 and PPO15

	Medical	Rx			Total
		Rx Card	MMRx	Total	
Actives					
NJ DIRECT 10/15	25.6%	34.1%	39.2%	36.7%	26.8%
NJEHP	(5.6%)	15.1%	15.1%	15.1%	(3.8%)
GSHP	3.7%	18.3%	18.3%	18.3%	5.2%
Total	4.9%	22.9%	24.5%	23.7%	6.8%

Claim Stabilization Reserve (\$ millions)	Total
12/31/2022	\$240
12/31/2023	\$257
12/31/2024	\$266
Months of Plan Cost	2.0

Scenario Overview:

Plan Year 2024 cost projections assume an additional 30% of the PPO10 and PPO15 subscribers migrate to the NJEHP compared to Scenario 1. The projected PPO10 and PPO15 costs reflect a 5% selection adjustment assuming those remaining in the plan will be higher cost on average compared to the pre-migration average cost for those plans. The projected NJEHP and GSHP costs reflect adjustments for the assumed additional migration. All other cost projection assumptions are consistent with the assumptions outlined in this document.

For purposes of projecting premiums, each benefit plan is projected separately and then experience is combined to develop uniform premium increases across groupings of similar plans. The PPO10 and PPO15 plan premium increase reflects projected combined experience for the PPO10 and PPO15. The NJEHP and GSHP premium increase reflects projected combined experience for the NJEHP and GSHP. The GSHP premium increase was calculated by adjusting the projected 2024 NJEHP Premium for the expected difference in plan value. Local Education Active Results include 0.6% premium margin.

Scenario 3: 33% Stand-alone and 67% Pooled Experience Blend

	Medical	Rx			Total
		Rx Card	MMRx	Total	
Actives					
NJ DIRECT 10/15	9.3%	21.5%	26.1%	23.8%	11.0%
NJEHP	1.3%	16.5%	16.5%	16.5%	2.6%
GSHP	11.3%	19.7%	19.7%	19.7%	12.2%
Total	4.8%	19.0%	21.2%	20.1%	6.3%

Claim Stabilization Reserve (\$ millions)	Total
12/31/2022	\$240
12/31/2023	\$257
12/31/2024	\$266
Months of Plan Cost	2.0

Scenario Overview:

Plan Year 2024 cost projections assume an additional 10% of the PPO10 and PPO15 subscribers migrate to the NJEHP compared to Scenario 1. The projected PPO10 and PPO15 costs reflect a 1% selection adjustment assuming those remaining in the plan will be higher cost on average compared to the pre-migration average cost for those plans. The projected NJEHP and GSHP costs reflect adjustments for the assumed additional migration. All other cost projection assumptions are consistent with the assumptions outlined in this document.

For purposes of projecting premiums, each benefit plan is projected separately and then experience is combined to develop uniform premium increases across groupings of similar plans. The NJEHP plan premium increase reflects a 67% blend of the Scenario 1 NJEHP increases and 33% blend of Scenario 2 NJEHP increases before margin. The GSHP premium increase was calculated by adjusting the projected 2024 NJEHP Premium for the expected difference in plan value. The PPO10 and PPO15 plan premium increase was calculated to cover the remaining projected plan cost. Local Education Active Results include 0.6% premium margin.

On July 24, 2023, the SEHBC approved Scenario 3. As such, the remainder of the information in this analysis is based the projected costs and premiums outlined for Scenario 3.

Recommended Premium Rate Changes: Retirees

The recommended Plan Year 2024 premium rate changes are as follows: a 3.4% increase for Early Retirees and a 6.9% increase for Medicare Retirees. The Medicare Retiree medical premium rate change includes both fully insured Medicare Advantage plans administered by Aetna and self-insured Medicare plan options administered by Horizon.

The recommended rate setting Early Retiree and Medicare Retiree premium rate changes for Plan Year 2024 by benefit plan are listed below. The rate change for the GSHP in all scenarios is a change from the previous 18-month rate developed prior to the Plan Year 2023 Rate Setting Analysis and effective for July 1, 2022 through December 31, 2023, to a 12-month rate to be effective for the 2024 Plan Year. As such the GSHP increase includes a higher trend impact and also an experience adjustment for experience measured in the Plan Year 2023 Rate Setting Analysis, which was not previously reflected.

	Medical	Rx	Total
Early Retirees			
NJEHP	0.4%	15.9%	3.3%
GSHP	8.9%	39.0%	14.9%
Total	0.4%	16.0%	3.4%
Medicare Retirees	(1.9%)	11.8%	6.9%

COVID-19

Aon’s current guidance is to project medical claims using 2022 claims data without any adjustments for COVID-19. Plan Year 2023 and 2024 estimates may be impacted if costs related to the pandemic change from 2022 levels.

The Plan Year 2024 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 what is 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 2024 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 and Early Retirees three plans, effective January 1, 2021, for medical and prescription benefits coverage which include the PPO10, PPO15, and New Jersey Educators Health Plan (NJEHP). Local Education Early Retirees are not permitted to enroll in the PPO10 and PPO15 plans. 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 July 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.

Additional Plan Design Changes that have been made and are assumed to continue to be in effect for Plan Year 2024 are as follows:

- HMS Data Integrity Vendor: In accordance with Public Law 2019, Chapter 143, the State conducted a bid solicitation awarding HMS the opportunity to provide Medical Claims Review and Data management 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. Actual 2022 savings are assumed to be in the underlying claims experience. Actual 2022 fees as well as estimated 2023 and 2024 fees are provided by HMS. This program is assumed to not impact Medicare Retirees.
- 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. Estimated savings for this program are assumed to be in the underlying claims experience. Actual 2022 fees as well as estimated 2023 and 2024 fees are provided by SSDC services. This program does not impact Actives and Medicare Retirees.
- Navigation Advocacy: Effective January 1, 2020, Horizon was required to implement the Horizon Health Guide, an enhanced Navigation and Advocacy Model. As part of the 2023 contract extension with Horizon, beginning February 1, 2023 Horizon Part 2 Services fees were reduced from those shown in the Plan Year 2023 Rate Setting Analysis due to modifications to the scope of services provided under the Part 2 Navigation Advocacy services. As a result of the change in the contract, Horizon no longer provides its Horizon Health Guide. As such, this analysis includes the 2022 claims as actually experienced, and no additional claim adjustment

is reflected to account for the removal of this program. 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 and sends targeted communications to members for enrollment. Livongo analyzes data to personalize the program for each member and provide real-time health insights. Estimated savings for this program are assumed to be in the underlying claims experience. Actual 2022 fees as well as estimated 2023 and 2024 fees are provided by Livongo. This program does not impact Medicare Retirees.
- Livongo Whole Person: Beginning Plan Year 2021, Livongo also implemented 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 since January 31, 2020. Estimated savings for this program are assumed to be in the underlying claims experience. Actual 2022 fees as well as estimated 2023 and 2024 fees are 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. Estimated savings for this program and fees which flow through the claims wire are assumed to be in the underlying claims experience. 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. Estimated savings for this program are assumed to be in the underlying claims experience. Actual 2022 fees as well as estimated 2023 and 2024 fees are provided by Amino.
- Wondr Health: 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. Estimated savings for this program and fees which flow through the claims wire are assumed to be in the underlying claims experience. This program does not impact Medicare Retirees.
- 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. Estimated savings for this program are assumed to be reflected in the underlying

claims experience. The costs associated with eviCore are reflected in the underlying capitation data provided by Horizon. This program does not impact Medicare Retirees.

- Included Health (Formerly Grand Rounds): The State eliminated Included Health’s Expert Medical Second Opinion Solution in 2023. The program provided guidance for members to access expert second opinions for health conditions and cases to ensure the right diagnosis and treatment plan while reducing unnecessary procedures and costs. No adjustments to claims or fees are included to reflect the elimination of this program for purposes of the rate setting projection.

Vendor Changes

Medical Vendors: Effective January 1, 2020, all self-insured medical plans are administered solely by Horizon. The fully-insured Medicare Advantage plans are administered solely by Aetna. Additionally, effective July 1, 2022, Aetna administers the Garden State Health Plan. Aon assumes no change in the self-insured medical and fully-insured Medicare Advantage vendors in Plan Year 2024.

Pharmacy Benefit Manager: Optum is assumed to administer all of the prescription drug plans in Plan Year 2024.

Federal Health Care Reform

In-Network Out-of-Pocket Maximum: Effective January 1, 2024, Federal Health Care Reform requires that in-network medical and prescription drug benefits have a combined out-of-pocket maximum no greater than \$9,450 single / \$18,900 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 Education Plans with private Rx cards, who may want to integrate the administration of their medical and prescription drug out-of-pocket limits. This will not affect any plan designs available to Local Education Actives and Early Retirees due to the implementation of Chapter 44.

Plan Year	Out-of-Pocket Maximum (Single/Family)
2022	\$8,700 / \$17,400
2023	\$9,100 / \$18,200
2024	\$9,450 / \$18,900

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.

Full-Time Employee Definition: The Patient Protection and Affordable Care Act (Affordable Care Act) defines full-time employees as employees who work 30 or more hours per week. The employer mandate, which is applicable to full-time employees, was essentially first effective 1/1/2015. This requirement is not projected to have a cost impact on the SEHBP because in general, the State offers coverage to all full-time employees.

No Surprises Act: Effective January 1, 2022, medical carriers must provide a reasonable estimate of the expected cost of a service before the service is carried out on a patient. This law is designed to regulate the frequency of surprise billings.

United States Preventive Services Task Force on ACA Preventive Service recommendations: Effective 3/1/2022, the recommended age for select preventive cancer screenings is being lowered. This may increase utilization of preventive care but is deemed to have no significant impact on cost in this analysis.

Inflation Reduction Act of 2022: In August 2022, the Inflation Reduction Act of 2022 (IRA) was signed into law. This law significantly restructures the Standard Medicare Part D prescription drug benefit and is expected to impact EGWP credits beginning in 2024. In addition, CMS is changing the treatment of Direct and Indirect Remuneration (DIR), effectively eliminating these payments between pharmacies and pharmacy benefit managers effective January 2024, which is expected to further impact the EGWP credits. Plan Year 2024 EGWP credits reflecting these changes are based on estimates provided by Optum.

New Jersey State Mandates

New Jersey Reproductive Freedom of Choice Act: Effective January 13, 2022, this law codifies the constitutional right to freedom of reproductive choice.

NJ COVID-19 Emergency Guidance: During the COVID-19 pandemic, the SEHBP is subject to emergency guidance elimination of member cost sharing on COVID-19 testing as well as telemedicine services. The federal Public Health Emergency declaration ended May 11, 2023.

These New Jersey State mandates are not expected to materially impact the projected SEHBP Plan Costs and no adjustments were made to projected Plan Year 2024 costs and premiums.

Eligibility Changes

Chapter 375 Coverage of Adult Children: The number of Local Education adult children covered under Chapter 375 as of April 2023 is 108. 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 2024 rate setting 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 2023, 36 Local Education Part-time Employees participate. A rate load of 10% for Plan Year 2024 is recommended, which is consistent with the rate load used in Plan Year 2023. The recommendation is based on the three-year average loss ratio for Part-time Employees from 2018, 2019, and 2022. 2020 and 2021 Part-Time Employee Loss Ratios were elevated, likely as a result of COVID-19's impact on utilization and were excluded from the analysis.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns from Plan Year 2021 through 2023 and includes a projection of enrollment from Plan Year 2023 to 2024. 2023 enrollment is based on actual census data through April 2023 and is adjusted for known future Local Education employer terminations and entrants. This projection assumes that Local Education Active enrollment will remain flat in Plan Year 2024. Early Retiree enrollment is projected to decrease 1.0% in Plan Year 2024; and Medicare Retiree enrollment is projected to increase 1.0% in Plan Year 2024.

Exhibit 1B shows the projected distribution of enrollment among benefit options in Plan Year 2024. 59% of Local Education Actives are assumed to be enrolled in the NJEHP plan, 27% are assumed to remain in the PPO10, and 13% are assumed to remain in the PPO15. 1% of Local Education Actives are assumed to be enrolled in the Garden State Health Plan. Approximately 11% of Local Education Retirees are assumed to be enrolled in the NJEHP plan, while 70% of the Local Education Retiree population is assumed to be enrolled in either the PPO10 or PPO15 plan. Less than 1% of Local Education Retirees are assumed to be enrolled in the Garden State Health Plan.

