

School Employees' Health Benefits Commission  
Open Session Minutes  
September 5, 2019

Adequate notice of this meeting has been provided through the annual notice of the schedule of regular meetings of the Commission filed with and prominently posted in the offices of the Secretary of State. The 2019 annual meeting schedule was mailed to the Secretary of State, Star Ledger and the Trenton Times on August 26, 2019.

The meeting of the School Employees' Health Benefits Commission of New Jersey was called to order on Thursday, September 5, 2019 at 10am. The meeting was held at the Division of Pensions and Benefits, 50 West State Street in Trenton.

The text of Resolution A (Closed Session) and Resolution B (Executive Session) were read in their entirety in the event that the Commission desires, at any point in the meeting, to approve a motion to go into Closed or Executive session.

Acting Secretary Nicole Ludwig took Roll Call and established that a quorum was present.

**Commissioners:**

Don Henson, representing Dept. of Banking and Insurance  
Julie Giordano Plotkin, Associate Director, NJEA  
Dan Goldman, NJEA  
Cynthia Jahn, NJ School Boards Association  
Michael Maillaro, AFL-CIO Representative  
Sonia Rivera-Perez, representing State Treasurer Elizabeth Maher Muoio  
Kevin Kelleher, NJEA

**Also Present:**

Beth Mitchell, Deputy Attorney General  
David Pointer, Division of Pensions and Benefits  
Christin Deacon, Division of Pensions and Benefits  
Mark Cipriano, Division of Pensions and Benefits  
Andrew Lawson, Division of Pensions and Benefits  
Nicole Ludwig, Division of Pensions and Benefits  
Michele Engle, AON  
Jonathan Nemeth, AON

The meeting began with the nomination of an interim chair. Commissioner Maillaro made a motion to nominate Commission Kevin Kelleher as interim chair. Commissioner Goldman seconded; all voted in favor.

### **2020 Rate Renewals – AON**

The discussion began with Commissioner Rivera-Perez inquiring about the impact rates if the SEHBP were to adopt the same reforms as the SHBP. AON representative Michele Engle explained that if the SHBP were to adopt the out-of-network chiropractic, acupuncture, and physical therapy reform, the rate change for active employees would be a decrease of an additional 9%, and for Early Retirees it would be a decrease of an additional 7%. Ms. Engle continued, if the SEHBP were to adopt the out-of-network chiropractic, acupuncture, and physical therapy reforms, plus out of network lab, the mandatory generic and Optimum preferred formulary, the current rate would be decreased an additional 11% for Actives and 10% for Early Retirees. AON representative Jonathan Nemeth added that the reserves would remain at 4.3%.

Commissioner Kelleher asked if AON would provide reserve updates throughout the year and their reply was yes, they would do so. Commissioner Maillaro made a motion to approve the recommended 2020 SEHBP rates. Commissioner Giordano Plotkin seconded and all voted in favor.

With no further business to discuss, Commissioner Kelleher made a motion to adjourn. Commissioner Giordano Plotkin seconded. All voted in favor and the meeting adjourned at 10:15 am.

Sincerely,

A handwritten signature in black ink that reads "Nicole Ludwig". The signature is written in a cursive, flowing style.

Nicole Ludwig

Acting Secretary, School Employees' Health Benefits Commission