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December 19, 2006

Dennis Oblack  
Nutley Board of Education  
375 Bloomfield Avenue  
Nutley, NJ 07110

Re: Health Care Options for 2006-07

Dear Dennis:

We have secured on your behalf very attractive rates from Horizon BCBS for you to consider for the twelve-month period beginning April 1, 2006. These proposals are intended to replace the existing arrangement the Board of Education has with the New Jersey State Health Benefits Plan (SHBP).

Horizon BCBS will issue a letter guaranteeing that the plan will satisfy the "equal to or better than" clauses in your collective bargaining agreements that apply when you change insurance carriers. In fact, we will discuss below how the options offered by Horizon BCBS actually provide better coverage than the SHBP.

In short, the program we are proposing offers your employees better benefits while saving money for the Board of Education and the taxpayers of Nutley.

### **Financial Savings**

The following table summarizes the projected costs under each option as compared to the SHBP for the period April 1, 2006 through March 31, 2007. Since the SHBP requires at least 60 days advance notice from departing employers, you would have to give notice to the SHBP on or before February 1, 2006, in order to change programs on April 1, 2006.

<b>Projections for 4/1/06 through 3/31/07</b>	<b>Annual Cost</b>	<b>Savings vs SHBP</b>	
SHBP Projected Costs	\$ 5,963,862		
Horizon BCBS Fully-Insured Costs	\$ 5,472,492	<b>\$ 491,370</b>	<b>8.2%</b>

Attached is a spreadsheet showing more detail about these numbers, including actual rates. The projections are based on actual SHBP rates for 2006 and an assumed 10% increase from the SHBP on January 1, 2007. The Horizon rates include the A4 surcharge.

We believe the fully insured option from Horizon BCBS is a better choice for you than the SHBP. Based on our projections, it shows a potential savings versus the SHBP of about \$491,370. And you would save money while retaining the Horizon provider network that about 94% of your employees are using now. And you would have the advantage of having us as your independent insurance advisor and consultant to review all your options on an annual basis, something not included in the SHBP program.

### **Benefit Advantages**

The Horizon BCBS proposal matches the SHBP Traditional Plan design but also includes some additional benefits not offered by the SHBP. These include:

- The Horizon BCBS plan includes adult and well-child preventive care that the SHBP does not cover.
- The Horizon plan has no separate dollar maximums on mental health – the SHBP has \$10,000 annual/\$20,000 lifetime maximums.
- The Horizon has no lifetime cap on total benefits – the SHBP has a \$1,000,000 lifetime cap.

The Horizon BCBS proposal replaces the SHBP NJ Plus POS with the better Horizon Direct Access plan. This plan has two significant advantages versus the NJ Plus POS plan:

- Participants under Direct Access will have In Network access to a nationwide network rather than be limited to New Jersey and Florida and parts of New York and Pennsylvania as under the SHBP NJ Plus POS. Delaware, South Carolina and Virginia are being dropped from the NJ Plus POS network effective January 1, 2006.
- The Horizon Direct Access program does not require referrals from a participant's Primary Care Physician (PCP) for in network specialist visits while the SHBP NJ Plus POS program does require such referrals. In fact, the Direct Access program does not require participants to designate a PCP, though it is a good idea for participants to do so and thereby have a primary physician overseeing their health care.
- Horizon Direct Access has no separate dollar maximums on mental health – the SHBP NJ Plus has \$15,000 annual/\$50,000 lifetime maximums.

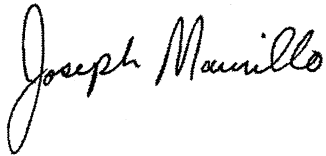
The employees currently enrolled in an HMO would have to choose a new plan. They will be able to join one of the two Horizon plans, including the Direct Access which functions much like an HMO when using in network providers but has the added benefit of providing coverage for non-network providers, something the HMOs do not offer other than for emergencies.

We are able to offer you this Horizon proposal with better benefits and lower costs than you will face under the SHBP because your claims history with the SHBP is better than the average SHBP member employer.

