



Board of County Commissioners

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Hunterdon Commissioner Director Again Calls Upon Governor to Address Drastic SHBP Rate Hikes

Lanza: Rate Hikes Will Ultimately Affect Property Taxpayers

Hunterdon County Commissioner Director John E. Lanza sent a letter to Governor Murphy today calling upon his administration to address the drastic health insurance premium hikes for local government participants in the State Health Benefits Program (SHBP) for the upcoming calendar year.

Director Lanza's letter is a follow-up to previous correspondence that he sent to the Governor on this same issue in July and September of this year. Mr. Lanza reiterated in his most recent letter, "if left unaddressed, these premium hikes will visit financial hardship upon local governments, employee participants, and ultimately property taxpayers."

As it currently stands, the State Health Benefits Committee summarily approved a 24% hike for the "Active Medical" group, a 16.6% increase for "Early Retiree Medical" and a 3.7% increase in "Active Pharmacy." Meanwhile, Governor Murphy negotiated a separate deal for state workers which held their premium increases to only 3% in exchange for higher copays for certain specialists and urgent care facilities.

Since the Governor's side deal, a coalition consisting of the New Jersey Association of Counties, New Jersey League of Municipalities, New Jersey Conference of Mayors, and all public sector unions have worked on a joint plan to limit the size of the proposed SHBP premium increases. Mr. Lanza noted in his letter, "The cooperation between all the aforementioned entities to tackle health insurance costs is truly historic and unprecedented."

The joint coalition is hoping their bipartisan solution will result in progress with the administration on the proposed rate hikes for local government participants in the SHBP. Director Lanza added, "Local governments across New Jersey are already struggling with rising costs due to inflation, rising pension costs, and increasing labor costs. Adding in a nearly 20% increase in SHBP premiums when the state has the resources to offset these cost increases is simply unacceptable."