

CHAPTER 9

STATE HEALTH BENEFITS PROGRAM

Authority

N.J.S.A. 52:14-17.27.

Source and Effective Date

R.1993 d.463, effective August 23, 1993.
See: 25 N.J.R. 2651(b), 25 N.J.R. 4508(b).

Executive Order No. 66(1978) Expiration Date

Chapter 9, State Health Benefits Program,
expires on August 23, 1998.

Chapter Historical Note

All provisions of this chapter were adopted by the Commission, pursuant to authority delegated at N.J.S.A. 52:14-17.27 and became effective prior to September 1, 1969. Amendments became effective December 19, 1969 as R.1969 d.33. See: 1 N.J.R. 10(b), 2 N.J.R. 8(a).

1970 Revisions: Amendments became effective December 10, 1970 as R.1970 d.147. See: 2 N.J.R. 94(d), 3 N.J.R. 11(a).

1971 Revisions: Amendments became effective February 17, 1971 as R.1971 d.21. See: 3 N.J.R. 10(a), 3 N.J.R. 52(c). Further amendments became effective October 5, 1971 as R.1971 d.177. See: 3 N.J.R. 138(a), 3 N.J.R. 236(a).

1972 Revisions: Amendments became effective October 4, 1972 as R.1972 d.200. See: 4 N.J.R. 168(b), 4 N.J.R. 283(c).

1973 Revisions: Amendments became effective January 4, 1973 as R.1973 d.8. See: 4 N.J.R. 282(a), 5 N.J.R. 59(b). Further amendments became effective June 6, 1973 as R.1973 d.148. See: 5 N.J.R. 76(a), 5 N.J.R. 181(a). Further amendments became effective October 2, 1973 as R.1973 d.285. See: 5 N.J.R. 243(a), 5 N.J.R. 393(a).

1974 Revisions: Amendments became effective August 19, 1974 as R.1974 d.228. See: 6 N.J.R. 156(a), 6 N.J.R. 360(c).

1975 Revisions: Amendments became effective March 14, 1975 as R.1975 d.68. See: 7 N.J.R. 76(a), 7 N.J.R. 181(a). Further amendments became effective March 13, 1975 as R.1975 d.65. See: 6 N.J.R. 495(a), 7 N.J.R. 180(c). Further amendments became effective June 9, 1975 as R.1975 d.159. See: 7 N.J.R. 118(e), 7 N.J.R. 349(b).

1976 Revisions: Amendments became effective April 22, 1976 as R.1976 d.124. See: 8 N.J.R. 85(c), 8 N.J.R. 263(a). Further amendments became effective October 8, 1976 as R.1976 d.313. See: 8 N.J.R. 443(c), 8 N.J.R. 539(a).

1978 Revisions: Amendments became effective April 8, 1978 as R.1978 d.130. See: 9 N.J.R. 600(a), 10 N.J.R. 265(a). Further amendments became effective April 18, 1978 as R.1978 d.131. See: 10 N.J.R. 80(b), 10 N.J.R. 265(b). Further amendments became effective December 26, 1978 as R.1978 d.442. See: 10 N.J.R. 456(a), 11 N.J.R. 105(b).

1979 Revisions: Amendments became effective April 23, 1979 as R.1979 d.159. See: 11 N.J.R. 94(d), 11 N.J.R. 304(c). Further amendments became effective July 3, 1979 as R.1979 d.261. See: 11 N.J.R. 208(b), 11 N.J.R. 415(a). Further amendments became effective October 4, 1979 as R.1979 d.396. See: 11 N.J.R. 303(d), 11 N.J.R. 595(c).

