



State of New Jersey
State Health Benefits Program
Local Government Employer Group
Mid-Year Experience Analysis
For Plan Year 2023

As Presented on March 13, 2024

Table of Contents

Section 1: Executive Summary	3
Section 2: Historical Overview	6
Section 3: Trend Analysis	12
Section 4: Financial Projections	14
Section 5: Cost Projection Methodology	21
Section 6: Exhibits	24

Local Government Employer Group

Mid-Year Experience Analysis for Plan Year 2023

Section 1: Executive Summary

The purpose of this analysis is to review and update projected costs for Plan Years (calendar years) 2022, 2023, and 2024, using the Mid-Year experience of the Medical and Prescription Drug Program offered to Local Government Active Employees and Retirees by the New Jersey State Health Benefits Program (SHBP). The Mid-Year experience of the State Employer Group, the School Employees' Health Benefits Program, and the Dental Plans is addressed in separate analyses.

Financial Results

For this Mid-Year Analysis, projections are based on medical claims and prescription drug claims paid through September 30, 2023, and monthly census data provided by the State through October 2023. The 2024 projections reflect 2024 Open Enrollment data provided by the State.

Plan Year 2022

The updated data used in this Mid-Year Analysis impacted projected Plan Year 2022 costs by including additional actual 2022 run-out claim data. Total projected aggregate costs remained level from the most recent projected costs provided in the Plan Year 2024 Rate Setting Analysis.

Plan Year 2023

Plan Year 2023 costs reflect additional actual 2023 claim data through September 2023 and actual enrollment data through October 2023. In total, the projected cost for Plan Year 2023 has increased approximately 2.8% from the results shown in the Plan Year 2024 Rate Setting Analysis.

Plan Year 2024

Plan Year 2024 experience is projected using 12 months of updated medical and prescription drug claims experience through September 2023 and open enrollment reported by the State. Therefore, as with the Plan Year 2024 Rate Setting Analysis, all Plan Year 2024 results are projected. In total, the projected Plan Year 2024 cost has decreased 1.2% from the Plan Year 2024 Rate Setting Analysis. The decrease in expected total costs is driven by a 4.8% decrease due to a decline in enrollment and a 3.8% increase due to emerging experience and assumption changes.

Additional detail regarding the gains and losses from the Plan Year 2024 Rate Setting Analysis are included in Sections 2 and 4 of this analysis.

The updated financial results have produced a total projected claim stabilization reserve as of December 31, 2024 equivalent to -0.5 months of plan costs (0.6 months for Actives and -2.9 months for Retirees). The claim stabilization reserve is projected to be less than the recommended level of 2.0 months of plan costs and is a one month decline from the 0.5 months of total plan costs projected in the Plan Year 2024 Rate Setting Analysis. The claim stabilization reserve as of December 31, 2022 is based on actual balances provided by the Division. The projected reserves as of December 31, 2023 and 2024 are based on the reserve balance as of June 30, 2023 provided by the Division. The claims stabilization reserve as of December 31, 2024 is estimated based off projected gains and losses in the active and retiree plans, which reflect the 3.0% margin included in the final approved 2024 premiums. The CSR balances below are intended to illustrate how the claims stabilization reserve may fluctuate due to gains and losses in the active and retiree plans. Actual balances as of December 31, 2024 may differ.

SHBP Local Government Employer Projected Active and Retiree Stabilization Reserve

(in \$ millions)

	Active	Retiree	Total
12/31/2022	\$98	(\$126)	(\$27)
12/31/2023	\$73	(\$124)	(\$51)
12/31/2024	\$62	(\$136)	(\$74)
Months of Plan Cost as of 12/31/2024	0.6	(2.9)	(0.5)

Benefit Plans Maintained by the SHBP

The State of New Jersey operates the SHBP as a multiple-option program for participating Local Government Employees and Retirees. For purposes of this analysis, it is assumed that all self-insured medical plan options are administered by Horizon, all fully insured Medicare Advantage plans are administered by Aetna, and the prescription drug program is administered by Optum. Aon has not made any adjustments for recent procurement activity that may impact the plans offered in Plan Year 2024. The following medical plan options are assumed to be offered in Plan Year 2024:

- Preferred Provider Organization (PPO) plans are administered solely by Horizon. In Plan Year 2024, Horizon will offer seven PPO plan options, including the PPO10, PPO15, PPO1525, PPO2030, PPO2035, NJDIRECT and NJDIRECT 2019. These plans are available to all Actives and Early Retirees, except for the NJDIRECT 2019 plan which is only offered to Actives.
- HMO plans are administered by Horizon. There is one HMO benefit option available to Actives, and three HMO benefit options available to Retirees. HMO plans offer no out-of-network coverage.

- Two High Deductible plans are administered by Horizon. Employees and Early Retirees may select either High Deductible option: HDHigh or HDLow. Neither option is available to Medicare-eligible Retirees.
- A Tiered Network plan option is administered by Horizon for Active Employees and Early Retirees only. This option offers no out-of-network coverage.
- All Medicare Advantage PPO and HMO plan options for Medicare-eligible members in Plan Year 2024 will be administered by Aetna: PPO10, PPO15, HMO10 and HMO1525.
- Medicare-eligible members enrolled in Horizon's PPO or HMO plans are covered under Horizon's self-insured Medicare Supplement plans: HMO10, PPO1525, HMO1525, PPO2030 and HMO2030.
- Active Employees and Retirees are also enrolled in a Prescription Drug Plan, which is administered by Optum. The prescription drug card benefit options are linked to the medical plan selection.

Medical and prescription drug benefit designs are summarized in Exhibit 4.

Additional Disclosures

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

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

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

Section 2: Historical Overview

The following benefit and plan adjustments have been incorporated into the 2023 Mid-Year Analysis. There have been no changes from the Plan Year 2024 Rate Setting Analysis other than those noted below.

Plan Benefit and Other Changes

The following plan design changes were approved by the SHBP Plan Design Committee for Plan Year 2017 and were subsequently reaffirmed through 2024:

- Reimbursement Change for Out-of-Network (OON) Services: All PPO plans limit plan payments for out-of-network physical therapy, chiropractor, and acupuncture services. This change applies to both SHBP Actives and SHBP Early Retirees.
- Mandatory Generic: For all multi-source drugs (brand drugs with generic equivalents available), the SHBP plan pays for the cost of the generic equivalent. Members who choose to fill the prescription for the brand name drug are responsible for the generic copay, plus the difference in cost. This applies to Active and Early Retiree prescription drug plans only.
- Prescription Drug Formulary: All SHBP Active and Early Retiree prescription drug plans conform to Optum's Premium Formulary, which directs prescriptions to more cost-effective, clinically-equivalent medications.

Additional Plan Design Changes that have been approved and will be in effect for Plan Year 2024 are as follows:

- HMS Data Integrity Vendor: In accordance with Public Law 2019, Chapter 143, the State recently conducted a bid solicitation awarding HMS the opportunity to provide Medical Claims Review 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 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.
- New Medicare Eligibility Vendor: The State implemented SSDC services to identify and conduct outreach to pre-65 retirees and spouses who are currently eligible or could become eligible for

Medicare, in order to ensure enrollment in Medicare when appropriate. Estimated savings for this program are assumed to be in the underlying claims experience. 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 and 2023 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. This program is assumed to be terminated effective July 1, 2024, which is assumed to have no claim impact.
- Livongo Whole Person: Beginning Plan Year 2022, Livongo is also implementing the Livongo “Whole Person”, which provides a broader suite of services such as Livongo for Cardiovascular, Livongo for Weight Management, and Livongo for Behavioral Health in addition to the Livongo for Diabetes Management in effect 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. This program is assumed to be terminated effective July 1, 2024, which is assumed to have no claim impact.
- Hinge Health: Effective 2022, 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 are assumed to be in the underlying claims experience. This program does not impact Medicare Retirees. This program is assumed to be terminated effective July 1, 2024, which is assumed to have no claim impact.

- Amino: Effective 2022, 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. This program is assumed to impact Medicare Advantage Retirees beginning Plan Year 2023. Actual 2022 fees as well as estimated 2023 and 2024 fees are provided by Amino. This program is assumed to be terminated effective February 1, 2024, which is assumed to have no claim impact.
- Wondr Health: Effective 2022, 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 are assumed to be in the underlying claims experience. This program does not impact Medicare Retirees. This program is assumed to be terminated effective July 1, 2024, which is assumed to have no claim impact.
- eviCore: Effective January 1, 2022, 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. This program does not impact Medicare Retirees.
- Included Health: 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.

Vendor Changes

Medical Vendors: For purposes of this analysis, it is assumed all self-Insured medical plan options are administered by Horizon and all fully insured Medicare Advantage plans are administered by Aetna. Aon has not made any adjustments for recent procurement activity that may impact the plans offered 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

Resolutions 2023-11 and 2023-12: On August 23, 2023, the SHBP Plan Design Committee approved resolutions 2023-11 and 2023-12, which rename the NJDIRECT HD1500 and NJDIRECT HD4000 to the NJDIRECT HDLow and NJDIRECT HDHigh plan options, respectively. As part of these resolutions, the plans' deductibles and out-of-pocket maximums will be indexed each year aligning with the IRS inflation-adjusted deductible increases and out-of-pocket maximums will be adjusted to maintain a consistent distribution between deductibles and out-of-pocket maximums. For Plan Year 2024, the HDLow and HDHigh in-network deductibles and OOP maximums will increase \$100/\$200 (Single/Family). The impact of these changes is based Aon's Actuarial Value model.

In-Network Out-of-Pocket Maximum: Effective 1/1/2024, 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. The chart below summarizes a history of these out-of-pocket maximums:

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 SHBP due to the SHBP low employee contributions and rich benefit designs.

Full-Time Employee Definition: The Patient Protection and 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 SHBP because in general, the State offers coverage to all full-time employees.

No Surprises Act: Effective 1/1/2022, 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

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

New Jersey Reproductive Freedom of Choice Act: Effective 1/13/2022, this legislation codifies the constitutional right to freedom of reproductive choice.

SHBP Firefighter Cancer Screening Act: Effective 1/1/2023, this bill mandates access to cancer screenings for full-time paid firefighters in the State. The bill includes screenings for colon, lung, bladder, oral, thyroid, skin, blood, breast, cervical, testicular, and prostate cancers. The first screening will take place within the first three years of employment and a firefighter is then entitled to a screening every three years thereafter. This mandates access to cancer screenings for firefighters through health care benefits.

These New Jersey State mandates are not expected to materially impact the projected Local Government Plan Costs and are not reflected in the projected Plan Year 2024.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns among the SHBP benefit offerings during Plan Years 2021 through 2023 and includes Aon's projection of Plan Year 2024 enrollment. The enrollment assumptions for Plan Years 2021 through 2023 are equal to monthly snapshot census data through October provided by the State. Projected Plan Year 2024 enrollment is equal to 2024 open enrollment provided by the State. Based on 2024 open enrollment, Local Government Active Employee enrollment has decreased 3.9%, Local Government Early Retirees have decreased by 7.0%, and Local Government Medicare Retirees have decreased 3.8% compared to Plan Year 2023 enrollment.