Exhibit 1C shows the projected average enrollment by benefit option and coverage tier for Plan Year 2023.

Dependents per Subscriber reflect ratios using Local Education enrollment as of April 2023 and are assumed to remain constant for Plan Year 2024. For Plan Year 2024, the enrollment distribution by coverage tier for each plan is assumed to remain consistent with the plan specific distribution for Plan Year 2023.

Enrollment Migration to Lower Cost Plans

Actives: Prior rate setting analyses 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 analysis.

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 2024, 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. All Local Education Early Retirees are assumed to enroll in the NJEHP and GSHP for Plan Year 2024 as a result of Chapter 44.

Active Demographic Changes

Based on April 2023 census data, the Active Employee average age remained the same from Plan Year 2022 to Plan Year 2023. The average Legacy PPO Employee average age increased 1.0 years. For April 2023 the average age of Employees enrolled in the NJEHP is 6.6 years younger than the average age of Employees enrolled in the Legacy PPO Plans while the average age of Employees enrolled in the GSHP is 11.3 years younger than the average age of Employees enrolled in the Legacy PPO Plans.

Average Employee Age

	April 2022	April 2023	Change
Legacy PPO	49.8	50.8	1.0
NJEHP	43.9	44.2	0.3
GSHP	N/A	39.5	N/A
Total	47.2	47.2	0.0

Trend Analysis

The recommended claim trend assumptions for Plan Years 2023 and 2024 are as follows:

	Plan Year 2023		Plan Year 2024	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives*	6.50%	9.00%	6.50%	9.00%
PPO Early Retirees	6.50%	9.00%	6.50%	9.00%
Self-Insured Medicare Retirees	5.50%	7.75%	5.50%	7.75%

*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 2024 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 2024 for medical and prescription drug, respectively. These experience trends are based on estimated incurred claim trends from January 1, 2020 to December 31, 2022 and have been normalized for estimated benefit and vendor changes.

Aon 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 2024	Vendor Recommendation		National AON Trend Guidance	
	Horizon	Optum	Medical	Rx
PPO Actives	5.85%	7.77%	7.25%	9.25%
PPO Early Retirees	5.85%	7.92%	7.25%	9.25%
Self-Insured Medicare Retirees	5.85%	5.77%	5.50%	9.25%

*Gross trend shown before impact of plan design changes.

** Aon National Trend Guidance includes the impact of plan design leveraging.

Medical Trends:

- PPO Actives: The recommended PPO medical trend for Actives for Plan Year 2023 is 6.50%, which is a 0.50% change from the 6.00% shown in the Plan Year 2023 Rate Setting Analysis (does not include the anti-selection adjustment described below). The recommended Active PPO medical trend is 6.50% in Plan Year 2024.
- PPO Early Retirees: The recommended PPO medical trend for Early Retirees for Plan Year 2023 is 6.50%, which is a 1.00% change from the 5.50% shown in the Plan Year 2023

Rate Setting Analysis. The recommended Early Retiree PPO medical trend is 6.50% in Plan Year 2024.

- Self-Insured Medicare Retirees (PPOs and HMOs): The self-insured Medicare Retiree medical trend is recommended to be 5.50% in Plan Year 2023 and Plan Year 2024, no change from the Plan Year 2023 Medicare Retiree medical trend in the Plan Year 2023 Rate Setting Analysis.

Prescription Drug Trends: Prescription drug trends have increased based on both Vendor and Aon trend guidance as a result of expected increases in specialty drug costs and utilization.

The recommended prescription drug trend has increased to 9.00% for Local Education Actives, 9.00% for Local Education Early Retirees, and 7.75% for Self-Insured Medicare Retirees in Plan Year 2023 from the 7.75% Active, 8.00% Early Retiree, and 6.00% Self-Insured Medicare Retiree trends that were used in the Plan Year 2023 Rate Setting Analysis. The recommended prescription drug trend for Plan Year 2024 is 9.00% for Local Education Actives, 9.00% for Local Education Early Retirees, and 7.75% for Self-Insured Medicare Retirees.

Additional Trend Adjustments: To reflect potential additions and terminations of Local Employers, the Active medical and prescription drug trends will be increased by 100 basis points in Plan Year 2023 and by 75 basis points in Plan Year 2024 for Local Education. These adjustments reflect anti-selection risk and change in average health status of the population resulting from Local Employers entering or terminating coverage under the State-sponsored plans based on their own favorable or unfavorable claims experience.

Medicare Advantage: The Medicare Advantage rates in Plan Years 2023 and 2024 were provided by Aetna. Below is a table summarizing the fully insured Medicare Advantage per member per month rates for Plan Years 2023 and 2024.

Aetna Monthly Per Member Medicare Advantage Premium Rates

Local Education	Aetna Medicare Advantage Rates		
	2023	2024	\$ Change
PPO 10	\$ 114.44	\$ 110.16	\$ (4.28)
PPO 15	\$ 94.72	\$ 90.44	\$ (4.28)
HMO 10	\$ 141.96	\$ 137.68	\$ (4.28)
HMO 1525	\$ 106.53	\$ 102.25	\$ (4.28)

Financial Projections

Aggregate Financial Projections

Using the assumptions detailed in this Rate Setting Development section of this analysis, below are the current estimated projected costs for Plan Years 2022, 2023 and 2024.

Projected Financial Results

(in \$ millions)

	NJEHP / GSHP*	PPO 10	PPO 15	Legacy HMOs	New Plans**	Total
Plan Year 2022						
Premium Rates x Enrollment	\$831.9	\$921.3	\$288.7	\$28.3	\$124.1	\$2,194.3
Incurred Claims	\$825.6	\$1,064.4	\$345.0	\$28.1	\$121.0	\$2,384.1
Administrative Charges	\$25.5	\$28.2	\$8.6	\$1.0	\$10.0	\$73.3
Net Gain (Loss)	(\$19.2)	(\$171.3)	(\$64.9)	(\$0.8)	(\$6.9)	(\$263.1)
Plan Year 2023						
Premium Rates x Enrollment	\$1,124.0	\$969.4	\$289.5	\$26.9	\$130.8	\$2,540.6
Incurred Claims	\$973.9	\$1,012.0	\$298.9	\$26.2	\$126.5	\$2,437.5
Administrative Charges	\$29.7	\$27.3	\$7.3	\$0.9	\$9.1	\$74.3
Net Gain (Loss)	\$120.4	(\$69.9)	(\$16.7)	(\$0.2)	(\$4.8)	\$28.8
Plan Year 2024						
Premium Rates x Enrollment	\$1,270.9	\$974.9	\$266.6	\$28.9	\$141.6	\$2,682.9
Incurred Claims	\$1,158.8	\$1,001.0	\$270.8	\$28.0	\$139.3	\$2,597.9
Administrative Charges	\$33.0	\$25.8	\$6.2	\$1.0	\$9.3	\$75.3
Net Gain (Loss)	\$79.1	(\$51.9)	(\$10.4)	(\$0.1)	(\$7.0)	\$9.7

* GSHP is included beginning in Plan Year 2022

**This includes only certain self-insured Medicare Retiree plans

*** Plan Year 2024 active premium rates include margin of 0.6%

The current Plan Year 2022 financial results project an improvement of \$23.1 million compared to the loss shown in the Plan Year 2023 Rate Setting Analysis.

The current Plan Year 2023 financial results project a \$29.1 million improvement in the gain from the Plan Year 2023 Rate Setting Analysis.

The Plan Year 2024 rate setting premiums are projected to produce a \$9.7M gain, reflecting the 0.6% margin added to Local Education Active premium rates to address the below-target Claims Stabilization Reserve balance. The Plan Year 2024 aggregate projected costs are \$2.7 billion: Approximately \$1.6 billion for Actives and approximately \$1.1 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 2022

Actives:

Projected active costs increased 1.5% from the Plan Year 2023 Rate Setting Analysis. This increase in plan cost is primarily a result of the following:

- Total active cost increased 2.8% due to an increase in enrollment and updated medical and prescription drug claims experience.
 - Aggregate medical claims increased 0.9% compared to the Plan Year 2023 Rate Setting analysis. This increase is driven by a 3.7% increase in average medical membership from expected, offset by a 2.7% decrease in actual medical claims PMPM compared to what was projected in the Plan Year 2023 Rate Setting Analysis.
 - Calendar Year 2022 medical claims experience shows PMPM trend of 2.0% for PPO claims. These medical trends are lower than the 6.25% trend + anti-selection assumption in the 2023 Rate Setting Analysis.
 - Horizon reporting with CY2022 incurred claims shows the medical claims trend is driven by a 9% increase in the average outpatient service PMPM cost.
 - Outpatient cost per visit have increased 36%, primarily in ambulatory outpatient services, medical pharmacy, and emergency room services.
 - This increase is offset by a 6% decrease in inpatient service PMPM costs.
 - Aggregate prescription drug claims are 13.1% higher compared to the Plan Year 2023 Rate Setting Analysis. This increase is driven by a 5.2% increase in the average prescription drug membership. Additionally, actual prescription drug claims PMPM were 7.5% higher compared to what was projected in the Plan Year 2023 Rate Setting analysis.
 - Calendar Year 2022 prescription drug experience shows a 13.6% PMPM claims trend, which is higher than expected 8.0% trend assumption reflected in the Plan Year 2023 Rate Setting Analysis.
 - Optum reporting shows a utilization trend of 3.0%, higher than the Optum benchmark of 0.1% utilization trend. Cost trend of 4.6% is also higher than the 3.9% Optum benchmark.
 - Optum reporting shows a 24% PMPM trend in Inflammatory Conditions and a 15% PMPM trend in Diabetes.
- Based on actual rebates provided by the State, higher than expected prescription drug rebates reduced total active cost by 0.8%.

- Actual administrative fees, investment income, and overhead costs resulted in a 0.5% reduction to total active costs from the Plan Year 2023 Rate Setting Analysis.

Retirees:

Retiree cost is projected to increase 0.6% from the Plan Year 2023 Rate Setting Analysis.

- Updated medical claims experience resulted in a 1.7% decrease in total retiree cost.
 - Aggregate medical claims experience is 3.0% lower compared to the Plan Year 2023 Rate Setting analysis. This is a result of a 3.8% decrease in the projected PMPM medical and MA premium costs offset by 0.8% increase in average medical membership.
 - Calendar Year 2022 medical claims experience shows a 1.5% decrease in Early Retiree PMPM claims.
 - Horizon reporting with CY2022 incurred claims shows SEHBP Early Retiree claims trend is driven by a 17% decrease in cost due to inpatient services, offset by a 7% increase in cost on outpatient services.
 - Inpatient visits have decreased 10% and cost per inpatient visit has decreased 8%.
- Updated Retiree prescription drug experience increased total retiree plan costs by approximately 5.4%.
 - Aggregate projected prescription drug claims increased 5.8% compared to the Plan Year 2023 Rate Setting Analysis. This is driven by a 4.9% increase in the projected PMPM prescription drug claims and a 0.8% increase in prescription drug membership.
 - Calendar Year 2022 Early Retiree and Medicare Retiree prescription drug experience show an 13.6% and 11.5% trend, respectively, higher than the trend assumed in the Plan Year 2023 Rate Setting Analysis.
 - Optum Early Retiree reporting shows utilization and cost contributed 8% towards overall trend, higher than Optum's benchmark of 4%.
 - Calendar Year 2022 Early Retiree reporting from Optum shows a 34% PMPM trend in inflammatory conditions and a 16% PMPM trend in diabetes.
 - For Medicare Retirees, Optum reports high Specialty prescription drug trend of 19% for Calendar Year 2022. The top drivers of cost by disease state were Oncology (18% trend), Inflammatory Conditions (26% trend), and Diabetes (12% trend).
- Actual prescription drug rebates provided by the State are higher than expected, resulting in a 3.7% decrease in projected retiree costs.

- There is a 0.6% increase in total retiree cost due to differences between actual and expected administrative fees, investment income, overhead, and education surcharge.

Plan Year 2023

Actives:

For Plan Year 2023, active medical and prescription drug costs are projected to increase 0.2% compared to the results shown in the Plan Year 2023 Rate Setting Analysis.