1980 Revisions: Amendments became effective July 1, 1980 as R.1980 d.300. See: 12 N.J.R. 216(b), 12 N.J.R. 497(b).

1981 Revisions: Amendments became effective June 4, 1981 as R.1981 d.138. See: 13 N.J.R. 110(b), 13 N.J.R. 376(b).

1982 Revisions: Amendments became effective October 18, 1982 as R.1982 d.341. See: 14 N.J.R. 36(a), 14 N.J.R. 1165(a).

1983 Revisions: Amendments became effective March 7, 1983 as R.1983 d.44. See: 14 N.J.R. 1293(b), 15 N.J.R. 343(b). Further amendments became effective May 2, 1983 as R.1983 d.129. See: 15 N.J.R. 81(b), 15 N.J.R. 697(b). This chapter was readopted pursuant to Executive Order 66(1978) effective May 16, 1983 as R.1983 d.177. See: 15 N.J.R. 529(a), 15 N.J.R. 930(e). Further amendments became effective August 15, 1983 as R.1983 d.332. See: 15 N.J.R. 793(a), 15 N.J.R. 1383(d).

1984 Revisions: Amendments became effective December 17, 1984 as R.1984 d.560. See: 16 N.J.R. 2422(b), 16 N.J.R. 3479(b).

1985 Revisions: Amendments became effective February 4, 1985 as R.1985 d.18. See: 16 N.J.R. 2422(a), 17 N.J.R. 320(b). Further amendments became effective April 1, 1985 as R.1985 d.165. See: 16 N.J.R. 3192(b), 17 N.J.R. 841(a). Further amendments became effective November 18, 1985 as R.1985 d.587. See: 17 N.J.R. 1399(a), 17 N.J.R. 2784(b).

1986 Revisions: Amendments became effective January 21, 1986 as R.1985 d.676. See: 17 N.J.R. 2386(a), 18 N.J.R. 2135(c). Further amendments became effective February 18, 1986 as R.1986 d.28. See: 17 N.J.R. 2868(a), 18 N.J.R. 427(b). Further amendments became effective October 20, 1986 as R.1986 d.423. See: 18 N.J.R. 1451(b), 18 N.J.R. 2135(c).

1987 Revisions: Amendments became effective December 7, 1987 as R.1987 d.497. See: 19 N.J.R. 1636(b), 19 N.J.R. 2303(b).

1988 Revisions: Pursuant to Executive Order No. 66(1978), Chapter 9 expired on June 6, 1988, and subsequently was adopted as new rules by R.1988 d.461, effective October 3, 1988. See: 20 N.J.R. 1536(a), 20 N.J.R. 2466(d). Amendments became effective October 3, 1988 d.469. See: 20 N.J.R. 1536(b), 20 N.J.R. 2466(e). Further amendments became effective October 3, 1988 as R.1988 d.471. See: 20 N.J.R. 1537(a), 20 N.J.R. 2467(a). Further amendments became effective October 17, 1988 as R.1988 d.442. See: 20 N.J.R. 741(a), 20 N.J.R. 2590(b). Further amendments became effective October 3, 1988 as R.1988 d.470. See: 20 N.J.R. 1182(a), 20 N.J.R. 2467(b).

1989 Revisions: Added new rule 1.8 effective March 6, 1989 as R.1989 d.126. See: 20 N.J.R. 2863(a), 21 N.J.R. 638(c).

Pursuant to Executive Order No. 66(1978), Chapter 9 was readopted as R.1993 d.463. See: Source and Effective Date. See, also, section annotations for specific rulemaking activity.

Law Review and Journal Commentaries

State Health Benefits Program. Judith Nallin, 134 N.J.L.J. No. 3, 61 (1993).

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SUBCHAPTER 1. ADMINISTRATION

17:9-1.1 Commission meetings

(a) The Commission shall meet, as necessary, at the call of the chairman or the secretary.

(b) Any two members of the Commission shall constitute a quorum for the purpose of conducting the business of the Commission.

(c) If a member is unable to attend a meeting, he shall designate a person to represent him as his alternate. The person so designated shall be permitted to vote on business brought before the Commission.

17:9-1.2 Records

(a) The minutes of the Commission meetings are public records and may be inspected during regular business hours at the office of the Division of Pensions under supervision of the Chief of the Health Benefits Bureau or other representatives of the office.

