

**EAST ORANGE BOARD OF EDUCATION  
199 FOURTH AVENUE  
EAST ORANGE, NEW JERSEY 07017**

**SPECIAL PUBLIC MEETING**

East Orange Board of Education  
199 Fourth Avenue, East Orange, NJ 07017

Tuesday, May 30, 2017 – 6:00 P.M.

**AGENDA**

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. ROLL CALL
- IV. COMMENTS FROM THE PUBLIC
- V. RETIRE TO EXECUTIVE SESSION
- VI. RECOMMENCE PUBLIC MEETING
- VII. ROLL CALL
- VIII. CONSIDERATION OF RESOLUTIONS
  - A. **SUPERINTENDENT OF SCHOOLS**
    - 1. **BUSINESS SERVICES**
      - a. Resolution Authorizing Exiting the School Employees' Health Benefits Program and Entering Into a Direct Contract with Horizon Blue Cross Blue Shield of New Jersey for the Purpose of Providing Employee Group Medical Insurance Coverage
      - b. A Resolution to Terminate All Participation under the State Health Benefits Program and School Employees' Health Benefits Program (Including Prescription Drug Plan and/or Dental Plan Coverage).
- IX. CLOSING STATEMENT/ADJOURNMENT

## **VIII. CONSIDERATION OF RESOLUTIONS**

### **A. SUPERINTENDENT OF SCHOOLS**

#### **1. BUSINESS SERVICES**

- a. Resolution Authorizing the Termination of Participation in the State Health Benefits Program/School Employees' Health Benefits Program For Active Employees and Awarding of Medical Insurance with Horizon Blue Cross Blue Shield of New Jersey

**WHEREAS**, pursuant to the collective negotiations agreements, East Orange Board of Education ("Board") is required to provide group medical coverage for active school employees and their eligible dependents; and

**WHEREAS**, pursuant to state and federal law, the Board is required to provide group medical coverage for all active non-union school employees and their eligible dependents;

**WHEREAS**, the Board continually seeks to do so at the lowest reasonable costs to the Board without sacrificing existing benefit levels; and

**WHEREAS**, the Board, through its insurance broker Acrisure, has reviewed and marketed the Board's medical benefits plan needs to the insurance marketplace, with Horizon Blue Cross Blue Shield of NJ ("Horizon BCBSNJ") as the most competitive proposal received; and

**WHEREAS**, for equal to or better coverage as has been provided by East Orange Board of Education, the proposal from Horizon BCBSNJ is the lowest and/or most advantageous to the Board, cost and other factors considered; and

**WHEREAS**, the Board anticipates savings to the Board's budget through the change to the medical benefits insurance service provider contemplated by this resolution; and

**WHEREAS**, the East Orange Board of Education is desirous of awarding the medical contract through Horizon BCBSNJ, 3 Penn Plaza East PP13S, Newark, NJ 07105, for a term to be effective August 1, 2017 through November 30, 2018; and

#### **THEREFORE BE IT RESOLVED:**

1. The Board hereby resolves to terminates its participation in the medical plan and thereby canceling covered provided by the State Health Benefits Program and/or School Employees' Health Benefits Program (N.J.S.A. 52:14-17.25 et. seq.) for all its active school employees.
2. The Board shall notify all active employees of the date of their termination of coverage under the State Health Benefits Program and/or School Employees' Health Benefits Program.
3. The Board understands that this resolution shall take effect the first of the month following a 60-dayperiod beginning with the receipt of the resolution by the State Health Benefits Commission and/or School Employees' Health Benefits Commission.
4. The Board, upon the recommendation of the Superintendent of Schools hereby accepts and approves the May 15, 2017 proposal as provided through Acrisure, hereby designated to serve as broker/consultant for East Orange Board of Education from July 1, 2017 through June 30, 2018.

## VIII. CONSIDERATION OF RESOLUTIONS

### A. SUPERINTENDENT OF SCHOOLS

#### 1. BUSINESS SERVICES

- a. Resolution Authorizing the Termination of Participation in the State Health Benefits Program/School Employees' Health Benefits Program For Active Employees and Awarding of Medical Insurance with Horizon Blue Cross Blue Shield of New Jersey

**BE IT FURTHER RESOLVED**, that East Orange Board of Education, upon the recommendation of the Superintendent of Schools, hereby agree to budget sufficient funding for the premium as to Horizon BCBS NJ for group medical coverage, inclusive of performance guarantee, at the rates, benefits, terms and conditions represented in the Acrisure proposal dated May 15, 2017 with an effective date of August 1, 2017.

- b. A Resolution to Terminate All Participation under the State Health Benefits Program and School Employees' Health Benefits Program (Including Prescription Drug Plan and/or Dental Plan Coverage).

**BE IT RESOLVED:**

1. The East Orange School District, Essex County, hereby resolves to terminate its participation in the program (Medical Plan, Prescription Drug Plan, and/or Dental Plan coverage) thereby canceling coverage provided by the State Health Benefits Program and/or School Employees' Health Benefits Program (N.J.S.A. 52:14-17.25 et seq.) for all of its active and retired employees.
2. We shall notify all active employees of the date of their termination of coverage under the program.
3. We understand that the Division of Pensions and Benefits will notify retired employees of the cancellation of their coverage.
4. We understand that all COBRA participants will be notified by the Division of Pensions and Benefits and advised to contact our office concerning a possible alternative health, prescription drug, and dental insurance plan.
5. We understand that this resolution shall take effect the first of the month following a 60-day period beginning with the receipt of the resolution by the State Health Benefits Commission or School Employees' Health Benefits Commission.

## IX. ADJOURNMENT