

Facts About Healthcare in the New Contract

What's the story with this new health plan?

There will be a new health plan - a PPO that will begin in January 2008. This plan will have the same benefits as NJ Plus. That includes the same hospital, lab, tests, surgery, deductibles, in patient, out patient, mental health, chiropractic, nursing home. Exactly the same as what we have now.

So what's the difference between this plan and NJPlus?

- 1) There will be a broader network in New Jersey and a network in every other state in the country. There will be in network doctors, including specialists, and in network hospitals, labs, and clinics in every state in the country.
- 2) You will not have to go to a primary care physician to get a referral. You can go to any doctor in the network by making a direct appointment.
- 3) There will be a \$15 co-pay instead of a \$10 co-pay. If you go to the Emergency Room, the copay will be \$50 instead of \$25 unless you are admitted, in which case there will be no co-pay.

What's the name of the PPO?

It doesn't have a name because it hasn't been created yet. The State is self-insured and has its health plans administered by contractors (Horizon, Prudential, Aetna, etc.) We designed the plan jointly with the State and now the State will bid out the network. It will be a plan that will only be for public workers - just like NJ Plus. We don't know the name of it, but we know what it has to have in it and we will check the bid to make sure everything is included. This is what we did when we created NJPlus.

I have the Traditional Plan, I heard its being eliminated - is that true?

Yes. It is being eliminated for ACTIVE employees once the PPO is created. If you are retired and have the Traditional Plan you can keep it. If you have 25 years of service before July 1, 2007 and you want the Traditional Plan when you retire, you can have it.

How much will I pay for my Traditional Plan coverage on July 1 until January 2008 when the PPO is created?

You will pay 1.5% of pay for your health coverage. Everyone will pay 1.5% of pay for coverage no matter what plan they have and what coverage. We negotiated higher percentage wages in exchange for that and it is the fairest way to contribute toward healthcare.

I've got an HMO. Can I keep my HMO?

Yes. You can stay in the HMO and you will pay 1.5% of pay. You will not pay the 5% of the premium.

My spouse has coverage. Do I still have to pay the 1.5%?

No. If you can certify that you have health coverage elsewhere, the 1.5% will be waived.

What about the prescription drug plan?

Under the new contract we will continue to pay \$3 for a generic at the pharmacy, \$10 for a brand name at the pharmacy, \$5 for a 90 day mail order generic, \$15 for a 90 day mail order brand name. But be careful. If you get a prescription for a brand name when there is a generic available, you will have to pay \$25 - but if you can't take the generic for a medical reason (like you are allergic to the fillers or something) you can get the brand name for the \$10.

What about Retiree Medical? Do we still have it?

Yes. Retiree medical is secure and the conditions under which you get your retiree medical plan are still determined by whatever contract provisions were in effect when you got your 25 years of service. So if when you reached 25 years of service there was a traditional plan, you can still have the traditional plan.