Exhibit 1B reflects the distribution of projected Plan Year 2024 enrollment among benefit options. Approximately 62% of Local Government Actives are assumed to be enrolled in the PPO10 plan and 19% of Local Government Actives are assumed to be enrolled in the PPO15 plan. Based on the Plan Year 2024 open enrollment results, the HMO10 plan is projected to be 2% of the total Active enrollment. Approximately 84% of Local Government Retirees are assumed to be enrolled in the PPO10 plan or the PPO15 plan.

Exhibit 1C shows the January 2024 enrollment distribution by benefit option and coverage tier.

Section 3: Trend Analysis

Trend assumptions have been reviewed from the Plan Year 2024 Rate Setting Analysis based on experience data, expectations of future trends, Aon trend guidance and Horizon and Optum trend rate recommendations. The following table shows the current trend assumptions:

	Plan Year 2023		Plan Year 2024	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives	6.50%	13.50%	6.50%	10.50%
PPO Early Retirees	6.50%	13.50%	6.50%	10.50%
Self-Insured Medicare Retirees	5.50%	12.25%	5.50%	9.25%
HMO/Tiered Network Actives	6.50%	13.50%	6.50%	10.50%
HMO/Tiered Network Early Retirees	6.50%	13.50%	6.50%	10.50%

* Does not include anti-selection trend adjustments outlined below.

**The trend rates shown above reflect the trend to get from the prior year to the Plan Year specified above. For example, Plan Year 2023 trend corresponds to the trend increase from Plan Year 2022 to Plan Year 2023.

The Medicare Retiree medical trend assumptions do not apply to the fully insured Medicare Advantage plans as these premium rates are provided by Aetna.

Medical Trends: The recommended trends are based on SHBP experience adjusted for expected future changes:

- The Active PPO trend assumption for Plan Year 2024 is 6.5%, which is consistent with the Plan Year 2024 Rate Setting Analysis.
- The PPO Early Retiree trend assumption is 6.5% for Plan Year 2024, no change from the Plan Year 2024 Rate Setting Analysis.
- The Plan Year 2024 self-insured PPO Medicare Retirees medical trend assumption is 5.5%, no change from the Plan Year 2024 Rate Setting Analysis.
- The medical trend assumption for Plan Year 2024 is 6.5% for HMO Actives and 6.5% HMO Retirees, which is no change from the 2024 Rate Setting Analysis.

Prescription Drug Trends: The recommended Plan Year 2023 prescription drug trend has increased to 13.50% for Actives, 13.50% for Early Retirees, and 12.25% for Self-Insured Medicare Retirees from the 9.00% Active, 9.00% Early Retiree, and 7.75% Self-Insured Medicare Retiree trends that were used in the Plan Year 2024 Rate Setting Analysis. Plan Year 2024 recommended prescription drug trend has also increased to 10.50% for Actives, 10.50% for Early Retirees, and 9.25% for Self-Insured Medicare Retirees from the 9.25% trend for Actives, Early Retirees, and Self-Insured Medicare Retirees that were used in the Plan Year 2024 Rate

Setting Analysis. The increased trends are driven by emerging high utilization of GLP-1 medications for diabetes and weight loss that is expected to continue in Plan Year 2024.

Additional Trend Adjustments: To reflect potential additions and terminations of Local Employers, the Active and Retiree 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 Government. 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.

Local Government	Aetna Medicare Advantage Rates		
	2023	2024	\$ Change
PPO 10	\$ 152.47	\$ 148.19	\$ (4.28)
PPO 15	\$ 135.12	\$ 130.84	\$ (4.28)
HMO 10	\$ 176.60	\$ 172.32	\$ (4.28)
HMO 1525	\$ 142.20	\$ 137.92	\$ (4.28)

*The 2024 Local Government Premium Rates include an additional 3.0% margin which is not reflected in the MA rates shown above.

Section 4: Financial Projections

Aggregate Financial Projections

Using the key assumptions and the methodology described in Section 5 (Cost Projection Methodology), the updated estimated costs for Plan Years 2022, 2023 and 2024 are shown below.

SHBP Local Government Employer Projected Financial Results

(in \$ millions)

	PPO 10	PPO 15	Legacy HMOs	Other Plans	Total
Plan Year 2022					
Premium Rates x Enrollment	\$1,098.7	\$311.7	\$57.9	\$202.2	\$1,670.5
Incurred Claims	\$1,186.0	\$320.5	\$60.9	\$198.8	\$1,766.2
Administrative Charges	\$32.8	\$10.0	\$2.2	\$8.6	\$53.6
Net Gain (Loss)	(\$120.1)	(\$18.8)	(\$5.2)	(\$5.2)	(\$149.3)
Plan Year 2023					
Premium Rates x Enrollment	\$1,149.9	\$315.2	\$53.1	\$210.1	\$1,728.3
Incurred Claims	\$1,145.0	\$308.2	\$50.4	\$185.0	\$1,688.6
Administrative Charges	\$29.6	\$8.7	\$1.7	\$7.6	\$47.6
Net Gain (Loss)	(\$24.7)	(\$1.7)	\$1.0	\$17.5	(\$7.9)
Plan Year 2024					
Premium Rates x Enrollment	\$1,165.4	\$310.7	\$50.1	\$236.2	\$1,762.4
Incurred Claims	\$1,165.7	\$305.2	\$47.4	\$225.1	\$1,743.4
Administrative Charges	\$26.1	\$7.3	\$1.4	\$7.6	\$42.4
Net Gain (Loss)	(\$26.4)	(\$1.8)	\$1.3	\$3.5	(\$23.4)

Notes:

- Other Plans include the 15/25 PPO, 15/25 HMO, 20/30 PPO, 20/30 HMO, 20/35 PPO, HD1500/HDLow, HD4000/ HDHigh, Tiered Network, NJDIRECT PPO and NJDIRECT 2019 PPO options.
- Plan Year 2023 and Plan Year 2024 premium rates include margin of 2.0% and 3.0%, respectively.
- Incurred Claims includes Medical and Rx claims, MA premiums, capitation, and rebates.
- Totals may not add due to rounding.

Updated Plan Year 2022 cost remained level from the Plan Year 2024 Rate Setting Analysis. Plan Year 2023 cost has increased approximately \$47.9 million from the projected cost shown in the 2024 Rate Setting Analysis.

The Plan Year 2024 Active and Retiree total premiums are projected to decrease by 5.4% with updated enrollment projections from those shown in the Plan Year 2024 Rate Setting Analysis while total plan costs reflecting updated claims experience are projected to be 1.2% lower. The combined overall projected net loss for Plan Year 2024 is \$23.4 million. The Plan Year 2024 Rate Setting Analysis showed a combined overall projected net gain of \$56.0 million, reflecting the 3% margin added to address the below-target Claims Stabilization Reserve balance.

The updated financial results have produced a total projected claim stabilization reserve at December 31, 2024 equivalent to -0.5 months of plan costs (0.6 months for Actives and -2.9 months for Retirees). This is less than the recommended level of 2.0 months of plan costs. The

Plan Year 2024 Rate Setting Analysis showed a projected claims stabilization reserve balance at December 31, 2024 equivalent to 0.5 months of plan costs.

More detailed aggregate projections are provided in Exhibit 3.

Financial Gain /(Loss)

Plan Year 2022

The total projected cost remained approximately flat from the Plan Year 2024 Rate Setting Analysis. For actives, the projected cost decreased 0.2% from the Plan Year 2024 Rate Setting Analysis, a result of additional Plan Year 2022 claims runout through September 2023. Projected retiree costs increased 0.5% from the Plan Year 2024 Rate Setting Analysis.

Plan Year 2023

Actives:

For Plan Year 2023, there was a 1.8% increase in total active plan costs from the results shown in Plan Year 2024 Rate Setting Analysis. This increase in plan cost is primarily a result of the following:

- Total projected active cost increased 1.2% due to updated medical claims experience.
 - The aggregate projected 2023 medical claims are 1.4% higher compared to the Plan Year 2024 Rate Setting Analysis. This is driven by a 2.3% increase in the projected PMPM medical claims amounts offset by a 0.9% decrease in average 2023 medical membership.
 - Horizon reporting with rolling 12-month incurred claims through September 2023 shows the medical claims trend is driven by a 14% increase in outpatient facility services and a 7% increase in inpatient facility services. The increase in outpatient is driven by an increase in outpatient surgery, ambulatory services, and emergency room.
- Total projected active cost increased 2.0% due to updated prescription drug claims experience.
 - The aggregate 2023 prescription drug claims are 10.3% higher compared to what was projected in the Plan Year 2024 Rate Setting Analysis. This is driven by an 11.6% increase in the projected PMPM prescription drug claims amounts offset partially by a 1.1% decrease in average 2023 prescription drug membership.
 - YTD September 2023 prescription drug reporting from Optum shows an overall trend of 23%.
 - The major cost drivers by disease states were 36% PMPM trend in Inflammatory conditions, 32% PMPM trend in diabetes, 15% PMPM trend in oncology, and 163% trend in weight loss.
 - Drug mix contributed to a 14% increase in overall trend, higher than Optum's benchmark of 9%.

- Based on updated information provided by Optum, increases in prescription drug rebates decreased projected active costs by 1.4%.

Retirees:

Total estimated retiree cost is projected to increase 5.2% from the Plan Year 2024 Rate Setting Analysis.

- Total projected retiree cost increased 2.3% due to updated medical claims experience.
 - Aggregate medical claims and MA premiums increased 3.2% compared to the Plan Year 2024 Rate Setting analysis, driven by the medical claims and MA premiums PMPM increased 2.6% compared to expected.
 - Horizon reporting with rolling 12-month incurred claims through September 2023 shows the Early Retiree medical claims trend is driven by an increase in outpatient and professional trends of 17% and 7%, respectively.
 - The Outpatient and Professional costs per visit for Early Retirees have increased 14% and 6%, respectively.
 - This increase is offset by a 1% decrease in inpatient services, driven by reduced utilization.
- There is a 6.2% increase in total retiree cost due to updated prescription drug claims experience.
 - Aggregate prescription drug claims experience has increased 10.9% compared to what was projected in the Plan Year 2024 Rate Setting analysis. This is driven by a 10.3% increase in the projected PMPM prescription drug claims and a 0.6% increase in average prescription drug membership.
 - Based on YTD September 2023 reporting provided by Optum, the specialty drug trends were 21% and 18% for Early and Medicare Retirees, respectively.
 - The Early Retiree drug mix contributed to a 14% increase in overall trend, higher than Optum's benchmark of 9%.
 - YTD September 2023 Early Retiree prescription drug reporting from Optum shows a 21% PMPM trend in inflammatory conditions, a 32% trend in diabetes, a 35% trend in oncology, and a 177% trend in weight loss.
- Based on updated information from Optum, increases in retiree prescription drug rebates decreased projected retiree costs by 3.2%.
- Retiree costs are 0.1% lower than expected as a result of updated actual administrative fees.

