

**SHBP PDC RESOLUTION #2017-1**

**RESOLUTION OF THE STATE HEALTH BENEFITS PROGRAM PLAN DESIGN COMMITTEE TO CONTINUE RESOLUTIONS 2016-2, 2016-3, AND 2016-5 RELATED TO GENERIC SUBSTITUTION, FORMULARY REIMBURSEMENT AND OUT OF NETWORK REIMBURSEMENT RATES FOR PHYSICAL THERAPY**

WHEREAS, pursuant to N.J.S.A. 52:14-17.29 et seq. the State Health Benefits Program (SHBP) provides health coverage to qualified employees and retirees of the State and participating local employers; and

WHEREAS, the SHBP was enacted in 1961 for the purpose of providing affordable health care coverage for public employees on a cost effective basis; and

WHEREAS, on August 29, 2016, after reviewing multiple recommendations and reports of AON Consulting, Inc., Horizon and Aetna, the SHBP Plan Design Committee adopted Resolution #2 on generic substitution (attached), Resolution #3 on formulary management (attached), and Resolution #5 on out of network physical therapy reimbursements (attached), finding these changes to be in the best interest of the State, local employers, and employees; and

WHEREAS, the Resolutions #2, #3, and #5, adopted on August 29, 2016, authorized the respective programs for one year, upon which time a review was required; and

WHEREAS, the SHBP Plan Design Committee continues to find that generic substitution, formulary management, and structured out of network physical therapy reimbursements are in the best interest of the State, local employers, and employees and desires to continue these plan design provisions.

**NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The generic substitution approved by the SHBP Plan Design Committee on August 29, 2016 in Resolution #2 (attached) is continued;
2. The formulary management approved by the SHBP Plan Design Committee on August 29, 2016 in Resolution #3 (attached) is continued;
3. The structured out of network reimbursement rates for physical therapy approved by the SHBP Plan Design Committee on August 29, 2016 in Resolution #5 (attached) is continued.
4. These provisions shall continue for one plan year and may only be continued upon an affirmative vote of the PDC.

DATED: July 27, 2017