It is our opinion that the proposal from Horizon BCBS is your only currently viable option to the SHBP, both from financial and administrative perspectives. The Horizon quote saves you approximately \$490,000 versus the State Health Benefits Plan for 2006-07. Oxford Health Plans, which we have used as an alternative in other situations, provided a quote that was about 2.5% more expensive than Horizon BCBS. We know from past experience that Aetna US Healthcare cannot match the Traditional Plan design you have with the SHBP. Cigna is not currently quoting on this kind of business.

We think we are uniquely positioned to help employers transition from the SHBP to coverage that will be better than what your employees have under the SHBP, with competitive rates and better service.

Sincerely,

A handwritten signature in cursive script that reads "Joseph Maurillo". The signature is written in black ink and is positioned above the typed name and title.

Joseph Maurillo  
President

Nutley BOE  
SHBP vs Horizon BCBS  
April 1, 2006 - March 31, 2007

**Traditional Plan**

Actives	Single	H/W	Family	P/C				Totals
Enrollment Medical	118	94	138	18				368
SHBP 2006 Rate	\$ 542.83	\$ 1,178.37	\$ 1,378.95	\$ 789.79				
SHBP 2007 Rate (est. 10% increase)	\$ 597.11	\$ 1,296.21	\$ 1,516.85	\$ 868.77				
SHBP 2006-07 Annualized Cost	\$ 787,863	\$ 1,362,431	\$ 2,340,630	\$ 174,860				\$ 4,665,784
Horizon 2006-07 Fully Insured Rate	\$ 515.69	\$ 1,119.45	\$ 1,310.00	\$ 750.30				
Horizon 2006-07 Fully Insured Annualized Cost	\$ 730,217	\$ 1,262,740	\$ 2,169,360	\$ 162,065				\$ 4,324,381
<b>Retirees N/A - NO IMPACT TO DISTRICT</b>								
Enrollment	Single	H/W No Medicare	Family No Medicare	H/W One On Medicare	Family One On Medicare	P/C No Medicare	Totals	
							0	
SHBP 2006 Rate	\$ 722.45	\$ 1,572.86	\$ 1,839.15	\$ 1,079.43	\$ 1,346.22	\$ 1,052.72		
SHBP 2007 Rate (est. 10% increase)	\$ 794.70	\$ 1,730.15	\$ 2,023.07	\$ 1,187.37	\$ 1,480.84	\$ 1,157.99		
Horizon 2006-07 Fully Insured Rate	\$ 686.01	\$ 1,494.16	\$ 1,747.12	\$ 972.64	\$ 1,276.14	\$ 1,000.05		

**Horizon Direct Access (to replace SHBP NJ Plus)**

Actives	Single	H/W	Family	P/C				Totals
Enrollment	21	23	57	4				105
SHBP 2006 Rate	\$ 345.70	\$ 769.40	\$ 895.20	\$ 510.46				
SHBP 2007 Rate (est. 10% increase)	\$ 380.27	\$ 846.34	\$ 984.72	\$ 561.51				
SHBP 2006-07 Annualized Cost	\$ 89,294	\$ 217,663	\$ 627,625	\$ 25,115				\$ 959,697
Horizon 2006-07 Fully Insured Rate	\$ 328.42	\$ 730.93	\$ 850.44	\$ 484.94				
Horizon 2006-07 Fully Insured Annualized Cost	\$ 82,762	\$ 201,737	\$ 581,701	\$ 23,277				\$ 889,477

