



State of New Jersey

State Health Benefits Program

Plan Year 2022 Rate Setting Recommendation Analysis

Local Government Employee Group

September 8, 2021

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Executive Summary

The purpose of this Analysis is to recommend premium levels for the Local Government Employer Group of the State Health Benefits Program (SHBP) for January 1, 2022 through December 31, 2022.

Recommended premium rate changes are based on a review of the experience of the Medical and Prescription Drug benefits offered to Active Employees and Retirees by the SHBP. The updated projections for Plan Year 2022 are based on medical and prescription drug claims incurred January 1, 2020 through December 31, 2020 and paid through March 31, 2021. The following summarizes the major highlights in this Renewal Analysis:

- The total recommended Plan Year 2022 premium rate change for the combined Local Government Actives, Early Retirees, and Medicare Retirees is an increase of 5.0%. This reflects the following:
 - The recommended rate change for Local Government Actives is a 1.7% increase for medical and a 7.1% increase for the prescription drug premium rates, for a total increase of 2.3%.
 - The recommended rate change for Local Government Early Retirees is a 33.5% increase for medical and a 24.0% increase for the prescription drug premium rates, for a total increase of 31.8%.
 - The Medicare Retiree medical increase for Plan Year 2022 is 8.4%, which includes both self-insured medical premiums and fully insured Medicare Advantage premiums. The recommended prescription drug rate change in Plan Year 2021 is a 5.7% increase.

Recommended Premium Renewal Changes

The recommended Plan Year 2022 premium rate changes are as follows: a 2.3% increase for Active Employees, a 31.8% increase for Early Retirees and a 6.9% increase for Medicare Retirees. The Medicare Retirees medical increases for Plan Year 2022 includes both self-insured medical premiums and fully insured Medicare Advantage premiums. For all groups combined, the recommended change is an increase of 5.0%.

The recommended renewal changes for Plan Year 2022 by benefit plan are listed below.

	Medical	Rx			Total
		Rx Card	MMRx	Total Rx	
Actives					
PPO / NJDIRECT / HDHP	1.7%	3.1%	23.4%	7.1%	2.3%
HMO	1.7%	3.1%	3.1%	3.1%	1.9%
Tiered Network	0.7%	5.8%	26.7%	12.9%	2.4%
Total	1.7%	3.1%	22.1%	7.1%	2.3%
Early Retirees					
PPO / NJDIRECT / HDHP	33.5%			24.0%	31.9%
HMO	33.5%			24.0%	31.7%
Total	33.5%			24.0%	31.8%
Medicare Retirees					
Total	8.4%			5.7%	6.9%
Grand Total	4.5%			8.4%	5.0%

The table below shows the projected total Claim Stabilization Reserve at the end of Plan Years 2020 through 2022 for Local Government. The projected reserve as of December 31, 2020 is based on the reserve balance as of September 30, 2020 provided by the State. The projected reserves as of December 31, 2021 and December 31, 2022 are based on the reserve balance as of March 31, 2021 provided by the State.

SHBP Projected Claim Stabilization Reserve

(in \$ millions)

	Active	Retiree	Total
12/31/2020	\$406	\$110	\$516
12/31/2021	\$371	\$6	\$377
12/31/2022	\$371	\$6	\$377
Months of Plan Cost as of 12/31/2022	3.9	0.1	2.7

COVID-19

Aon's current guidance is to project medical claims using 2020 claims data normalized for the impacts of COVID-19. For the Plan Year 2022 Renewals, 2020 claims used for projecting 2021 and 2022 are adjusted using a blend of actual vs. expected claims experience, Aon National COVID-19 medical claim factors, and Aon North East Regional COVID-19 medical claims factors. The Local Government medical normalization factor for Actives is 1.10, for Early Retirees is 1.10, and for Medicare Retirees is 1.18.

Plan Year 2021 and 2022 estimates are limited by unknown factors, including:

- Cost of regular testing for COVID-19 and multiple infection peaks
- Cost of new drugs or vaccines that are developed and requirements for employers to cover those costs, at any price
- Unforeseen impact of provider economic distress & healthcare system capacity limits
- Potential higher ongoing costs of patients who recovered from COVID-19 illness
- Increased severity of claims as a result of delayed treatment
- Spillover of delayed non-essential care from 2020 into 2021
- Impact of federal assistance
- Potential to create anti-selection among employee population (i.e. COBRA, covered dependents, opt-in rates)

The Plan Year 2022 premium projections do not include any additional margin for COVID-19.

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.

Plan Year 2022 Overview

The following plan design changes were approved by the SHBP Plan Design Committee for Plan Year 2017 and were subsequently reaffirmed for Plan Years 2018 through 2021. These are assumed to continue to be in effect for Plan Year 2022:

- Physical Therapy Out-of-Network (OON) Reimbursement Change: All PPO plans limit plan payments for out-of-network physical therapy services to the average of the in-network rate for physical therapy 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.
- Step Therapy Changes: State Active employees who were not previously impacted by Step Therapy are now subject to this program. Step Therapy requires members to try a more cost-effective, clinically-equivalent drug before certain drugs will be covered.

Additional Plan Design Changes that have been made and are assumed to continue to be in effect for Plan Year 2022 are as follows:

- Implementation of Fair Health National Database Reimbursement Methodology: Effective March 1, 2020, Out-of-Network medical claims for plans that reimburse based on FAIR Health database will be reimbursed based on the National Database of associated charges, rather than based on charges grouped by three-digit zip code. The underlying Local Government Active and Early Retiree 2020 incurred claims were reduced 0.5% and 0.4%, respectively, to account for claims that were incurred prior to March 1, 2020. This legislation is assumed to continue in Plan Year 2022. This estimated impact was provided by Horizon and does not impact Medicare Retirees.
- 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 and Data Warehouse 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. This program is estimated to reduce Local Government Active medical claims by \$4.8 million in Plan Year 2021 and \$6.0 million in Plan Year 2022. Local Government Active fees are estimated to be \$1.1 million in Plan Year 2021 and \$1.3 million in Plan Year 2022. This program is estimated to reduce Local Government Early Retiree medical claims by \$1.2 million in Plan Year 2021 and \$1.5 million in Plan Year 2022. Local Government Early Retiree fees are estimated to be \$0.3 million in Plan Years 2021 and 2022. Estimated savings and fees were based on data provided by HMS. This program does 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. This program is estimated to reduce Local Government Early Retiree medical claims by \$0.8 million in Plan Year 2021 and \$2.5 million in Plan Year 2022. Local Government Early Retiree fees are estimated to be \$0.2 million in

Plan Year 2021 and \$0.3 million in Plan Year 2022. Estimated savings and fees were based on data provided by SSDC.

- Navigation Advocacy: Effective January 1, 2020, Horizon implemented Horizon Health Guide, an enhanced Navigation and Advocacy Model. The implementation of this program is estimated to reduce Active and Early Retiree projected Plan Year 2021 medical claims by 3.5% and Plan Year 2022 medical claims by an additional 3.0%. 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 sending targeted communications to members for enrollment. Livongo analyzes data to personalize the program for each member and provide real-time health insights. This program is estimated to reduce Local Government Active medical claims by \$3.7 million in Plan Year 2021 and \$7.9 million in Plan Year 2022 and reduce Local Government Active prescription drug claims by \$1.2 million in Plan Year 2021 and \$2.2 million in Plan Year 2022. Local Government Active fees are estimated to be \$2.0 million in Plan Year 2021 and \$3.9 million in Plan Year 2022. This program is estimated to reduce Local Government Early Retiree medical claims by \$0.9 million in Plan Year 2021 and \$1.9 million in Plan Year 2022 and reduce Local Government Early Retiree prescription drug claims by \$0.3 million in Plan Year 2021 and \$0.5 million in Plan Year 2022. Local Government Early Retiree fees are estimated to be \$0.5 million in Plan Year 2021 and \$1.0 million in Plan Year 2022. Estimated savings and fees were based on data provided by Livongo. This program does not impact Medicare Retirees.
 - Livongo Whole Person: Beginning Plan Year 2021, 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 January 31, 2020. This program is estimated to reduce Local Government Active medical claims by \$1.3 million in Plan Year 2021 and \$2.2 million in Plan Year 2022. Local Government Active fees are estimated to be \$1.0 million in Plan Year 2021 and \$1.6 million in Plan Year 2022. This program is estimated to reduce Local Government Early Retiree medical claims by \$0.3 million in Plan Year 2021 and \$0.5 million in Plan Year 2022. Local Government Early Retiree fees are estimated to be \$0.2 million in Plan Year 2021 and \$0.4 million in Plan Year 2022. Estimated savings and fees were based on data provided by Livongo. This program does not impact Medicare Retirees.
 - Hinge Health: Effective 2021, the State implemented Hinge Health, a coach-led, digital program using sensor guided exercise therapy for chronic back and joint pain. This program is estimated to reduce Local Government Active medical claims by \$4.3 million in Plan Year 2021 and \$4.1 million in Plan Year 2022. Local Government Active fees are estimated to be \$1.2 million in Plan Year 2021 and \$1.1 million in Plan Year 2022. This program is estimated to reduce Local Government Early Retiree medical claims by \$1.0 million in Plan Years 2021 and 2022. Local Government Early Retiree fees are estimated to be \$0.3 million in Plan Years 2021 and 2022. Estimated savings and fees were based on data provided by Hinge Health. This program does not impact Medicare Retirees.
 - Amino: Effective 2021, 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. This program is estimated to reduce Local Government Active medical claims by \$2.4 million in Plan Years 2021 and 2022. Local Government Active fees are estimated to be \$1.5 million in Plan Years 2021 and 2022. This program is estimated to reduce

Local Government Early Retiree medical claims by \$0.6 million in Plan Years 2021 and 2022. Local Government Early Retiree fees are estimated to be \$0.3 million in Plan Year 2021 and \$0.4 million in Plan Year 2022. Estimated savings and fees were based on data provided by Amino. This program does not impact Medicare Retirees.

- Wondr Health (formerly Naturally Slim): Effective 2021, 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. This program is estimated to reduce Local Government Active medical claims by \$2.0 million in Plan Year 2021 and \$2.3 million in Plan Year 2022. Local Government Active fees are estimated to be \$1.5 million in Plan Year 2021 and \$1.7 million in Plan Year 2022. This program is estimated to reduce Local Government Early Retiree medical claims by \$0.5 million in Plan Year 2021 and \$0.6 million in Plan Year 2022. Local Government Early Retiree fees are estimated to be \$0.4 million in Plan Years 2021 and 2022. Estimated savings and fees were based on data provided by Wondr Health. This program does not impact Medicare Retirees.
- TurningPoint: Effective January 1, 2022, the State is implementing TurningPoint's Spinal Surgery Management Solution, which replaces existing fee-for-service spinal surgery claims with a guaranteed per member capitated rate. The utilization management program supports members and providers from condition identification through recovery by empowering members and providers with meaningful decision support ultimately resulting in high quality affordable care. The program is estimated to reduce Plan Year 2022 Local Government Active and Early Retiree medical claims \$2.8 million and \$0.8 million, respectively. This program does not impact Medicare Retirees. Savings were provided by TurningPoint and reflects guaranteed savings only.
- eviCore: Effective January 1, 2021, 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. The program is estimated to reduce Plan Year 2021 Local Government Active and Early Retiree medical claims \$0.8 million and \$0.2 million, respectively. The program is estimated to reduce Plan Year 2022 Local Government Active and Early Retiree medical claims \$1.1 million and \$0.3 million, respectively. This program does not impact Medicare Retirees. Savings were provided by eviCore.

Vendor Changes

Medical Vendors: Effective January 1, 2020, all self-insured medical plans are administered solely by Horizon. Aon assumes that Horizon will continue to be the sole self-insured medical vendor in Plan Year 2022.

Aon assumes that Aetna will continue to administer the fully-insured Medicare Advantage plan options for Plan Year 2022.

Pharmacy Benefit Manager: Effective January 1, 2020, prescription drug benefits for Actives and Retirees are administered by Optum as a result of a 2019 Reverse Auction Bid Solicitation administered by TruVeris, Inc. Optum is assumed to administer all of the prescription drug plans in Plan Year 2022.

Federal Health Care Reform

In-Network Out-of-Pocket Maximum: Effective 1/1/2022, Federal Health Care Reform requires that in-network medical and prescription drug benefits have a combined out-of-pocket maximum no greater than \$8,700 single / \$17,400 family. This benefit change will not have a significant impact on projected costs. Aon did not include any specific additional administrative load for the Local Plans with private Rx cards, who may want to integrate the administration of their medical and prescription drug out-of-pocket limits.

Plan Year	Out-of-Pocket Maximum (Single/Family)
2020	\$8,150 / \$16,300
2021	\$8,550 / \$17,100
2022	\$8,700 / \$17,400

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's low employee contributions and rich benefit designs.

ACA 9010: Section 9010 of the ACA imposed a Health Insurer Fee (HIF) on each covered entity engaged in the business of providing health insurance for United States health risks. The HIF will help fund the federal subsidies given to lower-income families that may not have coverage. On January 22, 2018, Congress passed a spending bill which placed a moratorium on this tax in Plan Year 2019. As of December 20, 2019, the HIF is in place for Plan Year 2020, however has been repealed beginning Plan Year 2021.

Further Consolidated Appropriations Act, 2020: On December 20, 2019, the President signed an omnibus bill that included a repeal of the excise tax on high-cost employer-sponsored health coverage, the medical device excise tax, and the health insurance providers fee (also known as the health insurance tax). Although the excise tax has been twice delayed, it was scheduled to go into effect in 2022. The medical device excise tax was scheduled to expire on December 31, 2019. The health insurance providers fee had a moratorium placed on it during 2019, will go back into effect in 2020, and will be eliminated permanently beginning in 2021.

New Jersey State Mandates

NJ Fertility Preservation Services: Effective April 12, 2020, coverage for standard fertility preservation services must be provided when a medically necessary treatment may directly or indirectly cause iatrogenic infertility, meaning impairment of fertility through surgery, radiation, chemotherapy, or other medical treatment affecting reproductive organs or processes.

NJ Preventive Services Mandate: Effective April 15, 2020, the SHBC must provide coverage without any cost sharing for the following preventive services: evidence-based items or services that have a rating of an "A" or "B" in the current recommendations of the United States Preventive Services Task Force, immunizations that have in effect a recommendation for the Advisor Committee on Immunization Practices of the Centers of Disease Control and Prevention, evidence-informed preventive care for infants, children and adolescents outlined in the comprehensive guidelines supported by the Health Resources and Services Administration, and additional preventive care and screenings for women outline in the comprehensive guidelines supported by the Health Resources and Services Administration.

NJ Contraceptive Mandate 2020: Effective April 15, 2020, the previous Contraceptive Mandate is expanded to cover any contraceptive drug, device or product approved by the United States Federal Drug Administration (FDA), any over-the-counter contraceptive drug with FDA approval without a prescription, and voluntary male and female sterilization at no cost share.

NJ Breastfeeding Support 2020: Effective July 15, 2020, the SHBC is required to cover at no cost share breastfeeding equipment, such as a breast pump, and comprehensive lactation consultations and counseling.

NJ Early Elective C-Section: Effective 2019, the SHBP is prohibited from providing health benefits coverage for certain non-medically indicated early elective deliveries.

NJ COVID-19 Emergency Guidance: During the Covid-19 pandemic, the SHBP is subject to emergency guidance elimination member cost sharing on COVID-19 testing as well as telemedicine services.

These New Jersey State mandates are not expected to materially impact the projected SHBP plan costs.

Eligibility Changes and Other Eligible Members

Chapter 375 Coverage of Adult Children

New Jersey currently mandates the coverage of adult children under age 31 at a premium level that is equivalent to the child rate included in the standard premium tables, loaded 2% for additional expenses. The Adult child rate will be approximately 88% of the Single Employee rate. Adult dependent Local Government enrollment is 97 participants as of April 2021.

