

**SHBP PDC RESOLUTION # 2023-12**

**RESOLUTION OF THE STATE HEALTH BENEFITS PLAN DESIGN COMMITTEE  
TO REPLACE THE NJ DIRECT HD4000 WITH THE NJ DIRECT HDHIGH**

WHEREAS, pursuant to N.J.S.A. 52:14-17.25 to -17.46a, the State Health Benefits Program (SHBP) provides health coverage to qualified employees and retirees of the State of New Jersey (State) and participating local employers; and

WHEREAS, the SHBP was created in 1961 to provide affordable health care coverage for public employees on a cost-effective basis; and

WHEREAS, all SHBP plans, with the exception of Medicare Advantage plans, are self-funded, which means the money paid out for benefits comes directly from a SHBP fund supplied by the State, participating local employers, and member premiums; and

WHEREAS, the SHBP currently offers a high deductible health plan (“HDHP”) known as the NJ Direct HD4000 plan;

WHEREAS, by Resolution 2023-11, the SHBP Plan Design Committee replaced the plan known as the NJ Direct HD1500 plan with the NJ Direct HDLow plan to comply with Internal Revenue Service (“IRS”) rules applicable to HDHPs specifically, the minimum deductible to contribute to a qualified Health Savings Account (“HSA”) under IRS rules;

WHEREAS, pursuant to N.J.S.A. 52:14-17.29(D), the SHBP Plan Design Committee finds it in the best interest of the State, local employers, and employees to replace the NJ Direct HD4000 with a new plan known as the NJ Direct HDHigh, to ensure the deductibles and out-of-pocket maximums applicable to the SHBP’s HDHPs maintain a sufficient delta to ensure the variety of plans offered to SHBP members remains constant.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Effective for plan year 2024, the SHBP will replace the NJ Direct HD4000 with the NJ Direct HDHigh plan.
2. The deductible for the NJ Direct HDHigh will be will be \$2,500 greater than the HDHP minimum deductible set by the IRS for each plan year for single coverage and \$5,000 greater than the HDHP minimum deductible set by the IRS for each plan year for family coverage (i.e., the deductible for plan year 2024 will be \$4,100 for single and \$8,200 for family coverage);
3. The HSA contribution limit for the NJ Direct HDHigh will be the HSA contribution limit set by the IRS for each plan year (i.e., the HSA contribution limit for plan year 2024 will be \$4,150 for single and \$8,300 for family coverage).
4. The HSA catch-up contribution limit for the NJ Direct HDHigh for persons age 55 or older will be the amount set by the IRS for each plan year (i.e., the HSA catch-up contribution limit for plan year 2024 will be \$1,000).
5. The in-network out-of-pocket maximum for single coverage under the NJ Direct HDHigh will be \$3,500 more than the HDHP minimum deductible set by the IRS for each plan year (i.e., the in-network out-of-pocket maximum for plan year 2024 will be \$5,100 for single coverage). The in-network out-of-pocket maximum for family coverage under the NJ

## 2023-12 NJ Direct HDHigh

Direct HDHigh will be twice the in-network out-of-pocket maximum for single coverage (i.e., the in-network out-of-pocket maximum for plan year 2024 will be \$10,200 for family coverage).

The out-of-network out-of-pocket maximum for the NJ Direct HDHigh will be indexed to the HDHP minimum deductible set by the IRS for each plan year. The out-of-network out-of-pocket maximum for single coverage under the NJ Direct HDHigh will be \$4,500 more than the HDHP minimum deductible set by the IRS for each plan year (i.e., the out-of-network out-of-pocket maximum for plan year 2024 will be \$6,100 for single coverage). The out-of-network out-of-pocket maximum for family coverage under the NJ Direct HDHigh will be twice the out-of-network out-of-pocket maximum for single coverage (i.e., the out-of-network out-of-pocket maximum for plan year 2024 will be \$12,200 for family coverage).

The maximum out-of-pocket amount for the NJ Direct HDHigh may never exceed the maximum out-of-pocket amount set by the IRS for each plan year.

6. The rest of the terms applicable to NJ Direct HD4000 plan shall apply to the NJ Direct HDHigh.
7. The SHBP will offer the NJ Direct HDHigh plan for plan year 2024 and every plan year thereafter until an affirmative majority vote of the SHBP Plan Design Committee determines otherwise.

DATED: August 23, 2023