Plan Year 2024

Actives:

For Plan Year 2024, total active plan cost is projected to decrease 1.0% from the results shown in Plan Year 2024 Rate Setting Analysis. This decrease in total plan cost is primarily a result of the following:

- There is a 5.0% decrease in total projected active cost due to updated enrollment. The updated enrollment is based on open enrollment data provided by the State. Based on this data, there is expected to be a decrease in Local Government enrollment in Plan Year 2024.
- Total projected active cost is expected to increase 2.6% due to updated medical claims experience and increase 2.4% due to updated prescription drug experience.
- Based on updated information from Optum, increases in active prescription drug rebates are projected to decrease projected total active costs by approximately 1.0%.
- The Plan Year 2024 Rate Setting Analysis reflected a prescription drug trend of 9.75%. The updated analysis reflects a prescription drug trend of 11.25%. This update is anticipated to increase projected total active costs by 0.3%.
- The State terminated a number of Third-Party Vendor Solutions in 2024, resulting in a 0.3% decrease in projected total active cost due to reduced administrative fees.

Retirees:

For retirees, total projected cost decreased 1.6% from the results shown in the Plan Year 2024 Rate Setting Analysis. This decrease in retiree plan costs is primarily a result of the following:

- There is a 7.0% reduction in total retiree cost due to lower-than-expected enrollment. The updated enrollment is based on open enrollment data provided by the State. Based on this data, there is expected to be a decrease in Local Government enrollment in Plan Year 2024.
- Updated claims experience resulted in a 7.7% increase in total retiree costs, consisting of a 1.9% increase due to updated medical claims experience and a 5.8% increase due to updated prescription drug claims experience.
- Based on information from Optum, updated retiree PMPM EGWP credits is projected to decrease total retiree cost by 1.5%. Additionally, updated prescription drug rebates are projected to decrease total retiree costs by 1.4%.
- The Plan Year 2024 Rate Setting Analysis reflected prescription drug trends of 9.75% for Early Retirees and 8.5% for Medicare Retirees. The updated analysis reflects prescription

drug trends of 11.25% for Early Retirees and 10.0% for Medicare Retirees. This update is anticipated to increase projected total retiree costs by 0.8%.

The State terminated a number of Third-Party Vendor Solutions in 2024, resulting in a 0.2% decrease in projected total retiree cost due to reduced administrative fees.

Self-Insured Vendor Administrative Fees and Claim Charges

The sections below show Plan Year 2024 administrative fees and other claim charges, as applicable, separately by each of the medical and prescription drug vendors. The fees are reported by the vendors in different categories and may appear aggregated within different rows in Exhibit 3, including incurred medical and prescription drug claims, capitation, and administrative fees.

Horizon Medical PEPM Fees/Charges

	2024 PEPM Fees			
	PPO	HMO	HDHP	Tiered
Actives and Early Retirees				
Part 1 Services	\$24.59	\$36.28	\$24.30	\$41.24
Part 2 Services	\$4.46	\$4.46	\$4.46	\$4.46
Medical Management	\$1.22	\$1.22	\$1.22	\$1.22
Disease Management	\$0.44	\$0.44	\$0.44	\$0.44
HSA Banking Fee (Per Account Per Month)	N/A	N/A	\$2.61	N/A
NJWELL*	\$20.95	\$20.95	\$20.95	\$20.95
Medicare Retirees				
Part 1 Services	\$25.25	\$25.25	N/A	N/A
Part 2 Services	\$3.76	\$3.76	N/A	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

Prescription Drug Fees

Administrative fees charged by Optum for the prescription drug program for Plan Year 2024 are \$5.25 PEPM for Commercial and \$8.00 PMPM for EGWP.

Section 5: Cost Projection Methodology

Rating Methodology

Exhibit 3 shows the aggregate projected costs and premiums for Plan Years 2022, 2023, and 2024, separately for each benefit plan and vendor. Costs were projected separately for each benefit plan. Costs are also projected separately for Actives, Early Retirees, and Medicare Retirees, and separately for medical claims, prescription drug claims, and administrative costs.

Medical and Prescription Drug Claim Projections

1. Using 12 months of claims data paid through September 2023 provided by Horizon, and Optum, Aon estimated completed and projected incurred claims through Plan Year 2023, separately for each benefit plan, for medical versus prescription drugs, and for Actives, Early Retirees, and Medicare Retirees.
2. Capitation and other similar fixed claim charges were added to the incurred claims to arrive at projected incurred claims.
3. Estimated incurred claims in Plan Year 2023 were divided by average covered members to get average claims per member per year. Covered members were based on historical monthly snapshot 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. Plan Year 2023 actual rebates and Plan Year 2024 projected rebates are based on data 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 by 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 estimates 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 \$22.44 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 \$109.23 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 \$121.79 PMPM.
 - d. Low Income Cost Sharing Payments: 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 \$1.97 PMPM.
10. Total SHBP 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, and prescription drug rebates.
11. Tiered Network Active projected costs in Plan Year 2024 reflects 50% of actual medical and prescription drug claim experience. The actual experience is blended with PPO15 claims experience adjusted for the difference in plan design.

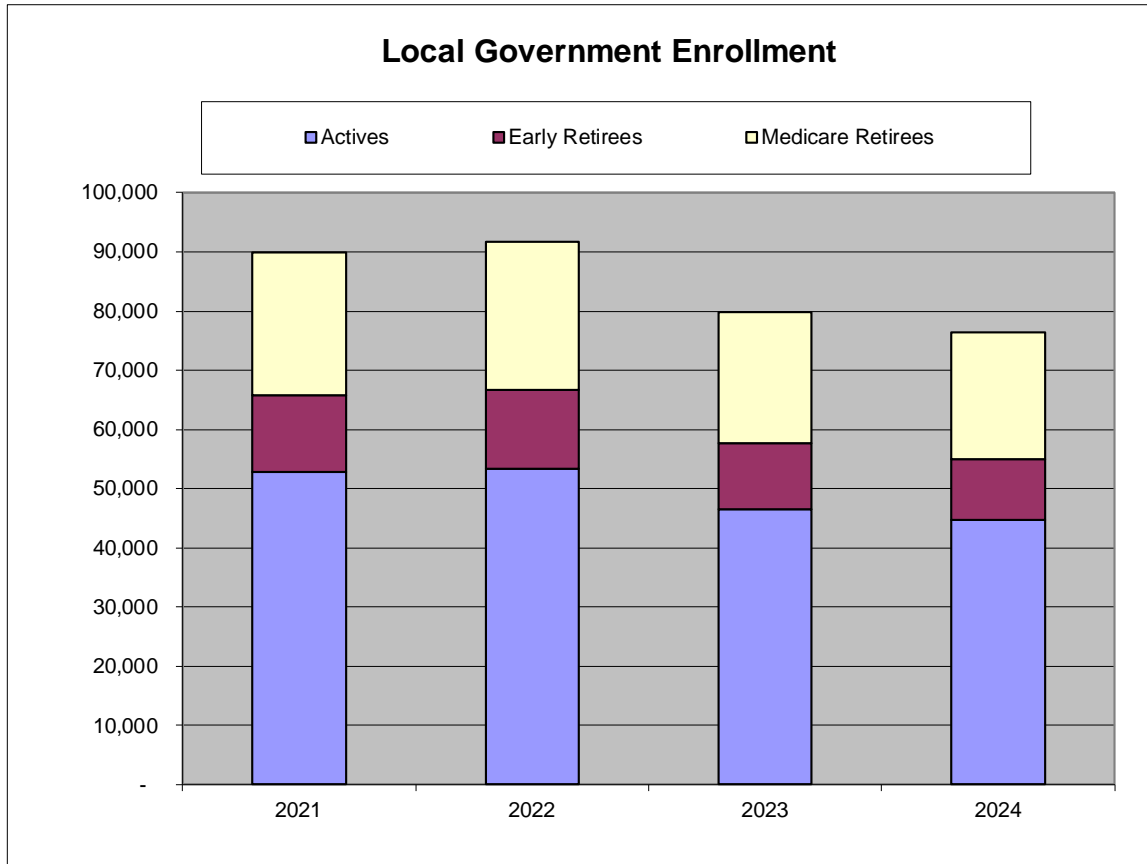
12. Due to small enrollment and claims data, projected claims for some plans are based on PPO15 claims experience adjusted for the expected relative plan cost differences. These include:
 - a. Local Government Actives: PPO2035, NJDIRECT PPO, and NJDIRECT PPO 2019 plan options
 - b. Local Government Early Retirees: PPO2035, HDHigh, HDLow, Tiered Network, and NJDIRECT plan options
13. Base administrative fees per subscriber per month or per member per month are multiplied by the projected average enrollment for the applicable projection Plan Year. Plan Year 2024 administrative fees were provided by Horizon and Optum.
14. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected at \$5.6 million for Plan Year 2024.
15. Other fees and claim charges reported by the vendors have been reflected in the projections.
16. Projected investment income of \$2.7 million was used to reduce projected administrative costs for Plan Year 2024.
17. 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 20 Local Government employers (a total of 465 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. 1% of Employees are assumed to be eligible for this discount in Plan Year 2024.

Projected Gains/Losses

For each year, the projected gain or loss is equal to projected aggregate premiums (projected premium rates times projected enrollment) minus projected total aggregate costs.

Section 6: Exhibits

SHBP Plan Year 2023 Mid-Year Experience Analysis Exhibit 1A – Enrollment Projections

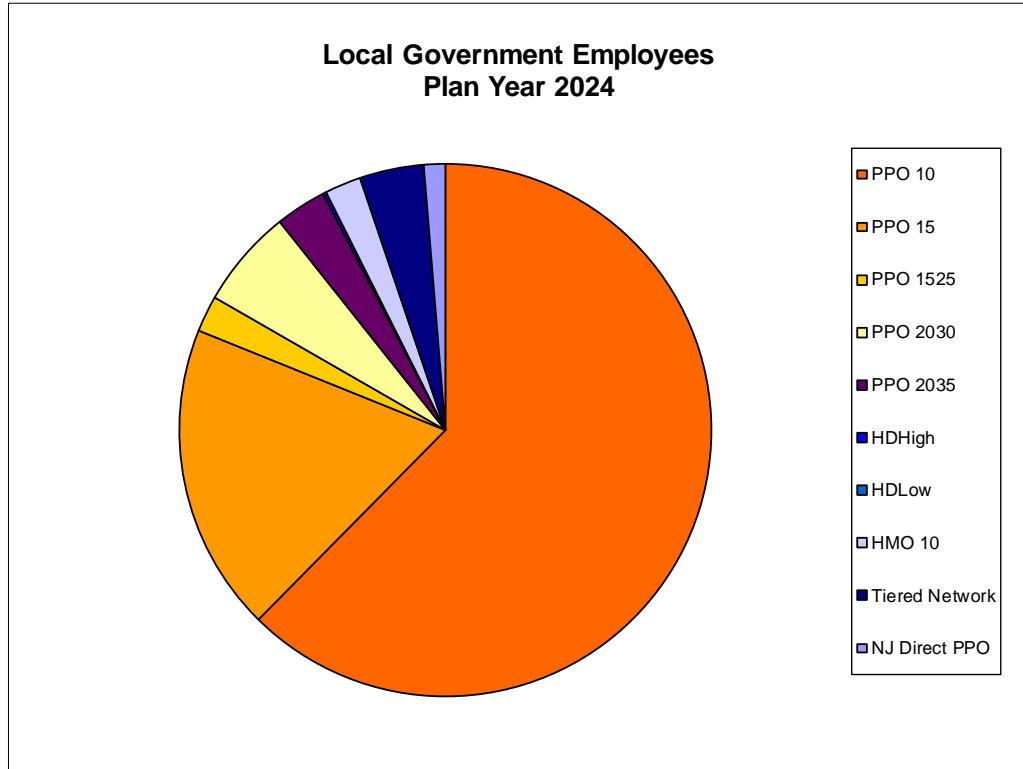


Annual Change in Enrollment

	<u>Actual</u> <u>2021 to 2022</u>	<u>Actual</u> <u>2022 to 2023</u>	<u>Actual*</u> <u>2023 to 2024</u>
Actives	1.1%	(12.8%)	(3.9%)
Early Retirees	2.2%	(16.1%)	(7.0%)
Medicare Retirees	3.5%	(11.4%)	(3.8%)

*Actual 2024 enrollment for Active Employees and Retirees is based on open enrollment results

SHBP Plan Year 2023 Mid-Year Experience Analysis Exhibit 1B – Active Employee Enrollment Distribution



Assumes approximately 65% of Employees will remain in the \$10 copay plans.