- Aggregate medical and prescription drug costs are estimated to increase 0.8% from the results shown in the Plan Year 2023 Rate Setting Analysis due to updated Local Education Active enrollment.
- Total active medical and prescription drug cost is expected to decrease 0.5% due to updated medical and prescription drug claims experience.
- Based on updated reporting from Optum, active prescription drug rebates are projected to increase, resulting in a 1.0% decrease in total active cost.
- The medical trend, prescription drug trend, and anti-selection assumptions are higher compared to the PY2023 Rate Setting Analysis, resulting in an increase to projected active costs of 1.3%.
- Projected active costs are expected to decrease by 0.4% as a result of updated administrative fee, investment income, and overhead fee projections.

Retirees:

For Retirees, there is approximately a 1.0% decrease in total retiree costs from what was projected in the Plan Year 2023 Rate Setting Analysis.

- Total retiree costs are projected to increase 3.1% due to updated medical and prescription drug experience and updated enrollment.
- Based on updated information provided by Optum, increases in expected prescription drug rebates and EGWP credits is projected to result in a 6.7% reduction in total retiree costs.
- Medical and prescription drug trend assumptions are higher compared to the PY2023 Rate Setting Analysis, resulting in an increase to projected retiree costs of 1.9%.
- There is a 0.7% increase in total cost due to changes in education surcharge, administrative fees, investment income, and overhead costs.

Self-Insured Vendor Administrative Fees and Claim Charges

Below are Plan Year 2024 administrative fees and other claim charges, as applicable, separately by each of the medical and prescription drug vendors. Plan Year 2024 Horizon Admin Fees PEPM are assumed to increase 5.0% compared to the fees effective February 1, 2023. Horizon Part 2 Services fees were reduced from those shown in the Plan Year 2023 Rate Setting Analysis due to modifications to the scope of services provided by Horizon Health Guide. 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

	2024 PEPM Fees		
	PPO	HMO	HDHP
Actives and Early Retirees			
Part 1 Services	\$24.59	N/A	N/A
Part 2 Services	\$4.46	N/A	N/A
Medical Management	\$1.22	N/A	N/A
Disease Management	\$0.44	N/A	N/A
HSA Banking Fee (Per Account Per Month)	N/A	N/A	N/A
NJWELL*	\$20.95	N/A	N/A
Medicare Retirees			
Part 1 Services	\$25.25	\$25.25	N/A
Part 2 Services	\$3.76	\$3.76	N/A

* Plan Year 2024 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
- Horizon bFit fitness incentive program
- Claim recovery services
- Third Party Vendor Program Fees

Garden State Health Plan

Administrative fees charged by Aetna for the Garden for Plan Year 2024 are \$35.45 PEPM for Active and Early Retirees.

Prescription Drug Fees

Optum's administrative fees for the prescription drug program for Plan Year 2024 are \$5.25 PEPM for Commercial and \$8.00 PMPM for EGWP.

Rate Setting Development

Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2022, 2023, and 2024, 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 2024 premium increases were calculated separately for Actives, Early Retirees and Medicare Retirees, and for medical and prescription drug. Horizon & Aetna experience was used to develop the PPO and HMO medical premium increases, and Optum experience was used for the prescription drug premium increases. Each benefit plan is projected separately and then experience is combined to develop uniform premium increases across groupings of similar plans:

Premium Group	Included Plans
Active NJEHP and GSHP*	The NJEHP plan premium increase reflects a 67% blend of the Scenario 1 (pooled experience) NJEHP increases and 33% blend of Scenario 2 (stand-alone) NJEHP increases before margin
Active PPO10 and PPO15	Premium increases were projected to cover the remaining active costs
Early Retiree	Premium increase reflects projected combined experience for the NJEHP and GSHP*
Self-Insured Medicare Retiree	Premium increase reflects projected experience for all self-insured plans
Premium Margin	The Active premiums include an additional 0.6% margin

* The GSHP premium increase was calculated by adjusting the projected 2024 NJEHP Premium for the expected difference in plan value

Projection Assumptions

- Using 2022 incurred claims data paid through March 2023 supplied by Horizon, Aetna, and Optum, incurred claims were completed for Plan Year 2022 separately for each benefit plan, for medical and prescription drugs and for Actives, Early Retirees, and Medicare Retirees.
- Capitation and other similar fixed claim charges were added to the incurred claims.
- Estimated incurred claims in Plan Year 2022 were divided by average covered members to get average claims per member per year. Covered members were based on historical monthly census data and adjusted with assumptions for the number of members per coverage tier.

4. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2024 using the annual trend rates listed in the Trend Analysis section of this document.
5. Aggregate claims for Plan Year 2024 are the product of projected enrollment and the projected claims per member.
6. Plan Year 2024 projected Medicare Advantage fully-insured premiums are based on rates provided by Aetna.
7. Prescription drug rebates for Plan Year 2022 are based on actual rebate payment data received from the State. Projected rebates for Plan Years 2023 and 2024 are based on information provided by Optum.
8. Prescription drug rebates paid through the medical plan for Plan Year 2022 are based on actual rebate payment data provided by Horizon. Prescription Drug Rebates estimated to be paid through the medical plan for Plan Years 2023 and 2024 are incorporated in the medical claim projections and are based on the actual Plan Year 2022 data provided and Horizon.
9. EGWP projections include monthly CMS capitation payments per Medicare-eligible Retiree for prescription drug coverage, prescription drug manufacturers' coverage gap reimbursement payments, an annual CMS payment for reinsurance on catastrophic claims, and CMS Low Income Cost Sharing (LICS) payments. These amounts are equal to recommendations from Optum for Plan Years 2022, 2023 and 2024.
 - a. CMS per capita payments: Plan Years 2022, 2023, and 2024 actual and expected CMS per capita payments were provided by Optum. The Plan Year 2024 CMS per capita payment is assumed to be a reduction of -\$6.40 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2022, 2023, and 2024 actual and expected coverage gap payments were provided by Optum. The Plan Year 2024 credits are assumed to be \$96.42 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2022 credit is not expected to be fully paid until the beginning of Plan Year 2024. Plan Years 2022, 2023, and 2024 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2024 credits are assumed to be \$122.96 PMPM.

- d. Low Income Cost Sharing (LICS): Plan Years 2022 and 2023 actual and expected LICS payments were provided by Optum. For Plan Year 2024, the subsidy payment is assumed to be \$0.89 PMPM.
10. The Plan Year 2024 projected Education Surcharge is approximately \$41.4 million, and this is used as a credit against projected Early Retiree costs.
 11. Total SEHBP projected Plan Year 2024 claim costs are the sum of projected medical and prescription drug claims, capitation charges, payments from CMS related to EGWP Plus Wrap, the Education Surcharge and prescription drug rebates.
 12. Base administrative fees per subscriber per month or per member per month are multiplied by the projected average enrollment for the applicable projection Plan Year. Plan Year 2024 prescription drug administrative fees were provided by Optum. Plan Year 2024 Horizon medical administrative fees are assumed to increase 5% over the Horizon fees effective February 1, 2023. Aetna medical administrative fees for the GSHP are guaranteed through Plan Year 2024.
 13. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected to be equal to \$11.3 million for Plan Year 2024. Actual Plan Year 2022 overhead charges were provided by the State and were used to project charges for Plan Year 2024.
 14. All other fees and claim charges reported by the vendors have been reflected in the projections.
 15. Projected investment income of \$8.3 million was used to reduce projected administrative costs for Plan Year 2024. Projected investment income was estimated based on provided by the State. Actual Plan Year 2022 investment income was provided by the State and was used to project charges for Plan Year 2024.
 16. Based on participation in NJWELL, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2022 participation showed 3 Local Education employers (a total of 166 Employees) were eligible for this discount. The Plan Year 2023 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium discount in Plan Year 2023. 0.5% of employers are expected to be eligible for this discount in Plan Year 2024.

Claim Stabilization Reserve

1. Active premiums for 2024 include 0.6% margin since the Active Claim Stabilization Reserve is otherwise projected to be below the target reserve of 2.0 months of plan costs at the end of Plan Year 2024.
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, 2024 is based on the actual Claim Stabilization Reserve at June 30, 2022 provided by the Division and adjusted to December 31, 2022 based on monthly revenues and expenses 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 2024.

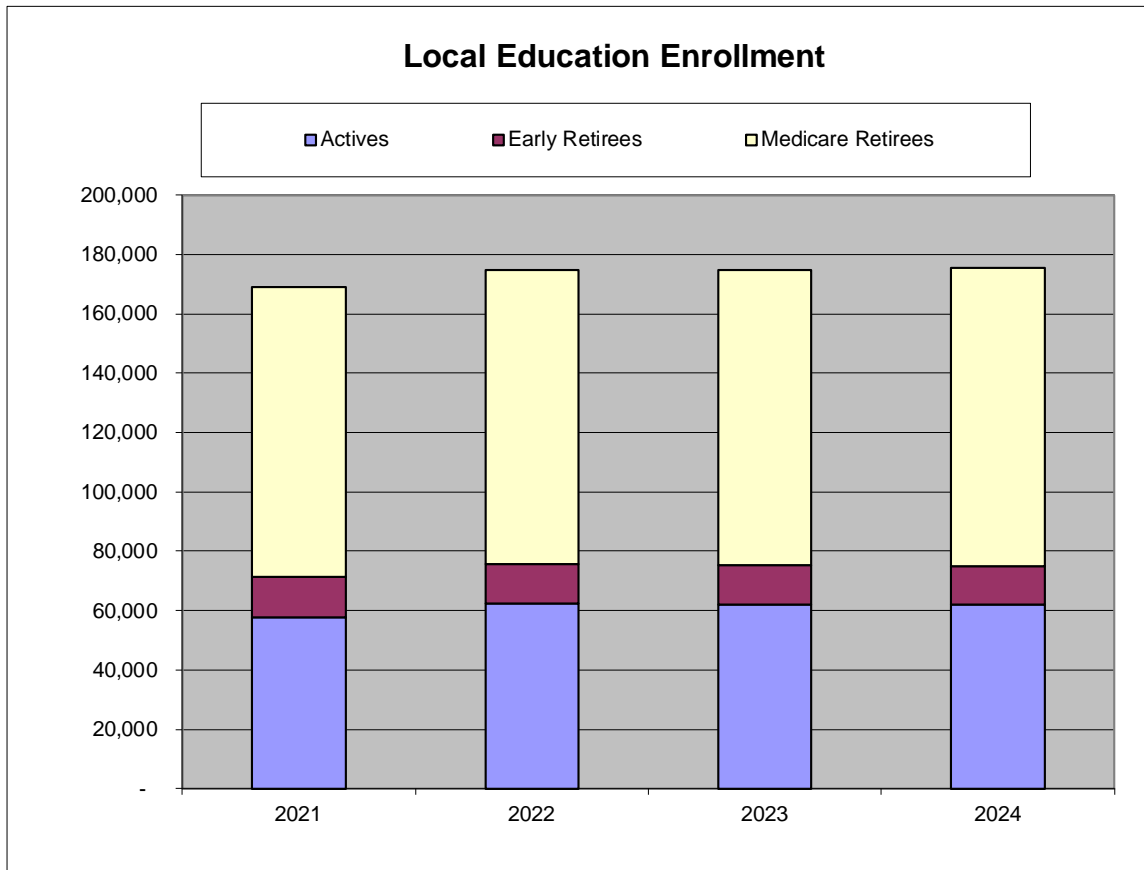
Projected Premiums

1. Plan Year 2024 self-insured premiums were developed by applying the projected premium increase percentages listed in the Executive Summary section of this document to the Plan Year 2023 premium rates. Actives reflect premium increase scenario 3.
2. Aggregate Plan Year 2024 premium is calculated by multiplying projected Plan Year 2024 enrollment by Plan Year 2024 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, 2022 and paid through March 31, 2023 for all groups.
2. Enrollment: Plan Year 2023 enrollment and Plan Year 2024 projected enrollment is based on actual census data provided by the State through April 2023 adjusted for known future Local Education employer terminations and entrants. Actual calendar year 2022 census data from the Division is used for the 2022 exposure units in the cost analysis.