(b) Records considered confidential include all matters related to the coverage of individual participants and their families, mailing addresses of active and retired participants and individual files related to major medical claims where no official purpose or reason for inspection is indicated.

Case Notes

Computerized claims data regarding health benefits paid under state plan constituted "public records". Board of Educ. of Newark v. New Jersey Dept. of Treasury, Div. of Pensions, 279 N.J.Super. 489, 653 A.2d 589 (A.D.1995), leave to appeal granted 663 A.2d 1351, 142 N.J. 440.

17:9-1.3 Appeals from Commission decisions

The following statement shall be incorporated in every written notice setting forth the Commission's determination in a matter where such determination is contrary to the claim made by the claimant or his legal representative:

(b) The eligible survivor of the deceased employee must submit personal payments to the health benefits program in order to continue coverage.

(c) Should coverage lapse through no fault of the survivor, who would be eligible to continue such coverage, retroactive coverage may be granted up to a period of three months, provided the payment of charges is made.

As amended, R.1973 d.8, eff. January 4, 1973.
See: 4 N.J.R. 282(a), 5 N.J.R. 59(b).
As amended, R.1979 d.159, eff. April 23, 1979.
See: 11 N.J.R. 94(d), 11 N.J.R. 304(c).
As amended, R.1983 d.44, eff. March 7, 1983.
See: 14 N.J.R. 1293(b), 15 N.J.R. 343(b).

Reference to premiums changed to charges.

17:9-2.12 Major Medical; eligible charges at enrollment (local employees)

(a) For purposes of local coverage, all eligible charges incurred by an eligible employee or his or her covered dependents, from January 1 of a calendar year to the effective date of coverage for his or her participating employer, will be considered to satisfy the deductibles and copayments required under the Major Medical coverage. The above provision is contingent upon the eligible employee being actively at work on the effective date of coverage and his or her dependents not be deferred as stated under N.J.A.C. 17:9-2.8(b).

(b) The charges considered are to be eligible charges under the Major Medical contract and no charges will be considered that would have been paid by the basic plan, had the employee had such coverage. No charges will be used to satisfy the deductibles and copayments for which the employee has been reimbursed by any source where any employer participated under another contract.

As amended, R.1984 d.560, eff. December 17, 1984.
See: 16 N.J.R. 2422(b), 16 N.J.R. 3479(b).

Deleted "being able to satisfy the normal activities test required by the contract". Inserted "not be deferred . . . N.J.A.C. 17:9-2.8(b)".
Amended by R.1988 d.469, eff. October 3, 1988.
See: 20 N.J.R. 1526(b), 20 N.J.R. 2466(e).
Added "deductibles and copayments".

17:9-2.13 Major Medical; extension of coverage charges

(a) For purposes of the payment of claims under the Major Medical contract, if immediately prior to his or her entry into the eligible classes an employee or dependent was covered under the extension of coverage provisions of the Major Medical contract, such coverage will be effective immediately but solely with respect to charges incurred in connection with the illness for which such person was covered under said extension if the following conditions are satisfied:

1. The charges would have been considered eligible charges had the extension not terminated;
2. The coverage under the extension would have not otherwise terminated.

(b) Full coverage subject to the regular rules shall begin on the payroll corresponding to the payroll on which deductions are resumed.

17:9-2.14 Effective date; maternity benefits

Effective January 1, 1973, maternity and obstetrical benefits are extended to employees and dependent wives with single, husband and wife, and parent and child coverage.

R.1973 d.148, eff. June 6, 1973.
See: 5 N.J.R. 168(a), 5 N.J.R. 247(b).

17:9-2.15 Major Medical; separate plans

If the State or local employer adopts separate plans for all employees or for some portion of covered employees for prescription drug reimbursement, vision care, or other health care benefits, largely duplicating or minimizing the benefits provided under the Major Medical program, such services or benefits for the participants of such separate plans will no longer be considered eligible for reimbursement under the Major Medical program to the extent benefits are provided under such plans.