**HMOs (assume all go to Direct Access)**

	Single	H/W	Family	P/C				Totals
Aetna HMO enrollment	5	3	8	-				16
Aetna SHBP 2006 Rate	\$ 437.44	\$ 946.24	\$ 1,064.64	\$ 599.61				
Aetna SHBP 2007 Rate (est. 10% increase)	\$ 481.18	\$ 1,040.86	\$ 1,171.10	\$ 659.57				
Aetna SHBP 2006-07 Annualized Cost	\$ 26,903	\$ 34,916	\$ 104,761	\$ -				\$ 166,579
Cigna HMO enrollment	3	-	2	-				5
Cigna SHBP 2006 Rate	\$ 509.65	\$ 1,094.58	\$ 1,261.23	\$ 714.38				
Cigna SHBP 2007 Rate (est. 10% increase)	\$ 560.62	\$ 1,204.04	\$ 1,387.35	\$ 785.82				
Cigna SHBP 2006-07 Annualized Cost	\$ 18,806	\$ -	\$ 31,026	\$ -				\$ 49,832
Oxford HMO enrollment	-	1	5	1				7
Oxford SHBP 2006 Rate	\$ 349.87	\$ 769.60	\$ 909.55	\$ 524.78				
Oxford SHBP 2007 Rate (est. 10% increase)	\$ 384.86	\$ 846.56	\$ 1,000.51	\$ 577.26				
Oxford SHBP 2006-07 Annualized Cost	\$ -	\$ 9,466	\$ 55,937	\$ 6,455				\$ 71,858
Healthnet HMO enrollment	1	1	2	-				4
Healthnet SHBP 2006 Rate	\$ 481.15	\$ 1,048.15	\$ 1,272.39	\$ 738.15				
Healthnet SHBP 2007 Rate (est. 10% increase)	\$ 529.27	\$ 1,152.97	\$ 1,399.63	\$ 811.97				
Healthnet SHBP 2006-07 Annualized Cost	\$ 5,918	\$ 12,892	\$ 31,301	\$ -				50,111
SHBP HMO Total enrollment	9	5	17	1				32
SHBP HMO 2006-07 Total annualized cost	\$ 51,627	\$ 57,275	\$ 223,025	\$ 6,455				\$ 338,381
Horizon Direct Access Rates 2006-07	\$ 328.42	\$ 730.93	\$ 850.44	\$ 484.94				
Horizon Direct Access 2006-07 Annualized Cost	\$ 35,469	\$ 43,856	\$ 173,490	\$ 5,819				\$ 258,634

**Savings vs.**

	SHBP	
Total Annualized Cost		
SHBP 2006-07 Annualized Cost	\$ 5,963,862	
Horizon BCBS Fully Insured 2006-07 Annualized Costs	\$ 5,472,492	\$ 491,370
Headcount	505	8.2%



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Newark, NJ 07105-2200  
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December 16, 2005

Mr. Joseph Maurillo  
IMAC Insurance Agency  
540 Mill St.  
Belleville, NJ 07109

**Re: Nutley BOE**

Dear Mr. Maurillo:

Horizon Blue Cross Blue Shield of New Jersey (Horizon BSBCNJ) agrees and warrants that the insured benefits as proposed to the Nutley BOE through our Traditional and Direct Access plans, shall be equal to or better than the benefits provided under the Traditional and NJPlus plans, as currently administered by Horizon BCBSNJ for the State Health Benefits Program, without any limitation whatsoever. Please note that this benefit equivalency guarantee does not include provider and ancillary networks, which Horizon BCBSNJ administers in accordance with its own medical and pharmacy policies, protocols and utilization management practices. Additionally, Horizon BCBSNJ agrees to administer the program in accordance with the labor contracts as negotiated with the various unions.

If you have any questions or concerns I am available at your convenience. Thank you for considering Horizon Blue Cross Blue Shield of NJ.

Sincerely,



A handwritten signature in black ink that reads "Richard M. Rispoli". The signature is written in a cursive, flowing style.