Enrollment Changes

Exhibit 1A shows historical enrollment patterns from 2019 through 2021 and includes a projection of enrollment from 2021 to 2022. This projection assumes that Local Government Actives is projected to increase 2.0% in Plan Year 2022; Early Retiree enrollment is projected to increase 3.5% in Plan Year 2022; and Medicare Retiree enrollment is projected to increase 4.0% in Plan Year 2022.

Exhibit 1B reflects the distribution of projected Plan Year 2021 enrollment among benefit options. Approximately 58% of Local Government Actives are assumed to be enrolled in the PPO10 plan and 21% of Local Government Actives are assumed to be enrolled in the PPO15 plan. Based on the Plan Year 2021 enrollment results, the HMO10 plan is projected to be approximately 3% of the total Active enrollment. Approximately 85% of Local Government Retirees are assumed to be enrolled in the PPO10 plan or the PPO15 plan. Projected enrollment noted above do not reflect any potential future impacts associated with COVID-19 (i.e. furloughs, layoffs, etc.)

Exhibit 1C shows enrollment by benefit option and coverage tier as of April 2021.

Dependents per Subscriber are based on ratios using Local Government enrollment as of April 2021 and are assumed to remain constant for Plan Year 2022.

Enrollment Migration to Lower Cost Plans

Local Active Plans: For Local Government Actives, due to the implementation of the NJDIRECT PPO, and NJDIRECT 2019 PPO plan options (effective July 1, 2019) and Tiered Network plan options (effective January 1, 2016), it is anticipated that members will choose to migrate to these low cost, high value options in Plan Year 2022 as noted in this memo.

Local Retiree Plans: Chapter 78 does not apply to existing retirees as of 7/1/2011 or to employees who had 20 or more years of service on 7/1/2011. For this reason, we are assuming no changes to retiree

contributions for Plan Year 2022, which means that the majority of retirees will continue to have no contribution for the cost of their retiree health benefits. As such, no migration is assumed for Retirees.

NJDIRECT PPO Enrollment

For Plan Year 2021, it is assumed that the Local Government Active and Early Retiree NJ DIRECT PPO plan enrollment will be equal to actual April 2021 census data, as provided by the State.

For Plan Year 2022, it is assumed that 1.0% of Local Government Actives migrate to the NJDIRECT PPO Plan in Plan Year 2022. It is assumed that 1.0% of the Local Government Active population are New Hires who enroll in the NJDIRECT PPO 2019 Plan.

Tiered Network Enrollment

The SHBP Plan Design Committee approved a Tiered Network plan option for SHBP Active Employees, effective January 1, 2016.

The Tiered Network Plan is offered by Horizon. Approximately 0.5% of Local Government Active Aetna and Horizon Legacy PPO 10 and PPO 15 participants are assumed to migrate to the Tiered Network plan in Plan Year 2022.

New Retiree Plan Enrollment

Effective June 26, 2019, the State Health Benefits Plan Design Committee approved PDC Resolution 2019-6 which required SHBP Early Retirees to be offered the same plan options as Actives (Tiered Network, NJDIRECT PPO, HD1500 (excluding employer HSA funding)). For Plan Years 2021 and 2022, new retiree plan enrollment will be based on April 2021 census data provided by the State. No additional migration is assumed.

Active Demographic Changes

The Active Employee average age decreased by 0.2 from Plan Year 2020 to Plan Year 2021. The average HMO Employee age is approximately 2.0 years older than the average PPO employee. The average age of Employees enrolling in the Horizon New Plans is approximately 2.5 years younger than the Employees in the Legacy PPO Plan. Employees enrolled in the NJDIRECT plan option are about 3.0 years younger than employees enrolled in the Legacy PPO plan.

Average Employee Age

	April 2020	April 2021	Change
Legacy PPO	46.5	46.4	(0.1)
Legacy HMO	48.5	48.5	0.0
Horizon New Plans	44.4	43.9	(0.5)
NJDIRECT	45.6	43.3	(2.3)
Total	46.3	46.1	(0.2)

Trend Analysis

The recommended claim trend assumptions for Plan Years 2021 and 2022 are:

	Plan Year 2021*		Plan Year 2022*	
	Medical	Prescription Drugs	Medical	Prescription Drugs
PPO Actives	5.50%	5.00%	5.50%	5.00%
PPO Early Retirees	5.00%	5.50%	5.00%	5.50%
Self-Insured Medicare Retirees	5.00%	5.50%	5.00%	5.50%
HMO Actives	5.00%	5.00%	5.00%	5.00%
HMO Early Retirees	5.00%	5.50%	5.00%	5.50%

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

The Medicare Retiree trend assumptions do not reflect the fully insured Medicare Advantage plans. The Plan Year 2022 Medicare Advantage premium rates are provided by Aetna and are shown on the following page.

Exhibits 2A and 2B presents historical SHBP trend experience and the recommended trend assumptions for Plan Year 2022 for medical and prescription drug, respectively. These experience trends are based on estimated incurred claim trends from January 1, 2019 to December 31, 2020 and have been normalized for estimated benefit and vendor changes.

Recommended trends are developed using vendor recommended trends, national Aon trend guidance (which reflects vendor surveys, Pharmacy Benefit Manager national surveys and other external sources) as well as actual SHBP plan experience adjusted for expected future trends. The vendor recommended trends and national Aon trend guidance are shown in the table below:

Plan Year 2022	Vendor Recommendation		National AON Trend Guidance
	Horizon	Optum	
PPO Actives	6.0%	N/A	5.0%
PPO Early Retirees	6.0%	N/A	5.0%
HMO	5.5%	N/A	5.0%
Rx Actives	N/A	5.7%	6.0%
Rx Early Retirees	N/A	5.8%	6.0%

*Gross trend shown before impact of plan design changes.

**Aon National Guidance trends do not include the impact of plan design leveraging.

Medical Trends:

- PPO Actives: The PPO Active medical trend is 5.5% in Plan Year 2021, a 0.5% decrease from the 6.0% medical trend in the Plan Year 2021 Renewal Analysis. The PPO Active medical trend is 5.5% for Plan Year 2022.
- PPO Early Retirees: The Plan Year 2021 Early Retiree PPO medical trend is 5.0%, no change from the Plan year 2021 Renewal Analysis. The Plan Year 2022 medical trend is 5.0%.

- Self-Insured Medicare Retirees (PPOs and HMOs): The self-insured Medicare Retiree medical trend is 5.0% in Plan Years 2021 and 2022, unchanged from the Plan Year 2021 Medicare Retiree medical trend in the Plan Year 2021 Renewal Analysis.
- HMO Actives and Early Retirees: The Plan Year 2021 HMO Actives and Early Retirees medical trend is 5.0%, no change from what was used in the Plan Year 2021 Renewal Analysis. The Plan Year 2022 HMO Active and Early Retiree medical trend assumption is 5.0%.

Prescription Drug Trends: Prescription drug claim experience has been favorable due to SHBP plan design changes and recent favorable market industry trend reductions.

The Plan Year 2021 prescription drug trend is 5.0% for Actives and 5.5% for Early and Self-Insured Medicare Retirees, no change from what was used in the Plan Year 2021 Renewal Analysis. The recommended prescription drug trend for Plan Year 2022 is 5.0% for Actives and 5.5% for Early and Self-Insured Medicare Retirees.

Additional Trend Adjustments: Based on expected entrants and terminations of Local Government employers from the SHBP, the medical and prescription drug trends have been increased by 25 basis points. This adjustment is consistent with long-term expectations and reflects anti-selection risk (employers with good experience are terminating or those with poor experience are joining which will affect the SHBP's overall loss ratio).

Medicare Advantage: The Medicare Advantage rates in Plan Years 2021 and 2022 were provided by Aetna. Below is a table summarizing the fully insured Medicare Advantage per member per month rates for Plan Years 2021 and 2022. Aetna has projected that an \$11.04 PMPM gain-share premium credit may be available to reduce 2022 costs and the rates below reflect that reduction. Costs could be higher if the gain share does not apply.

Aetna Monthly Per Member Medicare Advantage Premium Rates

Local Government	Aetna Medicare Advantage Rates		
	2021	2022	\$ Change
PPO 10	\$ 161.39	\$ 171.41	\$ 10.02
PPO 15	\$ 144.04	\$ 154.06	\$ 10.02
HMO 10	\$ 183.64	\$ 195.54	\$ 11.90
HMO 1525	\$ 149.24	\$ 161.14	\$ 11.90

Financial Projections

Aggregate Financial Projections

Using the assumptions and methodology described in this Renewal Rate Development section of this analysis, below are the current estimated projected costs for Plan Years 2020, 2021 and 2022.

Projected Financial Results (in \$ millions)

	PPO 10	PPO 15	Legacy HMOs	New Plans*	Total
Plan Year 2020					
Premium Rates x Enrollment	\$970.2	\$269.2	\$66.0	\$164.9	\$1,470.3
Incurred Claims	\$980.5	\$258.4	\$64.4	\$151.7	\$1,455.0
Administrative Charges	\$24.2	\$7.1	\$2.2	\$5.8	\$39.3
Net Gain (Loss)	(\$34.5)	\$3.7	(\$0.6)	\$7.4	(\$24.0)
Plan Year 2021					
Premium Rates x Enrollment	\$996.1	\$294.7	\$59.7	\$174.2	\$1,524.7
Incurred Claims	\$1,040.8	\$293.7	\$60.8	\$171.9	\$1,567.2
Administrative Charges	\$26.8	\$8.5	\$2.1	\$6.7	\$44.1
Net Gain (Loss)	(\$71.5)	(\$7.5)	(\$3.2)	(\$4.4)	(\$86.6)
Plan Year 2022					
Premium Rates x Enrollment	\$1,073.9	\$313.9	\$66.8	\$231.3	\$1,685.9
Incurred Claims	\$1,056.2	\$299.9	\$63.4	\$217.3	\$1,636.8
Administrative Charges	\$29.2	\$9.2	\$2.2	\$8.5	\$49.1
Net Gain (Loss)	(\$11.5)	\$4.8	\$1.2	\$5.5	\$0.0

* The New Plans column includes the NJDIRECT PPO plan effective July 1, 2020 and the new Early Retiree plan options effective January 1, 2021

The current Plan Year 2020 cost has decreased approximately \$130.6 million from the projected cost shown in the Plan Year 2021 Renewal Analysis, likely due to utilization suppression as a result of COVID-19. This decrease in actual cost vs. premium rates leads to a smaller projected loss for Plan Year 2020 of \$24.0 million compared to the projected loss of \$139.6 million in the Plan Year 2021 Renewal Analysis.

The current Plan Year 2021 results project a \$3.9 million decrease in the loss as compared to the Plan Year 2021 Renewal Analysis.

The Plan Year 2022 renewal is projected to produce approximately no gain or loss for Local Government Actives and Retirees. The Plan Year 2022 aggregate projected cost is approximately \$1.7 billion: \$1.1 billion for Actives and \$0.6 billion for Retirees.

More detailed aggregate projections are attached in Exhibit 3. The losses and gains displayed in this table and in Exhibit 3 assume that all premiums are fully funded.

Financial Gain /(Loss)

Plan Year 2020

For Plan Year 2020, there was a 7.2% decrease in total active plan costs from the results shown in Plan Year 2021 Renewal Analysis. This decrease in plan cost is primarily a result of the following:

- Total projected active cost decreased 8.9% due to updated medical claims experience and enrollment, likely a result of decreased utilization due to COVID-19. Updated medical claims experience includes costs associated with telehealth services.
 - Calendar Year 2020 PPO claims experience shows an 10.3% reduction in PMPM claims.
 - Horizon reporting shows the medical claims trend is driven by a 19.1% decrease in doctor's office and a 15.3% decrease in outpatient facility cost trends.
- There is a 0.1% increase in total active cost due to updated prescription drug claims experience and enrollment.
 - Calendar Year 2020 prescription drug claims experience shows a 1.8% PMPM trend
 - Prescription drug reporting from Optum shows a 23.4% PMPM trend in Inflammatory conditions and a 11.2% PMPM trend in Diabetes.
 - The high cost category claims trend was offset by reduced drug utilization.
- Based on updated information from Optum, decreases in active prescription drug rebates increased projected retiree costs by 0.6%.
- There is a 1.1% increase in total active cost due to differences between actual and expected Plan Year 2020 administrative fees and investment income, offset by a 0.1% decrease due to changes in overhead costs. The increase in fees is partly due to changes in expected and actual effective dates of point solution programs in 2020 and 2021

Total projected retiree cost decreased 9.7% from the Plan Year 2021 Renewal Analysis.

- Total projected retiree cost decreased 8.8% as a result of updated medical claims experience and enrollment, which reflects decreased utilization likely due to COVID-19. Updated medical claims experience includes costs associated with telehealth services.
 - Calendar Year 2020 PPO claims experience and enrollment shows a 15.1% reduction in Early Retiree PMPM claims.
 - Horizon reporting shows the medical claims trend is driven by a reduction in professional inpatient and doctor's office trends of 30.7% and 22.0%, respectively.
- There is a 3.0% decrease in total retiree cost due to updated prescription drug claims experience
 - Calendar Year 2020 total Retiree prescription drug trend is 0.6%, contributing to the decrease in retiree cost.
 - Optum reporting shows there was a 7.0% decrease in the Local Government Early Retiree Rx count, and a 3.1% decrease in the Local Government EGWP Rx count.
- Based on updated information from Optum, decreases in retiree prescription drug rebates and EGWP credits are projected to increase retiree costs by 1.2%.
- There is an additional 1.0% increase in cost as a result of changes in Plan Year 2020 administrative fees and investment income, offset by a 0.1% decrease due to changes in

overhead costs. The increase in fees is partly due to changes in expected and actual effective dates of point solution programs in 2020 and 2021.

Plan Year 2021

For Plan Year 2021, total active plan cost is projected to decrease 1.1% from the results shown in Plan Year 2021 Renewal Analysis. This decrease in total plan cost is primarily a result of the following:

- There is a 0.9% increase in total projected active cost due to updated medical claims experience normalized for COVID-19 and prescription drug claims experience.
- There is a 1.6% decrease in total projected active cost due to lower than expected active enrollment in 2021.
- Updated medical and prescription drug benefit changes, including updated vendor estimates and changes to program implementation timing, and changes in overhead costs are expected to result in a 1.7% decrease in total active cost, offset by 0.9% increase in cost due to changes in administrative fees and investment income.
- Based on updated information from Optum, decreases in active prescription drug rebates are projected to increase projected active costs by approximately 0.4%.

For Retirees, total projected cost decreased 7.3% from the results shown in the Plan Year 2021 Renewal Analysis. This decrease in retiree plan costs is primarily a result of the following:

- Updated claims experience resulted in a 0.7% decrease in total Retiree costs, consisting of a 1.3% increase due to updated medical claims experience normalized for COVID-19 and a 2.0% decrease due to updated prescription drug claims experience.
- There is a 7.3% decrease in total projected retire cost due to lower than expected retiree enrollment in 2021.
- Additional medical and prescription drug benefit changes, administrative fee changes, and changes in overhead costs are expected to result in a 1.3% decrease in total retiree cost, offset by a 0.6% increase due to changes in investment income.
- Based on updated information from Optum, decreases in retiree prescription drug rebates are projected to increase projected retiree costs by approximately 1.5%, offset by EGWP PMPM credit increases which are projected to decrease total cost by 0.1%.