Assumes approximately 94% of Employees will enroll in the PPO plans, 2% in the HMO plans, 4% in the Tiered Network plans, and less than 1% in the High Deductible plans.

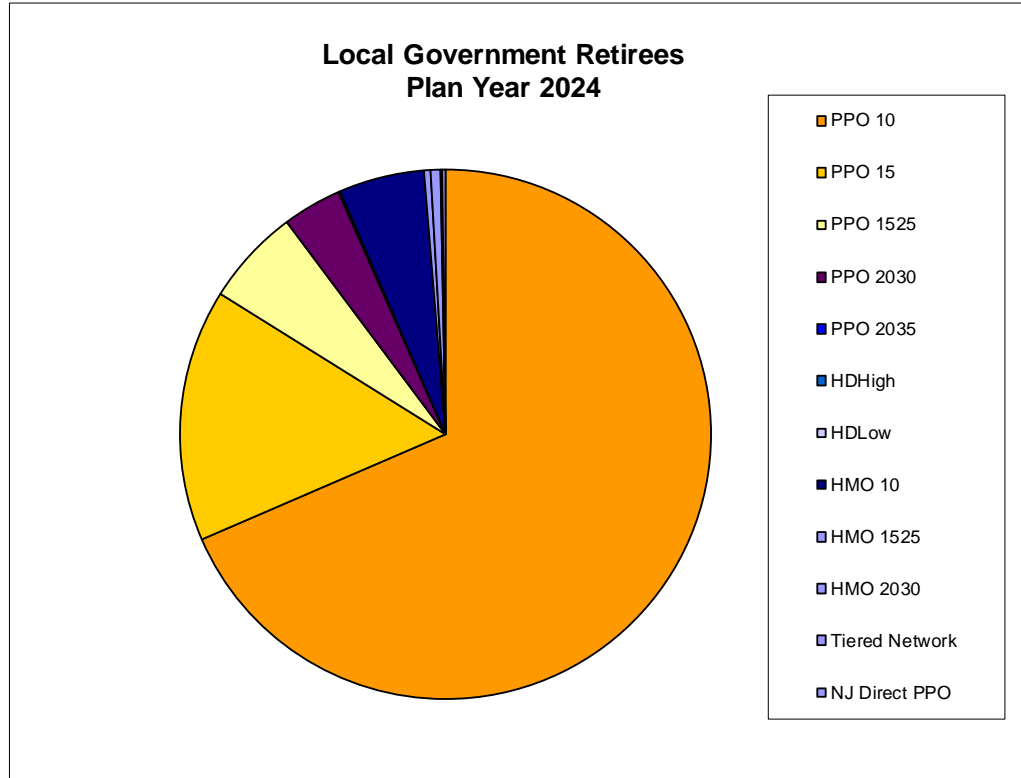
Assumes approximately 83% of Employees will enroll in the PPO 10, PPO 15, and HMO 10 plans and approximately 17% in the other benefit options.

Actives	Horizon
PPO 10	62.4%
PPO 15	18.7%
PPO 1525	2.2%
PPO 2030	6.0%
PPO 2035	3.1%
HDHigh	0.2%
HDLow	0.0%
HMO 10	2.2%
Tiered Network	3.9%
NJ Direct PPO	1.3%
Total	100.0%

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

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 1B (Cont'd) – Retiree Enrollment Distribution



Assumes approximately 94% of Retirees will enroll in the PPO plans, 6% in the HMO plans, and less than 1% in the High Deductible plans.

Assumes approximately 89% of Retirees will enroll in the PPO 10, PPO15, and HMO 10 plans and approximately 11% in the other benefit options.

Retirees	Horizon	Aetna*	Total
PPO 10	21.3%	47.2%	68.5%
PPO 15	5.2%	10.2%	15.4%
PPO 1525	5.9%	0.0%	5.9%
PPO 2030	3.6%	0.0%	3.6%
PPO 2035	0.0%	0.0%	0.0%
HDHigh	0.1%	0.0%	0.1%
HDLow	0.0%	0.0%	0.0%
HMO 10	1.5%	3.7%	5.2%
HMO 1525	0.2%	0.2%	0.4%
HMO 2030	0.6%	0.0%	0.6%
Tiered Network	0.1%	0.0%	0.1%
NJ Direct PPO	<u>0.2%</u>	<u>0.0%</u>	<u>0.2%</u>
Total	38.7%	61.3%	100.0%

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

**SHBP Plan Year 2023 Mid-Year Experience Analysis
Exhibit 1C – Active Employee Enrollment Distribution**

	Number of Contracts as of January 2024				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
LOCAL GOVERNMENT - ACTIVE & COBRA					
<u>Medical Plans</u>					
NJ DIRECT10	10,403	4,193	9,540	3,731	27,867
NJ DIRECT15	3,141	1,349	2,879	982	8,351
NJ DIRECT1525	396	165	294	144	999
NJ DIRECT2030	1,032	328	973	348	2,681
NJ DIRECT2035	530	239	466	157	1,392
NJ DIRECT HDHigh	42	2	23	4	71
NJ DIRECT HDLow	15	1	4	2	22
Horizon Legacy HMO (10)	396	141	290	171	998
OMNIA Health	942	193	438	182	1,755
NJDIRECT	66	51	117	43	277
NJDIRECT 2019	200	38	55	30	323
Horizon Total	17,163	6,700	15,079	5,794	44,736

*January 2024 total plan enrollments and tier distributions are based on open enrollment results provided by the State.

**SHBP Plan Year 2023 Mid-Year Experience Analysis
Exhibit 1C (Cont'd) – Retiree Enrollment Distribution**

	Number of Contracts as of January 2024				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
LOCAL GOVERNMENT RETIREES					
<u>Medical Plans</u>					
NJ DIRECT10	1,585	1,897	2,596	676	6,754
NJ DIRECT15	434	443	627	157	1,661
NJ DIRECT1525	940	717	157	51	1,865
NJ DIRECT2030	202	419	458	70	1,149
NJ DIRECT2035	0	0	0	0	0
NJ DIRECT HDHigh	12	12	4	1	29
NJ DIRECT HDLow	0	0	0	0	0
Horizon Legacy HMO (10)	156	130	134	40	460
Horizon 1525 HMO	20	14	13	6	53
Horizon 2030 HMO	33	56	92	18	199
OMNIA Health	15	9	10	1	35
NJDIRECT	29	11	19	9	68
Horizon Total	3,426	3,708	4,110	1,029	12,273
MA PPO 10	7,879	6,243	601	226	14,949
MA PPO 15	1,662	1,397	123	36	3,218
MA HMO (10)	665	458	33	27	1,183
MA 1525 HMO	19	30	8	0	57
Aetna Total	10,225	8,128	765	289	19,407
Total	13,651	11,836	4,875	1,318	31,680

*January 2024 total plan enrollments and tier distributions are based on open enrollment results provided by the State.

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 2A – Medical Claim and Capitation 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 September 30, 2023. 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
<u>PPO Active</u>			
12 Months through 09/2022 vs 09/2021	3.3%	(0.9%)	4.2%
12 Months through 09/2023 vs 09/2022	8.2%	0.0%	8.2%
<u>PPO Early Retiree</u>			
12 Months through 09/2022 vs 09/2021	5.0%	(0.9%)	5.9%
12 Months through 09/2023 vs 09/2022	8.2%	0.0%	8.2%
<u>HMO Active</u>			
12 Months through 09/2022 vs 09/2021	5.4%	(0.9%)	6.3%
12 Months through 09/2023 vs 09/2022	(2.0%)	0.0%	(2.0%)
<u>HMO Early Retiree</u>			
12 Months through 09/2022 vs 09/2021	(2.0%)	(0.9%)	(1.1%)
12 Months through 09/2023 vs 09/2022	2.9%	0.0%	2.9%

Normalizing Adjustments

1/1/2021: EviCore

1/1/2021: HMS

SHBP Plan Year 2023 Mid-Year Experience Analysis

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 September 30, 2023. 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
<u>Active Rx</u>			
12 Months through 09/2022 vs 09/2021	11.6%	0.0%	11.6%
12 Months through 09/2023 vs 09/2022	21.1%	0.0%	21.1%
<u>Early Retiree Rx</u>			
12 Months through 09/2022 vs 09/2021	11.5%	0.0%	11.5%
12 Months through 09/2023 vs 09/2022	26.1%	0.0%	26.1%
<u>EGWP Rx</u>			
12 Months through 09/2022 vs 09/2021	8.3%	0.0%	8.3%
12 Months through 09/2023 vs 09/2022	15.3%	0.0%	15.3%

Normalizing Adjustments:

None

SHBP Plan Year 2023 Mid-Year Experience Analysis Exhibit 3A – Plan Year 2022 Aggregate Costs, page 1 of 2