R.1975 d.68, eff. March 14, 1975.
See: 7 N.J.R. 76(a), 7 N.J.R. 181(a).
As amended, R.1980 d.300, eff. July 1, 1980.
See: 12 N.J.R. 216(b), 12 N.J.R. 497(b).

17:9-2.16 Policy provisions adoption

The State Health Benefits Commission adopts by reference all of the policy provisions contained in the contracts between the carriers, the health maintenance organizations and the State Health Benefits Commission as well as any subsequent amendments thereto, to the exclusion of all other possible coverages.

R.1981 d.138, effective June 4, 1981.
See: 13 N.J.R. 110(b), 13 N.J.R. 376(b).

OAL Note: The contract provisions incorporated by reference in this rule have been filed with Administrative Publications and Filings, Office of Administrative Law, as part of the official text of this rule, but are not reproduced herein.

Case Notes

Health Benefits Commission was without statutory authority to exclude from coverage of mentally ill persons while providing coverage for mental retardation or physical disability. *G.B. v. State Health Benefits Com'n*, 222 N.J.Super. 83, 535 A.2d 1010 (A.D.1988).

Private duty nursing services following hip surgery were not a reimbursable medical necessity. *Heifetz v. Benefits Commission*, 93 N.J.A.R.2d (TYP) 313.

Portion of nursing costs due to preparation of insulin injections for employee's diabetes was reimbursable. *Gettis v. Benefits Commission*, 93 N.J.A.R.2d (TYP) 311.

Replacement of fixed bridge unit was excluded from coverage under state dental plan. *Bruno v. Benefits Commission*, 93 N.J.A.R.2d (TYP) 295.

Rental of passive motion machine to rehabilitate knee fracture was not reimbursable. *O'Brien v. Benefits Commission*, 93 N.J.A.R.2d (TYP) 263.

Private duty nursing services not medically necessary after gallbladder surgery. *Naddeo v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 198.

Medicine used for multiple sclerosis not covered by state health plan where no medical evidence supported reasonable and necessary treatment claim. *Marashlian v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 197.

Tooth implant was prosthodontic procedure or device specifically excluded from coverage under public employee's dental plan. *Favale v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 155.

Three year delay in submitting medical reimbursement claim to insurer warranted denial of claim. *Zuckerman v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 134.

Career or vocational counseling services not covered under state health benefits plan. *Aronow v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 131.

Private duty nursing at home and in hospital not medically necessary after hysterectomy. *Holstein v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 110.

Psychotherapy services provided by licensed social worker not covered under state health plan. *Kahn v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 97.

Mental health services provided by clinical social worker not covered by state health plan. *Farmer v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 67.

Calculation of reasonable and customary fee for endometrial ablation procedure upheld. *Finegan v. State Health Benefits Commission*, 93 N.J.A.R.2d (TYP) 65.

Support hose prescribed by physician not a covered benefit under state health benefits plan. *Stanley v. State Health Benefits Commission*. 93 N.J.A.R.2d (TYP) 26.

No medical coverage available for handicapped son over age 23 where employee failed to timely present medical evidence of handicap. *Schultz, Jr. v. State Health Benefits Commission*. 93 N.J.A.R.2d (TYP) 24.

Private duty nursing services ordered by doctor not medically necessary within meaning of state health benefits plan. *Marks v. State Health Benefits Commission*. 93 N.J.A.R.2d (TYP) 23.

Major medical plan exclusion for cosmetic surgery excluded coverage for bilateral otoplasty, despite approval of basic coverage plan. *Palmer v. State Health Benefits Commission*. 93 N.J.A.R.2d (TYP) 20.

Employee not entitled to reimbursement for psychotherapy services rendered by counselor licensed as social worker rather than psychologist or medical doctor. *Goldman v. State Health Benefits Commission*. 93 N.J.A.R.2d (TYP) 18.