Self-Insured Vendor Administrative Fees and Claim Charges

The sections below show Plan Year 2022 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

	Plan Year 2022			
	PPO	HMO	HDHP	Tiered
Actives and Early Retirees				
Part 1 Services	\$22.40	\$33.00	\$22.13	\$37.50
Part 2 Services	\$9.00	\$9.00	\$9.00	\$9.00
Medical Management	\$1.10	\$1.10	\$1.10	\$1.10
Disease Management	\$0.40	\$0.40	\$0.40	\$0.40
HSA Banking Fee (Per Account Per Month)	N/A	N/A	\$2.37	N/A
NJWELL*	\$19.00	\$19.00	\$19.00	\$19.00
Medicare Retirees				
Part 1 Services	\$23.00	\$23.00	N/A	N/A
Part 2 Services	\$7.50	\$7.50	N/A	N/A

*Plan Year 2022 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
- Claim recovery services

Prescription Drug Fees

Administrative fees charged by Optum for the prescription drug program for Plan Year 2022 are \$5.25 PEPM for Commercial and \$8.00 PMPM for EGWP.

Renewal Rate Development

Rating Methodology

Exhibit 3 shows the aggregate projected costs for Plan Years 2020, 2021 and 2022, separately for each PPO, Tiered Network, HMO and High Deductible plan. Costs were projected separately for each benefit plan for Actives, Early Retirees and Medicare Retirees, and for medical claims, prescription drug claims, administrative costs and aggregate premiums.

Plan Year 2022 premium increases were calculated separately for Actives, Early Retirees and Medicare Retirees, and by medical and prescription drugs. Aetna experience was used to develop the HMO premium increases; Horizon experience for the PPO premium increases; and Optum experience for the prescription drug premium increases.

Projection Assumptions

1. Using 2020 incurred claims data paid through March 2021 supplied by Horizon, Aetna, and Optum, incurred claims were completed for Plan Year 2020, separately for each benefit plan, for medical and prescription drugs and for Actives, Early Retirees and Medicare Retirees.
2. Capitation and other similar fixed claim charges were added to the incurred claims.
3. Estimated incurred claims in Plan Year 2020 were divided by average covered members to get average claims per member per year. Covered members are based on historical billing enrollment data by coverage tier and assumptions for the number of members per coverage tier.
4. Aon's current guidance is to project medical claims using 2020 claims data normalized for the impacts of COVID-19. Estimated 2020 incurred claims used for projecting 2021 and 2022 are adjusted using a blend of actual vs. expected claims experience, Aon National COVID-19 medical claim factors, and Aon North East Regional COVID-19 medical claims factors. The Local Government medical normalization factor for Actives is 1.10, for Early Retirees is 1.10, and for Medicare Retirees is 1.18.
5. Claims per member were projected from the mid-point of the experience period to the mid-point of Plan Year 2022 using the annual trend rates listed in the Trend Analysis section of this document.
6. Aggregate claims for Plan Year 2022 are the product of projected enrollment and the projected claims per member.
7. Plan Year 2022 projected Medicare Advantage fully-insured premiums are based on rates provided by Aetna.
8. Prescription drug rebates for Plan Year 2020 are based on actual rebate payment data received from the State. Projected rebates for Plan Years 2021 and 2022 are based on data provided by Optum. Rebates provided by Optum were adjusted to reflect historical Local Government Active, Early Retiree, and Medicare Retiree distributions.
9. Prescription drug rebates paid through the medical plan for Plan Year 2020 are based on actual rebate payment data provided by Aetna and Horizon. Prescription Drug Rebates estimated to

be paid through the medical plan for Plan Years 2021 and 2022 are incorporated in the medical claim projections and are based on the actual Plan Year 2020 data provided by Aetna and Horizon.

10. 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 recommendations from Optum for Plan Years 2020, 2021 and 2022.
 - a. CMS per capita payments: Plan Years 2020, 2021, and 2022 actual and expected CMS per capita payments were provided by Optum. The Plan Year 2022 CMS per capita payment is assumed to be \$2.22 Per Member Per Month (PMPM).
 - b. Coverage Gap Discount: Plan Years 2020, 2021, and 2022 actual and expected coverage gap payments were provided by Optum. The Plan Year 2022 credits are assumed to be \$97.72 PMPM.
 - c. Catastrophic Reinsurance: This payment has a very long lag, and the Plan Year 2020 credit is not expected to be fully paid until the beginning of Plan Year 2022. Plan Years 2020, 2021, and 2022 expected catastrophic reinsurance payments were provided by Optum. The Plan Year 2022 credits are assumed to be \$104.36 PMPM.
 - d. Low Income Cost Sharing (LICS): Plan Years 2020 and 2021 actual and expected LICS payments were provided by Optum. For Plan Year 2022, the subsidy payment is assumed to be \$1.71 PMPM.
11. Total SHBP projected Plan Year 2022 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.
12. Due to small enrollment and claims data, Local Government Actives and Local Government Early Retirees NJDIRECT projected claims will continue to be based on a blend of actual claims experience and PPO15 claims experience adjusted for the expected relative plan cost differences. The Plan Year 2022 premium rates will be developed on a combined basis with all other plan options.
13. Previously, the Tiered Network plan premium change reflected no of actual plan experience due to low enrollment and immature claims. Overtime, enrollment in this plan has grown and claims volatility has decreased. As such, it is recommended that the Tiered Network plan premium change reflects 50.0% actual experience in these plans.
14. 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 2022 administrative fees were provided by Horizon, Aetna and Optum.
15. Overhead charges, which are internal State of New Jersey administrative costs charged against the plans, are projected to be equal to \$2.6 million for Plan Year 2022. Overhead charges were provided by the State.
16. All other fees and claim charges reported by the vendors have been reflected in the projections.

17. Projected investment income of \$3.7 million was used to reduce projected administrative costs for Plan Year 2022. Projected investment income was provided by the State.
18. Based on participation in NJWELL, employers are eligible for a 1% discount on their premium rates in the following plan year. Plan Year 2020 participation showed 18 Local Government employers (a total of 584 Employees) were eligible for this discount. The Plan Year 2021 costs have been adjusted to reflect the total number of Employees who will receive the 1% premium discount in Plan Year 2021. 1% of Employees are assumed to be eligible for this discount in Plan Year 2022.

Claim Stabilization Reserve

1. Active and Retiree premiums include no margin, since the projected total Claim Stabilization Reserve for the Local Government Group is expected to be at or above the recommended level of 2.0 months at the end of Plan Year 2022.
2. Projected Claim Stabilization Reserve at December 31, 2022 is based on the estimated Active and Retiree Claim Stabilization Reserves at March 31, 2021 provided by the Division.
3. The Active Claim Stabilization Reserve can be used to reduce Active premiums and the Retiree Claim Stabilization Reserve can be used to reduce the Retiree premiums. The Local Government Active and Retiree premium rate changes do not reflect a projected reduction in the Claim Stabilization Reserve in Plan Year 2022.

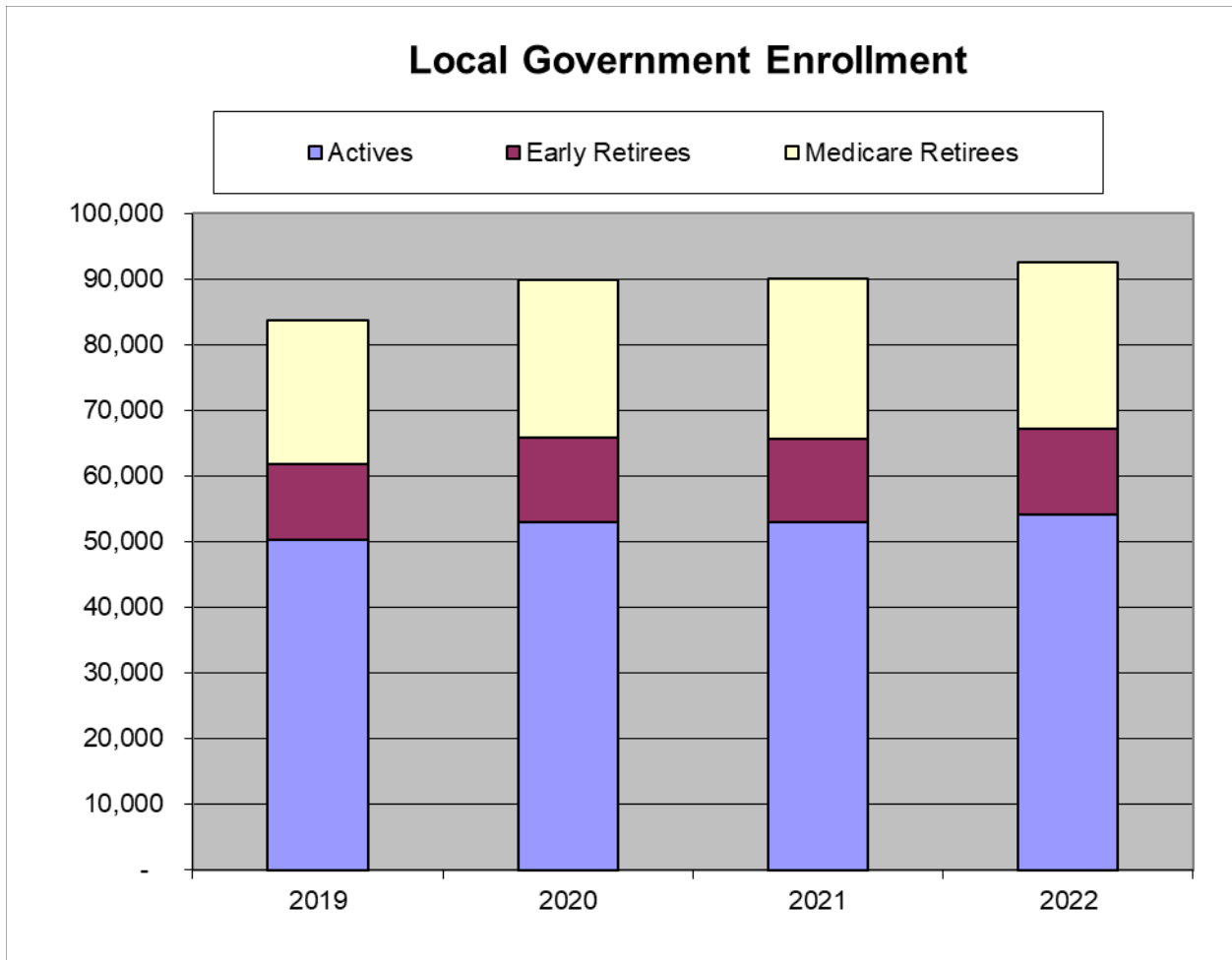
Projected Premiums

1. Plan Year 2022 self-insured premiums were developed by applying the projected premium increase percentages listed in the Executive Summary section of this document to the Plan Year 2021 premium rates.
2. Aggregate Plan Year 2022 premiums are calculated by multiplying projected Plan Year 2022 enrollment by projected Plan Year 2022 premium rates.

Data Assumptions

1. Claims: For medical and prescription drug claims, Aon is using claim files from each of the vendors which have claims incurred through December 31, 2020 and paid through March 31, 2021 for all groups.
2. Enrollment: Plan Year 2021 enrollment and Plan Year 2022 projected enrollment is based on April 2021 snap-shot census data from the Division. Aon also receives billing counts from the Division, which are used for the 2020 exposure units in the cost analysis.

Exhibit 1A – Enrollment Projections

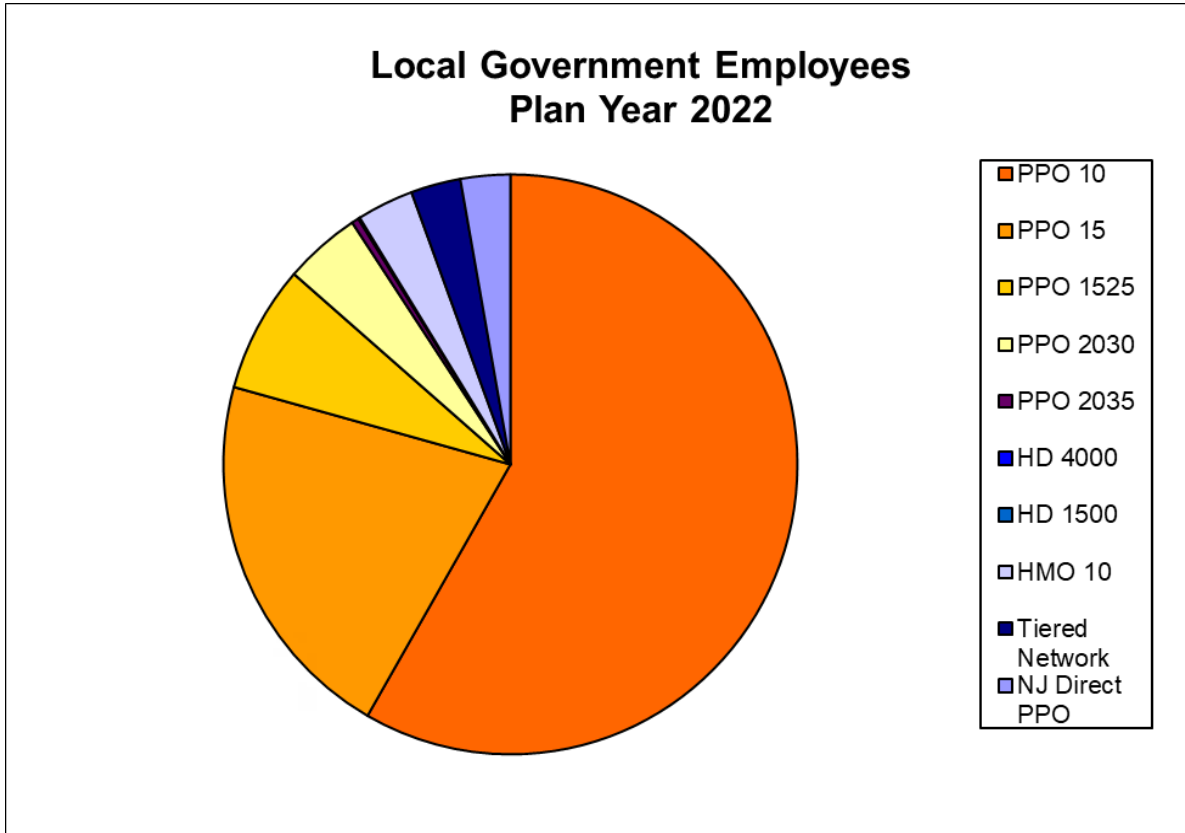


Annual Change in Enrollment

	Actual <u>2019 to 2020</u>	Actual <u>2020 to 2021</u>	Projected <u>2021 to 2022</u>
Actives	5.6%	(0.0%)	2.0%
Early Retirees	10.2%	(1.2%)	3.5%
Medicare Retirees	10.3%	1.7%	4.0%

*Projected 2021 enrollment for Active Employees and Retirees was assumed to be consistent with April 2021 census data provided by the State.

Exhibit 1B Actives – Projected Plan Year 2022 Plan Distribution



Assumes approximately 62% of Employees will remain in the \$10 copay plans.