	Legacy Plans							1525		
	Total	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees										
Average Medical Members	200,765	25,373	4,865	104,113	32,517	1,891	5,366	11,920	83	161
Incurred Medical Claims	\$1,433,029,000	\$52,191,000	\$8,993,000	\$904,439,000	\$252,347,000	\$4,436,000	\$41,090,000	\$80,067,000	\$160,000	\$984,000
Capitation	\$44,674,000	\$0	\$0	\$27,826,000	\$8,779,000	\$0	\$1,576,000	\$2,634,000	\$0	\$44,000
Incurred Prescription Drug Claims	\$546,168,000	\$165,444,000	\$32,450,000	\$218,782,000	\$59,402,000	\$14,637,000	\$12,126,000	\$21,213,000	\$368,000	\$289,000
Prescription Drug Rebates	(\$175,154,000)	(\$44,197,000)	(\$8,669,000)	(\$78,729,000)	(\$21,376,000)	(\$3,910,000)	(\$4,323,000)	(\$6,219,000)	(\$98,000)	(\$94,000)
EGWP Credits	(\$82,494,000)	(\$59,756,000)	(\$11,457,000)	\$0	\$0	(\$4,453,000)	(\$222,000)	(\$5,479,000)	(\$195,000)	(\$57,000)
Administrative Fees	\$53,565,000	\$4,096,000	\$786,000	\$28,709,000	\$9,241,000	\$308,000	\$1,848,000	\$3,862,000	\$13,000	\$42,000
Total Cost	\$1,819,788,000	\$117,778,000	\$22,103,000	\$1,101,027,000	\$308,393,000	\$11,018,000	\$52,095,000	\$96,078,000	\$248,000	\$1,208,000
Total Premium	\$1,670,504,000	\$116,075,000	\$21,242,000	\$982,590,000	\$290,424,000	\$9,917,000	\$47,996,000	\$87,747,000	\$363,000	\$1,209,000
Gain (Loss)	(\$149,284,000)	(\$1,703,000)	(\$861,000)	(\$118,437,000)	(\$17,969,000)	(\$1,101,000)	(\$4,099,000)	(\$8,331,000)	\$115,000	\$1,000
Employees										
Average Medical Members	127,753	N/A	N/A	78,081	26,908	N/A	3,539	8,119	N/A	N/A
Incurred Medical Claims	\$1,008,604,000	N/A	N/A	\$651,345,000	\$205,571,000	N/A	\$25,386,000	\$60,729,000	N/A	N/A
Capitation	\$34,578,000	N/A	N/A	\$21,072,000	\$7,309,000	N/A	\$1,057,000	\$2,159,000	N/A	N/A
Incurred Prescription Drug Claims	\$215,191,000	N/A	N/A	\$148,076,000	\$43,699,000	N/A	\$6,614,000	\$3,378,000	N/A	N/A
Prescription Drug Rebates	(\$77,433,000)	N/A	N/A	(\$53,283,000)	(\$15,725,000)	N/A	(\$2,380,000)	(\$1,215,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$37,818,000	N/A	N/A	\$22,495,000	\$7,833,000	N/A	\$1,285,000	\$2,472,000	N/A	N/A
Total Cost	\$1,218,758,000	N/A	N/A	\$789,705,000	\$248,687,000	N/A	\$31,962,000	\$67,523,000	N/A	N/A
Total Premium	\$1,114,340,000	N/A	N/A	\$706,404,000	\$232,922,000	N/A	\$30,271,000	\$61,421,000	N/A	N/A
Gain (Loss)	(\$104,418,000)	N/A	N/A	(\$83,301,000)	(\$15,765,000)	N/A	(\$1,691,000)	(\$6,102,000)	N/A	N/A
Early Retirees										
Average Medical Members	37,983	N/A	N/A	26,032	5,609	N/A	1,733	1,474	N/A	137
Incurred Medical Claims	\$351,389,000	N/A	N/A	\$253,094,000	\$46,776,000	N/A	\$15,482,000	\$13,359,000	N/A	\$909,000
Capitation	\$10,032,000	N/A	N/A	\$6,754,000	\$1,470,000	N/A	\$513,000	\$430,000	N/A	\$42,000
Incurred Prescription Drug Claims	\$100,309,000	N/A	N/A	\$70,706,000	\$15,703,000	N/A	\$5,073,000	\$2,578,000	N/A	\$178,000
Prescription Drug Rebates	(\$36,100,000)	N/A	N/A	(\$25,446,000)	(\$5,651,000)	N/A	(\$1,826,000)	(\$928,000)	N/A	(\$64,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,250,000	N/A	N/A	\$6,214,000	\$1,408,000	N/A	\$516,000	\$318,000	N/A	\$28,000
Total Cost	\$434,880,000	N/A	N/A	\$311,322,000	\$59,706,000	N/A	\$19,758,000	\$15,757,000	N/A	\$1,093,000
Total Premium	\$393,232,000	N/A	N/A	\$276,186,000	\$57,502,000	N/A	\$17,088,000	\$13,707,000	N/A	\$1,104,000
Gain (Loss)	(\$41,648,000)	N/A	N/A	(\$35,136,000)	(\$2,204,000)	N/A	(\$2,670,000)	(\$2,050,000)	N/A	\$11,000
Medicare Retirees										
Average Medical Members	35,029	25,373	4,865	N/A	N/A	1,891	94	2,327	83	24
Incurred Medical Claims	\$73,036,000	\$52,191,000	\$8,993,000	N/A	N/A	\$4,436,000	\$222,000	\$5,979,000	\$160,000	\$75,000
Capitation	\$64,000	\$0	\$0	N/A	N/A	\$0	\$6,000	\$45,000	\$0	\$2,000
Incurred Prescription Drug Claims	\$230,668,000	\$165,444,000	\$32,450,000	N/A	N/A	\$14,637,000	\$439,000	\$15,257,000	\$368,000	\$111,000
Prescription Drug Rebates	(\$61,621,000)	(\$44,197,000)	(\$8,669,000)	N/A	N/A	(\$3,910,000)	(\$117,000)	(\$4,076,000)	(\$98,000)	(\$30,000)
EGWP Credits	(\$82,494,000)	(\$59,756,000)	(\$11,457,000)	N/A	N/A	(\$4,453,000)	(\$222,000)	(\$5,479,000)	(\$195,000)	(\$57,000)
Administrative Fees	\$6,497,000	\$4,096,000	\$786,000	N/A	N/A	\$308,000	\$47,000	\$1,072,000	\$13,000	\$14,000
Total Cost	\$166,150,000	\$117,778,000	\$22,103,000	N/A	N/A	\$11,018,000	\$375,000	\$12,798,000	\$248,000	\$115,000
Total Premium	\$162,932,000	\$116,075,000	\$21,242,000	N/A	N/A	\$9,917,000	\$637,000	\$12,619,000	\$363,000	\$105,000
Gain (Loss)	(\$3,218,000)	(\$1,703,000)	(\$861,000)	N/A	N/A	(\$1,101,000)	\$262,000	(\$179,000)	\$115,000	(\$10,000)

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 3A – Plan Year 2022 Aggregate Costs, page 2 of 2

	2030		2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT	
	NJ DIRECT	Horizon HMO	NJ DIRECT	NJ DIRECT	NJ DIRECT	Horizon OMNIA	Horizon NJ DIRECT	Horizon NJ DIRECT 2019
Employees and Retirees								
Average Medical Members	9,016	558	381	151	33	2,968	852	517
Incurred Medical Claims	\$60,811,000	\$2,950,000	\$1,390,000	\$384,000	\$173,000	\$12,664,000	\$7,534,000	\$2,416,000
Capitation	\$2,345,000	\$163,000	\$99,000	\$39,000	\$9,000	\$800,000	\$337,000	\$23,000
Incurred Prescription Drug Claims	\$13,857,000	\$1,325,000	\$418,000	\$64,000	\$86,000	\$3,700,000	\$1,694,000	\$313,000
Prescription Drug Rebates	(\$4,824,000)	(\$457,000)	(\$150,000)	(\$23,000)	(\$31,000)	(\$1,332,000)	(\$609,000)	(\$113,000)
EGWP Credits	(\$819,000)	(\$56,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,560,000	\$169,000	\$153,000	\$57,000	\$11,000	\$1,263,000	\$233,000	\$214,000
Total Cost	\$73,930,000	\$4,094,000	\$1,910,000	\$521,000	\$248,000	\$17,095,000	\$9,189,000	\$2,853,000
Total Premium	\$72,441,000	\$4,853,000	\$2,821,000	\$845,000	\$225,000	\$20,218,000	\$7,046,000	\$4,492,000
Gain (Loss)	(\$1,489,000)	\$759,000	\$911,000	\$324,000	(\$23,000)	\$3,123,000	(\$2,143,000)	\$1,639,000
Employees								
Average Medical Members	6,424	N/A	381	101	33	2,903	747	517
Incurred Medical Claims	\$42,739,000	N/A	\$1,390,000	\$257,000	\$173,000	\$12,374,000	\$6,224,000	\$2,416,000
Capitation	\$1,730,000	N/A	\$99,000	\$27,000	\$9,000	\$784,000	\$309,000	\$23,000
Incurred Prescription Drug Claims	\$7,910,000	N/A	\$418,000	\$26,000	\$86,000	\$3,598,000	\$1,073,000	\$313,000
Prescription Drug Rebates	(\$2,846,000)	N/A	(\$150,000)	(\$9,000)	(\$31,000)	(\$1,295,000)	(\$386,000)	(\$113,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,882,000	N/A	\$153,000	\$36,000	\$11,000	\$1,238,000	\$199,000	\$214,000
Total Cost	\$51,415,000	N/A	\$1,910,000	\$337,000	\$248,000	\$16,699,000	\$7,419,000	\$2,853,000
Total Premium	\$49,656,000	N/A	\$2,821,000	\$482,000	\$225,000	\$19,650,000	\$5,996,000	\$4,492,000
Gain (Loss)	(\$1,759,000)	N/A	\$911,000	\$145,000	(\$23,000)	\$2,951,000	(\$1,423,000)	\$1,639,000
Early Retirees								
Average Medical Members	2,244	534	N/A	50	N/A	65	105	N/A
Incurred Medical Claims	\$17,192,000	\$2,850,000	N/A	\$127,000	N/A	\$290,000	\$1,310,000	N/A
Capitation	\$606,000	\$161,000	N/A	\$12,000	N/A	\$16,000	\$28,000	N/A
Incurred Prescription Drug Claims	\$4,201,000	\$1,109,000	N/A	\$38,000	N/A	\$102,000	\$621,000	N/A
Prescription Drug Rebates	(\$1,512,000)	(\$399,000)	N/A	(\$14,000)	N/A	(\$37,000)	(\$223,000)	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	\$0	N/A
Administrative Fees	\$530,000	\$156,000	N/A	\$21,000	N/A	\$25,000	\$34,000	N/A
Total Cost	\$21,017,000	\$3,877,000	N/A	\$184,000	N/A	\$396,000	\$1,770,000	N/A
Total Premium	\$20,956,000	\$4,708,000	N/A	\$363,000	N/A	\$568,000	\$1,050,000	N/A
Gain (Loss)	(\$61,000)	\$831,000	N/A	\$179,000	N/A	\$172,000	(\$720,000)	N/A
Medicare Retirees								
Average Medical Members	348	24	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$880,000	\$100,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$9,000	\$2,000	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$1,746,000	\$216,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$466,000)	(\$58,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$819,000)	(\$56,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$148,000	\$13,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$1,498,000	\$217,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$1,829,000	\$145,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$331,000	(\$72,000)	N/A	N/A	N/A	N/A	N/A	N/A

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 3B – Plan Year 2023 Aggregate Costs, page 1 of 2