Exhibit 1A – Enrollment Projections

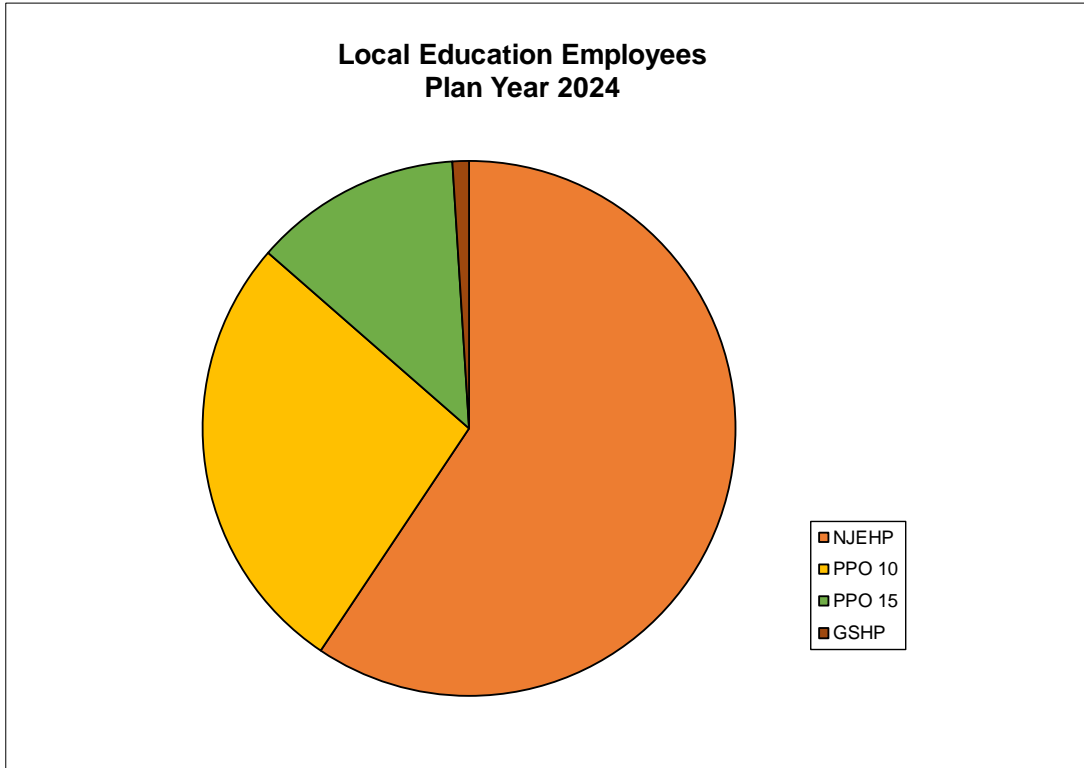


Annual Change in Enrollment

	Actual <u>2021 to 2022</u>	Actual <u>2022 to 2023</u>	Actual* <u>2023 to 2024</u>
Actives	8.3%	(0.5%)	0.0%
Early Retirees	(1.8%)	(1.8%)	(1.0%)
Medicare Retirees	1.1%	0.5%	1.0%

*Actual 2023 enrollment for Active Employees and Retirees was assumed to be consistent with actual census data provided by the State through April 2023 adjusted for known future employer entrants and terminations.

Exhibit 1B Actives – Projected Plan Year 2024 Plan Distribution

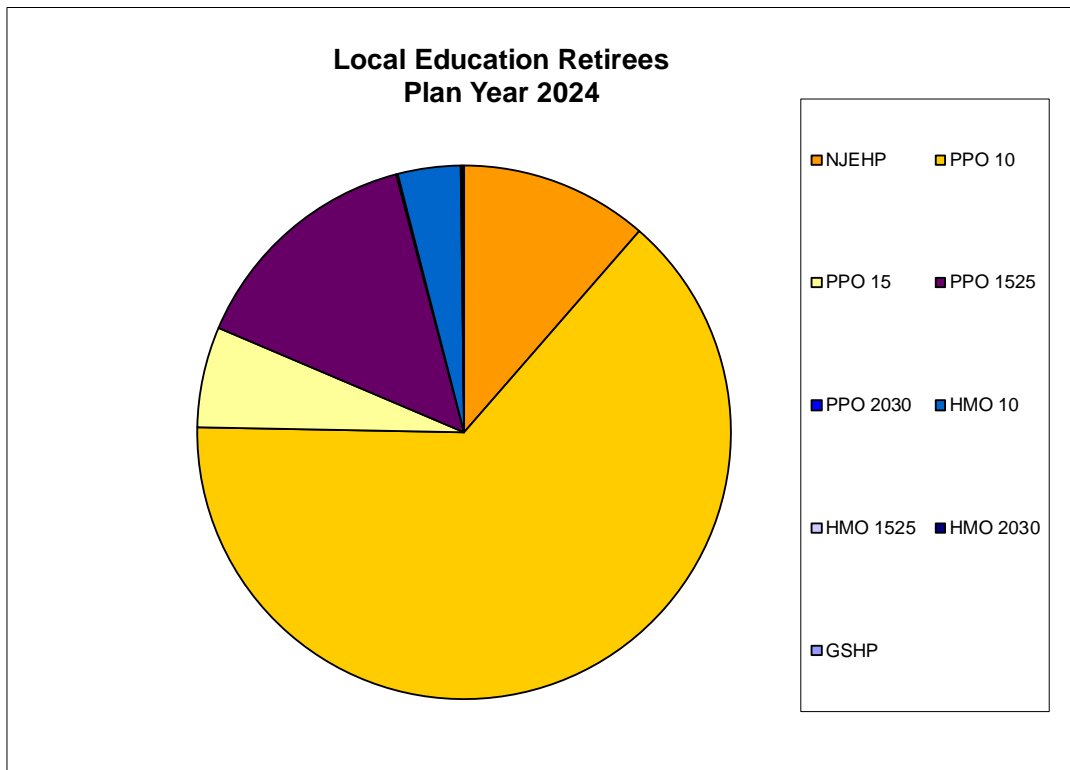


Assumes approximately 59% of Employees enroll in the NJEHP and 1% enroll in the Garden State Health Plan.

Assumes approximately 27% of Employees will remain in the \$10 copay plan.

Actives	Aetna	Horizon	Total
NJEHP	0.0%	59.4%	59.4%
PPO 10	0.0%	27.0%	27.0%
PPO 15	0.0%	12.6%	12.6%
GSHP	1.0%	0.0%	1.0%
Total	1.0%	99.0%	100.0%

Exhibit 1B Early and Medicare Retirees – Projected Plan Year 2024 Plan Distribution



Assumes approximately 11% of Retirees enroll in the NJEHP and less than 1% of Retirees enroll in the Garden State Health Plan.

Assumes approximately 74% of Retirees will enroll in the PPO 10, PPO 15, and HMO 10 plans.

Retirees	Horizon	Aetna	Total
NJEHP	11.4%	0.0%	11.4%
PPO 10	0.0%	63.9%	63.9%
PPO 15	0.0%	6.1%	6.1%
PPO 1525	14.5%	0.0%	14.5%
PPO 2030	0.1%	0.0%	0.1%
HMO 10	0.2%	3.6%	3.8%
HMO 1525	0.1%	0.0%	0.1%
HMO 2030	0.0%	0.0%	0.0%
GSHP	0.0%	0.1%	0.1%
Total	26.3%	73.7%	100.0%

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

Exhibit 1C Actives – 2023 Enrollment

2023 Estimated Average Number of Contracts					
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION - ACTIVE & COBRA					
Medical Plans					
NJEHP	12,364	3,779	12,283	3,471	31,898
NJ DIRECT10	5,803	3,769	8,081	2,004	19,656
NJ DIRECT15	2,934	1,805	4,026	892	9,657
GSHP	447	81	189	70	788
Total	21,549	9,434	24,579	6,438	61,999

* Numbers may not add due to rounding.

Exhibit 1C Early and Medicare Retirees – 2023 Enrollment

	2023 Estimated Average Number of Contracts				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
EDUCATION RETIREES					
Medical Plans					
NJEHP	4,127	5,076	2,984	854	13,041
NJ DIRECT1525	9,334	6,586	231	117	16,268
NJ DIRECT2030	81	39	2	3	125
Horizon Legacy HMO (10)	104	64	9	2	179
Horizon 1525 HMO	43	26	1	1	71
Horizon 2030 HMO	4	3	0	0	7
Horizon Total	13,693	11,794	3,227	977	29,691
MA PPO 10	40,779	29,194	1,335	607	71,915
MA PPO 15	4,286	2,463	104	59	6,912
MA HMO (10)	2,485	1,463	48	33	4,029
MA 1525 HMO	30	7	0	1	38
GSHP	40	36	17	9	101
Aetna Total	47,619	33,162	1,504	709	82,994
Total	61,312	44,957	4,731	1,686	112,685

* Numbers may not add due to rounding.

Exhibit 2A – Medical Trend

The chart below shows the rolling 12-month medical claims experience trends for the Active and Early Retiree populations. The exhibit reflects estimated completed incurred claims through December 31, 2022. Column (A) shows the overall Per Member Per Month (PMPM) claims increase. Column (B) shows the estimated impact of plan design and vendor changes that occurred during the claim periods. These impacts are listed below in the "Normalizing Adjustments" section. Column (C) shows the estimated gross trend attributable to claims experience and capitation which is based on the overall PMPM increase grossed up for the plan changes.

	(A) Increase in Claims	(B) Plan Changes	(C) = (A) - (B) Claim Trend
PPO Active			
12 Months through 12/2021 vs 12/2020	12.5%	(9.8%)	22.3%
12 Months through 12/2022 vs 12/2021	2.0%	0.0%	2.0%
Recommended 2024 Trend Assumption			6.5%
PPO Early Retiree			
12 Months through 12/2021 vs 12/2020	1.0%	(8.0%)	9.0%
12 Months through 12/2022 vs 12/2021	(1.5%)	0.0%	(1.5%)
Recommended 2024 Trend Assumption			6.5%

Normalizing Adjustments

3/1/2020: Fair Health National

8/1/2020: OON Physical Therapy / Chiropractic Changes

1/1/2021: EviCore

1/1/2021: HMS

Exhibit 2B – Prescription Drug Trend

The chart below shows the rolling 12-month prescription drug claims experience trends for the Active, Early Retiree, and EGWP Retiree populations. The exhibit reflects estimated completed incurred claims through December 31, 2022. Column (A) shows the overall Per Member Per Month (PMPM) claims increase. Column (B) shows the estimated impact of plan design and vendor changes that occurred during the claim periods. These impacts are listed below in the "Normalizing Adjustments" section. Column (C) shows the estimated gross trend attributable to claims experience and capitation which is based on the overall PMPM increase grossed up for the plan changes.