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**Nutley Board of Education  
Traditional Plan Comparison  
SHBP vs. Horizon BCBS Alternative**

**Advantages of the Horizon BCBS Traditional Plan vs. the SHBP Traditional Plan**


1. **Horizon plan has adult and well-baby preventive care (e.g., routine physicals and tests like PAP smears and prostate cancer screening) that the SHBP does not cover.**
2. **Horizon plan has no separate dollar maximums on mental health – the SHBP has \$10,000 annual/\$20,000 lifetime maximums.**
3. **Horizon has no lifetime cap on total benefits – the SHBP has \$1,000,000 lifetime cap.**

PLAN DESIGN	STATE HEALTH BENEFITS PLAN (SHBP)	  Horizon Blue Cross Blue Shield of New Jersey
HOSPITAL INPATIENT	100% for up to 365 days; day 366+ at 80% after deductible	100% for up to 365 days; day 366+ at 80% after deductible
SKILLED NURSING FACILITY	100% for up to 30 days per confinement	100% for up to 30 days per confinement
HOSPITAL PRE-ADMISSION TESTING	100%	100%
PHYSICIAN (SURGERY)	Basic benefit at 100%; balance at 80% after deductible	Basic benefit at 100%; balance at 80% after deductible
PHYSICIAN (OFFICE VISITS)	80% after deductible. No coverage for well care.	<b>80% after deductible; except 100% coverage for annual well care visits – see below</b>
CHIROPRACTIC	80% after deductible for up to 30 visits per calendar year	80% after deductible for up to 30 visits per calendar year
EMERGENCY ROOM ACCIDENT/NON-ACCIDENT	100% in hospital emergency room for accidental injury; 80% in hospital for non-accidental injury after deductible. All physician fees paid at 80% after deductible	100% in hospital emergency room for accidental injury; 80% in hospital for non-accidental injury after deductible. All physician fees paid at 80% after deductible
EMERGENCY ROOM (OTHER)	80% after deductible	80% after deductible
RADIATION/CHEMOTHERAPY OUTPATIENT	80% after deductible	80% after deductible
HOSPICE	100%	100%
IMMUNIZATIONS	Not covered	<b>Child immunizations and lead screenings covered at 80% (no deductible)</b>
MATERNITY	Basic benefits at 100%; balance at 80% after deductible	Basic benefits at 100%; balance at 80% after deductible
PHYSICAL EXAMS	Not covered	<b>Annual physical (adult and child) covered at 100% not subject to deductible</b>
WELL BABY	Not covered	<b>100% not subject to deductible</b>
ALCOHOL ABUSE (INPATIENT)	Same as any other illness	Same as any other illness
DRUG ABUSE (INPATIENT)	Same as any other illness	Same as any other illness

**Nutley Board of Education  
Traditional Plan Comparison  
SHBP vs. Horizon BCBS Alternative**

PLAN DESIGN	STATE HEALTH BENEFITS PLAN (SHBP)	
ALCOHOL ABUSE (OUTPATIENT)	Same as any other illness	Same as any other illness
DRUG ABUSE (OUTPATIENT)	Same as any other illness	Same as any other illness
MENTAL HEALTH (INPATIENT)	100% for 20 days per calendar year; balance at 80% after deductible up to annual/ lifetime maximums	<b>100% for 30 days per calendar year; balance at 80% after deductible with no separate annual or lifetime dollar maximums</b>
MENTAL HEALTH (OUTPATIENT)	80% after deductible up to annual/lifetime maximum	<b>80% after deductible with no separate annual or lifetime dollar maximums</b>
PHYSICAL/SPEECH THERAPY	80% after deductible	80% after deductible
DENTAL COVERAGE WITHIN YOUR MEDICAL PLAN	None	None
X-RAYS/LAB TESTS	80% after deductible; some charges paid at 100%	80% after deductible; some charges paid at 100%
PRESCRIPTION DRUGS Benefits for ACTIVE employees without employer prescription drug plan.	80% after deductible	80% after deductible
PRESCRIPTION DRUGS <i>RETIRES</i>	Co-payments (2005) per 30 day supply: Generic - \$7 co-payment Preferred brand - \$14 Other brands - \$29 Mail Order: (90 day supply) Generic-\$7 Preferred brand-\$21 Other brands-\$35	Co-payments (2005) per 30 day supply: Generic - \$7 co-payment Preferred brand - \$14 Other brands - \$29 Mail Order: (90 day supply) Generic-\$7 Preferred brand-\$21 Other brands-\$35
VISION	None	None
HOME HEALTH CARE	Services and supplies covered with pre-approval; 60 visits in 61 days at 100% per occurrence	Services and supplies covered with pre-approval; 60 visits in 61 days at 100% per occurrence
INFERTILITY SERVICES (Must be Pre-Authorized)	Diagnosis covered; treatment covered with limitations; subject to a coinsurance and deductible.	Diagnosis covered; treatment covered with limitations; subject to a coinsurance and deductible.
DEDUCTIBLES (INDIVIDUAL)	\$100 per year	\$100 per year
DEDUCTIBLES (FAMILY MAXIMUM)	Employee and/or retirees plus one dependent must meet individual deductible	Employee and/or retirees plus one dependent must meet individual deductible
MAXIMUM OUT-OF-POCKET (INDIVIDUAL)	\$400 per calendar year coinsurance + \$100 deductible	\$400 per calendar year coinsurance + \$100 deductible
MAXIMUM OUT-OF-POCKET (FAMILY)	\$400 per calendar year per individual + deductibles	\$400 per calendar year per individual + deductibles