17:9-2.17 Chapters 384 and 386, Laws of 1987; enrollment of retirees

For the purposes of implementing Chapters 384 and 386 of the Laws of 1987, retirees of boards of education participating in the State Health Benefits Program who do not qualify for State payment of premiums for coverage and are not enrolled in the program may enroll within the one-year period from June 1, 1988 to May 31, 1989.

New Rule, R.1988 d.471, effective October 3, 1988.
See: 20 N.J.R. 1537(a), 20 N.J.R. 2467(a).

SUBCHAPTER 3. DEPENDENTS

17:9-3.1 Dependents and children defined

(a) The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise.

“Children” includes stepchildren, legally adopted children and foster children who are wholly dependent upon the employee for support and maintenance. This includes children in a guardian-ward, legal relationship who are living with the employee.

“Dependents” means an employee's spouse and the employee's unmarried children through the end of the calendar year in which they reach the age of 23 years who live with the employee in a regular parent-child relationship.

“Living with” shall be defined so as to include children in the case of divorce who may not actually be living with the covered parent, but where such covered parent is required to provide for the support and maintenance of such children, and the parent's application for dependent coverage is documented by a copy of an appropriate court order.

(b) The determination as to the continuation of certain mentally retarded or physically handicapped children will be made before they attain age 23 rather than before they attain age 19, as given in the general statute.

As amended, R.1969 d.33, eff. December 19, 1969.

See: 1 N.J.R. 10(b), 2 N.J.R. 8(a).

As amended, R.1972 d.200, eff. October 4, 1972.

See: 4 N.J.R. 168(b), 4 N.J.R. 283(c).

As amended, R.1976 d.313, eff. October 8, 1976.

See: 8 N.J.R. 443(c), 8 N.J.R. 539(a).

17:9-3.2 Military service

A spouse or child enlisting or inducted into military service shall not be considered during such military service.

17:9-3.3 Medicare

Any person who is otherwise eligible for benefits as a dependent of any active or retired employee, but who, although he is eligible to enroll in the Federal Medicare program, is not covered by the complete Federal program, would not be covered as a dependent.

As amended, R.1973 d.285, eff. October 2, 1973.

See: 5 N.J.R. 243(a), 5 N.J.R. 393(a).

17:9-3.4 Certification of dependency

An employee who elects to enroll an eligible dependent for any coverage shall report such dependent's relationship or status on the enrollment form and such listing of the dependent shall constitute the required certification that at the time of enrollment such dependent is wholly dependent upon the employee for support and maintenance.

8. Any otherwise eligible employee for whom the State, directly or indirectly, provides benefits under any other plan, which benefits have a value equal to or in excess of the benefits payable under the State Employees Health Benefits Act.

17:9-4.5 Local; employee defined

For purposes of local coverage, "employee" shall mean an appointive or elected officer or full-time employee of the local employer, including an employee who is compensated on a fee basis as a convenient method of payment of wages or salary, but who is not a self-employed, independent contractor compensated in a like manner.

Case Notes

Under statute requiring the minimum level of coverage for health benefits for local government employees to be substantially equivalent to the level available to State employees, Health Benefits Commission held able to increase health benefits available to participating local government employees when benefits available to State employees were increased as a result of negotiated agreement between the State and its employees. *New Jersey School Boards Ass'n v. Ewing Tp. Bd. of Educ., Mercer Cty.*, 183 N.J.Super. 215, 443 A.2d 761 (App.Div.1982).

17:9-4.6 Local; full time defined

(a) For purposes of local coverage, "full-time" shall mean:

1. Employment of any eligible employees who appear on a regular payroll and who receive a salary or wages for an average of the number of hours per week as prescribed by the governing body of the participating employer. Each participating employer shall, by resolution, determine the number of hours worked which shall be considered to be "full-time." In no case shall the number of hours for "full-time" be less than 20.

2. Sabbaticals where the compensation paid is 50 percent or more of the salary granted just prior to the leave and the period of eligibility terminates with the end of the fiscal year.