	Legacy Plans							1525		
	Total	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees										
Average Medical Members	173,349	21,830	4,534	91,394	26,998	1,665	4,091	6,095	85	150
Incurred Medical Claims	\$1,353,885,000	\$39,940,000	\$7,351,000	\$875,349,000	\$243,565,000	\$3,529,000	\$34,010,000	\$40,022,000	\$145,000	\$953,000
Capitation	\$39,499,000	\$0	\$0	\$25,125,000	\$7,502,000	\$0	\$1,178,000	\$1,194,000	\$0	\$41,000
Incurred Prescription Drug Claims	\$588,005,000	\$167,440,000	\$34,620,000	\$241,226,000	\$62,844,000	\$14,126,000	\$10,446,000	\$23,770,000	\$438,000	\$322,000
Prescription Drug Rebates	(\$210,244,000)	(\$46,411,000)	(\$9,596,000)	(\$99,297,000)	(\$25,862,000)	(\$3,915,000)	(\$4,242,000)	(\$7,561,000)	(\$122,000)	(\$121,000)
EGWP Credits	(\$82,520,000)	(\$58,399,000)	(\$12,129,000)	N/A	N/A	(\$4,455,000)	(\$210,000)	(\$5,867,000)	(\$227,000)	(\$70,000)
Administrative Fees	\$47,565,000	\$3,593,000	\$745,000	\$26,040,000	\$7,929,000	\$276,000	\$1,444,000	\$2,007,000	\$14,000	\$43,000
Total Cost	\$1,736,190,000	\$106,163,000	\$20,991,000	\$1,068,443,000	\$295,978,000	\$9,561,000	\$42,626,000	\$53,565,000	\$248,000	\$1,168,000
Total Premium	\$1,728,333,000	\$99,994,000	\$19,805,000	\$1,049,946,000	\$295,433,000	\$8,805,000	\$44,340,000	\$53,060,000	\$371,000	\$1,384,000
Gain (Loss)	(\$7,857,000)	(\$6,169,000)	(\$1,186,000)	(\$18,497,000)	(\$545,000)	(\$756,000)	\$1,714,000	(\$505,000)	\$123,000	\$216,000
Employees										
Average Medical Members	110,412	N/A	N/A	69,996	22,055	N/A	2,703	2,849	N/A	N/A
Incurred Medical Claims	\$969,765,000	N/A	N/A	\$645,376,000	\$195,356,000	N/A	\$21,159,000	\$24,373,000	N/A	N/A
Capitation	\$30,896,000	N/A	N/A	\$19,529,000	\$6,209,000	N/A	\$806,000	\$86,000	N/A	N/A
Incurred Prescription Drug Claims	\$242,715,000	N/A	N/A	\$165,001,000	\$45,896,000	N/A	\$5,675,000	\$4,066,000	N/A	N/A
Prescription Drug Rebates	(\$99,740,000)	N/A	N/A	(\$67,804,000)	(\$18,860,000)	N/A	(\$2,332,000)	(\$1,671,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$33,943,000	N/A	N/A	\$20,901,000	\$6,681,000	N/A	\$1,013,000	\$884,000	N/A	N/A
Total Cost	\$1,177,579,000	N/A	N/A	\$783,003,000	\$235,282,000	N/A	\$26,321,000	\$28,458,000	N/A	N/A
Total Premium	\$1,184,406,000	N/A	N/A	\$774,878,000	\$235,060,000	N/A	\$28,136,000	\$28,118,000	N/A	N/A
Gain (Loss)	\$6,827,000	N/A	N/A	(\$8,125,000)	(\$222,000)	N/A	\$1,815,000	(\$340,000)	N/A	N/A
Early Retirees										
Average Medical Members	32,090	N/A	N/A	21,398	4,943	N/A	1,309	1,053	N/A	124
Incurred Medical Claims	\$325,349,000	N/A	N/A	\$229,973,000	\$48,209,000	N/A	\$12,622,000	\$9,440,000	N/A	\$864,000
Capitation	\$8,538,000	N/A	N/A	\$5,596,000	\$1,293,000	N/A	\$368,000	\$344,000	N/A	\$38,000
Incurred Prescription Drug Claims	\$108,832,000	N/A	N/A	\$76,225,000	\$16,948,000	N/A	\$4,326,000	\$3,157,000	N/A	\$238,000
Prescription Drug Rebates	(\$44,964,000)	N/A	N/A	(\$31,493,000)	(\$7,002,000)	N/A	(\$1,787,000)	(\$1,304,000)	N/A	(\$98,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$7,882,000	N/A	N/A	\$5,139,000	\$1,248,000	N/A	\$397,000	\$223,000	N/A	\$29,000
Total Cost	\$405,637,000	N/A	N/A	\$285,440,000	\$60,696,000	N/A	\$15,926,000	\$11,860,000	N/A	\$1,071,000
Total Premium	\$399,356,000	N/A	N/A	\$275,068,000	\$60,373,000	N/A	\$15,647,000	\$12,452,000	N/A	\$1,262,000
Gain (Loss)	(\$6,281,000)	N/A	N/A	(\$10,372,000)	(\$323,000)	N/A	(\$279,000)	\$592,000	N/A	\$191,000
Medicare Retirees										
Average Medical Members	30,846	21,830	4,534	N/A	N/A	1,665	79	2,193	85	26
Incurred Medical Claims	\$58,771,000	\$39,940,000	\$7,351,000	N/A	N/A	\$3,529,000	\$229,000	\$6,209,000	\$145,000	\$89,000
Capitation	\$65,000	\$0	\$0	N/A	N/A	\$0	\$4,000	\$44,000	\$0	\$3,000
Incurred Prescription Drug Claims	\$236,458,000	\$167,440,000	\$34,620,000	N/A	N/A	\$14,126,000	\$445,000	\$16,547,000	\$438,000	\$84,000
Prescription Drug Rebates	(\$65,540,000)	(\$46,411,000)	(\$9,596,000)	N/A	N/A	(\$3,915,000)	(\$123,000)	(\$4,586,000)	(\$122,000)	(\$23,000)
EGWP Credits	(\$82,520,000)	(\$58,399,000)	(\$12,129,000)	N/A	N/A	(\$4,455,000)	(\$210,000)	(\$5,867,000)	(\$227,000)	(\$70,000)
Administrative Fees	\$5,740,000	\$3,593,000	\$745,000	N/A	N/A	\$276,000	\$34,000	\$900,000	\$14,000	\$14,000
Total Cost	\$152,974,000	\$106,163,000	\$20,991,000	N/A	N/A	\$9,561,000	\$379,000	\$13,247,000	\$248,000	\$97,000
Total Premium	\$144,571,000	\$99,994,000	\$19,805,000	N/A	N/A	\$8,805,000	\$557,000	\$12,490,000	\$371,000	\$122,000
Gain (Loss)	(\$8,403,000)	(\$6,169,000)	(\$1,186,000)	N/A	N/A	(\$756,000)	\$178,000	(\$757,000)	\$123,000	\$25,000

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 3B – Plan Year 2023 Aggregate Costs, page 2 of 2

	2030		2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT	
	NJ DIRECT	Horizon HMO	NJ DIRECT	NJ DIRECT	NJ DIRECT	Horizon OMNIA	Horizon NJ DIRECT	Horizon NJ DIRECT 2019
Employees and Retirees								
Average Medical Members	9,773	572	1,074	177	47	3,425	885	554
Incurred Medical Claims	\$71,605,000	\$3,162,000	\$6,690,000	\$363,000	\$93,000	\$17,547,000	\$6,950,000	\$2,611,000
Capitation	\$2,612,000	\$160,000	\$284,000	\$45,000	\$13,000	\$948,000	\$365,000	\$32,000
Incurred Prescription Drug Claims	\$20,478,000	\$1,395,000	\$2,100,000	\$55,000	\$37,000	\$5,822,000	\$2,289,000	\$597,000
Prescription Drug Rebates	(\$8,072,000)	(\$563,000)	(\$863,000)	(\$23,000)	(\$15,000)	(\$2,393,000)	(\$943,000)	(\$245,000)
EGWP Credits	(\$1,094,000)	(\$69,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,800,000	\$173,000	\$383,000	\$72,000	\$18,000	\$1,543,000	\$252,000	\$233,000
Total Cost	\$88,329,000	\$4,258,000	\$8,594,000	\$512,000	\$146,000	\$23,467,000	\$8,913,000	\$3,228,000
Total Premium	\$94,825,000	\$5,507,000	\$9,546,000	\$1,141,000	\$403,000	\$28,929,000	\$8,958,000	\$5,886,000
Gain (Loss)	\$6,496,000	\$1,249,000	\$952,000	\$629,000	\$257,000	\$5,462,000	\$45,000	\$2,658,000
Employees								
Average Medical Members	6,906	N/A	1,074	125	47	3,358	745	554
Incurred Medical Claims	\$51,298,000	N/A	\$6,690,000	\$195,000	\$93,000	\$17,107,000	\$5,507,000	\$2,611,000
Capitation	\$1,927,000	N/A	\$284,000	\$33,000	\$13,000	\$930,000	\$327,000	\$32,000
Incurred Prescription Drug Claims	\$12,048,000	N/A	\$2,100,000	\$9,000	\$37,000	\$5,647,000	\$1,639,000	\$597,000
Prescription Drug Rebates	(\$4,951,000)	N/A	(\$863,000)	(\$4,000)	(\$15,000)	(\$2,321,000)	(\$674,000)	(\$245,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,059,000	N/A	\$383,000	\$50,000	\$18,000	\$1,515,000	\$206,000	\$233,000
Total Cost	\$62,381,000	N/A	\$8,594,000	\$283,000	\$146,000	\$22,878,000	\$7,005,000	\$3,228,000
Total Premium	\$66,004,000	N/A	\$9,546,000	\$732,000	\$403,000	\$28,273,000	\$7,370,000	\$5,886,000
Gain (Loss)	\$3,623,000	N/A	\$952,000	\$449,000	\$257,000	\$5,395,000	\$365,000	\$2,658,000
Early Retirees								
Average Medical Members	2,458	546	N/A	52	N/A	67	140	N/A
Incurred Medical Claims	\$19,111,000	\$3,079,000	N/A	\$168,000	N/A	\$440,000	\$1,443,000	N/A
Capitation	\$673,000	\$158,000	N/A	\$12,000	N/A	\$18,000	\$38,000	N/A
Incurred Prescription Drug Claims	\$5,773,000	\$1,294,000	N/A	\$46,000	N/A	\$175,000	\$650,000	N/A
Prescription Drug Rebates	(\$2,385,000)	(\$535,000)	N/A	(\$19,000)	N/A	(\$72,000)	(\$269,000)	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$589,000	\$161,000	N/A	\$22,000	N/A	\$28,000	\$46,000	N/A
Total Cost	\$23,761,000	\$4,157,000	N/A	\$229,000	N/A	\$589,000	\$1,908,000	N/A
Total Premium	\$26,559,000	\$5,342,000	N/A	\$409,000	N/A	\$656,000	\$1,588,000	N/A
Gain (Loss)	\$2,798,000	\$1,185,000	N/A	\$180,000	N/A	\$67,000	(\$320,000)	N/A
Medicare Retirees								
Average Medical Members	409	26	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$1,196,000	\$83,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$12,000	\$2,000	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$2,657,000	\$101,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$736,000)	(\$28,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$1,094,000)	(\$69,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$152,000	\$12,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$2,187,000	\$101,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$2,262,000	\$165,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$75,000	\$64,000	N/A	N/A	N/A	N/A	N/A	N/A

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 3C – Plan Year 2024 Aggregate Costs, page 1 of 2