	(A) Increase in Claims	(B) Plan Changes	(C) = (A) - (B) Claim Trend
Active Rx			
12 Months through 12/2021 vs 12/2020	6.3%	0.0%	6.3%
12 Months through 12/2022 vs 12/2021	13.6%	0.0%	13.6%
Recommended 2024 Trend Assumption			9.0%
Early Retiree Rx			
12 Months through 12/2021 vs 12/2020	4.1%	0.0%	4.1%
12 Months through 12/2022 vs 12/2021	13.6%	0.0%	13.6%
Recommended 2024 Trend Assumption			9.0%
EGWP Retiree Rx			
12 Months through 12/2021 vs 12/2020	1.7%	0.0%	1.7%
12 Months through 12/2022 vs 12/2021	11.5%	0.0%	11.5%
Recommended 2024 Trend Assumption			7.75%

Normalizing Adjustments:

Exhibit 3A – Plan Year 2022 Aggregate Costs

Page 1 of 2

	Total	NJEHP	GSHP	Legacy Plans					
				Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO
Employees and Retirees									
Average Medical Members	328,113	98,850	508	100,559	9,475	58,460	31,417	5,687	240
Incurred Medical Claims	\$1,763,054,000	\$710,267,000	\$2,011,000	\$160,950,000	\$12,923,000	\$548,581,000	\$262,134,000	\$10,980,000	\$518,000
Capitation	\$52,352,000	\$27,190,000	\$0	\$0	\$0	\$16,171,000	\$8,629,000	\$0	\$14,000
Incurred Prescription Drug Claims	\$1,245,593,000	\$183,059,000	\$413,000	\$645,284,000	\$60,257,000	\$108,380,000	\$54,740,000	\$38,348,000	\$896,000
Prescription Drug Rebates	(\$339,852,000)	(\$61,353,000)	(\$138,000)	(\$161,002,000)	(\$15,034,000)	(\$35,916,000)	(\$18,140,000)	(\$9,568,000)	(\$224,000)
EGWP Credits	(\$301,194,000)	\$0	\$0	(\$218,089,000)	(\$20,549,000)	\$0	\$0	(\$12,333,000)	(\$521,000)
Education Surcharge	(\$35,881,000)	(\$35,811,000)	(\$70,000)	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$73,284,000	\$25,321,000	\$176,000	\$15,241,000	\$1,472,000	\$12,968,000	\$7,110,000	\$868,000	\$94,000
Total Cost	\$2,457,356,000	\$848,673,000	\$2,392,000	\$442,384,000	\$39,069,000	\$650,184,000	\$314,473,000	\$28,295,000	\$777,000
Total Premium	\$2,194,258,000	\$827,819,000	\$4,034,000	\$435,614,000	\$38,803,000	\$485,649,000	\$249,867,000	\$26,723,000	\$1,542,000
Gain (Loss)	(\$263,098,000)	(\$20,854,000)	\$1,642,000	(\$6,770,000)	(\$266,000)	(\$164,535,000)	(\$64,606,000)	(\$1,572,000)	\$765,000
Employees									
Average Medical Members	156,661	66,340	444	N/A	N/A	58,460	31,417	N/A	N/A
Incurred Medical Claims	\$1,220,429,000	\$408,123,000	\$1,591,000	N/A	N/A	\$548,581,000	\$262,134,000	N/A	N/A
Capitation	\$43,004,000	\$18,204,000	\$0	N/A	N/A	\$16,171,000	\$8,629,000	N/A	N/A
Incurred Prescription Drug Claims	\$232,993,000	\$69,620,000	\$253,000	N/A	N/A	\$108,380,000	\$54,740,000	N/A	N/A
Prescription Drug Rebates	(\$77,211,000)	(\$23,071,000)	(\$84,000)	N/A	N/A	(\$35,916,000)	(\$18,140,000)	N/A	N/A
EGWP Credits	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
Administrative Fees	\$37,411,000	\$17,186,000	\$147,000	N/A	N/A	\$12,968,000	\$7,110,000	N/A	N/A
Total Cost	\$1,456,626,000	\$490,062,000	\$1,907,000	N/A	N/A	\$650,184,000	\$314,473,000	N/A	N/A
Total Premium	\$1,232,020,000	\$493,066,000	\$3,438,000	N/A	N/A	\$485,649,000	\$249,867,000	N/A	N/A
Gain (Loss)	(\$224,606,000)	\$3,004,000	\$1,531,000	N/A	N/A	(\$164,535,000)	(\$64,606,000)	N/A	N/A
Early Retirees									
Average Medical Members	32,574	32,510	64	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$302,564,000	\$302,144,000	\$420,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$8,986,000	\$8,986,000	\$0	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$113,599,000	\$113,439,000	\$160,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$38,336,000)	(\$38,282,000)	(\$54,000)	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	N/A
Education Surcharge	(\$35,881,000)	(\$35,811,000)	(\$70,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,164,000	\$8,135,000	\$29,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$359,096,000	\$358,611,000	\$485,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$335,349,000	\$334,753,000	\$596,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	(\$23,747,000)	(\$23,858,000)	\$111,000	N/A	N/A	N/A	N/A	N/A	N/A
Medicare Retirees									
Average Medical Members	138,878	N/A	N/A	100,559	9,475	N/A	N/A	5,687	240
Incurred Medical Claims	\$240,061,000	N/A	N/A	\$160,950,000	\$12,923,000	N/A	N/A	\$10,980,000	\$518,000
Capitation	\$362,000	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$14,000
Incurred Prescription Drug Claims	\$899,001,000	N/A	N/A	\$645,284,000	\$60,257,000	N/A	N/A	\$38,348,000	\$896,000
Prescription Drug Rebates	(\$224,305,000)	N/A	N/A	(\$161,002,000)	(\$15,034,000)	N/A	N/A	(\$9,568,000)	(\$224,000)
EGWP Credits	(\$301,194,000)	N/A	N/A	(\$218,089,000)	(\$20,549,000)	N/A	N/A	(\$12,333,000)	(\$521,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$27,709,000	N/A	N/A	\$15,241,000	\$1,472,000	N/A	N/A	\$868,000	\$94,000
Total Cost	\$641,634,000	N/A	N/A	\$442,384,000	\$39,069,000	N/A	N/A	\$28,295,000	\$777,000
Total Premium	\$626,889,000	N/A	N/A	\$435,614,000	\$38,803,000	N/A	N/A	\$26,723,000	\$1,542,000
Gain (Loss)	(\$14,745,000)	N/A	N/A	(\$6,770,000)	(\$266,000)	N/A	N/A	(\$1,572,000)	\$765,000

*Numbers may not add due to rounding. 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 2022 Aggregate Costs

Page 2 of 2

	1525			2030	
	NJ DIRECT	Aetna HMO	Horizon HMO	NJ DIRECT	Horizon HMO
Employees and Retirees					
Average Medical Members	22,625	44	86	152	10
Incurred Medical Claims	\$54,009,000	\$66,000	\$263,000	\$324,000	\$28,000
Capitation	\$343,000	\$0	\$2,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$152,743,000	\$298,000	\$485,000	\$642,000	\$48,000
Prescription Drug Rebates	(\$38,110,000)	(\$74,000)	(\$121,000)	(\$160,000)	(\$12,000)
EGWP Credits	(\$49,069,000)	(\$95,000)	(\$186,000)	(\$330,000)	(\$22,000)
Education Surcharge	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$9,919,000	\$7,000	\$33,000	\$71,000	\$4,000
Total Cost	\$129,835,000	\$202,000	\$476,000	\$549,000	\$47,000
Total Premium	\$122,666,000	\$188,000	\$492,000	\$803,000	\$58,000
Gain (Loss)	(\$7,169,000)	(\$14,000)	\$16,000	\$254,000	\$11,000
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	22,625	44	86	152	10
Incurred Medical Claims	\$54,009,000	\$66,000	\$263,000	\$324,000	\$28,000
Capitation	\$343,000	\$0	\$2,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$152,743,000	\$298,000	\$485,000	\$642,000	\$48,000
Prescription Drug Rebates	(\$38,110,000)	(\$74,000)	(\$121,000)	(\$160,000)	(\$12,000)
EGWP Credits	(\$49,069,000)	(\$95,000)	(\$186,000)	(\$330,000)	(\$22,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,919,000	\$7,000	\$33,000	\$71,000	\$4,000
Total Cost	\$129,835,000	\$202,000	\$476,000	\$549,000	\$47,000
Total Premium	\$122,666,000	\$188,000	\$492,000	\$803,000	\$58,000
Gain (Loss)	(\$7,169,000)	(\$14,000)	\$16,000	\$254,000	\$11,000

* Numbers may not add due to rounding. 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 2023 Aggregate Costs

Page 1 of 2

	Total	NJEHP	GSHP	Legacy Plans					
		Horizon PPO	Aetna PPO	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO
Employees and Retirees									
Average Medical Members	327,259	109,848	1,744	101,606	9,349	50,932	24,990	5,449	242
Incurred Medical Claims	\$1,795,832,000	\$830,093,000	\$10,448,000	\$139,534,000	\$10,627,000	\$513,167,000	\$223,988,000	\$9,282,000	\$550,000
Capitation	\$55,303,000	\$32,387,000	\$0	\$0	\$0	\$15,153,000	\$7,378,000	\$0	\$15,000
Incurred Prescription Drug Claims	\$1,350,344,000	\$214,579,000	\$2,425,000	\$702,536,000	\$64,066,000	\$108,808,000	\$49,917,000	\$39,589,000	\$972,000
Prescription Drug Rebates	(\$377,985,000)	(\$76,677,000)	(\$867,000)	(\$175,562,000)	(\$16,010,000)	(\$38,997,000)	(\$17,890,000)	(\$9,893,000)	(\$243,000)
EGWP Credits	(\$347,420,000)	N/A	N/A	(\$252,605,000)	(\$23,244,000)	N/A	N/A	(\$13,546,000)	(\$600,000)
Education Surcharge	(\$38,497,000)	(\$38,263,000)	(\$234,000)	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$74,264,000	\$29,066,000	\$678,000	\$15,686,000	\$1,480,000	\$11,584,000	\$5,827,000	\$849,000	\$97,000
Total Cost	\$2,511,841,000	\$991,185,000	\$12,450,000	\$429,589,000	\$36,919,000	\$609,715,000	\$269,220,000	\$26,281,000	\$791,000
Total Premium	\$2,540,622,000	\$1,110,049,000	\$13,944,000	\$434,088,000	\$37,730,000	\$535,328,000	\$251,735,000	\$25,291,000	\$1,621,000
Gain (Loss)	\$28,781,000	\$118,864,000	\$1,494,000	\$4,499,000	\$811,000	(\$74,387,000)	(\$17,485,000)	(\$990,000)	\$830,000
Employees									
Average Medical Members	155,670	78,197	1,551	N/A	N/A	50,932	24,990	N/A	N/A
Incurred Medical Claims	\$1,262,769,000	\$516,816,000	\$8,798,000	N/A	N/A	\$513,167,000	\$223,988,000	N/A	N/A
Capitation	\$45,600,000	\$23,069,000	\$0	N/A	N/A	\$15,153,000	\$7,378,000	N/A	N/A
Incurred Prescription Drug Claims	\$254,610,000	\$94,196,000	\$1,689,000	N/A	N/A	\$108,808,000	\$49,917,000	N/A	N/A
Prescription Drug Rebates	(\$91,252,000)	(\$33,760,000)	(\$605,000)	N/A	N/A	(\$38,997,000)	(\$17,890,000)	N/A	N/A
EGWP Credits	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
Administrative Fees	\$38,266,000	\$20,281,000	\$574,000	N/A	N/A	\$11,584,000	\$5,827,000	N/A	N/A
Total Cost	\$1,509,993,000	\$620,602,000	\$10,456,000	N/A	N/A	\$609,715,000	\$269,220,000	N/A	N/A
Total Premium	\$1,526,394,000	\$727,295,000	\$12,036,000	N/A	N/A	\$535,328,000	\$251,735,000	N/A	N/A
Gain (Loss)	\$16,401,000	\$106,693,000	\$1,580,000	N/A	N/A	(\$74,387,000)	(\$17,485,000)	N/A	N/A
Early Retirees									
Average Medical Members	31,844	31,651	193	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$314,927,000	\$313,277,000	\$1,650,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$9,318,000	\$9,318,000	\$0	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$121,119,000	\$120,383,000	\$736,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$43,179,000)	(\$42,917,000)	(\$262,000)	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	N/A
Education Surcharge	(\$38,497,000)	(\$38,263,000)	(\$234,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,889,000	\$8,785,000	\$104,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$372,577,000	\$370,583,000	\$1,994,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$384,662,000	\$382,754,000	\$1,908,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$12,085,000	\$12,171,000	(\$86,000)	N/A	N/A	N/A	N/A	N/A	N/A
Medicare Retirees									
Average Medical Members	139,745	N/A	N/A	101,606	9,349	N/A	N/A	5,449	242
Incurred Medical Claims	\$218,136,000	N/A	N/A	\$139,534,000	\$10,627,000	N/A	N/A	\$9,282,000	\$550,000
Capitation	\$385,000	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$15,000
Incurred Prescription Drug Claims	\$974,615,000	N/A	N/A	\$702,536,000	\$64,066,000	N/A	N/A	\$39,589,000	\$972,000
Prescription Drug Rebates	(\$243,554,000)	N/A	N/A	(\$175,562,000)	(\$16,010,000)	N/A	N/A	(\$9,893,000)	(\$243,000)
EGWP Credits	(\$347,420,000)	N/A	N/A	(\$252,605,000)	(\$23,244,000)	N/A	N/A	(\$13,546,000)	(\$600,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$27,109,000	N/A	N/A	\$15,686,000	\$1,480,000	N/A	N/A	\$849,000	\$97,000
Total Cost	\$629,271,000	N/A	N/A	\$429,589,000	\$36,919,000	N/A	N/A	\$26,281,000	\$791,000
Total Premium	\$629,566,000	N/A	N/A	\$434,088,000	\$37,730,000	N/A	N/A	\$25,291,000	\$1,621,000
Gain (Loss)	\$295,000	N/A	N/A	\$4,499,000	\$811,000	N/A	N/A	(\$990,000)	\$830,000