**Nutley Board of Education  
Traditional Plan Comparison  
SHBP vs. Horizon BCBS Alternative**

PLAN DESIGN	STATE HEALTH BENEFITS PLAN (SHBP)	 <small>Horizon Blue Cross Blue Shield of New Jersey</small>
MAXIMUM PLAN COVERED EXPENSES	\$1,000,000 lifetime (major medical expense only); \$10,000 annual mental health - \$20,000 lifetime mental health; up to \$2000 restoration feature each year	<b>No lifetime maximum for major medical expense and no separate annual and lifetime dollar maximums for mental health</b>



NOTE: This chart only shows highlights of the medical plans. Notwithstanding anything stated above, Horizon BCBS has guaranteed in writing to provide coverage that is "equal to or better than" the coverage offered by the SHBP.





**Nutley Board of Education**  
**SHBP NJ Plus POS vs. Horizon BCBS Direct Access**

**Advantages of the Horizon BCBS Direct Access Plan vs. the SHBP NJ Plus POS Plan**



1. **Horizon Direct Access has a national network – SHBP NJ Plus POS does not.**
2. **Horizon Direct Access does not require choice of a PCP and does not require referrals for specialists – the SHBP does.**
3. **Horizon Direct Access has no separate dollar maximums on mental health – the SHBP NJ Plus has \$15,000 annual/\$50,000 lifetime maximums.**