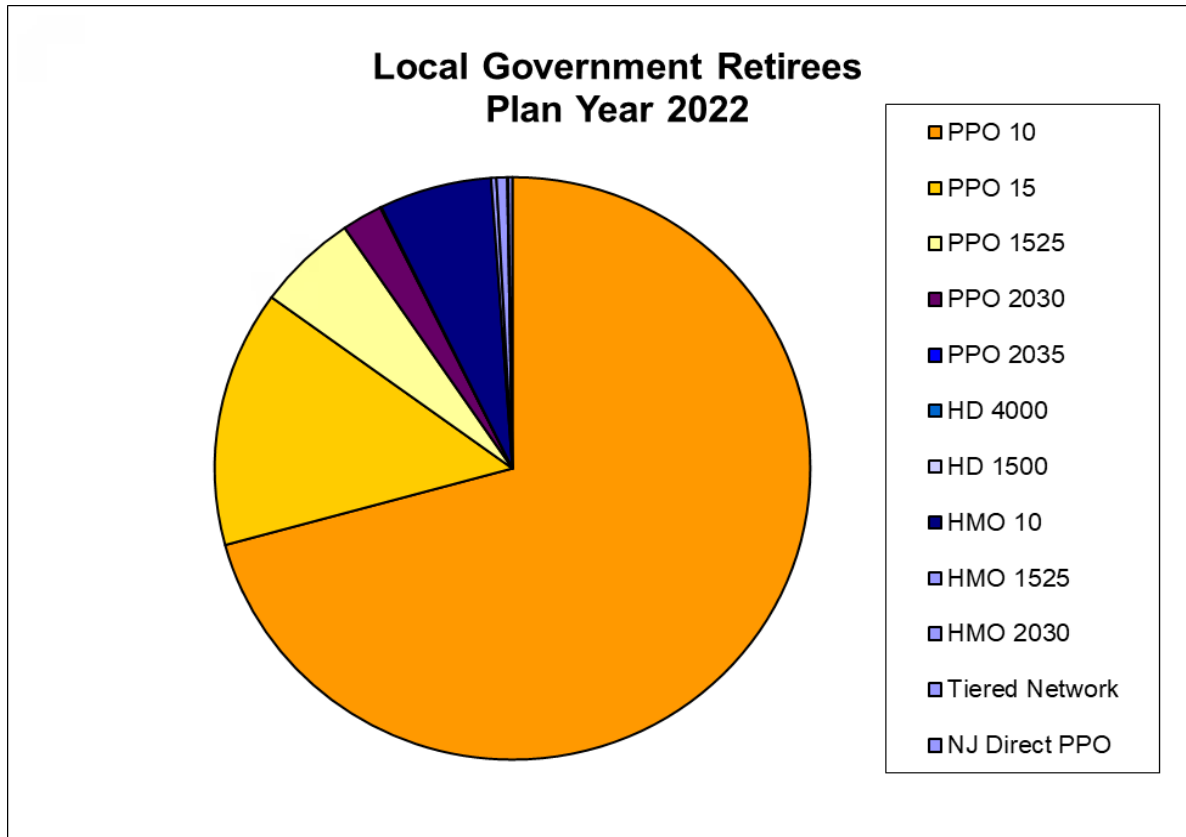
Assumes approximately 94% of Employees will enroll in the PPO plans, 3% in the HMO plans, 3% in the Tiered Network plans, and less than 1% in the High Deductible plans.

Assumes approximately 82% of Employees will enroll in the Legacy plans and approximately 18% in the new benefit options.

Actives	Horizon
PPO 10	58.3%
PPO 15	21.0%
PPO 1525	7.1%
PPO 2030	4.3%
PPO 2035	0.4%
HD 4000	0.1%
HD 1500	0.0%
HMO 10	3.2%
Tiered Network	2.8%
NJ Direct PPO	<u>2.8%</u>
Total	100.0%

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

Exhibit 1B Early and Medicare Retirees – Projected Plan Year 2022 Plan Distribution



Assumes approximately 77% of Retirees will remain in the \$10 copay plans.

Assumes approximately 93% of Retirees will enroll in the PPO plans, 7% in the HMO plans, and less than 1% in the High Deductible plan.

Assumes approximately 91% of Retirees will enroll in the Legacy plans and approximately 9% in the new benefit options.

Retirees	Horizon	Aetna	Total
PPO 10	23.4%	47.4%	70.8%
PPO 15	5.1%	9.2%	14.2%
PPO 1525	5.5%	0.0%	5.5%
PPO 2030	2.2%	0.0%	2.2%
PPO 2035	0.0%	0.0%	0.0%
HD 4000	0.1%	0.0%	0.1%
HD 1500	0.0%	0.0%	0.0%
HMO 10	2.1%	4.0%	6.1%
HMO 1525	0.1%	0.2%	0.3%
HMO 2030	0.6%	0.0%	0.6%
Tiered Network	0.1%	0.0%	0.1%
NJ Direct PPO	0.2%	0.0%	0.2%
Total	39.3%	60.7%	100.0%

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

Exhibit 1C Actives – April 2021 Enrollment

Number of Contracts as of April 2021					
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
LOCAL GOVERNMENT - ACTIVE & COBRA					
Medical Plans					
NJ DIRECT10	11,163	4,820	11,226	4,519	31,728
NJ DIRECT15	4,224	1,720	4,035	1,462	11,441
NJ DIRECT1525	1,691	402	1,012	716	3,821
NJ DIRECT2030	895	324	810	296	2,325
NJ DIRECT2035	147	19	40	17	223
NJ DIRECT HD4000	26	5	14	4	49
NJ DIRECT HD1500	5	0	3	0	8
Horizon Legacy HMO (10)	637	243	570	287	1,737
OMNIA Health	664	138	344	130	1,276
NJDIRECT	56	44	101	33	234
NJDIRECT 2019	120	13	28	17	178
Horizon Total	19,628	7,728	18,183	7,481	53,020

Exhibit 1C Early and Medicare Retirees – April 2021 Enrollment

	Number of Contracts as of April 2021				
	Single	Employee + Spouse	Family	Employee + Child(ren)	Total
LOCAL GOVERNMENT RETIREES					
Medical Plans					
NJ DIRECT10	2,095	2,348	3,404	895	8,742
NJ DIRECT15	488	502	711	192	1,893
NJ DIRECT1525	974	766	225	63	2,028
NJ DIRECT2030	141	280	347	55	823
NJ DIRECT2035	0	0	0	0	0
NJ DIRECT HD4000	9	9	4	1	23
NJ DIRECT HD1500	0	0	0	0	0
Horizon Legacy HMO (10)	259	227	225	73	784
Horizon 1525 HMO	14	16	20	4	54
Horizon 2030 HMO	36	62	97	21	216
OMNIA Health	5	6	4	2	17
NJDIRECT	9	3	9	2	23
Horizon Total	4,030	4,219	5,046	1,308	14,603
Aetna Freedom 10	9,001	7,505	743	288	17,537
Aetna Freedom 15	1,729	1,469	141	59	3,398
Aetna Legacy HMO (10)	808	572	59	44	1,483
Aetna 1525 HMO	17	27	12	0	56
Aetna Total	11,555	9,573	955	391	22,474
Total	15,585	13,792	6,001	1,699	37,077

Exhibit 2A – Medical Trend Assumption

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
<u>PPO Active</u>			
01/01/2019 - 12/31/2019	6.6%	(2.0%)	8.6%
01/01/2020 - 12/31/2020	(10.3%)	(8.4%)	(1.9%)
Average			3.4%
Recommended Plan Year 2022 Trend Assumption			5.5%

<u>PPO Early Retiree</u>			
01/01/2019 - 12/31/2019	2.7%	(2.0%)	4.7%
01/01/2020 - 12/31/2020	(15.1%)	(9.8%)	(5.3%)
Average			(0.3%)
Recommended Plan Year 2022 Trend Assumption			5.0%

<u>HMO Active and Early Retiree</u>			
01/01/2019 - 12/31/2019	5.7%	0.0%	5.7%
01/01/2020 - 12/31/2020	(10.2%)	(6.8%)	(3.4%)
Average			1.1%
Recommended Plan Year 2022 Trend Assumption			5.0%

Normalizing Adjustments

1/1/2019: 3-D Mammography/Breast Cancer Screening Mandate

1/1/2019: LabCorp and Quest In-Network

7/1/2019: No coverage out-of-network routine lab

1/1/2020: Hospital Discount

1/1/2020: DEVA Audit Results

1/1/2020: Medicare Eligibility Vendor

1/1/2020: Livongo Diabetes Impact

2/1/2020: Navigation / Advocacy Services

3/1/2020: Fair Health National

Exhibit 2B – Prescription Drug Trend Assumption

	(A) Increase in Claims/Mem	(B) Benefit + RFP Changes	(C) = (A) - (B) Claim Trend
Active Rx			
01/01/2019 - 12/31/2019	0.4%	(0.3%)	0.7%
01/01/2020 - 12/31/2020	1.8%	(4.9%)	6.7%
Average			3.7%
Recommended Plan Year 2022 Trend Assumption			5.0%

Retiree Rx			
01/01/2019 - 12/31/2019	6.5%	0.0%	6.5%
01/01/2020 - 12/31/2020	0.6%	(2.7%)	3.3%
Average			4.9%
Recommended Plan Year 2022 Trend Assumption			5.5%

Normalizing Adjustments:

11/1/2019: Mail Service Member Select

1/1/2020: Rx RFP Results

1/1/2020: DEVA Audit Results

1/1/2020: Livongo Diabetes Impact

Exhibit 3A – Plan Year 2020 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	197,283	23,941	4,741	104,269	30,971	1,833	7,462	11,924	52	230
Incurred Medical Claims	\$1,199,368,000	\$46,366,000	\$8,194,000	\$757,737,000	\$204,613,000	\$4,038,000	\$45,469,000	\$72,508,000	\$93,000	\$1,036,000
Capitation	\$5,572,000	\$0	\$0	\$3,370,000	\$1,072,000	\$0	\$403,000	\$325,000	\$0	\$10,000
Incurred Prescription Drug Claims	\$452,826,000	\$133,681,000	\$28,266,000	\$182,351,000	\$48,950,000	\$11,549,000	\$15,537,000	\$15,995,000	\$206,000	\$534,000
Prescription Drug Rebates	(\$126,960,000)	(\$33,484,000)	(\$7,080,000)	(\$55,087,000)	(\$14,793,000)	(\$2,893,000)	(\$4,556,000)	(\$4,196,000)	(\$52,000)	(\$144,000)
EGWP Credits	(\$75,875,000)	(\$54,411,000)	(\$10,774,000)	N/A	N/A	(\$4,165,000)	(\$943,000)	(\$4,737,000)	(\$118,000)	(\$135,000)
Administrative Fees	\$39,344,000	\$2,621,000	\$522,000	\$21,556,000	\$6,543,000	\$200,000	\$2,008,000	\$2,915,000	\$6,000	\$64,000
Total Cost	\$1,494,275,000	\$94,773,000	\$19,128,000	\$909,927,000	\$246,385,000	\$8,729,000	\$57,918,000	\$82,810,000	\$135,000	\$1,365,000
Total Premium	\$1,470,306,000	\$93,925,000	\$17,730,000	\$876,232,000	\$251,500,000	\$8,235,000	\$57,776,000	\$81,329,000	\$193,000	\$1,349,000
Gain (Loss)	(\$23,969,000)	(\$848,000)	(\$1,398,000)	(\$33,695,000)	\$5,115,000	(\$494,000)	(\$142,000)	(\$1,481,000)	\$58,000	(\$16,000)
Employees										
Average Medical Members	128,053	N/A	N/A	79,617	25,849	N/A	4,911	8,558	N/A	N/A
Incurred Medical Claims	\$852,658,000	N/A	N/A	\$557,141,000	\$167,880,000	N/A	\$27,129,000	\$56,171,000	N/A	N/A
Capitation	\$4,477,000	N/A	N/A	\$2,704,000	\$932,000	N/A	\$276,000	\$259,000	N/A	N/A
Incurred Prescription Drug Claims	\$181,120,000	N/A	N/A	\$124,443,000	\$37,119,000	N/A	\$7,836,000	\$1,931,000	N/A	N/A
Prescription Drug Rebates	(\$54,800,000)	N/A	N/A	(\$37,653,000)	(\$11,231,000)	N/A	(\$2,371,000)	(\$584,000)	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	\$26,970,000	N/A	N/A	\$16,271,000	\$5,417,000	N/A	\$1,240,000	\$1,802,000	N/A	N/A
Total Cost	\$1,010,425,000	N/A	N/A	\$662,906,000	\$200,117,000	N/A	\$34,110,000	\$59,579,000	N/A	N/A
Total Premium	\$1,073,502,000	N/A	N/A	\$691,631,000	\$214,771,000	N/A	\$40,275,000	\$62,102,000	N/A	N/A
Gain (Loss)	\$63,077,000	N/A	N/A	\$28,725,000	\$14,654,000	N/A	\$6,165,000	\$2,523,000	N/A	N/A
Early Retirees										
Average Medical Members	35,845	N/A	N/A	24,652	5,122	N/A	2,136	1,282	N/A	171
Incurred Medical Claims	\$282,563,000	N/A	N/A	\$200,596,000	\$36,733,000	N/A	\$18,231,000	\$11,447,000	N/A	\$991,000
Capitation	\$1,095,000	N/A	N/A	\$666,000	\$140,000	N/A	\$127,000	\$66,000	N/A	\$10,000
Incurred Prescription Drug Claims	\$81,111,000	N/A	N/A	\$57,908,000	\$11,831,000	N/A	\$5,059,000	\$1,768,000	N/A	\$210,000
Prescription Drug Rebates	(\$24,419,000)	N/A	N/A	(\$17,434,000)	(\$3,562,000)	N/A	(\$1,523,000)	(\$532,000)	N/A	(\$63,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$7,805,000	N/A	N/A	\$5,285,000	\$1,126,000	N/A	\$560,000	\$235,000	N/A	\$34,000
Total Cost	\$348,155,000	N/A	N/A	\$247,021,000	\$46,268,000	N/A	\$22,454,000	\$12,984,000	N/A	\$1,182,000
Total Premium	\$261,634,000	N/A	N/A	\$184,601,000	\$36,729,000	N/A	\$14,831,000	\$8,492,000	N/A	\$990,000
Gain (Loss)	(\$86,521,000)	N/A	N/A	(\$62,420,000)	(\$9,539,000)	N/A	(\$7,623,000)	(\$4,492,000)	N/A	(\$192,000)
Medicare Retirees										
Average Medical Members	33,385	23,941	4,741	N/A	N/A	1,833	415	2,084	52	59
Incurred Medical Claims	\$64,147,000	\$46,366,000	\$8,194,000	N/A	N/A	\$4,038,000	\$109,000	\$4,890,000	\$93,000	\$45,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$190,595,000	\$133,681,000	\$28,266,000	N/A	N/A	\$11,549,000	\$2,642,000	\$12,296,000	\$206,000	\$324,000
Prescription Drug Rebates	(\$47,741,000)	(\$33,484,000)	(\$7,080,000)	N/A	N/A	(\$2,893,000)	(\$662,000)	(\$3,080,000)	(\$52,000)	(\$81,000)
EGWP Credits	(\$75,875,000)	(\$54,411,000)	(\$10,774,000)	N/A	N/A	(\$4,165,000)	(\$943,000)	(\$4,737,000)	(\$118,000)	(\$135,000)
Administrative Fees	\$4,569,000	\$2,621,000	\$522,000	N/A	N/A	\$200,000	\$208,000	\$878,000	\$6,000	\$30,000
Total Cost	\$135,695,000	\$94,773,000	\$19,128,000	N/A	N/A	\$8,729,000	\$1,354,000	\$10,247,000	\$135,000	\$183,000
Total Premium	\$135,170,000	\$93,925,000	\$17,730,000	N/A	N/A	\$8,235,000	\$2,670,000	\$10,735,000	\$193,000	\$359,000
Gain (Loss)	(\$525,000)	(\$848,000)	(\$1,398,000)	N/A	N/A	(\$494,000)	\$1,316,000	\$488,000	\$58,000	\$176,000

*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.