* Numbers may not add due to rounding. 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 2023 Aggregate Costs

Page 2 of 2

	1525			2030	
	NJ DIRECT	Aetna HMO	Horizon HMO	NJ DIRECT	Horizon HMO
Employees and Retirees					
Average Medical Members	22,790	44	95	160	10
Incurred Medical Claims	\$57,394,000	\$56,000	\$306,000	\$358,000	\$29,000
Capitation	\$365,000	\$0	\$2,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$165,779,000	\$320,000	\$577,000	\$726,000	\$50,000
Prescription Drug Rebates	(\$41,428,000)	(\$80,000)	(\$144,000)	(\$181,000)	(\$13,000)
EGWP Credits	(\$56,658,000)	(\$109,000)	(\$236,000)	(\$397,000)	(\$25,000)
Education Surcharge	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$8,881,000	\$7,000	\$38,000	\$67,000	\$4,000
Total Cost	\$134,333,000	\$194,000	\$543,000	\$575,000	\$46,000
Total Premium	\$129,286,000	\$184,000	\$426,000	\$882,000	\$58,000
Gain (Loss)	(\$5,047,000)	(\$10,000)	(\$117,000)	\$307,000	\$12,000
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	22,790	44	95	160	10
Incurred Medical Claims	\$57,394,000	\$56,000	\$306,000	\$358,000	\$29,000
Capitation	\$365,000	\$0	\$2,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$165,779,000	\$320,000	\$577,000	\$726,000	\$50,000
Prescription Drug Rebates	(\$41,428,000)	(\$80,000)	(\$144,000)	(\$181,000)	(\$13,000)
EGWP Credits	(\$56,658,000)	(\$109,000)	(\$236,000)	(\$397,000)	(\$25,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,881,000	\$7,000	\$38,000	\$67,000	\$4,000
Total Cost	\$134,333,000	\$194,000	\$543,000	\$575,000	\$46,000
Total Premium	\$129,286,000	\$184,000	\$426,000	\$882,000	\$58,000
Gain (Loss)	(\$5,047,000)	(\$10,000)	(\$117,000)	\$307,000	\$12,000

* Numbers may not add due to rounding. 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 2024 Aggregate Costs

Page 1 of 2

	NJHP		GSHP	Legacy Plans					
	Total	Horizon PPO	Aetna PPO	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO
Employees and Retirees									
Average Medical Members	328,210	122,146	1,411	102,581	9,441	43,392	20,166	5,503	244
Incurred Medical Claims	\$1,884,989,000	\$987,270,000	\$9,329,000	\$135,604,000	\$10,247,000	\$473,906,000	\$197,012,000	\$9,092,000	\$586,000
Capitation	\$59,201,000	\$38,554,000	\$0	\$0	\$0	\$13,841,000	\$6,396,000	\$0	\$16,000
Incurred Prescription Drug Claims	\$1,466,677,000	\$254,352,000	\$2,404,000	\$764,249,000	\$69,711,000	\$104,422,000	\$45,185,000	\$43,082,000	\$1,057,000
Prescription Drug Rebates	(\$409,432,000)	(\$90,834,000)	(\$859,000)	(\$190,467,000)	(\$17,374,000)	(\$37,331,000)	(\$16,154,000)	(\$10,737,000)	(\$263,000)
EGWP Credits	(\$362,114,000)	\$0	\$0	(\$263,268,000)	(\$24,231,000)	N/A	N/A	(\$14,123,000)	(\$626,000)
Education Surcharge	(\$41,433,000)	(\$41,182,000)	(\$251,000)	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$75,268,000	\$32,454,000	\$554,000	\$15,854,000	\$1,496,000	\$9,934,000	\$4,746,000	\$858,000	\$100,000
Total Cost	\$2,673,156,000	\$1,180,614,000	\$11,177,000	\$461,972,000	\$39,849,000	\$564,772,000	\$237,185,000	\$28,172,000	\$870,000
Total Premium	\$2,682,865,000	\$1,258,014,000	\$12,858,000	\$468,138,000	\$40,853,000	\$506,714,000	\$225,783,000	\$27,172,000	\$1,744,000
Gain (Loss)	\$9,709,000	\$77,400,000	\$1,681,000	\$6,166,000	\$1,004,000	(\$58,058,000)	(\$11,402,000)	(\$1,000,000)	\$874,000
Employees									
Average Medical Members	155,451	90,674	1,219	N/A	N/A	43,392	20,166	N/A	N/A
Incurred Medical Claims	\$1,334,025,000	\$655,518,000	\$7,589,000	N/A	N/A	\$473,906,000	\$197,012,000	N/A	N/A
Capitation	\$48,924,000	\$28,687,000	\$0	N/A	N/A	\$13,841,000	\$6,396,000	N/A	N/A
Incurred Prescription Drug Claims	\$275,095,000	\$123,878,000	\$1,610,000	N/A	N/A	\$104,422,000	\$45,185,000	N/A	N/A
Prescription Drug Rebates	(\$98,347,000)	(\$44,286,000)	(\$576,000)	N/A	N/A	(\$37,331,000)	(\$16,154,000)	N/A	N/A
EGWP Credits	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
Administrative Fees	\$38,757,000	\$23,626,000	\$451,000	N/A	N/A	\$9,934,000	\$4,746,000	N/A	N/A
Total Cost	\$1,598,454,000	\$787,423,000	\$9,074,000	N/A	N/A	\$564,772,000	\$237,185,000	N/A	N/A
Total Premium	\$1,608,045,000	\$864,873,000	\$10,675,000	N/A	N/A	\$506,714,000	\$225,783,000	N/A	N/A
Gain (Loss)	\$9,591,000	\$77,450,000	\$1,601,000	N/A	N/A	(\$58,058,000)	(\$11,402,000)	N/A	N/A
Early Retirees									
Average Medical Members	31,664	31,472	192	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$333,492,000	\$331,752,000	\$1,740,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$9,867,000	\$9,867,000	\$0	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$131,268,000	\$130,474,000	\$794,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$46,831,000)	(\$46,548,000)	(\$283,000)	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	N/A
Education Surcharge	(\$41,433,000)	(\$41,182,000)	(\$251,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,931,000	\$8,828,000	\$103,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$395,294,000	\$393,191,000	\$2,103,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$395,324,000	\$393,141,000	\$2,183,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$30,000	(\$50,000)	\$80,000	N/A	N/A	N/A	N/A	N/A	N/A
Medicare Retirees									
Average Medical Members	141,095	N/A	N/A	102,581	9,441	N/A	N/A	5,503	244
Incurred Medical Claims	\$217,472,000	N/A	N/A	\$135,604,000	\$10,247,000	N/A	N/A	\$9,092,000	\$586,000
Capitation	\$410,000	N/A	N/A	\$0	\$0	N/A	N/A	\$0	\$16,000
Incurred Prescription Drug Claims	\$1,060,314,000	N/A	N/A	\$764,249,000	\$69,711,000	N/A	N/A	\$43,082,000	\$1,057,000
Prescription Drug Rebates	(\$264,254,000)	N/A	N/A	(\$190,467,000)	(\$17,374,000)	N/A	N/A	(\$10,737,000)	(\$263,000)
EGWP Credits	(\$362,114,000)	N/A	N/A	(\$263,268,000)	(\$24,231,000)	N/A	N/A	(\$14,123,000)	(\$626,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$27,580,000	N/A	N/A	\$15,854,000	\$1,496,000	N/A	N/A	\$858,000	\$100,000
Total Cost	\$679,408,000	N/A	N/A	\$461,972,000	\$39,849,000	N/A	N/A	\$28,172,000	\$870,000
Total Premium	\$679,496,000	N/A	N/A	\$468,138,000	\$40,853,000	N/A	N/A	\$27,172,000	\$1,744,000
Gain (Loss)	\$88,000	N/A	N/A	\$6,166,000	\$1,004,000	N/A	N/A	(\$1,000,000)	\$874,000

* Numbers may not add due to rounding. 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.

** Plan Year 2024 active premium rates reflect Scenario 3 outlined in the Executive Summary and include margin of 0.6%.

Exhibit 3C – Projected Plan Year 2024 Aggregate Costs

Page 2 of 2

	1525			2030	
	NJ DIRECT	Aetna HMO	Horizon HMO	NJ DIRECT	Horizon HMO
Employees and Retirees					
Average Medical Members	23,015	44	96	161	10
Incurred Medical Claims	\$61,150,000	\$54,000	\$326,000	\$382,000	\$31,000
Capitation	\$389,000	\$0	\$2,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$180,394,000	\$348,000	\$628,000	\$790,000	\$55,000
Prescription Drug Rebates	(\$44,958,000)	(\$87,000)	(\$157,000)	(\$197,000)	(\$14,000)
EGWP Credits	(\$59,067,000)	(\$113,000)	(\$246,000)	(\$414,000)	(\$26,000)
Education Surcharge	\$0	\$0	\$0	\$0	\$0
Administrative Fees	\$9,153,000	\$7,000	\$39,000	\$69,000	\$4,000
Total Cost	\$147,061,000	\$209,000	\$592,000	\$632,000	\$51,000
Total Premium	\$139,904,000	\$199,000	\$467,000	\$956,000	\$63,000
Gain (Loss)	(\$7,157,000)	(\$10,000)	(\$125,000)	\$324,000	\$12,000
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	23,015	44	96	161	10
Incurred Medical Claims	\$61,150,000	\$54,000	\$326,000	\$382,000	\$31,000
Capitation	\$389,000	\$0	\$2,000	\$2,000	\$1,000
Incurred Prescription Drug Claims	\$180,394,000	\$348,000	\$628,000	\$790,000	\$55,000
Prescription Drug Rebates	(\$44,958,000)	(\$87,000)	(\$157,000)	(\$197,000)	(\$14,000)
EGWP Credits	(\$59,067,000)	(\$113,000)	(\$246,000)	(\$414,000)	(\$26,000)
Education Surcharge	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,153,000	\$7,000	\$39,000	\$69,000	\$4,000
Total Cost	\$147,061,000	\$209,000	\$592,000	\$632,000	\$51,000
Total Premium	\$139,904,000	\$199,000	\$467,000	\$956,000	\$63,000
Gain (Loss)	(\$7,157,000)	(\$10,000)	(\$125,000)	\$324,000	\$12,000

* Numbers may not add due to rounding. 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.