SHBP NJ PLUS vs. HORIZON BCBS DIRECT ACCESS	STATE HEALTH BENEFITS PLAN (SHBP) NJ PLUS In-network	STATE HEALTH BENEFITS PLAN (SHBP) NJ PLUS Out-of-network	 Horizon Blue Cross Blue Shield of New Jersey <b>Direct Access In Network</b>	 Horizon Blue Cross Blue Shield of New Jersey <b>Direct Access Out-of-Network</b>
SERVICE AREA	All of NJ and FL, parts of NY and PA	Unrestricted	Nationwide Network	Unrestricted
HOSPITAL INPATIENT	100%	70% after \$200 per hospital stay deductible	100%	70% after \$200 per hospital stay deductible
SKILLED NURSING FACILITY	100% up to 120 days per calendar year	70% for up to 60 days per calendar year	100% up to 120 days per calendar year	70% for up to 60 days per calendar year
HOSPITAL PRE-ADMISSION TESTING	100%	70% after deductible	100%	70% after deductible
PHYSICIAN (SURGERY)	100%	70% after deductible	100%	70% after deductible
PHYSICIAN (OFFICE VISITS)	100% after \$5 per visit copayment	70% after deductible; no coverage for well-care	Same as SHBP except that no choice of PCP required and no referrals needed for specialists	70% after deductible; includes annual adult routine physicals beginning at age 20
CHIROPRACTIC	100% after \$5 per visit copayment; 30 visits per calendar year; no PCP referral required	70% after deductible; 30 visits per calendar year combined in and out of network	100% after \$5 per visit copayment; 30 visits per calendar year; no PCP referral required	70% after deductible; 30 visits per calendar year combined in and out of network
EMERGENCY ROOM ACCIDENT/NON-ACCIDENT	100% after \$25 copayment if reported to PCP and/or NJ Plus within 48 hours	100% after \$25 copayment if reported to NJ PLUS or PCP within 48 hours. If not reported within 48 hours, subject to deductible and coinsurance.	100% after \$25 copayment if reported to PCP and/or NJ Plus within 48 hours	100% after \$25 copayment if reported to NJ PLUS or PCP within 48 hours. If not reported within 48 hours, subject to deductible and coinsurance.
RADIATION/CHEMOTHERAPY OUTPATIENT	100%	70% after deductible	100%	70% after deductible
HOSPICE	100%	70% after deductible	100%	70% after deductible
IMMUNIZATIONS	100% after \$5 copayment per visit (except for travel and/or job related)	70% for children under 12 months, after deductible	100% after \$5 copayment per visit (except for travel and/or job related)	70% for children under 12 months, after deductible
MATERNITY	\$5 copayment for first prenatal visit, then 100% covered.	70% after deductible	\$5 copayment for first prenatal visit, then 100% covered.	70% after deductible
PHYSICAL EXAMS	100% after \$5 per visit copayment	Not covered	100% after \$5 per visit copayment	Not covered
WELL BABY	100% after \$5 per visit copayment	Not covered	100% after \$5 per visit copayment	Not covered
ALCOHOL ABUSE (INPATIENT)	Same as any other illness	Same as any other illness	Same as any other illness	Same as any other illness
DRUG ABUSE (INPATIENT)	Same as any other illness	Same as any other illness	Same as any other illness	Same as any other illness
ALCOHOL ABUSE (OUTPATIENT)	100%, no visit limit	70% after deductible	100%, no visit limit	70% after deductible
DRUG ABUSE (OUTPATIENT)	100%, no visit limit	70% after deductible	100%, no visit limit	70% after deductible