Amended by R.1983 d.43, effective March 7, 1983.
See: 14 N.J.R. 1296(a), 15 N.J.R. 343(c).

Minimum hours per week changed to an average of hours per week.
Amended by R.1995 d.644, effective December 18, 1995.
See: 27 N.J.R. 2680(a), 27 N.J.R. 5040(a).

Case Notes

Permanent school based substitute teachers; sick leave and benefits. *East Orange Education Association v. East Orange Board of Education*, 94 N.J.A.R.2d (EDU) 366.

Continuation of health benefits to school psychologist after reduction in work week to 18 hours denied; board of education's policy limiting health benefits to full time employees, that is, to those working more than 20 hours per week, held reasonable in view of State health program rules. *Janus v. Maywood Bd. of Educ., Bergen Cty.*, 4 N.J.A.R. 105 (1982).

17:9-4.7 Multiple positions

For purposes of State and local coverage, "full-time" shall mean employment of an employee who holds multiple public positions at the same time, if the employee would otherwise be eligible for coverage in any one of such positions.

Amended by R.1973 d.8, effective January 4, 1973.
See: 4 N.J.R. 282(a), 5 N.J.R. 59(b).

SUBCHAPTER 5. CHARGES

17:9-5.1 Separate experience; State and local

The experience of local employers should be considered separately from that of the State.

As amended, R.1973 d.8, eff. January 4, 1973.
See: 4 N.J.R. 282(a), 5 N.J.R. 59(b).

Case Notes

Under statute requiring the minimum level of coverage for health benefits for local government employees to be substantially equivalent to the level available to State employees, Health Benefits Commission held able to increase health benefits available to participating local government employees when benefits available to State employees were increased as a result of negotiated agreement between the State and its employees. *New Jersey School Boards Ass'n v. Ewing Tp. Bd. of Educ., Mercer Cty.*, 183 N.J.Super. 215, 443 A.2d 761 (App.Div.1982).

17:9-5.2 Waiting period

There shall be a two-month waiting period for local employer participation.

As amended, R.1973 d.8, eff. January 4, 1973.
See: 4 N.J.R. 282(a), 5 N.J.R. 59(b).

17:9-5.3 Advance charges; interest charges

(a) For the purpose of local coverage, in the traditional program, the employer must remit to the Division of Pensions charges covering a one-month period in advance of the coverage date whereas charges for HMO coverage are remitted directly to the HMO in which the employee is enrolled.

(b) If the transmittal report and full payment of health benefits charges are not received within 15 days of the due date, as cited on the monthly transmittal mailed from the Division of Pensions, interest at the rate of one percent per annum above the average annualized daily rate of return on the State Cash Management Fund as published by the Division of Investment for the most recent fiscal year shall be applied to the total transmittal of health benefits charges from the 16th day until the payment is received. The interest penalty will also be applied if payment is received by the Health Benefits Bureau without the transmittal report for proper distribution.

As amended, R.1978 d.442, eff. December 26, 1978.

See: 10 N.J.R. 456(a), 11 N.J.R. 105(b).

As amended, R.1983 d.44, eff. March 7, 1983.

See: 14 N.J.R. 1293(b), 15 N.J.R. 343(b).

The word "premiums" was changed to "charges".

Amended by R.1986 d.28, effective February 18, 1986.

See: 17 N.J.R. 2868(a), 18 N.J.R. 427(b).

(b) added.

17:9-5.4 Local employer payment of dependent charges

(a) The statute requires the employer to pay the employee's cost of the coverage and may pay any portion of the cost for the dependent coverage.

(b) Any employer who elects to pay any portion of the cost for dependent coverage shall pay the same proportion of the cost of such dependent coverage for all employees covered in the program.

(c) However, when a local employer agrees to pay all of the cost for dependent coverage, all employees must be resolicited with respect to coverage for themselves and their dependents.

(d) The employer shall give all of his employees an opportunity for completing, and forwarding a new enrollment form within 60 days following the employer's assumption of the dependent premium charges.