** Plan Year 2024 active premium rates reflect Scenario 3 outlined in the Executive Summary and include margin of 0.6%.

Exhibit 4A – Plan Year 2024 Monthly Active Premiums

Page 1 of 1

	NJEHP	GSHP	Legacy Plans	
	Horizon PPO	Aetna PPO	Horizon DIR10	Horizon DIR15
<u>Medical Coverage Only</u>				
Single	\$908.26	\$784.01	\$1,080.78	\$1,028.87
Employee+Spouse	\$1,816.52	\$1,568.01	\$2,161.56	\$2,057.75
Family	\$2,597.62	\$2,242.26	\$3,091.03	\$2,942.58
Employee+Child(ren)	\$1,689.36	\$1,458.25	\$2,010.25	\$1,913.70
Adult Child Rate	\$796.72	\$687.72	\$948.06	\$902.53
	NJEHP	GSHP	Legacy Plans	
	Horizon PPO	Aetna PPO	Horizon DIR10	Horizon DIR15
<u>Rx Card</u>				
Single	\$145.33	\$145.33	\$221.85	\$221.85
Employee+Spouse	\$290.66	\$290.66	\$443.70	\$443.70
Family	\$415.64	\$415.64	\$634.49	\$634.49
Employee+Child(ren)	\$270.31	\$270.31	\$412.64	\$412.64
Adult Child Rate	\$127.48	\$127.48	\$194.61	\$194.61
	NJEHP	GSHP	Legacy Plans	
	Horizon PPO	Aetna PPO	Horizon DIR10	Horizon DIR15
<u>Rx with Medical Coverage</u>				
Single	\$1,053.59	\$929.34	\$1,295.14	\$1,242.26
Employee+Spouse	\$2,107.18	\$1,858.67	\$2,590.29	\$2,484.53
Family	\$3,013.26	\$2,657.90	\$3,704.10	\$3,552.88
Employee+Child(ren)	\$1,959.67	\$1,728.56	\$2,408.96	\$2,310.61
Adult Child Rate	\$924.20	\$815.20	\$1,136.10	\$1,089.72

Plan Year 2024 active premium rates reflect Scenario 3 outlined in the Executive Summary and include margin of 0.6%

Exhibit 4B – Plan Year 2024 Annual Active Premiums

Page 1 of 1

	NJEHP	GSHP	Legacy Plans	
	Horizon PPO	Aetna PPO	Horizon DIR10	Horizon DIR15
<u>Medical Coverage Only</u>				
Single	\$10,899	\$9,408	\$12,969	\$12,346
Employee+Spouse	\$21,798	\$18,816	\$25,939	\$24,693
Family	\$31,171	\$26,907	\$37,092	\$35,311
Employee+Child(ren)	\$20,272	\$17,499	\$24,123	\$22,964
Adult Child Rate	\$9,561	\$8,253	\$11,377	\$10,830
	NJEHP	GSHP	Legacy Plans	
	Horizon PPO	Aetna PPO	Horizon DIR10	Horizon DIR15
<u>Rx Card</u>				
Single	\$1,744	\$1,744	\$2,662	\$2,662
Employee+Spouse	\$3,488	\$3,488	\$5,324	\$5,324
Family	\$4,988	\$4,988	\$7,614	\$7,614
Employee+Child(ren)	\$3,244	\$3,244	\$4,952	\$4,952
Adult Child Rate	\$1,530	\$1,530	\$2,335	\$2,335
	NJEHP	GSHP	Legacy Plans	
	Horizon PPO	Aetna PPO	Horizon DIR10	Horizon DIR15
<u>Rx with Medical Coverage</u>				
Single	\$12,643	\$11,152	\$15,542	\$14,907
Employee+Spouse	\$25,286	\$22,304	\$31,083	\$29,814
Family	\$36,159	\$31,895	\$44,449	\$42,635
Employee+Child(ren)	\$23,516	\$20,743	\$28,908	\$27,727
Adult Child Rate	\$11,090	\$9,782	\$13,633	\$13,077

Plan Year 2024 active premium rates reflect Scenario 3 outlined in the Executive Summary and include margin of 0.6%

Exhibit 4C – Plan Year 2024 Monthly Retiree Premiums

Page 1 of 2

	NJHP		GSHP		Legacy Plans (Aetna Medicare Subscriber)				Legacy Plan (Horizon Medicare Subscriber)	
	Horizon Early Retiree Subscriber	Aetna Early Retiree Subscriber	Aetna MA PPO10		Aetna MA PPO15		Aetna MA Legacy HMO		Horizon Medicare Legacy HMO	
			Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber
Total Premium										
Single - 0 Medicare	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13
Single - 1 Medicare	N/A	N/A	\$383.84	\$383.84	\$364.12	\$364.12	\$415.07	\$415.07	\$599.82	\$599.82
EE+Spouse - 0 Medicare	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72
EE+Spouse - 1 Medicare	N/A	N/A	\$1,834.06	\$1,678.43	\$1,814.34	\$1,658.71	\$1,865.29	\$1,709.66	\$2,050.04	\$1,894.41
EE+Spouse - 2 Medicare	N/A	N/A	\$767.70	\$767.70	\$728.26	\$728.26	\$830.12	\$830.12	\$1,199.60	\$1,199.60
Family - 0 Medicare	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84
Family - 1 Medicare	N/A	N/A	\$2,202.75	\$2,007.55	\$2,183.03	\$1,987.83	\$2,233.98	\$2,038.78	\$2,418.73	\$2,223.53
Family - 2 Medicare	N/A	N/A	\$1,357.57	\$1,294.26	\$1,318.13	\$1,254.82	\$1,420.03	\$1,356.72	\$1,789.53	\$1,726.22
EE+Ch - 0 Medicare	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96
EE+Ch - 1 Medicare	N/A	N/A	\$875.43	\$822.68	\$855.71	\$802.96	\$906.66	\$853.91	\$1,091.41	\$1,038.66
Medical Premium										
Single - 0 Medicare	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19
Single - 1 Medicare	N/A	N/A	\$110.16	\$110.16	\$90.44	\$90.44	\$137.68	\$137.68	\$322.43	\$322.43
EE+Spouse - 0 Medicare	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17
EE+Spouse - 1 Medicare	N/A	N/A	\$1,247.77	\$1,092.14	\$1,228.05	\$1,072.42	\$1,275.29	\$1,119.66	\$1,460.04	\$1,304.41
EE+Spouse - 2 Medicare	N/A	N/A	\$220.32	\$220.32	\$180.88	\$180.88	\$275.36	\$275.36	\$644.84	\$644.84
Family - 0 Medicare	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83
Family - 1 Medicare	N/A	N/A	\$1,537.00	\$1,341.80	\$1,517.28	\$1,322.08	\$1,564.52	\$1,369.32	\$1,749.27	\$1,554.07
Family - 2 Medicare	N/A	N/A	\$683.08	\$619.77	\$643.64	\$580.33	\$738.12	\$674.81	\$1,107.62	\$1,044.31
EE+Ch - 0 Medicare	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05
EE+Ch - 1 Medicare	N/A	N/A	\$495.78	\$443.03	\$476.06	\$423.31	\$523.30	\$470.55	\$708.05	\$655.30
Rx Premium										
Single - 0 Medicare	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94
Single - 1 Medicare	N/A	N/A	\$273.68	\$273.68	\$273.68	\$273.68	\$277.39	\$277.39	\$277.39	\$277.39
EE+Spouse - 0 Medicare	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55
EE+Spouse - 1 Medicare	N/A	N/A	\$586.29	\$586.29	\$586.29	\$586.29	\$590.00	\$590.00	\$590.00	\$590.00
EE+Spouse - 2 Medicare	N/A	N/A	\$547.38	\$547.38	\$547.38	\$547.38	\$554.76	\$554.76	\$554.76	\$554.76
Family - 0 Medicare	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01
Family - 1 Medicare	N/A	N/A	\$665.75	\$665.75	\$665.75	\$665.75	\$669.46	\$669.46	\$669.46	\$669.46
Family - 2 Medicare	N/A	N/A	\$674.49	\$674.49	\$674.49	\$674.49	\$681.91	\$681.91	\$681.91	\$681.91
EE+Ch - 0 Medicare	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91
EE+Ch - 1 Medicare	N/A	N/A	\$379.65	\$379.65	\$379.65	\$379.65	\$383.36	\$383.36	\$383.36	\$383.36

* Plan premiums are shown in total and vary depending on whether an Early Retiree subscriber or dependent is enrolled in the Horizon NJEHP or the Aetna GSHP. For example, for an Early Retiree enrolled in the Horizon NJEHP with a spouse in enrolled in the Aetna MA PPO 10 plan (EE+Spouse – 1 Medicare coverage), the total monthly plan premium would be \$1,834.06.

Exhibit 4C – Plan Year 2024 Monthly Retiree Premiums

Page 2 of 2

	1525 PPO (Horizon Medicare Subscriber)		1525 HMO (Aetna Medicare Subscriber)		1525 HMO (Horizon Medicare Subscriber)		2030 Plans (Horizon Medicare Subscriber)					
	Horizon Medicare 1525 PPO		Aetna MA 1525 HMO		Horizon Medicare 1525 HMO		Horizon Medicare 2030 PPO		Horizon Medicare 2030 HMO			
	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber		
Total Premium												
Single - 0 Medicare	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13
Single - 1 Medicare	\$510.00	\$510.00	\$379.51	\$379.51	\$410.09	\$410.09	\$497.78	\$497.78	\$525.23	\$525.23	\$525.23	\$525.23
EE+Spouse - 0 Medicare	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72
EE+Spouse - 1 Medicare	\$1,960.22	\$1,804.59	\$1,829.73	\$1,674.10	\$1,860.31	\$1,704.68	\$1,948.00	\$1,792.37	\$1,975.45	\$1,819.82	\$1,975.45	\$1,819.82
EE+Spouse - 2 Medicare	\$1,020.00	\$1,020.00	\$759.03	\$759.03	\$820.18	\$820.18	\$995.59	\$995.59	\$1,050.44	\$1,050.44	\$1,050.44	\$1,050.44
Family - 0 Medicare	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84
Family - 1 Medicare	\$2,328.91	\$2,133.71	\$2,198.42	\$2,003.22	\$2,229.00	\$2,033.80	\$2,316.69	\$2,121.49	\$2,344.14	\$2,148.94	\$2,344.14	\$2,148.94
Family - 2 Medicare	\$1,609.89	\$1,546.58	\$1,348.91	\$1,285.60	\$1,410.07	\$1,346.76	\$1,585.45	\$1,522.14	\$1,640.35	\$1,577.04	\$1,640.35	\$1,577.04
EE+Ch - 0 Medicare	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96
EE+Ch - 1 Medicare	\$1,001.59	\$948.84	\$871.10	\$818.35	\$901.68	\$848.93	\$989.37	\$936.62	\$1,016.82	\$964.07	\$1,016.82	\$964.07
Medical Premium												
Single - 0 Medicare	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19
Single - 1 Medicare	\$244.79	\$244.79	\$102.25	\$102.25	\$132.83	\$132.83	\$230.05	\$230.05	\$245.32	\$245.32	\$245.32	\$245.32
EE+Spouse - 0 Medicare	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17
EE+Spouse - 1 Medicare	\$1,382.40	\$1,226.77	\$1,239.86	\$1,084.23	\$1,270.44	\$1,114.81	\$1,367.66	\$1,212.03	\$1,382.93	\$1,227.30	\$1,382.93	\$1,227.30
EE+Spouse - 2 Medicare	\$489.56	\$489.56	\$204.50	\$204.50	\$265.65	\$265.65	\$460.11	\$460.11	\$490.62	\$490.62	\$490.62	\$490.62
Family - 0 Medicare	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83
Family - 1 Medicare	\$1,671.63	\$1,476.43	\$1,529.09	\$1,333.89	\$1,559.67	\$1,364.47	\$1,656.89	\$1,461.69	\$1,672.16	\$1,476.96	\$1,672.16	\$1,476.96
Family - 2 Medicare	\$952.34	\$889.03	\$667.26	\$603.95	\$728.42	\$665.11	\$922.86	\$859.55	\$953.40	\$890.09	\$953.40	\$890.09
EE+Ch - 0 Medicare	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05
EE+Ch - 1 Medicare	\$630.41	\$577.66	\$487.87	\$435.12	\$518.45	\$465.70	\$615.67	\$562.92	\$630.94	\$578.19	\$630.94	\$578.19
Rx Premium												
Single - 0 Medicare	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94
Single - 1 Medicare	\$265.21	\$265.21	\$277.26	\$277.26	\$277.26	\$277.26	\$277.26	\$277.26	\$279.91	\$279.91	\$279.91	\$279.91
EE+Spouse - 0 Medicare	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55
EE+Spouse - 1 Medicare	\$577.82	\$577.82	\$589.87	\$589.87	\$589.87	\$589.87	\$589.87	\$589.87	\$592.52	\$592.52	\$592.52	\$592.52
EE+Spouse - 2 Medicare	\$530.44	\$530.44	\$554.53	\$554.53	\$554.53	\$554.53	\$554.53	\$554.53	\$559.82	\$559.82	\$559.82	\$559.82
Family - 0 Medicare	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01
Family - 1 Medicare	\$657.28	\$657.28	\$669.33	\$669.33	\$669.33	\$669.33	\$669.33	\$669.33	\$671.98	\$671.98	\$671.98	\$671.98
Family - 2 Medicare	\$657.55	\$657.55	\$681.65	\$681.65	\$681.65	\$681.65	\$681.65	\$681.65	\$686.95	\$686.95	\$686.95	\$686.95
EE+Ch - 0 Medicare	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91
EE+Ch - 1 Medicare	\$371.18	\$371.18	\$383.23	\$383.23	\$383.23	\$383.23	\$383.23	\$383.23	\$385.88	\$385.88	\$385.88	\$385.88

* Plan premiums are shown in total and vary depending on whether an Early Retiree subscriber or dependent is enrolled in the Horizon NJEHP or the Aetna GSHP.