**Nutley Board of Education**  
**SHBP NJ Plus POS vs. Horizon BCBS Direct Access**

SHBP NJ PLUS vs. HORIZON BCBS DIRECT ACCESS	STATE HEALTH BENEFITS PLAN (SHBP) NJ PLUS In-network	STATE HEALTH BENEFITS PLAN (SHBP) NJ PLUS Out-of-network	 Direct Access In Network	 Direct Access Out-of Network
MENTAL HEALTH (INPATIENT)	100% for up to 25 days per calendar year; balance at 90% up to annual / lifetime maximums	50 days per calendar year at 50% after deductible up to annual / lifetime maximums	100% for up to 25 days per calendar year; balance at 90% without annual and lifetime dollar maximums	50 days per calendar year at 50% after deductible without annual and lifetime dollar maximums
MENTAL HEALTH (OUTPATIENT)	90% up to annual/lifetime maximum	70% after deductible up to annual /lifetime maximum	90% without separate annual and lifetime dollar maximums	70% after deductible without separate annual and lifetime dollar maximums
PHYSICAL/SPEECH THERAPY	100% after \$5 per visit copayment	70% after deductible	100% after \$5 per visit copayment	70% after deductible
DENTAL COVERAGE WITHIN MEDICAL PLAN	None	None	None	None
X-RAYS/LAB TESTS	100%	70% after deductible	100%	70% after deductible
PRESCRIPTION DRUGS Benefits for ACTIVE employees without employer prescription drug plan	90% reimbursement	70% after deductible	90% reimbursement	70% after deductible
PRESCRIPTION DRUGS <sup>5</sup> <i>RETIREES</i>	Co-payments (2005) per 30 day supply: Generic - \$7 co-payment Preferred brand - \$14 Other brands - \$29 <b>Mail Order:</b> (90 day supply) Generic-\$7 Preferred brand-\$21 Other brands-\$35	Co-payments (2005) per 30 day supply: Generic - \$7 co-payment Preferred brand - \$14 Other brands - \$29 <b>Mail Order:</b> (90 day supply) Generic-\$7 Preferred brand-\$21 Other brands-\$35	Same as SHBP – Retirees remain eligible for SHBP retiree coverage as A-4 retiree surcharge is included in Horizon premiums	Same as SHBP – Retirees remain eligible for SHBP retiree coverage as A-4 retiree surcharge is included in Horizon premiums
VISION	100 % after \$5 copayment; one exam per calendar year; no referral	None	100 % after \$5 copayment; one exam per calendar year; no referral	None
HOME HEALTH CARE	Services and supplies covered with pre-approval; prior inpatient hospital stay not required; nursing home care or custodial care not covered	Services and supplies covered with pre-approval; prior inpatient hospital stay not required; nursing home care or custodial care not covered; subject to out-of-network insurance and deductible	Services and supplies covered with pre-approval; prior inpatient hospital stay not required; nursing home care or custodial care not covered	Services and supplies covered with pre-approval; prior inpatient hospital stay not required; nursing home care or custodial care not covered; subject to out-of-network insurance and deductible
INFERTILITY SERVICES (Must be Pre-Authorized)	Diagnosis covered; treatment covered with limitations	Diagnosis covered; treatment covered with limitations; subject to out-of-network insurance and deductible.	Diagnosis covered; treatment covered with limitations	Diagnosis covered; treatment covered with limitations; subject to out-of-network insurance and deductible.
DEDUCTIBLES (INDIVIDUAL)	None	\$100 per year; \$200 per hospital admission	None	\$100 per year; \$200 per hospital admission
DEDUCTIBLES (FAMILY MAXIMUM)	None	\$250 per year; \$200 per hospital admission	None	\$250 per year; \$200 per hospital admission
MAXIMUM OUT-OF-POCKET (INDIVIDUAL)	\$400 per year (coinsurance only)	\$2000 per year (coinsurance only)	\$400 per year (coinsurance only)	\$2000 per year (coinsurance only)

**Nutley Board of Education**  
**SHBP NJ Plus POS vs. Horizon BCBS Direct Access**

<b>SHBP NJ PLUS vs. HORIZON BCBS DIRECT ACCESS</b>	<b>STATE HEALTH BENEFITS PLAN (SHBP) NJ PLUS In-network</b>	<b>STATE HEALTH BENEFITS PLAN (SHBP) NJ PLUS Out-of-network</b>	 <small>Horizon Blue Cross Blue Shield of New Jersey</small> <b>Direct Access In Network</b>	 <small>Horizon Blue Cross Blue Shield of New Jersey</small> <b>Direct Access Out-of Network</b>
<b>MAXIMUM OUT-OF-POCKET (FAMILY)</b>	\$1000 per calendar year (coinsurance only)	\$5000 per calendar year (coinsurance only)	\$1000 per calendar year (coinsurance only)	\$5000 per calendar year (coinsurance only)
<b>MAXIMUM PLAN COVERED EXPENSES</b>	Unlimited; \$15,000 annual mental health; \$50,000 lifetime mental health; up to \$2000 restoration feature each year.	\$1,000,000 lifetime; \$15,000 annual mental health; \$50,000 lifetime mental health; up to \$2,000 restoration feature each year.	<b>Same as SHBP without separate annual and lifetime dollar maximums</b>	<b>Same as SHBP without separate annual and lifetime dollar maximums</b>

NOTE: This chart only shows highlights of the medical plans. Notwithstanding anything stated above, Horizon BCBS has guaranteed in writing to provide coverage that is "equal to or better than" the coverage offered by the SHBP. The Horizon BCBS Direct Access plan is intended to replace both the SHBP NJ Plus POS program and the HMOs offered by the SHBP. You will note that the Horizon BCBS Direct Access program offers In Network benefits using the Horizon BCBS managed care network comparable to the benefit levels offered by the SHBP HMOs. A major advantage of the Direct Access program for HMO participants is that the Direct Access plan also offers Out Of Network coverage, which the HMOs do not offer other than for emergencies.