	Legacy Plans							1525		
	Total	Aetna Freedom 10	Aetna Freedom 15	NJ DIRECT10	NJ DIRECT15	Aetna HMO	Horizon HMO	NJ DIRECT	Aetna HMO	Horizon HMO
Employees and Retirees										
Average Medical Members	165,239	20,822	4,529	86,063	24,510	1,583	3,502	5,371	83	137
Incurred Medical Claims	\$1,380,101,000	\$37,027,000	\$7,111,000	\$882,982,000	\$237,361,000	\$3,274,000	\$31,092,000	\$37,862,000	\$138,000	\$903,000
Capitation	\$40,252,000	\$0	\$0	\$25,387,000	\$7,302,000	\$0	\$1,079,000	\$1,067,000	\$0	\$38,000
Incurred Prescription Drug Claims	\$626,876,000	\$175,680,000	\$38,039,000	\$253,482,000	\$64,282,000	\$14,774,000	\$10,003,000	\$25,237,000	\$473,000	\$336,000
Prescription Drug Rebates	(\$212,585,000)	(\$46,822,000)	(\$10,138,000)	(\$98,209,000)	(\$24,924,000)	(\$3,938,000)	(\$3,802,000)	(\$7,618,000)	(\$126,000)	(\$115,000)
EGWP Credits	(\$91,214,000)	(\$63,821,000)	(\$13,881,000)	N/A	N/A	(\$4,853,000)	(\$249,000)	(\$6,572,000)	(\$255,000)	(\$96,000)
Administrative Fees	\$42,355,000	\$3,061,000	\$665,000	\$23,041,000	\$6,683,000	\$234,000	\$1,201,000	\$1,693,000	\$12,000	\$39,000
Total Cost	\$1,785,785,000	\$105,125,000	\$21,796,000	\$1,086,683,000	\$290,704,000	\$9,491,000	\$39,324,000	\$51,669,000	\$242,000	\$1,105,000
Total Premium	\$1,762,362,000	\$103,418,000	\$21,523,000	\$1,061,969,000	\$289,132,000	\$9,088,000	\$40,991,000	\$49,991,000	\$395,000	\$1,324,000
Gain (Loss)	(\$23,423,000)	(\$1,707,000)	(\$273,000)	(\$24,714,000)	(\$1,572,000)	(\$403,000)	\$1,667,000	(\$1,678,000)	\$153,000	\$219,000
Employees										
Average Medical Members	105,781	N/A	N/A	66,550	19,872	N/A	2,282	2,275	N/A	N/A
Incurred Medical Claims	\$1,002,191,000	N/A	N/A	\$658,056,000	\$188,843,000	N/A	\$19,063,000	\$22,263,000	N/A	N/A
Capitation	\$31,707,000	N/A	N/A	\$19,914,000	\$6,000,000	N/A	\$731,000	\$689,000	N/A	N/A
Incurred Prescription Drug Claims	\$264,427,000	N/A	N/A	\$176,149,000	\$46,589,000	N/A	\$5,309,000	\$4,269,000	N/A	N/A
Prescription Drug Rebates	(\$103,217,000)	N/A	N/A	(\$68,758,000)	(\$18,186,000)	N/A	(\$2,072,000)	(\$1,666,000)	N/A	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$30,146,000	N/A	N/A	\$18,403,000	\$5,540,000	N/A	\$809,000	\$645,000	N/A	N/A
Total Cost	\$1,225,254,000	N/A	N/A	\$803,764,000	\$228,786,000	N/A	\$23,840,000	\$26,200,000	N/A	N/A
Total Premium	\$1,213,852,000	N/A	N/A	\$792,615,000	\$228,098,000	N/A	\$25,553,000	\$24,329,000	N/A	N/A
Gain (Loss)	(\$11,402,000)	N/A	N/A	(\$11,149,000)	(\$688,000)	N/A	\$1,713,000	(\$1,871,000)	N/A	N/A
Early Retirees										
Average Medical Members	29,700	N/A	N/A	19,513	4,638	N/A	1,139	952	N/A	106
Incurred Medical Claims	\$322,032,000	N/A	N/A	\$224,926,000	\$48,518,000	N/A	\$11,778,000	\$9,149,000	N/A	\$791,000
Capitation	\$8,475,000	N/A	N/A	\$5,473,000	\$1,302,000	N/A	\$343,000	\$333,000	N/A	\$35,000
Incurred Prescription Drug Claims	\$111,682,000	N/A	N/A	\$77,333,000	\$17,693,000	N/A	\$4,188,000	\$3,173,000	N/A	\$226,000
Prescription Drug Rebates	(\$42,533,000)	N/A	N/A	(\$29,451,000)	(\$6,738,000)	N/A	(\$1,595,000)	(\$1,209,000)	N/A	(\$86,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$7,160,000	N/A	N/A	\$4,638,000	\$1,143,000	N/A	\$364,000	\$188,000	N/A	\$26,000
Total Cost	\$406,816,000	N/A	N/A	\$282,919,000	\$61,918,000	N/A	\$15,078,000	\$11,634,000	N/A	\$992,000
Total Premium	\$396,745,000	N/A	N/A	\$269,354,000	\$61,034,000	N/A	\$14,800,000	\$12,123,000	N/A	\$1,162,000
Gain (Loss)	(\$10,071,000)	N/A	N/A	(\$13,565,000)	(\$884,000)	N/A	(\$278,000)	\$489,000	N/A	\$170,000
Medicare Retirees										
Average Medical Members	29,758	20,822	4,529	N/A	N/A	1,583	81	2,144	83	31
Incurred Medical Claims	\$55,878,000	\$37,027,000	\$7,111,000	N/A	N/A	\$3,274,000	\$251,000	\$6,450,000	\$138,000	\$112,000
Capitation	\$70,000	\$0	\$0	N/A	N/A	\$0	\$5,000	\$45,000	\$0	\$3,000
Incurred Prescription Drug Claims	\$250,767,000	\$175,680,000	\$38,039,000	N/A	N/A	\$14,774,000	\$506,000	\$17,795,000	\$473,000	\$110,000
Prescription Drug Rebates	(\$66,835,000)	(\$46,822,000)	(\$10,138,000)	N/A	N/A	(\$3,938,000)	(\$135,000)	(\$4,743,000)	(\$126,000)	(\$29,000)
EGWP Credits	(\$91,214,000)	(\$63,821,000)	(\$13,881,000)	N/A	N/A	(\$4,853,000)	(\$249,000)	(\$6,572,000)	(\$255,000)	(\$96,000)
Administrative Fees	\$5,049,000	\$3,061,000	\$665,000	N/A	N/A	\$234,000	\$28,000	\$860,000	\$12,000	\$13,000
Total Cost	\$153,715,000	\$105,125,000	\$21,796,000	N/A	N/A	\$9,491,000	\$406,000	\$13,835,000	\$242,000	\$113,000
Total Premium	\$151,765,000	\$103,418,000	\$21,523,000	N/A	N/A	\$9,088,000	\$638,000	\$13,539,000	\$395,000	\$162,000
Gain (Loss)	(\$1,950,000)	(\$1,707,000)	(\$273,000)	N/A	N/A	(\$403,000)	\$232,000	(\$296,000)	\$153,000	\$49,000

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2023 Mid-Year Experience Analysis

Exhibit 3C – Plan Year 2024 Aggregate Costs, page 2 of 2

	2030		2035	HDHigh	HDLow	Tiered Network	NJ DIRECT	
	NJ DIRECT	Horizon HMO	NJ DIRECT	NJ DIRECT	NJ DIRECT	Horizon OMNIA	Horizon NJ DIRECT	Horizon NJ DIRECT 2019
Employees and Retirees								
Average Medical Members	9,487	553	3,274	200	38	3,623	890	574
Incurred Medical Claims	\$74,357,000	\$3,276,000	\$28,263,000	\$658,000	\$75,000	\$23,914,000	\$7,213,000	\$4,595,000
Capitation	\$2,702,000	\$166,000	\$935,000	\$55,000	\$12,000	\$1,075,000	\$398,000	\$36,000
Incurred Prescription Drug Claims	\$22,394,000	\$1,502,000	\$8,632,000	\$185,000	\$31,000	\$7,840,000	\$2,508,000	\$1,478,000
Prescription Drug Rebates	(\$8,273,000)	(\$559,000)	(\$3,370,000)	(\$71,000)	(\$12,000)	(\$3,057,000)	(\$974,000)	(\$577,000)
EGWP Credits	(\$1,406,000)	(\$81,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$2,508,000	\$157,000	\$940,000	\$72,000	\$16,000	\$1,581,000	\$230,000	\$222,000
Total Cost	\$92,282,000	\$4,461,000	\$35,400,000	\$899,000	\$122,000	\$31,353,000	\$9,375,000	\$5,754,000
Total Premium	\$98,819,000	\$5,767,000	\$30,423,000	\$1,350,000	\$368,000	\$31,585,000	\$9,598,000	\$6,621,000
Gain (Loss)	\$6,537,000	\$1,306,000	(\$4,977,000)	\$451,000	\$246,000	\$232,000	\$223,000	\$867,000
Employees								
Average Medical Members	6,473	N/A	3,274	148	38	3,549	746	574
Incurred Medical Claims	\$51,628,000	N/A	\$28,263,000	\$213,000	\$75,000	\$23,297,000	\$5,895,000	\$4,595,000
Capitation	\$1,937,000	N/A	\$935,000	\$42,000	\$12,000	\$1,055,000	\$356,000	\$36,000
Incurred Prescription Drug Claims	\$12,442,000	N/A	\$8,632,000	\$7,000	\$31,000	\$7,566,000	\$1,955,000	\$1,478,000
Prescription Drug Rebates	(\$4,857,000)	N/A	(\$3,370,000)	(\$3,000)	(\$12,000)	(\$2,953,000)	(\$763,000)	(\$577,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,782,000	N/A	\$940,000	\$52,000	\$16,000	\$1,551,000	\$186,000	\$222,000
Total Cost	\$62,932,000	N/A	\$35,400,000	\$311,000	\$122,000	\$30,516,000	\$7,629,000	\$5,754,000
Total Premium	\$66,269,000	N/A	\$30,423,000	\$913,000	\$368,000	\$30,784,000	\$7,879,000	\$6,621,000
Gain (Loss)	\$3,337,000	N/A	(\$4,977,000)	\$602,000	\$246,000	\$268,000	\$250,000	\$867,000
Early Retirees								
Average Medical Members	2,555	527	N/A	52	N/A	74	144	N/A
Incurred Medical Claims	\$21,304,000	\$3,186,000	N/A	\$445,000	N/A	\$617,000	\$1,318,000	N/A
Capitation	\$750,000	\$164,000	N/A	\$13,000	N/A	\$20,000	\$42,000	N/A
Incurred Prescription Drug Claims	\$6,675,000	\$1,389,000	N/A	\$178,000	N/A	\$274,000	\$553,000	N/A
Prescription Drug Rebates	(\$2,542,000)	(\$529,000)	N/A	(\$68,000)	N/A	(\$104,000)	(\$211,000)	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$559,000	\$148,000	N/A	\$20,000	N/A	\$30,000	\$44,000	N/A
Total Cost	\$26,746,000	\$4,358,000	N/A	\$588,000	N/A	\$837,000	\$1,746,000	N/A
Total Premium	\$29,734,000	\$5,581,000	N/A	\$437,000	N/A	\$801,000	\$1,719,000	N/A
Gain (Loss)	\$2,988,000	\$1,223,000	N/A	(\$151,000)	N/A	(\$36,000)	(\$27,000)	N/A
Medicare Retirees								
Average Medical Members	459	26	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$1,425,000	\$90,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$15,000	\$2,000	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$3,277,000	\$113,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$874,000)	(\$30,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$1,406,000)	(\$81,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$167,000	\$9,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$2,604,000	\$103,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$2,816,000	\$186,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$212,000	\$83,000	N/A	N/A	N/A	N/A	N/A	N/A

Some plans may show \$0 in certain cost categories. These plans may have costs which are less than \$500 and round to \$0. The Incurred Medical Claims cost category reflects the Medicare Advantage plan premiums for the Fully Insured Medicare Retiree medical plan options.