Exhibit 4D – Plan Year 2024 Annual Retiree Premiums

	NJHP		GSHP		Legacy Plans (Aetna Medicare Subscriber)				Legacy Plan (Horizon Medicare Subscriber)	
	Horizon Early Retiree Subscriber	Aetna Early Retiree Subscriber	Aetna MA PPO10		Aetna MA PPO15		Aetna MA Legacy HMO		Horizon Medicare Legacy HMO	
			Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber
Total Premium										
Single - 0 Medicare	\$14,748	\$13,166	\$14,748	\$13,166	\$14,748	\$13,166	\$14,748	\$13,166	\$14,748	\$13,166
Single - 1 Medicare	N/A	N/A	\$4,606	\$4,606	\$4,369	\$4,369	\$4,981	\$4,981	\$7,198	\$7,198
EE+Spouse - 0 Medicare	\$32,151	\$28,701	\$32,151	\$28,701	\$28,701	\$28,701	\$32,151	\$28,701	\$32,151	\$28,701
EE+Spouse - 1 Medicare	N/A	N/A	\$22,009	\$20,141	\$21,772	\$19,905	\$22,383	\$20,516	\$24,600	\$22,733
EE+Spouse - 2 Medicare	N/A	N/A	\$9,212	\$9,212	N/A	\$8,739	\$9,961	\$9,961	\$14,395	\$14,395
Family - 0 Medicare	\$36,575	\$32,650	\$36,575	\$32,650	\$36,575	\$32,650	\$36,575	\$32,650	\$36,575	\$32,650
Family - 1 Medicare	N/A	N/A	\$26,433	\$24,091	\$26,196	\$23,854	\$26,808	\$24,465	\$29,025	\$26,682
Family - 2 Medicare	N/A	N/A	\$16,291	\$15,531	\$15,818	\$15,058	\$17,040	\$16,281	\$21,474	\$20,715
EE+Ch - 0 Medicare	\$20,647	\$18,432	\$20,647	\$18,432	\$20,647	\$18,432	\$20,647	\$18,432	\$20,647	\$18,432
EE+Ch - 1 Medicare	N/A	N/A	\$10,505	\$9,872	\$10,269	\$9,636	\$10,880	\$10,247	\$13,097	\$12,464
Medical Premium										
Single - 0 Medicare	\$11,569	\$9,986	\$11,569	\$9,986	\$11,569	\$9,986	\$11,569	\$9,986	\$11,569	\$9,986
Single - 1 Medicare	N/A	N/A	\$1,322	\$1,322	\$1,085	\$1,085	\$1,652	\$1,652	\$3,869	\$3,869
EE+Spouse - 0 Medicare	\$25,220	\$21,770	\$25,220	\$21,770	\$25,220	\$21,770	\$25,220	\$21,770	\$25,220	\$21,770
EE+Spouse - 1 Medicare	N/A	N/A	\$14,973	\$13,106	\$14,737	\$12,869	\$15,303	\$13,436	\$17,520	\$15,653
EE+Spouse - 2 Medicare	N/A	N/A	\$2,644	\$2,644	\$2,171	\$2,171	\$3,304	\$3,304	\$7,738	\$7,738
Family - 0 Medicare	\$28,691	\$24,766	\$28,691	\$24,766	\$28,691	\$24,766	\$28,691	\$24,766	\$28,691	\$24,766
Family - 1 Medicare	N/A	N/A	\$18,444	\$16,102	\$18,207	\$15,865	\$18,774	\$16,432	\$20,991	\$18,649
Family - 2 Medicare	N/A	N/A	\$8,197	\$7,437	\$7,724	\$6,964	\$8,857	\$8,098	\$13,291	\$12,532
EE+Ch - 0 Medicare	\$16,196	\$13,981	\$16,196	\$13,981	\$16,196	\$13,981	\$16,196	\$13,981	\$16,196	\$13,981
EE+Ch - 1 Medicare	N/A	N/A	\$5,949	\$5,316	\$5,713	\$5,080	\$6,280	\$5,647	\$8,497	\$7,864
Rx Premium										
Single - 0 Medicare	\$3,179	\$3,179	\$3,179	\$3,179	\$3,179	\$3,179	\$3,179	\$3,179	\$3,179	\$3,179
Single - 1 Medicare	N/A	N/A	\$3,284	\$3,284	\$3,284	\$3,284	\$3,329	\$3,329	\$3,329	\$3,329
EE+Spouse - 0 Medicare	\$6,931	\$6,931	\$6,931	\$6,931	\$6,931	\$6,931	\$6,931	\$6,931	\$6,931	\$6,931
EE+Spouse - 1 Medicare	N/A	N/A	\$7,035	\$7,035	\$7,035	\$7,035	\$7,080	\$7,080	\$7,080	\$7,080
EE+Spouse - 2 Medicare	N/A	N/A	\$6,569	\$6,569	\$6,569	\$6,569	\$6,657	\$6,657	\$6,657	\$6,657
Family - 0 Medicare	\$7,884	\$7,884	\$7,884	\$7,884	\$7,884	\$7,884	\$7,884	\$7,884	\$7,884	\$7,884
Family - 1 Medicare	N/A	N/A	\$7,989	\$7,989	\$7,989	\$7,989	\$8,034	\$8,034	\$8,034	\$8,034
Family - 2 Medicare	N/A	N/A	\$8,094	\$8,094	\$8,094	\$8,094	\$8,183	\$8,183	\$8,183	\$8,183
EE+Ch - 0 Medicare	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451	\$4,451
EE+Ch - 1 Medicare	N/A	N/A	\$4,556	\$4,556	\$4,556	\$4,556	\$4,600	\$4,600	\$4,600	\$4,600

* Plan premiums are shown in total and vary depending on whether an Early Retiree subscriber or dependent is enrolled in the Horizon NJEHP or the Aetna GSHP. For example, for an Early Retiree enrolled in the Horizon NJEHP with a spouse in enrolled in the Aetna MA PPO 10 plan (EE+Spouse – 1 Medicare coverage), the total annual plan premium would be \$22,009.

Exhibit 4D – Plan Year 2023 Annual Retiree Premiums

	1525 PPO (Horizon Medicare Subscriber)		1525 HMO (Aetna Medicare Subscriber)		1525 HMO (Horizon Medicare Subscriber)		2030 Plans (Horizon Medicare Subscriber)				
	Horizon Medicare 1525 PPO		Aetna MA 1525 HMO		Horizon Medicare 1525 HMO		Horizon Medicare 2030 PPO		Horizon Medicare 2030 HMO		
	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	Horizon NJEHP Early Retiree Subscriber	Aetna GSHP Early Retiree Subscriber	
Total Premium											
Single - 0 Medicare	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,229.02	\$1,097.13	\$1,097.13
Single - 1 Medicare	\$510.00	\$510.00	\$379.51	\$379.51	\$410.09	\$410.09	\$497.78	\$497.78	\$525.23	\$525.23	\$525.23
EE+Spouse - 0 Medicare	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,679.24	\$2,391.72	\$2,391.72
EE+Spouse - 1 Medicare	\$1,960.22	\$1,804.59	\$1,829.73	\$1,674.10	\$1,860.31	\$1,704.68	\$1,948.00	\$1,792.37	\$1,975.45	\$1,819.82	\$1,819.82
EE+Spouse - 2 Medicare	\$1,020.00	\$1,020.00	\$759.03	\$759.03	\$820.18	\$820.18	\$995.59	\$995.59	\$1,050.44	\$1,050.44	\$1,050.44
Family - 0 Medicare	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$3,047.93	\$2,720.84	\$2,720.84
Family - 1 Medicare	\$2,328.91	\$2,133.71	\$2,198.42	\$2,003.22	\$2,229.00	\$2,033.80	\$2,316.69	\$2,121.49	\$2,344.14	\$2,148.94	\$2,148.94
Family - 2 Medicare	\$1,609.89	\$1,546.58	\$1,348.91	\$1,285.60	\$1,410.07	\$1,346.76	\$1,585.45	\$1,522.14	\$1,640.35	\$1,577.04	\$1,577.04
EE+Ch - 0 Medicare	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,720.61	\$1,535.96	\$1,535.96
EE+Ch - 1 Medicare	\$1,001.59	\$948.84	\$871.10	\$818.35	\$901.68	\$848.93	\$989.37	\$936.62	\$1,016.82	\$964.07	\$964.07
Medical Premium											
Single - 0 Medicare	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$964.08	\$832.19	\$832.19
Single - 1 Medicare	\$244.79	\$244.79	\$102.25	\$102.25	\$132.83	\$132.83	\$230.05	\$230.05	\$245.32	\$245.32	\$245.32
EE+Spouse - 0 Medicare	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$2,101.69	\$1,814.17	\$1,814.17
EE+Spouse - 1 Medicare	\$1,382.40	\$1,226.77	\$1,239.86	\$1,084.23	\$1,270.44	\$1,114.81	\$1,367.66	\$1,212.03	\$1,382.93	\$1,227.30	\$1,227.30
EE+Spouse - 2 Medicare	\$489.56	\$489.56	\$204.50	\$204.50	\$265.65	\$265.65	\$460.11	\$460.11	\$490.62	\$490.62	\$490.62
Family - 0 Medicare	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,390.92	\$2,063.83	\$2,063.83
Family - 1 Medicare	\$1,671.63	\$1,476.43	\$1,529.09	\$1,333.89	\$1,559.67	\$1,364.47	\$1,656.89	\$1,461.69	\$1,672.16	\$1,476.96	\$1,476.96
Family - 2 Medicare	\$952.34	\$889.03	\$667.26	\$603.95	\$728.42	\$665.11	\$922.86	\$859.55	\$953.40	\$890.09	\$890.09
EE+Ch - 0 Medicare	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,349.70	\$1,165.05	\$1,165.05
EE+Ch - 1 Medicare	\$630.41	\$577.66	\$487.87	\$435.12	\$518.45	\$465.70	\$615.67	\$562.92	\$630.94	\$578.19	\$578.19
Rx Premium											
Single - 0 Medicare	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94	\$264.94
Single - 1 Medicare	\$265.21	\$265.21	\$277.26	\$277.26	\$277.26	\$277.26	\$267.73	\$267.73	\$279.91	\$279.91	\$279.91
EE+Spouse - 0 Medicare	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55	\$577.55
EE+Spouse - 1 Medicare	\$577.82	\$577.82	\$589.87	\$589.87	\$589.87	\$589.87	\$580.34	\$580.34	\$592.52	\$592.52	\$592.52
EE+Spouse - 2 Medicare	\$530.44	\$530.44	\$554.53	\$554.53	\$554.53	\$554.53	\$535.48	\$535.48	\$559.82	\$559.82	\$559.82
Family - 0 Medicare	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01	\$657.01
Family - 1 Medicare	\$657.28	\$657.28	\$669.33	\$669.33	\$669.33	\$669.33	\$659.80	\$659.80	\$671.98	\$671.98	\$671.98
Family - 2 Medicare	\$657.55	\$657.55	\$681.65	\$681.65	\$681.65	\$681.65	\$662.59	\$662.59	\$686.95	\$686.95	\$686.95
EE+Ch - 0 Medicare	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91	\$370.91
EE+Ch - 1 Medicare	\$371.18	\$371.18	\$383.23	\$383.23	\$383.23	\$383.23	\$373.70	\$373.70	\$385.88	\$385.88	\$385.88

* Plan premiums are shown in total and vary depending on whether an Early Retiree subscriber or dependent is enrolled in the Horizon NJEHP or the Aetna GSHP.

Exhibit 5A – Plan Year 2024 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	\$7,560/\$15,120	\$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
Urgent Care	\$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)	\$1,890/\$3,780	\$1,890/\$3,780	\$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 2024 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
Urgent Care	\$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 2024 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	\$8,039/\$16,078	\$8,039/\$16,078	\$8,039/\$16,078	\$8,039/\$16,078	\$8,039/\$16,078
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)
Urgent Care	\$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

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