

RESOLUTION 2022 – 121

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE BOROUGH OF MOUNT ARLINGTON, COUNTY OF MORRIS, STATE OF NEW JERSEY, OPPOSING THE PROPOSED INCREASES TO THE STATE HEALTH BENEFITS PROGRAM (SHBP)

WHEREAS, the State Health Benefits Program (SHBP), governed by N.J.S.A. 52:14-17.25 et seq., offers medical, prescription drug, and dental coverage to qualified State and participating local government public employees, retirees, and eligible dependents; and

WHEREAS, all SHBP plans are self-funded meaning that the money paid out for benefits comes directly from a SHBP fund supplied by the State, participating local employers, and member premiums; and

WHEREAS, the Division of Pensions and Benefits is responsible for the daily administrative activities of the SHBP, the State Health Benefits Commission is the executive organization responsible for overseeing the SHBP; and

WHEREAS, the State Health Benefits Commission, comprised of state officials and union representatives, annually consider the calendar year premium levels for the Local Government Employer Group of the SHBP based on recommendations found in the Rate Setting Recommendation Analysis of the Local Government Employee Group; and

WHEREAS, the preliminary rate increase for the 2023 Local Government Employer Group is 22.8%, which includes a 21.6% increase for Active, a 13% increase in Early Retiree, and a 0.7% increase for Medicare Retiree; and

WHEREAS, subsequent news accounts has Department of Treasury noting “rates for active members and early retirees would likely be increase between 12-20% across the various plans for the upcoming year”; and

WHEREAS, such proposed exorbitant rate increases will fall upon the local property taxpayer along with the local public employees at a time where there is record inflation, and

WHEREAS, the proposed premium increase for most active employees will take thousands more out of their paychecks annually and lead to huge costs for local governments that will translate into higher property tax bills for struggling families; and

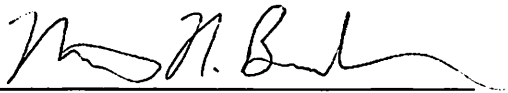
NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Borough Council of the Borough of Mount Arlington, County of Morris, State of New Jersey, call upon the State Health Benefit Commission to reconsider the rate increase and strike a rate increase that is appropriate in the current economic conditions; and

BE IT FURTHER RESOVLED, that the Mayor and Borough Council of the Borough of Mount Arlington, County of Morris, State of New Jersey, urge the legislature to adopt

legislation expanding the composition of the State Health Benefits Commission to include representatives from both municipal and county government management; and

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to Governor Murphy, State Treasurer Muoio, Senate President Scutari, Assembly Speaker Coughlin, State Senator Anthony Bucco, Assemblywoman Aura Dunn, Assemblyman Brian Bergen, and the New Jersey State League of Municipalities.

I HEREBY CERTIFY this to be a true and correct Resolution of the Mayor and Borough Council of the Borough of Mount Arlington, and adopted on September 6, 2022.

A handwritten signature in black ink, appearing to read 'M. N. Bansch', written over a horizontal line.

Matthew N. Bansch, Borough Clerk