Exhibit 3A – Plan Year 2020 Aggregate Costs
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	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	7,184	645	488	161	8	2,602	610	163
Incurred Medical Claims	\$38,877,000	\$3,081,000	\$2,786,000	\$257,000	\$13,000	\$10,173,000	\$3,665,000	\$462,000
Capitation	\$232,000	\$35,000	\$12,000	\$3,000	\$0	\$88,000	\$21,000	\$1,000
Incurred Prescription Drug Claims	\$9,546,000	\$1,709,000	\$602,000	\$104,000	\$1,000	\$2,838,000	\$909,000	\$48,000
Prescription Drug Rebates	(\$2,816,000)	(\$499,000)	(\$182,000)	(\$31,000)	\$0	(\$858,000)	(\$275,000)	(\$14,000)
EGWP Credits	(\$531,000)	(\$61,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,551,000	\$177,000	\$138,000	\$43,000	\$2,000	\$847,000	\$109,000	\$42,000
Total Cost	\$46,859,000	\$4,442,000	\$3,356,000	\$376,000	\$16,000	\$13,088,000	\$4,429,000	\$539,000
Total Premium	\$51,419,000	\$4,018,000	\$3,429,000	\$722,000	\$61,000	\$16,999,000	\$4,216,000	\$1,173,000
Gain (Loss)	\$4,560,000	(\$424,000)	\$73,000	\$346,000	\$45,000	\$3,911,000	(\$213,000)	\$634,000
Employees								
Average Medical Members	5,199	N/A	488	103	8	2,587	569	163
Incurred Medical Claims	\$27,992,000	N/A	\$2,786,000	\$183,000	\$13,000	\$10,143,000	\$2,758,000	\$462,000
Capitation	\$182,000	N/A	\$12,000	\$2,000	\$0	\$88,000	\$21,000	\$1,000
Incurred Prescription Drug Claims	\$5,586,000	N/A	\$602,000	\$50,000	\$1,000	\$2,830,000	\$674,000	\$48,000
Prescription Drug Rebates	(\$1,690,000)	N/A	(\$182,000)	(\$15,000)	\$0	(\$856,000)	(\$204,000)	(\$14,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,091,000	N/A	\$138,000	\$24,000	\$2,000	\$843,000	\$100,000	\$42,000
Total Cost	\$33,161,000	N/A	\$3,356,000	\$244,000	\$16,000	\$13,048,000	\$3,349,000	\$539,000
Total Premium	\$38,728,000	N/A	\$3,429,000	\$467,000	\$61,000	\$16,911,000	\$3,954,000	\$1,173,000
Gain (Loss)	\$5,567,000	N/A	\$73,000	\$223,000	\$45,000	\$3,863,000	\$605,000	\$634,000
Early Retirees								
Average Medical Members	1,751	618	N/A	58	-	15	41	N/A
Incurred Medical Claims	\$10,551,000	\$3,003,000	N/A	\$74,000	\$0	30,000	\$907,000	N/A
Capitation	\$50,000	\$35,000	N/A	\$1,000	\$0	-	\$0	N/A
Incurred Prescription Drug Claims	\$2,643,000	\$1,395,000	N/A	\$54,000	\$0	8,000	\$235,000	N/A
Prescription Drug Rebates	(\$796,000)	(\$420,000)	N/A	(\$16,000)	\$0	(2,000)	(\$71,000)	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$372,000	\$161,000	N/A	\$19,000	\$0	4,000	\$9,000	N/A
Total Cost	\$12,820,000	\$4,174,000	N/A	\$132,000	\$0	40,000	\$1,080,000	N/A
Total Premium	\$11,526,000	\$3,860,000	N/A	\$255,000	\$0	88,000	\$262,000	N/A
Gain (Loss)	(\$1,294,000)	(\$314,000)	N/A	\$123,000	\$0	48,000	(\$818,000)	N/A
Medicare Retirees								
Average Medical Members	234	27	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$334,000	\$78,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$0	\$0	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$1,317,000	\$314,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$330,000)	(\$79,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$531,000)	(\$61,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$88,000	\$16,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$878,000	\$268,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$1,165,000	\$158,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$287,000	(\$110,000)	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.

Exhibit 3B – Plan Year 2021 Aggregate Costs
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	Total	Legacy Plans						1525		
		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	196,616	24,622	4,772	101,753	32,714	1,994	6,146	11,895	77	167
Incurred Medical Claims	\$1,296,751,000	\$47,685,000	\$8,248,000	\$808,120,000	\$235,124,000	\$4,394,000	\$42,330,000	\$79,190,000	\$138,000	\$924,000
Capitation	\$5,809,000	\$0	\$0	\$3,473,000	\$1,199,000	\$0	\$361,000	\$340,000	\$0	\$9,000
Incurred Prescription Drug Claims	\$480,234,000	\$145,388,000	\$30,089,000	\$187,701,000	\$54,384,000	\$13,290,000	\$12,536,000	\$17,555,000	\$323,000	\$333,000
Prescription Drug Rebates	(\$132,449,000)	(\$34,175,000)	(\$7,073,000)	(\$57,454,000)	(\$16,692,000)	(\$3,124,000)	(\$3,763,000)	(\$4,423,000)	(\$76,000)	(\$90,000)
EGWP Credits	(\$83,148,000)	(\$59,991,000)	(\$11,627,000)	N/A	N/A	(\$4,858,000)	(\$344,000)	(\$5,331,000)	(\$188,000)	(\$63,000)
Administrative Fees	\$44,098,000	\$2,705,000	\$527,000	\$24,108,000	\$7,966,000	\$219,000	\$1,856,000	\$3,172,000	\$9,000	\$40,000
Total Cost	\$1,611,294,000	\$101,612,000	\$20,164,000	\$965,948,000	\$281,981,000	\$9,921,000	\$52,976,000	\$90,503,000	\$206,000	\$1,153,000
Total Premium	\$1,524,744,000	\$106,127,000	\$19,575,000	\$889,976,000	\$275,081,000	\$9,844,000	\$49,857,000	\$82,151,000	\$315,000	\$1,012,000
Gain (Loss)	(\$86,550,000)	\$4,515,000	(\$589,000)	(\$75,972,000)	(\$6,900,000)	(\$77,000)	(\$3,119,000)	(\$8,352,000)	\$109,000	(\$141,000)
Employees										
Average Medical Members	127,084	N/A	N/A	77,340	27,557	N/A	4,146	8,407	N/A	N/A
Incurred Medical Claims	\$925,717,000	N/A	N/A	\$591,424,000	\$194,894,000	N/A	\$24,911,000	\$60,126,000	N/A	N/A
Capitation	\$4,681,000	N/A	N/A	\$2,778,000	\$1,051,000	N/A	\$245,000	\$269,000	N/A	N/A
Incurred Prescription Drug Claims	\$190,165,000	N/A	N/A	\$127,247,000	\$41,828,000	N/A	\$6,945,000	\$2,017,000	N/A	N/A
Prescription Drug Rebates	(\$58,715,000)	N/A	N/A	(\$39,263,000)	(\$12,913,000)	N/A	(\$2,143,000)	(\$645,000)	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	\$31,606,000	N/A	N/A	\$18,642,000	\$6,767,000	N/A	\$1,266,000	\$2,111,000	N/A	N/A
Total Cost	\$1,093,454,000	N/A	N/A	\$700,828,000	\$231,627,000	N/A	\$31,224,000	\$63,878,000	N/A	N/A
Total Premium	\$1,088,177,000	N/A	N/A	\$686,120,000	\$233,583,000	N/A	\$34,708,000	\$62,592,000	N/A	N/A
Gain (Loss)	(\$5,277,000)	N/A	N/A	(\$14,708,000)	\$1,956,000	N/A	\$3,484,000	(\$1,286,000)	N/A	N/A
Early Retirees										
Average Medical Members	35,406	N/A	N/A	24,413	5,157	N/A	1,859	1,300	N/A	141
Incurred Medical Claims	\$303,548,000	N/A	N/A	\$216,696,000	\$40,230,000	N/A	\$17,373,000	\$12,703,000	N/A	\$900,000
Capitation	\$1,128,000	N/A	N/A	\$695,000	\$148,000	N/A	\$116,000	\$71,000	N/A	\$9,000
Incurred Prescription Drug Claims	\$84,234,000	N/A	N/A	\$60,454,000	\$12,556,000	N/A	\$4,641,000	\$1,887,000	N/A	\$183,000
Prescription Drug Rebates	(\$25,350,000)	N/A	N/A	(\$18,191,000)	(\$3,779,000)	N/A	(\$1,397,000)	(\$569,000)	N/A	(\$55,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$8,054,000	N/A	N/A	\$5,466,000	\$1,199,000	N/A	\$551,000	\$238,000	N/A	\$30,000
Total Cost	\$371,613,000	N/A	N/A	\$265,120,000	\$50,354,000	N/A	\$21,284,000	\$14,330,000	N/A	\$1,067,000
Total Premium	\$288,298,000	N/A	N/A	\$203,856,000	\$41,498,000	N/A	\$14,343,000	\$9,485,000	N/A	\$874,000
Gain (Loss)	(\$83,315,000)	N/A	N/A	(\$61,264,000)	(\$8,856,000)	N/A	(\$6,941,000)	(\$4,845,000)	N/A	(\$193,000)
Medicare Retirees										
Average Medical Members	34,126	24,622	4,772	N/A	N/A	1,994	141	2,188	77	26
Incurred Medical Claims	\$67,486,000	\$47,685,000	\$8,248,000	N/A	N/A	\$4,394,000	\$46,000	\$6,361,000	\$138,000	\$24,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$205,835,000	\$145,388,000	\$30,089,000	N/A	N/A	\$13,290,000	\$950,000	\$13,651,000	\$323,000	\$150,000
Prescription Drug Rebates	(\$48,384,000)	(\$34,175,000)	(\$7,073,000)	N/A	N/A	(\$3,124,000)	(\$223,000)	(\$3,209,000)	(\$76,000)	(\$35,000)
EGWP Credits	(\$83,148,000)	(\$59,991,000)	(\$11,627,000)	N/A	N/A	(\$4,858,000)	(\$344,000)	(\$5,331,000)	(\$188,000)	(\$63,000)
Administrative Fees	\$4,438,000	\$2,705,000	\$527,000	N/A	N/A	\$219,000	\$39,000	\$823,000	\$9,000	\$10,000
Total Cost	\$146,227,000	\$101,612,000	\$20,164,000	N/A	N/A	\$9,921,000	\$468,000	\$12,295,000	\$206,000	\$86,000
Total Premium	\$148,269,000	\$106,127,000	\$19,575,000	N/A	N/A	\$9,844,000	\$806,000	\$10,074,000	\$315,000	\$138,000
Gain (Loss)	\$2,042,000	\$4,515,000	(\$589,000)	N/A	N/A	(\$77,000)	\$338,000	(\$2,221,000)	\$109,000	\$52,000

Exhibit 3B – Plan Year 2021 Aggregate Costs

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	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	7,675	575	389	146	17	2,687	686	302
Incurred Medical Claims	\$44,942,000	\$2,980,000	\$2,332,000	\$248,000	\$27,000	\$13,865,000	\$4,319,000	\$1,885,000
Capitation	\$260,000	\$33,000	\$9,000	\$3,000	\$1,000	\$96,000	\$24,000	\$1,000
Incurred Prescription Drug Claims	\$10,993,000	\$1,636,000	\$523,000	\$98,000	\$2,000	\$3,649,000	\$1,252,000	\$482,000
Prescription Drug Rebates	(\$3,254,000)	(\$470,000)	(\$162,000)	(\$30,000)	(\$1,000)	(\$1,128,000)	(\$385,000)	(\$149,000)
EGWP Credits	(\$680,000)	(\$66,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,864,000	\$153,000	\$138,000	\$48,000	\$5,000	\$1,022,000	\$156,000	\$110,000
Total Cost	\$54,125,000	\$4,266,000	\$2,840,000	\$367,000	\$34,000	\$17,504,000	\$5,365,000	\$2,329,000
Total Premium	\$57,199,000	\$3,902,000	\$2,836,000	\$715,000	\$117,000	\$17,966,000	\$5,468,000	\$2,603,000
Gain (Loss)	\$3,074,000	(\$364,000)	(\$4,000)	\$348,000	\$83,000	\$462,000	\$103,000	\$274,000
Employees								
Average Medical Members	5,543	N/A	389	102	17	2,650	632	302
Incurred Medical Claims	\$32,340,000	N/A	\$2,332,000	\$194,000	\$27,000	\$13,638,000	\$3,946,000	\$1,885,000
Capitation	\$205,000	N/A	\$9,000	\$3,000	\$1,000	\$95,000	\$24,000	\$1,000
Incurred Prescription Drug Claims	\$6,388,000	N/A	\$523,000	\$55,000	\$2,000	\$3,558,000	\$1,120,000	\$482,000
Prescription Drug Rebates	(\$1,976,000)	N/A	(\$162,000)	(\$17,000)	(\$1,000)	(\$1,101,000)	(\$345,000)	(\$149,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$1,383,000	N/A	\$138,000	\$33,000	\$5,000	\$1,009,000	\$142,000	\$110,000
Total Cost	\$38,340,000	N/A	\$2,840,000	\$268,000	\$34,000	\$17,199,000	\$4,887,000	\$2,329,000
Total Premium	\$42,366,000	N/A	\$2,836,000	\$484,000	\$117,000	\$17,706,000	\$5,062,000	\$2,603,000
Gain (Loss)	\$4,026,000	N/A	(\$4,000)	\$216,000	\$83,000	\$507,000	\$175,000	\$274,000
Early Retirees								
Average Medical Members	1,853	548	N/A	44	-	37	54	N/A
Incurred Medical Claims	\$12,108,000	\$2,884,000	N/A	\$54,000	\$0	\$227,000	\$373,000	N/A
Capitation	\$55,000	\$33,000	N/A	\$0	\$0	\$1,000	\$0	N/A
Incurred Prescription Drug Claims	\$2,943,000	\$1,304,000	N/A	\$43,000	\$0	\$91,000	\$132,000	N/A
Prescription Drug Rebates	(\$887,000)	(\$392,000)	N/A	(\$13,000)	\$0	(\$27,000)	(\$40,000)	N/A
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	(\$1,000)	N/A
Administrative Fees	\$387,000	\$141,000	N/A	\$15,000	\$0	\$13,000	\$14,000	N/A
Total Cost	\$14,606,000	\$3,970,000	N/A	\$99,000	\$0	\$305,000	\$478,000	N/A
Total Premium	\$13,582,000	\$3,763,000	N/A	\$231,000	\$0	\$260,000	\$406,000	N/A
Gain (Loss)	(\$1,024,000)	(\$207,000)	N/A	\$132,000	\$0	(\$45,000)	(\$72,000)	N/A
Medicare Retirees								
Average Medical Members	279	27	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Medical Claims	\$494,000	\$96,000	N/A	N/A	N/A	N/A	N/A	N/A
Capitation	\$0	\$0	N/A	N/A	N/A	N/A	N/A	N/A
Incurred Prescription Drug Claims	\$1,662,000	\$332,000	N/A	N/A	N/A	N/A	N/A	N/A
Prescription Drug Rebates	(\$391,000)	(\$78,000)	N/A	N/A	N/A	N/A	N/A	N/A
EGWP Credits	(\$680,000)	(\$66,000)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$94,000	\$12,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Cost	\$1,179,000	\$296,000	N/A	N/A	N/A	N/A	N/A	N/A
Total Premium	\$1,251,000	\$139,000	N/A	N/A	N/A	N/A	N/A	N/A
Gain (Loss)	\$72,000	(\$157,000)	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.