(e) Any employee who fails to complete and forward the required form within the time limits which have been prescribed, may effect such change of enrollment only during the annual enrollment period.

As amended, R.1973 d.8, eff. January 4, 1973.

See: 4 N.J.R. 282(a), 5 N.J.R. 59(b).

As amended, R.1974 d.229, eff. August 19, 1974.

See: 6 N.J.R. 123(b), 6 N.J.R. 360(d).

17:9-5.5 Local employer resolution; Chapter 88, P.L. 1974; Chapter 54, P.L. 1979

(a) A local employer will satisfy the requirements of Chapters 88, P.L. 1974 by adopting a resolution designed to:

1. Apply to all eligible present and future pensioners of the employer and their dependents;
2. Continue as long as the State is paying the cost of its eligible pensioners and their dependents in accordance with the provisions of Chapter 75, P.L. 1972;
3. Provide for local employer reimbursement of Federal Medicare charges for eligible pensioners and/or their spouses, as well as the payment of health insurance charges required by the program, on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with the provisions of Chapter 75, P.L. 1972 (see N.J.A.C. 17:9-5.8);
4. Require the local employer to pay the full cost of such charges;

5. Provide for an effective date not earlier than the first day of the month at least 90 days following receipt of the local employer's resolution on forms approved by the division.

(b) A local employer may also adopt an additional resolution designed to apply to all eligible pensioners and their dependents who retired on or after July 1, 1964, in accordance with the provisions of Chapter 54, P.L. 1979. Such resolution shall meet the prescriptions of subsection (a) of this section.

As amended, R.1971 d.177, eff. October 5, 1971.

See: 3 N.J.R. 138(a), 3 N.J.R. 236(a).

As amended, R.1973 d.285, eff. October 2, 1973.

See: 5 N.J.R. 243(a), 5 N.J.R. 393(a).

As amended, R.1975 d.65, eff. March 13, 1975.

See: 6 N.J.R. 495(a), 7 N.J.R. 180(c).

As amended, R.1979 d.396, eff. October 4, 1979.

See: 11 N.J.R. 303(d), 11 N.J.R. 595(c).

As amended, R.1983 d.44, eff. March 7, 1983.

See: 14 N.J.R. 1293(b), 15 N.J.R. 343(b).

The word "premiums" was changed to "charges".

Case Notes

Statute calls for uniformity in coverage to all eligible employees with respect to contracts made on prospective basis. *Weiner v. County of Essex*, 262 N.J.Super. 270, 620 A.2d 1071 (L.1992).

County, which was successor to county welfare board, was collaterally estopped from asserting defenses that it did not specifically assume obligation to pay postretirement medical benefits. *Weiner v. County of Essex*, 262 N.J.Super. 270, 620 A.2d 1071 (L.1992).

Requirement of paragraph (a)1 held valid as reasonable and necessary for the administration of the Health Benefits Program Act; denial of implementation of negotiated health benefits plan by Commission upheld due to discrimination between eligible employees. *New Jersey Policemen's Benevolent Ass'n Local # 42 v. New Jersey State Health Benefits Commission*, 153 N.J.Super. 152, 379 A.2d 285 (App.Div. 1977).

17:9-5.6 Health maintenance organization charges

For purposes of State and local coverage, the employer who pays any portion of the cost for the employee and for dependent coverage cannot pay any more for the same type of coverage if the employee enrolls himself or herself and his or her dependents in a health maintenance organization as an alternative program. If the cost of the coverage in the alternative plan exceeds the cost of the State program, the additional charge would be collected by payroll deductions from the employee.

Amended by R.1974 d.228, eff. August 19, 1974.

See: 6 N.J.R. 156(a), 6 N.J.R. 360(c).

Amended by R.1983 d.44, eff. March 7, 1983.

See: 14 N.J.R. 1293(b), 15 N.J.R. 343(b).

The word "premiums" was changed to "charges" and "his" to "his or her".

Administrative Correction.

See: 24 N.J.R. 4068(b).