SHBP Plan Year 2023 Mid-Year Experience Analysis Exhibit 4A – Employee Plan Year 2024 Option Summary

	Government Actives										
	NJDIRECT PPO Plan	NJDIRECT 2019 PPO Plan	\$10 PPO	\$15 PPO	\$10 HMO	1525PPO	2030PPO	2035PPO	HD High	HD Low	Tiered Network
In-Network											
Deductible (Single/Family) ¹	None	\$100	None	None	None	None	None	\$200/\$500 for non-copayment services	\$4,100/\$8,200	\$1,600/\$3,200	Tier 1: \$0 Tier 2: \$1,500/\$3,000
Coinsurance OOP Maximum (Single/ Family)	\$800/\$2,000	\$800/\$2,000	None	\$400/\$1,000	None	\$400/\$1,000	\$800/\$2,000	\$2,000/\$5,000	None	None	None
Total In-Network OOP Maximum (Single/Family) ¹	\$7,560/\$15,120	\$7,560/\$15,120	\$400/\$1,000	\$7,560/\$15,120	\$7,560/\$15,120	\$7,560/\$15,120	\$7,560/\$15,120	\$7,560/\$15,120	\$5,100/\$10,200	\$2,600/\$5,200	Tier 1: \$2,500/\$5,000 Tier 2: \$4,500/\$9,000
Overall Coinsurance	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	20%	20%	20%	Tier 1: No Charge Tier 2: 20%
PCP	\$15 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$20 copay	\$20 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$5 copay Tier 2:\$20 copay
Specialist	\$15 copay	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$35 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$15 copay Tier 2:\$30 copay
Urgent Care	\$15 copay	\$15 Copay	\$10 Copay	\$15 copay	\$10 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$35 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$15 copay Tier 2:\$30 copay
Emergency Room	\$150 copay	\$150 copay	\$75 copay	\$100 copay	\$85 copay	\$100 copay	\$125 copay	\$300 copay	20% coinsurance after deductible	20% coinsurance after deductible	\$100 copay
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	20% coinsurance after deductible	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$150 copay Tier 2: 20% coinsurance after deductible
Out-of-Network											
Deductible (Single/Family)	\$400/\$1000	\$400/\$1000	\$100/\$250	\$100/\$250	Not covered	\$100/\$250	\$200/\$500	\$800/\$2,000	Combined with In-Network Deductible	Combined with In-Network Deductible	Not covered
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	Not covered	\$2,000/\$5,000	\$5,000/\$12,500	\$6,500/\$13,000	\$6,000/\$12,000	\$3,500/\$7,000	Not covered
Overall Coinsurance	30%	30%	20%	30%	Not covered	30%	30%	40%	40%	40%	Not covered
Prescription Drug											
OOP Maximum (Single/Family)	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780	\$1,890/\$3,780
Retail - Generic	\$7	\$7	\$3	\$3	\$3	\$3	\$7	\$3	\$7	\$7	\$7
Retail - Preferred Brand	\$16	\$16	\$10	\$10	\$10	\$16	\$18	\$21	\$16	\$21	\$16
Retail - Non-Preferred Brand	Member Pays the Difference	Member Pays the Difference	\$10	\$10	\$10	\$35	\$46	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	\$35
Retail - Brand w/ Generic available	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference
Mail- Generic	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mail - Preferred Brand	\$40	\$40	\$15	\$15	\$15	\$40	\$36	\$52	\$40	\$52	\$40
Mail - Non-Preferred Brand	Member Pays the Difference	Member Pays the Difference	\$15	\$15	\$15	\$88	\$92	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	\$88
Mail - Brand w/ Generic available	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference	Member Pays the Difference

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

Note: Local government employers can select from the SHBP's Prescription Drug Plans, purchase their own prescription drug coverage plan, or receive prescription drug coverage through the SHBP medical plan. Copayments shown apply to the plans when coverage is through the SHBP's Prescription Drug Plans. If prescription drug coverage is through the medical plan: Coinsurance is 10% for NJ DIRECT10 and NJ DIRECT15; Coinsurance is 15% for NJ DIRECT1525 and NJ DIRECT2030; Coinsurance is 20% for NJ DIRECT2035. Copayments for Aetna Freedom10, Aetna Freedom15, Aetna HMO, and Horizon HMO are \$5, \$10, \$20 (Retail 30-day supply) and \$5, \$15, \$25 (Mail Order 90-day supply); Copayments for Aetna Freedom1525, Aetna Freedom2035, Aetna Freedom2035, Aetna Liberty, and Horizon OMNIA are shown in chart above. For High Deductible Health Plans, prescription drug coverage must be through the SHBP medical plan and are subject to the plan's deductible and coinsurance amounts.

²On 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.

SHBP Plan Year 2023 Mid-Year Experience Analysis Exhibit 4B – Early Retiree Plan Year 2024 Option Summary

	Government Early Retirees										
	NJDIRECT PPO Early Retiree Plan	\$10 PPO	\$15 PPO	\$10 HMO	1525PPO	1525HMO	2030PPO	2030HMO	HD High	HD Low	Tiered Network
In-Network											
Deductible (Single/Family) ¹	\$0	None	None	None	None	None	None	None	\$4,100/\$8,200	\$1,600/\$3,200	Tier 1: \$0 Tier 2: \$1,500/\$3,000
Coinsurance OOP Maximum (Single/ Family)	\$800/\$2,000	None	\$400/\$1,000	None	\$400/\$1,000	None	\$800/\$2,000	None	None	None	None
Total In-Network OOP Maximum (Single/Family) ¹	\$8,099/\$16,198	\$400/\$1,000	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198	\$5,100/\$10,200	\$2,600/\$5,200	Tier 1: \$2,500/\$5,000 Tier 2: \$4,500/\$9,000
Overall Coinsurance	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	10% ²	20%	20%	Tier 1: No Charge Tier 2: 20%
PCP	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$15 copay	\$15 copay	\$20 copay	\$20 copay	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$5 copay Tier 2:\$20 copay
Specialist	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$15 copay Tier 2:\$30 copay
Urgent Care	\$15 copay	\$10 copay	\$15 copay	\$10 copay	\$25 copay	\$25 copay	\$30 copay/ \$20 copay (child)	\$30 copay/ \$20 copay (child)	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$15 copay Tier 2:\$30 copay
Emergency Room	\$150 copay	\$75 copay	\$100 copay	\$85 copay	\$100 copay	\$100 copay	\$125 copay	\$125 copay	20% coinsurance after deductible	20% coinsurance after deductible	\$100 copay
Inpatient Hospital	No charge	No charge	No charge	No charge	No charge	No charge	No charge	No charge	20% coinsurance after deductible	20% coinsurance after deductible	Tier 1: \$150 copay Tier 2: 20% coinsurance after deductible
Out-of-Network											
Deductible (Single/Family)	\$400/\$1000	\$100/\$250	\$100/\$250	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered	Combined with In- Network Deductible	Combined with In- Network Deductible	Not covered
Total Out-of-Network OOP Maximum (Single/Family)	\$2,000/\$5,000	\$2,000/\$5,000	\$2,000/\$5,000	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered	\$6,000/\$12,000	\$3,500/\$7,000	Not covered
Overall Coinsurance	30% (175% CMS)	20%	30%	Not covered	30%	Not covered	30%	Not covered	40%	40%	Not covered
Prescription Drug											
OOP Maximum (Single/Family)	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702
Retail - Generic	\$7	\$10	\$10	\$6	\$7	\$7	\$3	\$3	Subject to Deductible and Coinsurance	Subject to Deductible and Coinsurance	\$7
Retail - Preferred Brand	\$16	\$22	\$22	\$12	\$16	\$16	\$18	\$18			\$16
Retail - Non-Preferred Brand	\$35	\$44	\$44	\$24	\$35	\$35	\$46	\$46			\$35
Retail - Brand w/ Generic available	Member Pays the Difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference			Member Pays the Difference
Mail - Generic	\$18	\$5	\$5	\$5	\$5	\$5	\$5	\$5			\$18
Mail - Preferred Brand	\$40	\$28	\$28	\$18	\$40	\$40	\$36	\$36			\$40
Mail - Non-Preferred Brand	\$88	\$55	\$55	\$30	\$88	\$88	\$92	\$92			\$88
Mail - Brand w/ Generic available	Member Pays the Difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference	Member pays the difference			Member Pays the Difference

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

²On 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.

SHBP Plan Year 2023 Mid-Year Experience Analysis Exhibit 4C – Medicare Retiree Plan Year 2024 Option Summary

	Government Medicare Advantage ²				Government 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	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198	\$8,099/\$16,198
Overall Coinsurance	None	None	None	None	10% ⁵	10% ⁵	10% ⁵	10% ⁵	10% ⁵
PCP	\$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	\$75 copay	\$75 copay	\$75 copay	\$75 copay	\$85 copay	\$100 copay	\$100 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
Coinsurance OOP Maximum (Single/Family) ¹	None	None	Not Covered	Not Covered	Not covered	None	Not covered	None	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 Drug⁴									
OOP Maximum (Single/Family)	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702	\$1,351/\$2,702
Retail - Generic	\$10	\$10	\$6	\$7	\$6	\$7	\$7	\$3	\$3
Retail - Preferred Brand	\$22	\$22	\$12	\$16	\$12	\$16	\$16	\$18	\$18
Retail - Non-Preferred Brand	\$44	\$44	\$24	\$35	\$24	\$35	\$35	\$46	\$46
Mail - Generic ³	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Mail - Preferred Brand ³	\$28	\$28	\$18	\$40	\$18	\$40	\$40	\$36	\$36
Mail - Non-Preferred Brand ³	\$55	\$55	\$30	\$88	\$30	\$88	\$88	\$92	\$92

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

² Medicare 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.

³ Mail Copay amounts shown above are for 30 day prescriptions. Copays for 90-day prescriptions may differ.

⁴ 30-day copays for Specialty Pharmacy in the Employer Group Waiver Plan (EGWP) range from \$1 for generic, \$6-\$13 for preferred brand, and \$10-\$30 for non-preferred brand depending on retiree plan option.

⁵ On Select Services

The plan options shown above are provided for reference purposes and reflect potential options available to a member. The plan options shown above are not available for all members and can be dependent on multiple factors such as union designation, years of service, etc.

About Aon

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

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