Exhibit 3C – Plan Year 2022 Aggregate Costs
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	Total	Legacy Plans						1525		
		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	201,771	25,600	4,961	100,789	32,643	2,074	6,243	12,720	80	173
Incurred Medical Claims	\$1,345,333,000	\$52,658,000	\$9,172,000	\$813,262,000	\$238,293,000	\$4,866,000	\$43,497,000	\$86,534,000	\$155,000	\$965,000
Capitation	\$6,222,000	\$0	\$0	\$3,626,000	\$1,263,000	\$0	\$386,000	\$385,000	\$0	\$10,000
Incurred Prescription Drug Claims	\$519,880,000	\$159,856,000	\$33,082,000	\$187,464,000	\$56,027,000	\$14,616,000	\$12,978,000	\$29,430,000	\$355,000	\$364,000
Prescription Drug Rebates	(\$146,954,000)	(\$37,287,000)	(\$7,717,000)	(\$60,034,000)	(\$18,014,000)	(\$3,409,000)	(\$4,057,000)	(\$8,162,000)	(\$83,000)	(\$101,000)
EGWP Credits	(\$87,714,000)	(\$63,286,000)	(\$12,265,000)	N/A	N/A	(\$5,127,000)	(\$361,000)	(\$5,624,000)	(\$198,000)	(\$67,000)
Administrative Fees	\$49,051,000	\$2,816,000	\$549,000	\$26,391,000	\$8,696,000	\$228,000	\$2,012,000	\$3,576,000	\$9,000	\$43,000
Total Cost	\$1,685,818,000	\$114,757,000	\$22,821,000	\$970,709,000	\$286,265,000	\$11,174,000	\$54,455,000	\$106,139,000	\$238,000	\$1,214,000
Total Premium	\$1,685,859,000	\$116,915,000	\$21,626,000	\$957,030,000	\$292,233,000	\$10,859,000	\$55,934,000	\$100,693,000	\$350,000	\$1,358,000
Gain (Loss)	\$41,000	\$2,158,000	(\$1,195,000)	(\$13,679,000)	\$5,968,000	(\$315,000)	\$1,479,000	(\$5,446,000)	\$112,000	\$144,000
Employees										
Average Medical Members	129,626	N/A	N/A	75,614	27,325	N/A	4,180	9,103	N/A	N/A
Incurred Medical Claims	\$954,029,000	N/A	N/A	\$587,790,000	\$196,519,000	N/A	\$25,373,000	\$66,316,000	N/A	N/A
Capitation	\$4,995,000	N/A	N/A	\$2,872,000	\$1,102,000	N/A	\$260,000	\$308,000	N/A	N/A
Incurred Prescription Drug Claims	\$201,552,000	N/A	N/A	\$121,704,000	\$42,372,000	N/A	\$6,890,000	\$12,368,000	N/A	N/A
Prescription Drug Rebates	(\$65,339,000)	N/A	N/A	(\$39,439,000)	(\$13,736,000)	N/A	(\$2,232,000)	(\$4,016,000)	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	\$35,239,000	N/A	N/A	\$20,174,000	\$7,333,000	N/A	\$1,356,000	\$2,447,000	N/A	N/A
Total Cost	\$1,130,476,000	N/A	N/A	\$693,101,000	\$233,590,000	N/A	\$31,647,000	\$77,423,000	N/A	N/A
Total Premium	\$1,130,526,000	N/A	N/A	\$682,312,000	\$236,335,000	N/A	\$35,493,000	\$75,487,000	N/A	N/A
Gain (Loss)	\$50,000	N/A	N/A	(\$10,789,000)	\$2,745,000	N/A	\$3,846,000	(\$1,936,000)	N/A	N/A
Early Retirees										
Average Medical Members	36,664	N/A	N/A	25,175	5,318	N/A	1,917	1,342	N/A	146
Incurred Medical Claims	\$316,769,000	N/A	N/A	\$225,472,000	\$41,774,000	N/A	\$18,074,000	\$13,257,000	N/A	\$938,000
Capitation	\$1,227,000	N/A	N/A	\$754,000	\$161,000	N/A	\$126,000	\$77,000	N/A	\$10,000
Incurred Prescription Drug Claims	\$92,013,000	N/A	N/A	\$65,760,000	\$13,655,000	N/A	\$5,048,000	\$2,052,000	N/A	\$199,000
Prescription Drug Rebates	(\$28,826,000)	N/A	N/A	(\$20,595,000)	(\$4,278,000)	N/A	(\$1,582,000)	(\$645,000)	N/A	(\$63,000)
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Fees	\$9,194,000	N/A	N/A	\$6,217,000	\$1,363,000	N/A	\$616,000	\$273,000	N/A	\$33,000
Total Cost	\$390,377,000	N/A	N/A	\$277,608,000	\$52,675,000	N/A	\$22,282,000	\$15,014,000	N/A	\$1,117,000
Total Premium	\$390,409,000	N/A	N/A	\$274,718,000	\$55,898,000	N/A	\$19,455,000	\$12,884,000	N/A	\$1,187,000
Gain (Loss)	\$32,000	N/A	N/A	(\$2,890,000)	\$3,223,000	N/A	(\$2,827,000)	(\$2,130,000)	N/A	\$70,000
Medicare Retirees										
Average Medical Members	35,481	25,600	4,961	N/A	N/A	2,074	146	2,275	80	27
Incurred Medical Claims	\$74,535,000	\$52,658,000	\$9,172,000	N/A	N/A	\$4,866,000	\$50,000	\$6,961,000	\$155,000	\$27,000
Capitation	\$0	\$0	\$0	N/A	N/A	\$0	\$0	\$0	\$0	\$0
Incurred Prescription Drug Claims	\$226,315,000	\$159,856,000	\$33,082,000	N/A	N/A	\$14,616,000	\$1,040,000	\$15,010,000	\$355,000	\$165,000
Prescription Drug Rebates	(\$52,789,000)	(\$37,287,000)	(\$7,717,000)	N/A	N/A	(\$3,409,000)	(\$243,000)	(\$3,501,000)	(\$83,000)	(\$38,000)
EGWP Credits	(\$87,714,000)	(\$63,286,000)	(\$12,265,000)	N/A	N/A	(\$5,127,000)	(\$361,000)	(\$5,624,000)	(\$198,000)	(\$67,000)
Administrative Fees	\$4,618,000	\$2,816,000	\$549,000	N/A	N/A	\$228,000	\$40,000	\$856,000	\$9,000	\$10,000
Total Cost	\$164,965,000	\$114,757,000	\$22,821,000	N/A	N/A	\$11,174,000	\$526,000	\$13,702,000	\$238,000	\$97,000
Total Premium	\$164,924,000	\$116,915,000	\$21,626,000	N/A	N/A	\$10,859,000	\$986,000	\$12,322,000	\$350,000	\$171,000
Gain (Loss)	(\$41,000)	\$2,158,000	(\$1,195,000)	N/A	N/A	(\$315,000)	\$460,000	(\$1,380,000)	\$112,000	\$74,000

*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.

Exhibit 3C – Projected Plan Year 2022 Aggregate Costs

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	2030		2035		HD 4000		HD 1500		Tiered Network		NJ DIRECT	
	NJ DIRECT	Horizon HMO	NJ DIRECT	NJ DIRECT	NJ DIRECT	NJ DIRECT	Horizon OMNIA	Horizon NJ DIRECT	Horizon NJ DIRECT 2019			
Employees and Retirees												
Average Medical Members	7,771	592	537	163	19	3,629	2,046	1,732				
Incurred Medical Claims	\$46,086,000	\$3,081,000	\$3,354,000	\$272,000	\$30,000	\$18,880,000	\$13,170,000	\$11,058,000				
Capitation	\$278,000	\$36,000	\$14,000	\$3,000	\$1,000	\$137,000	\$75,000	\$8,000				
Incurred Prescription Drug Claims	\$12,264,000	\$1,781,000	\$674,000	\$96,000	\$1,000	\$5,061,000	\$3,254,000	\$2,577,000				
Prescription Drug Rebates	(\$3,783,000)	(\$529,000)	(\$219,000)	(\$31,000)	(\$1,000)	(\$1,642,000)	(\$1,049,000)	(\$836,000)				
EGWP Credits	(\$717,000)	(\$69,000)	N/A	N/A	N/A	N/A	N/A	N/A				
Administrative Fees	\$2,058,000	\$170,000	\$146,000	\$51,000	\$6,000	\$1,270,000	\$561,000	\$469,000				
Total Cost	\$56,186,000	\$4,470,000	\$3,969,000	\$391,000	\$37,000	\$23,706,000	\$16,011,000	\$13,276,000				
Total Premium	\$63,932,000	\$5,266,000	\$3,680,000	\$834,000	\$126,000	\$24,208,000	\$16,865,000	\$13,950,000				
Gain (Loss)	\$7,746,000	\$796,000	(\$289,000)	\$443,000	\$89,000	\$502,000	\$854,000	\$674,000				
Employees												
Average Medical Members	5,572	N/A	537	117	19	3,591	1,837	1,732				
Incurred Medical Claims	\$33,009,000	N/A	\$3,354,000	\$222,000	\$30,000	\$18,646,000	\$11,712,000	\$11,058,000				
Capitation	\$218,000	N/A	\$14,000	\$3,000	\$1,000	\$136,000	\$73,000	\$8,000				
Incurred Prescription Drug Claims	\$7,244,000	N/A	\$674,000	\$49,000	\$1,000	\$4,962,000	\$2,711,000	\$2,577,000				
Prescription Drug Rebates	(\$2,354,000)	N/A	(\$219,000)	(\$16,000)	(\$1,000)	(\$1,611,000)	(\$879,000)	(\$836,000)				
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A				
Administrative Fees	\$1,518,000	N/A	\$146,000	\$34,000	\$6,000	\$1,255,000	\$501,000	\$469,000				
Total Cost	\$39,635,000	N/A	\$3,969,000	\$292,000	\$37,000	\$23,388,000	\$14,118,000	\$13,276,000				
Total Premium	\$43,986,000	N/A	\$3,680,000	\$521,000	\$126,000	\$23,856,000	\$14,780,000	\$13,950,000				
Gain (Loss)	\$4,351,000	N/A	(\$289,000)	\$229,000	\$89,000	\$468,000	\$662,000	\$674,000				
Early Retirees												
Average Medical Members	1,909	564	N/A	46	-	38	209	N/A				
Incurred Medical Claims	\$12,537,000	\$2,975,000	N/A	\$50,000	\$0	\$234,000	\$1,458,000	N/A				
Capitation	\$60,000	\$36,000	N/A	\$0	\$0	\$1,000	\$2,000	N/A				
Incurred Prescription Drug Claims	\$3,194,000	\$1,416,000	N/A	\$47,000	\$0	\$99,000	\$543,000	N/A				
Prescription Drug Rebates	(\$1,003,000)	(\$444,000)	N/A	(\$15,000)	\$0	(\$31,000)	(\$170,000)	N/A				
EGWP Credits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A				
Administrative Fees	\$442,000	\$158,000	N/A	\$17,000	\$0	\$15,000	\$60,000	N/A				
Total Cost	\$15,230,000	\$4,141,000	N/A	\$99,000	\$0	\$318,000	\$1,893,000	N/A				
Total Premium	\$18,423,000	\$5,094,000	N/A	\$313,000	\$0	\$352,000	\$2,085,000	N/A				
Gain (Loss)	\$3,193,000	\$953,000	N/A	\$214,000	\$0	\$34,000	\$192,000	N/A				
Medicare Retirees												
Average Medical Members	290	28	N/A	N/A	N/A	N/A	N/A	N/A				
Incurred Medical Claims	\$540,000	\$106,000	N/A	N/A	N/A	N/A	N/A	N/A				
Capitation	\$0	\$0	N/A	N/A	N/A	N/A	N/A	N/A				
Incurred Prescription Drug Claims	\$1,826,000	\$365,000	N/A	N/A	N/A	N/A	N/A	N/A				
Prescription Drug Rebates	(\$426,000)	(\$85,000)	N/A	N/A	N/A	N/A	N/A	N/A				
EGWP Credits	(\$717,000)	(\$69,000)	N/A	N/A	N/A	N/A	N/A	N/A				
Administrative Fees	\$98,000	\$12,000	N/A	N/A	N/A	N/A	N/A	N/A				
Total Cost	\$1,321,000	\$329,000	N/A	N/A	N/A	N/A	N/A	N/A				
Total Premium	\$1,523,000	\$172,000	N/A	N/A	N/A	N/A	N/A	N/A				
Gain (Loss)	\$202,000	(\$157,000)	N/A	N/A	N/A	N/A	N/A	N/A				

*Aetna enrollment in medical self-insured plans is assumed to migrate to Horizon plans due to the RFP.

**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.

Exhibit 4A – Plan Year 2022 Monthly Active Premiums

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	Legacy Plans			1525		2030	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO
Medical Coverage Only							
Single	\$847.30	\$806.86	\$783.66	\$782.68	N/A	\$735.69	N/A
Employee+Spouse	\$1,694.60	\$1,613.72	\$1,567.32	\$1,565.36	N/A	\$1,471.38	N/A
Family	\$2,363.97	\$2,251.14	\$2,186.41	\$2,183.68	N/A	\$2,052.58	N/A
Employee+Child(ren)	\$1,516.67	\$1,444.28	\$1,402.75	\$1,401.00	N/A	\$1,316.89	N/A
Adult Child Rate	\$682.76	\$650.17	\$631.47	\$630.69	N/A	\$592.82	N/A
Legacy Plans							
1525							
2030							
Rx Card							
Single	\$150.14	\$150.14	\$150.14	\$136.17	N/A	\$138.60	N/A
Employee+Spouse	\$300.28	\$300.28	\$300.28	\$272.34	N/A	\$277.20	N/A
Family	\$418.89	\$418.89	\$418.89	\$379.91	N/A	\$386.69	N/A
Employee+Child(ren)	\$268.75	\$268.75	\$268.75	\$243.74	N/A	\$248.09	N/A
Adult Child Rate	\$120.98	\$120.98	\$120.98	\$109.72	N/A	\$111.68	N/A
Legacy Plans							
1525							
2030							
Rx with Medical Coverage							
Single	\$977.12	\$934.05	\$926.16	\$899.61	N/A	\$853.84	N/A
Employee+Spouse	\$1,954.23	\$1,868.09	\$1,852.32	\$1,799.22	N/A	\$1,707.67	N/A
Family	\$2,726.15	\$2,605.99	\$2,583.99	\$2,509.91	N/A	\$2,382.21	N/A
Employee+Child(ren)	\$1,749.04	\$1,671.94	\$1,657.83	\$1,610.30	N/A	\$1,528.37	N/A
Adult Child Rate	\$787.36	\$752.65	\$746.30	\$724.91	N/A	\$688.03	N/A

Exhibit 4A – Plan Year 2022 Monthly Active Premiums

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	2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT PPO	
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon 2019 PPO
Medical Coverage Only						
Single	\$632.70	\$410.53	\$608.84	\$599.16	\$754.42	\$754.42
Employee+Spouse	\$1,265.40	\$821.06	\$1,217.68	\$1,198.32	\$1,508.84	\$1,508.84
Family	\$1,765.23	\$1,145.38	\$1,698.66	\$1,671.66	\$2,104.83	\$2,104.83
Employee+Child(ren)	\$1,132.53	\$734.85	\$1,089.82	\$1,072.50	\$1,350.41	\$1,350.41
Adult Child Rate	\$509.83	\$330.81	\$490.60	\$482.81	\$607.91	\$607.91
	2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT PPO	
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon 2019 PPO
Rx Card						
Single	\$124.73	\$89.22	\$132.34	\$139.82	\$136.27	\$136.27
Employee+Spouse	\$249.46	\$178.44	\$264.68	\$279.64	\$272.54	\$272.54
Family	\$348.00	\$248.92	\$369.23	\$390.10	\$380.19	\$380.19
Employee+Child(ren)	\$223.27	\$159.70	\$236.89	\$250.28	\$243.92	\$243.92
Adult Child Rate	\$100.51	\$71.89	\$106.64	\$112.67	\$109.80	\$109.80
	2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT PPO	
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon 2019 PPO
Rx with Medical Coverage						
Single	\$739.02	\$499.75	\$741.18	\$719.22	\$871.43	\$871.43
Employee+Spouse	\$1,478.04	\$999.50	\$1,482.36	\$1,438.44	\$1,742.86	\$1,742.86
Family	\$2,061.86	\$1,394.30	\$2,067.89	\$2,006.63	\$2,431.29	\$2,431.29
Employee+Child(ren)	\$1,322.84	\$894.55	\$1,326.71	\$1,287.41	\$1,559.86	\$1,559.86
Adult Child Rate	\$595.50	\$402.70	\$597.24	\$579.55	\$702.20	\$702.20

Exhibit 4B – Plan Year 2022 Annual Active Premiums

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	Legacy Plans			1525		2030	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO
Medical Coverage Only							
Single	\$10,168	\$9,682	\$9,404	\$9,392	N/A	\$8,828	N/A
Employee+Spouse	\$20,335	\$19,365	\$18,808	\$18,784	N/A	\$17,657	N/A
Family	\$28,368	\$27,014	\$26,237	\$26,204	N/A	\$24,631	N/A
Employee+Child(ren)	\$18,200	\$17,331	\$16,833	\$16,812	N/A	\$15,803	N/A
Adult Child Rate	\$8,193	\$7,802	\$7,578	\$7,568	N/A	\$7,114	N/A
	Legacy Plans			1525		2030	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO
Rx Card							
Single	\$1,802	\$1,802	\$1,802	\$1,634	N/A	\$1,663	N/A
Employee+Spouse	\$3,603	\$3,603	\$3,603	\$3,268	N/A	\$3,326	N/A
Family	\$5,027	\$5,027	\$5,027	\$4,559	N/A	\$4,640	N/A
Employee+Child(ren)	\$3,225	\$3,225	\$3,225	\$2,925	N/A	\$2,977	N/A
Adult Child Rate	\$1,452	\$1,452	\$1,452	\$1,317	N/A	\$1,340	N/A
	Legacy Plans			1525		2030	
	Horizon DIR10	Horizon DIR15	Horizon HMO	Horizon PPO	Horizon HMO	Horizon PPO	Horizon HMO
Rx with Medical Coverage							
Single	\$11,725	\$11,209	\$11,114	\$10,795	N/A	\$10,246	N/A
Employee+Spouse	\$23,451	\$22,417	\$22,228	\$21,591	N/A	\$20,492	N/A
Family	\$32,714	\$31,272	\$31,008	\$30,119	N/A	\$28,587	N/A
Employee+Child(ren)	\$20,988	\$20,063	\$19,894	\$19,324	N/A	\$18,340	N/A
Adult Child Rate	\$9,448	\$9,032	\$8,956	\$8,699	N/A	\$8,256	N/A

Exhibit 4B – Plan Year 2022 Annual Active Premiums

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	2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT PPO	
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon 2019 PPO
Medical Coverage Only						
Single	\$7,592	\$4,926	\$7,306	\$7,190	\$9,053	\$9,053
Employee+Spouse	\$15,185	\$9,853	\$14,612	\$14,380	\$18,106	\$18,106
Family	\$21,183	\$13,745	\$20,384	\$20,060	\$25,258	\$25,258
Employee+Child(ren)	\$13,590	\$8,818	\$13,078	\$12,870	\$16,205	\$16,205
Adult Child Rate	\$6,118	\$3,970	\$5,887	\$5,794	\$7,295	\$7,295
	2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT PPO	
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon 2019 PPO
Rx Card						
Single	\$1,497	\$1,071	\$1,588	\$1,678	\$1,635	\$1,635
Employee+Spouse	\$2,994	\$2,141	\$3,176	\$3,356	\$3,270	\$3,270
Family	\$4,176	\$2,987	\$4,431	\$4,681	\$4,562	\$4,562
Employee+Child(ren)	\$2,679	\$1,916	\$2,843	\$3,003	\$2,927	\$2,927
Adult Child Rate	\$1,206	\$863	\$1,280	\$1,352	\$1,318	\$1,318
	2035	HD 4000	HD 1500	Tiered Network	NJ DIRECT PPO	
	Horizon PPO	Horizon HMO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon 2019 PPO
Rx with Medical Coverage						
Single	\$8,868	\$5,997	\$8,894	\$8,631	\$10,457	\$10,457
Employee+Spouse	\$17,736	\$11,994	\$17,788	\$17,261	\$20,914	\$20,914
Family	\$24,742	\$16,732	\$24,815	\$24,080	\$29,175	\$29,175
Employee+Child(ren)	\$15,874	\$10,735	\$15,921	\$15,449	\$18,718	\$18,718
Adult Child Rate	\$7,146	\$4,832	\$7,167	\$6,955	\$8,426	\$8,426

Exhibit 4C – Plan Year 2022 Monthly Retiree Premiums

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	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)			Legacy HMO
	PPO10			PPO15			Legacy HMO			Horizon HMO
	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	
Total Premium										
Single - 0 Medicare	\$1,262.95	N/A	\$1,262.95	\$1,199.66	N/A	\$1,199.66	\$1,164.81	N/A	\$1,164.81	\$1,164.81
Single - 1 Medicare	N/A	\$383.69	\$383.69	N/A	\$366.34	\$366.34	N/A	\$439.96	\$439.96	\$566.28
EE+Spouse - 0 Medicare	\$2,753.30	N/A	\$2,753.30	\$2,615.31	N/A	\$2,615.31	\$2,539.69	N/A	\$2,539.69	\$2,539.69
EE+Spouse - 1 Medicare	\$975.83	\$383.69	\$1,359.52	\$969.52	\$366.34	\$1,335.86	\$879.77	\$439.96	\$1,319.73	\$1,446.05
EE+Spouse - 2 Medicare	N/A	\$767.38	\$767.41	N/A	\$732.68	\$732.71	N/A	\$879.92	\$879.90	\$1,132.55
Family - 0 Medicare	\$3,132.18	N/A	\$3,132.18	\$2,975.20	N/A	\$2,975.20	\$2,889.49	N/A	\$2,889.49	\$2,889.49
Family - 1 Medicare	\$1,257.20	\$383.69	\$1,640.89	\$1,250.03	\$366.34	\$1,616.37	\$1,154.82	\$439.96	\$1,594.78	\$1,721.10
Family - 2 Medicare	\$224.77	\$767.38	\$992.15	\$219.90	\$732.68	\$952.58	\$216.90	\$879.92	\$1,096.82	\$1,409.33
EE+Ch - 0 Medicare	\$1,768.15	N/A	\$1,768.15	\$1,679.54	N/A	\$1,679.54	\$1,631.17	N/A	\$1,631.17	\$1,631.17
EE+Ch - 1 Medicare	\$221.00	\$383.69	\$604.69	\$216.20	\$366.34	\$582.54	\$206.88	\$439.96	\$646.84	\$830.31
Medical Premium										
Single - 0 Medicare	\$1,060.53	N/A	\$1,060.53	\$997.24	N/A	\$997.24	\$968.06	N/A	\$968.06	\$968.06
Single - 1 Medicare	N/A	\$171.41	\$171.41	N/A	\$154.06	\$154.06	N/A	\$195.54	\$195.54	\$321.86
EE+Spouse - 0 Medicare	\$2,311.96	N/A	\$2,311.96	\$2,173.97	N/A	\$2,173.97	\$2,110.37	N/A	\$2,110.37	\$2,110.37
EE+Spouse - 1 Medicare	\$834.14	\$171.41	\$1,005.55	\$827.83	\$154.06	\$981.89	\$743.08	\$195.54	\$938.62	\$1,064.94
EE+Spouse - 2 Medicare	N/A	\$342.82	\$342.82	N/A	\$308.12	\$308.12	N/A	\$391.08	\$391.08	\$643.73
Family - 0 Medicare	\$2,630.12	N/A	\$2,630.12	\$2,473.14	N/A	\$2,473.14	\$2,400.81	N/A	\$2,400.81	\$2,400.81
Family - 1 Medicare	\$1,067.17	\$171.41	\$1,238.58	\$1,060.00	\$154.06	\$1,214.06	\$972.34	\$195.54	\$1,167.88	\$1,294.20
Family - 2 Medicare	\$98.80	\$342.82	\$441.62	\$93.93	\$308.12	\$402.05	\$97.44	\$391.08	\$488.52	\$801.03
EE+Ch - 0 Medicare	\$1,484.74	N/A	\$1,484.74	\$1,396.13	N/A	\$1,396.13	\$1,355.29	N/A	\$1,355.29	\$1,355.29
EE+Ch - 1 Medicare	\$97.15	\$171.41	\$268.56	\$92.35	\$154.06	\$246.41	\$93.06	\$195.54	\$288.60	\$472.07
Rx Premium										
Single - 0 Medicare	\$202.42	N/A	\$202.42	\$202.42	N/A	\$202.42	\$196.75	N/A	\$196.75	\$196.75
Single - 1 Medicare	N/A	\$212.28	\$212.28	N/A	\$212.28	\$212.28	N/A	\$244.42	\$244.42	\$244.42
EE+Spouse - 0 Medicare	\$441.34	N/A	\$441.34	\$441.34	N/A	\$441.34	\$429.32	N/A	\$429.32	\$429.32
EE+Spouse - 1 Medicare	\$141.69	\$212.28	\$353.97	\$141.69	\$212.28	\$353.97	\$136.69	\$244.42	\$381.11	\$381.11
EE+Spouse - 2 Medicare	N/A	\$424.56	\$424.59	N/A	\$424.56	\$424.59	N/A	\$488.84	\$488.82	\$488.82
Family - 0 Medicare	\$502.06	N/A	\$502.06	\$502.06	N/A	\$502.06	\$488.68	N/A	\$488.68	\$488.68
Family - 1 Medicare	\$190.03	\$212.28	\$402.31	\$190.03	\$212.28	\$402.31	\$182.48	\$244.42	\$426.90	\$426.90
Family - 2 Medicare	\$125.97	\$424.56	\$550.53	\$125.97	\$424.56	\$550.53	\$119.46	\$488.84	\$608.30	\$608.30
EE+Ch - 0 Medicare	\$283.41	N/A	\$283.41	\$283.41	N/A	\$283.41	\$275.88	N/A	\$275.88	\$275.88
EE+Ch - 1 Medicare	\$123.85	\$212.28	\$336.13	\$123.85	\$212.28	\$336.13	\$113.82	\$244.42	\$358.24	\$358.24

Exhibit 4C – Plan Year 2022 Monthly Retiree Premiums

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	1525 PPO	1525 HMO (Aetna Medicare Subscriber)			1525 HMO	2030	
	Horizon PPO	Horizon Early Retiree Subscriber	1525 HMO Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon HMO	Horizon PPO	Horizon HMO
Total Premium							
Single - 0 Medicare	\$1,148.65	\$1,059.91	N/A	\$1,059.91	\$1,059.91	\$1,094.37	\$1,009.62
Single - 1 Medicare	\$454.38	N/A	\$366.87	\$366.87	\$529.62	\$440.84	\$513.67
EE+Spouse - 0 Medicare	\$2,504.13	\$2,310.63	N/A	\$2,310.63	\$2,310.63	\$2,385.79	\$2,201.03
EE+Spouse - 1 Medicare	\$1,353.52	\$810.10	\$366.87	\$1,176.97	\$1,339.72	\$1,299.38	\$1,288.72
EE+Spouse - 2 Medicare	\$908.77	N/A	\$733.74	\$733.74	\$1,059.23	\$881.74	\$1,027.38
Family - 0 Medicare	\$2,848.71	\$2,628.59	N/A	\$2,628.59	\$2,628.59	\$2,714.08	\$2,503.90
Family - 1 Medicare	\$1,642.05	\$1,067.00	\$366.87	\$1,433.87	\$1,596.62	\$1,575.03	\$1,534.22
Family - 2 Medicare	\$1,178.33	\$184.92	\$733.74	\$918.66	\$1,304.44	\$1,143.28	\$1,264.69
EE+Ch - 0 Medicare	\$1,608.16	\$1,483.90	N/A	\$1,483.90	\$1,483.90	\$1,532.13	\$1,413.50
EE+Ch - 1 Medicare	\$719.45	\$177.18	\$366.87	\$544.05	\$761.60	\$698.05	\$738.09
Medical Premium							
Single - 0 Medicare	\$952.49	\$854.90	N/A	\$854.90	\$854.90	\$896.35	\$802.68
Single - 1 Medicare	\$248.65	N/A	\$161.14	\$161.14	\$323.89	\$233.16	\$305.99
EE+Spouse - 0 Medicare	\$2,076.44	\$1,863.69	N/A	\$1,863.69	\$1,863.69	\$1,954.03	\$1,749.82
EE+Spouse - 1 Medicare	\$1,010.48	\$665.03	\$161.14	\$826.17	\$988.92	\$953.09	\$934.60
EE+Spouse - 2 Medicare	\$497.31	N/A	\$322.28	\$322.28	\$647.77	\$466.37	\$612.01
Family - 0 Medicare	\$2,362.19	\$2,120.16	N/A	\$2,120.16	\$2,120.16	\$2,222.94	\$1,990.63
Family - 1 Medicare	\$1,252.19	\$874.05	\$161.14	\$1,035.19	\$1,197.94	\$1,181.46	\$1,131.75
Family - 2 Medicare	\$644.83	\$62.88	\$322.28	\$385.16	\$770.94	\$604.70	\$726.11
EE+Ch - 0 Medicare	\$1,333.50	\$1,196.87	N/A	\$1,196.87	\$1,196.87	\$1,254.88	\$1,123.74
EE+Ch - 1 Medicare	\$393.72	\$57.18	\$161.14	\$218.32	\$435.87	\$369.22	\$409.26
Rx Premium							
Single - 0 Medicare	\$196.16	\$205.01	N/A	\$205.01	\$205.01	\$198.02	\$206.94
Single - 1 Medicare	\$205.73	N/A	\$205.73	\$205.73	\$205.73	\$207.68	\$207.68
EE+Spouse - 0 Medicare	\$427.69	\$446.94	N/A	\$446.94	\$446.94	\$431.76	\$451.21
EE+Spouse - 1 Medicare	\$343.04	\$145.07	\$205.73	\$350.80	\$350.80	\$346.29	\$354.12
EE+Spouse - 2 Medicare	\$411.46	N/A	\$411.46	\$411.46	\$411.46	\$415.37	\$415.37
Family - 0 Medicare	\$486.52	\$508.43	N/A	\$508.43	\$508.43	\$491.14	\$513.27
Family - 1 Medicare	\$389.86	\$192.95	\$205.73	\$398.68	\$398.68	\$393.57	\$402.47
Family - 2 Medicare	\$533.50	\$122.04	\$411.46	\$533.50	\$533.50	\$538.58	\$538.58
EE+Ch - 0 Medicare	\$274.66	\$287.03	N/A	\$287.03	\$287.03	\$277.25	\$289.76
EE+Ch - 1 Medicare	\$325.73	\$120.00	\$205.73	\$325.73	\$325.73	\$328.83	\$328.83

Exhibit 4C – Plan Year 2022 Monthly Retiree Premiums

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	HD 4000	NJ DIRECT PPO	2035	HD 1500	Tiered Network
	Horizon PPO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon HMO
Total Premium					
Single - 0 Medicare	\$634.31	\$1,096.57	\$943.70	\$924.58	\$924.71
Single - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 0 Medicare	\$1,382.80	\$2,390.59	\$2,057.29	\$2,015.60	\$2,015.90
EE+Spouse - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 2 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 0 Medicare	\$1,573.10	\$2,719.57	\$2,340.41	\$2,292.97	\$2,293.32
Family - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 2 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Ch - 0 Medicare	\$888.04	\$1,535.22	\$1,321.18	\$1,294.43	\$1,294.62
EE+Ch - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Medical Premium					
Single - 0 Medicare	\$504.77	\$899.24	\$776.99	\$747.71	\$742.70
Single - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 0 Medicare	\$1,100.40	\$1,960.36	\$1,693.82	\$1,630.00	\$1,619.10
EE+Spouse - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 2 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 0 Medicare	\$1,251.84	\$2,230.14	\$1,926.92	\$1,854.31	\$1,841.92
Family - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 2 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Ch - 0 Medicare	\$706.68	\$1,258.95	\$1,087.78	\$1,046.80	\$1,039.79
EE+Ch - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Rx Premium					
Single - 0 Medicare	\$129.54	\$197.33	\$166.71	\$176.87	\$182.01
Single - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 0 Medicare	\$282.40	\$430.23	\$363.47	\$385.60	\$396.80
EE+Spouse - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 2 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 0 Medicare	\$321.26	\$489.43	\$413.49	\$438.66	\$451.40
Family - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 2 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Ch - 0 Medicare	\$181.36	\$276.27	\$233.40	\$247.63	\$254.83
EE+Ch - 1 Medicare	N/A	N/A	N/A	N/A	N/A

Exhibit 4D – Plan Year 2022 Annual Retiree Premiums

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	Legacy Plans						Legacy HMO (Aetna Medicare Subscriber)			Legacy HMO
	PPO10			PPO15			Legacy HMO			Horizon HMO
	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium	
Total Premium										
Single - 0 Medicare	\$15,155	N/A	\$15,155	\$14,396	N/A	\$14,396	\$13,978	N/A	\$13,978	\$13,978
Single - 1 Medicare	N/A	\$4,604	\$4,604	N/A	\$4,396	\$4,396	N/A	\$5,280	\$5,280	\$6,795
EE+Spouse - 0 Medicare	\$33,040	N/A	\$33,040	\$31,384	N/A	\$31,384	\$30,476	N/A	\$30,476	\$30,476
EE+Spouse - 1 Medicare	\$11,710	\$4,604	\$16,314	\$11,634	\$4,396	\$16,030	\$10,557	\$5,280	\$15,837	\$17,353
EE+Spouse - 2 Medicare	N/A	\$9,209	\$9,209	N/A	\$8,792	\$8,793	N/A	\$10,559	\$10,559	\$13,591
Family - 0 Medicare	\$37,586	N/A	\$37,586	\$35,702	N/A	\$35,702	\$34,674	N/A	\$34,674	\$34,674
Family - 1 Medicare	\$15,086	\$4,604	\$19,691	\$15,000	\$4,396	\$19,396	\$13,858	\$5,280	\$19,137	\$20,653
Family - 2 Medicare	\$2,697	\$9,209	\$11,906	\$2,639	\$8,792	\$11,431	\$2,603	\$10,559	\$13,162	\$16,912
EE+Ch - 0 Medicare	\$21,218	N/A	\$21,218	\$20,154	N/A	\$20,154	\$19,574	N/A	\$19,574	\$19,574
EE+Ch - 1 Medicare	\$2,652	\$4,604	\$7,256	\$2,594	\$4,396	\$6,990	\$2,483	\$5,280	\$7,762	\$9,964
Medical Premium										
Single - 0 Medicare	\$12,726	N/A	\$12,726	\$11,967	N/A	\$11,967	\$11,617	N/A	\$11,617	\$11,617
Single - 1 Medicare	N/A	\$2,057	\$2,057	N/A	\$1,849	\$1,849	N/A	\$2,346	\$2,346	\$3,862
EE+Spouse - 0 Medicare	\$27,744	N/A	\$27,744	\$26,088	N/A	\$26,088	\$25,324	N/A	\$25,324	\$25,324
EE+Spouse - 1 Medicare	\$10,010	\$2,057	\$12,067	\$9,934	\$1,849	\$11,783	\$8,917	\$2,346	\$11,263	\$12,779
EE+Spouse - 2 Medicare	N/A	\$4,114	\$4,114	N/A	\$3,697	\$3,697	N/A	\$4,693	\$4,693	\$7,725
Family - 0 Medicare	\$31,561	N/A	\$31,561	\$29,678	N/A	\$29,678	\$28,810	N/A	\$28,810	\$28,810
Family - 1 Medicare	\$12,806	\$2,057	\$14,863	\$12,720	\$1,849	\$14,569	\$11,668	\$2,346	\$14,015	\$15,530
Family - 2 Medicare	\$1,186	\$4,114	\$5,299	\$1,127	\$3,697	\$4,825	\$1,169	\$4,693	\$5,862	\$9,612
EE+Ch - 0 Medicare	\$17,817	N/A	\$17,817	\$16,754	N/A	\$16,754	\$16,263	N/A	\$16,263	\$16,263
EE+Ch - 1 Medicare	\$1,166	\$2,057	\$3,223	\$1,108	\$1,849	\$2,957	\$1,117	\$2,346	\$3,463	\$5,665
Rx Premium										
Single - 0 Medicare	\$2,429	N/A	\$2,429	\$2,429	N/A	\$2,429	\$2,361	N/A	\$2,361	\$2,361
Single - 1 Medicare	N/A	\$2,547	\$2,547	N/A	\$2,547	\$2,547	N/A	\$2,933	\$2,933	\$2,933
EE+Spouse - 0 Medicare	\$5,296	N/A	\$5,296	\$5,296	N/A	\$5,296	\$5,152	N/A	\$5,152	\$5,152
EE+Spouse - 1 Medicare	\$1,700	\$2,547	\$4,248	\$1,700	\$2,547	\$4,248	\$1,640	\$2,933	\$4,573	\$4,573
EE+Spouse - 2 Medicare	N/A	\$5,095	\$5,095	N/A	\$5,095	\$5,095	N/A	\$5,866	\$5,866	\$5,866
Family - 0 Medicare	\$6,025	N/A	\$6,025	\$6,025	N/A	\$6,025	\$5,864	N/A	\$5,864	\$5,864
Family - 1 Medicare	\$2,280	\$2,547	\$4,828	\$2,280	\$2,547	\$4,828	\$2,190	\$2,933	\$5,123	\$5,123
Family - 2 Medicare	\$1,512	\$5,095	\$6,606	\$1,512	\$5,095	\$6,606	\$1,434	\$5,866	\$7,300	\$7,300
EE+Ch - 0 Medicare	\$3,401	N/A	\$3,401	\$3,401	N/A	\$3,401	\$3,311	N/A	\$3,311	\$3,311
EE+Ch - 1 Medicare	\$1,486	\$2,547	\$4,034	\$1,486	\$2,547	\$4,034	\$1,366	\$2,933	\$4,299	\$4,299

Exhibit 4D – Plan Year 2022 Annual Retiree Premiums

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	1525 PPO	1525 HMO (Aetna Medicare Subscriber)			1525 HMO	2030	
	Horizon PPO	1525 HMO			Horizon HMO	Horizon PPO	Horizon HMO
		Horizon Early Retiree Subscriber	Aetna Medicare Advantage Subscriber	Total Plan Premium			
Total Premium							
Single - 0 Medicare	\$13,784	\$12,719	N/A	\$12,719	\$12,719	\$13,132	\$12,115
Single - 1 Medicare	\$5,453	N/A	\$4,402	\$4,402	\$6,355	\$5,290	\$6,164
EE+Spouse - 0 Medicare	\$30,050	\$27,728	N/A	\$27,728	\$27,728	\$28,629	\$26,412
EE+Spouse - 1 Medicare	\$16,242	\$9,721	\$4,402	\$14,124	\$16,077	\$15,593	\$15,465
EE+Spouse - 2 Medicare	\$10,905	N/A	\$8,805	\$8,805	\$12,711	\$10,581	\$12,329
Family - 0 Medicare	\$34,185	\$31,543	N/A	\$31,543	\$31,543	\$32,569	\$30,047
Family - 1 Medicare	\$19,705	\$12,804	\$4,402	\$17,206	\$19,159	\$18,900	\$18,411
Family - 2 Medicare	\$14,140	\$2,219	\$8,805	\$11,024	\$15,653	\$13,719	\$15,176
EE+Ch - 0 Medicare	\$19,298	\$17,807	N/A	\$17,807	\$17,807	\$18,386	\$16,962
EE+Ch - 1 Medicare	\$8,633	\$2,126	\$4,402	\$6,529	\$9,139	\$8,377	\$8,857
Medical Premium							
Single - 0 Medicare	\$11,430	\$10,259	N/A	\$10,259	\$10,259	\$10,756	\$9,632
Single - 1 Medicare	\$2,984	N/A	\$1,934	\$1,934	\$3,887	\$2,798	\$3,672
EE+Spouse - 0 Medicare	\$24,917	\$22,364	N/A	\$22,364	\$22,364	\$23,448	\$20,998
EE+Spouse - 1 Medicare	\$12,126	\$7,980	\$1,934	\$9,914	\$11,867	\$11,437	\$11,215
EE+Spouse - 2 Medicare	\$5,968	N/A	\$3,867	\$3,867	\$7,773	\$5,596	\$7,344
Family - 0 Medicare	\$28,346	\$25,442	N/A	\$25,442	\$25,442	\$26,675	\$23,888
Family - 1 Medicare	\$15,026	\$10,489	\$1,934	\$12,422	\$14,375	\$14,178	\$13,581
Family - 2 Medicare	\$7,738	\$755	\$3,867	\$4,622	\$9,251	\$7,256	\$8,713
EE+Ch - 0 Medicare	\$16,002	\$14,362	N/A	\$14,362	\$14,362	\$15,059	\$13,485
EE+Ch - 1 Medicare	\$4,725	\$686	\$1,934	\$2,620	\$5,230	\$4,431	\$4,911
Rx Premium							
Single - 0 Medicare	\$2,354	\$2,460	N/A	\$2,460	\$2,460	\$2,376	\$2,483
Single - 1 Medicare	\$2,469	N/A	\$2,469	\$2,469	\$2,469	\$2,492	\$2,492
EE+Spouse - 0 Medicare	\$5,132	\$5,363	N/A	\$5,363	\$5,363	\$5,181	\$5,415
EE+Spouse - 1 Medicare	\$4,116	\$1,741	\$2,469	\$4,210	\$4,210	\$4,155	\$4,249
EE+Spouse - 2 Medicare	\$4,938	N/A	\$4,938	\$4,938	\$4,938	\$4,984	\$4,984
Family - 0 Medicare	\$5,838	\$6,101	N/A	\$6,101	\$6,101	\$5,894	\$6,159
Family - 1 Medicare	\$4,678	\$2,315	\$2,469	\$4,784	\$4,784	\$4,723	\$4,830
Family - 2 Medicare	\$6,402	\$1,464	\$4,938	\$6,402	\$6,402	\$6,463	\$6,463
EE+Ch - 0 Medicare	\$3,296	\$3,444	N/A	\$3,444	\$3,444	\$3,327	\$3,477
EE+Ch - 1 Medicare	\$3,909	\$1,440	\$2,469	\$3,909	\$3,909	\$3,946	\$3,946

Exhibit 4D – Plan Year 2022 Annual Retiree Premiums

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	HD 4000	NJ DIRECT PPO	2035	HD 1500	Tiered Network
	Horizon PPO	Horizon PPO	Horizon PPO	Horizon PPO	Horizon HMO
<u>Total Premium</u>					
Single - 0 Medicare	\$7,612	\$13,159	\$11,324	\$11,095	\$11,097
Single - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 0 Medicare	\$16,594	\$28,687	\$24,687	\$24,187	\$24,191
EE+Spouse - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 2 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 0 Medicare	\$18,877	\$32,635	\$28,085	\$27,516	\$27,520
Family - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 2 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Ch - 0 Medicare	\$10,656	\$18,423	\$15,854	\$15,533	\$15,535
EE+Ch - 1 Medicare	N/A	N/A	N/A	N/A	N/A
<u>Medical Premium</u>					
Single - 0 Medicare	\$6,057	\$10,791	\$9,324	\$8,973	\$8,912
Single - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 0 Medicare	\$13,205	\$23,524	\$20,326	\$19,560	\$19,429
EE+Spouse - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 2 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 0 Medicare	\$15,022	\$26,762	\$23,123	\$22,252	\$22,103
Family - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 2 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Ch - 0 Medicare	\$8,480	\$15,107	\$13,053	\$12,562	\$12,477
EE+Ch - 1 Medicare	N/A	N/A	N/A	N/A	N/A
<u>Rx Premium</u>					
Single - 0 Medicare	\$1,554	\$2,368	\$2,001	\$2,122	\$2,184
Single - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 0 Medicare	\$3,389	\$5,163	\$4,362	\$4,627	\$4,762
EE+Spouse - 1 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Spouse - 2 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 0 Medicare	\$3,855	\$5,873	\$4,962	\$5,264	\$5,417
Family - 1 Medicare	N/A	N/A	N/A	N/A	N/A
Family - 2 Medicare	N/A	N/A	N/A	N/A	N/A
EE+Ch - 0 Medicare	\$2,176	\$3,315	\$2,801	\$2,972	\$3,058
EE+Ch - 1 Medicare	N/A	N/A	N/A	N/A	N/A

Exhibit 5A – Plan Year 2022 Employee Plan Option Summary

	Government Actives											
	NJDIRECT PPO Plan	NJDIRECT 2019 PPO Plan	\$10 PPO	\$15 PPO	\$10 HMO	1525PPO	2030PPO	2035PPO	HDHP 4000	HDHP 1500	Tiered Network	
In-Network												
Deductible (Single/Family) ¹	None	\$100	None	None	None	None	None	None	\$200/\$500 for non-copayment services	\$4,000/\$8,000	\$1,500/\$3,000	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	None
Total In-Network OOP Maximum (Single/Family) ¹	\$6,960/\$13,920	\$6,960/\$13,920	\$400/\$1,000	\$6,960/\$13,920	\$6,960/\$13,920	\$6,960/\$13,920	\$6,960/\$13,920	\$6,960/\$13,920	\$5,000/\$10,000	\$2,500/\$5,000	\$2,500/\$5,000	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%	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	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	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	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	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	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	\$3,500/\$7,000	Not covered
Overall Coinsurance	30%	30%	20%	30%	Not covered	30%	30%	40%	40%	40%	40%	Not covered
Prescription Drug												
OOP Maximum (Single/Family)	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480	\$1,740/\$3,480			\$1,740/\$3,480
Retail - Generic	\$7	\$7	\$3	\$3	\$3	\$7	\$3	\$7				\$7
Retail - Preferred Brand	\$16	\$16	\$10	\$10	\$10	\$16	\$18	\$21				\$16
Retail - Non-Preferred Brand	Member Pays the Difference	Member Pays the Difference	\$10	\$10	\$10	\$35	\$46	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
Mail- Generic	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				\$0
Mail - Preferred Brand	\$40	\$40	\$15	\$15	\$15	\$40	\$36	\$52				\$40
Mail - Non-Preferred Brand	Member Pays the Difference	Member Pays the Difference	\$15	\$15	\$15	\$88	\$92	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

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 Freedom2030, 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.

Exhibit 5B – Plan Year 2022 Early Retiree Plan Option Summary

	Government Early Retirees											
	NJDIRECT PPO Early Retiree Plan	\$10 PPO	\$15 PPO	\$10 HMO	1525PPO	1525HMO	2030PPO	2030HMO	2035PPO	HDHP 4000	HDHP 1500	Tiered Network
In-Network												
Deductible (Single/Family) ¹	\$0	None	None	None	None	None	None	None	\$200/\$500 for non-copayment services	\$4,000/\$8,000	\$1,500/\$3,000	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	\$2,000/\$5,000	None	None	None
Total In-Network OOP Maximum (Single/Family) ¹	\$7,349/\$14,698	\$400/\$1,000	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$5,000/\$10,000	\$2,500/\$5,000	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%	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 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)	\$35 copay	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	\$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	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	\$100/\$250	\$100/\$250	Not covered	\$100/\$250	Not covered	\$200/\$500	Not covered	\$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	Not covered	\$2,000/\$5,000	Not covered	\$5,000/\$12,500	Not covered	\$6,500/\$13,000	\$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%	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	\$7			\$7
Retail - Preferred Brand	\$16	\$22	\$22	\$12	\$16	\$16	\$18	\$18	\$21			\$16
Retail - Non-Preferred Brand	\$35	\$44	\$44	\$24	\$35	\$35	\$46	\$46	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
Mail - Generic	\$18	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5			\$18
Mail - Preferred Brand	\$40	\$28	\$28	\$18	\$40	\$40	\$36	\$36	\$52			\$40
Mail - Non-Preferred Brand	\$88	\$55	\$55	\$30	\$88	\$88	\$92	\$92	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

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.
² 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.

Exhibit 5C – Plan Year 2022 Medicare Retiree Plan 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	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698	\$7,349/\$14,698
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)
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.

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