



Representing Jersey City's Finest



To: P.S.O.A. & P.O.B.A. Members

From: Robert J. Kearns, PSOA Pres. & Jerry DeCicco, POBA Pres.

Re: P.L. 2011, c. 78, New Jersey Public Employee Pension & Health Care Benefits

Date: March 26, 2012

On June 28, 2011, the New Jersey Legislature passed P.L. 2011, c. 78, which addressed changes to public employee pensions and health benefits, and became effective immediately. The new law made a number of changes regarding pension and health benefits contributions. Most notable for our membership is the raised pension contributions from 8.5% of our base salary to 10 %, the elimination of automatic cost of living adjustment in pension payments for retirees and the requirement that all public employees must pay an increased percentage of the cost of health care benefits based on their salaries.

Under Chapter 78, those employees that retired prior to the effective date of the legislation were not affected. In addition, employees who had 20 years of service on the effective date are not affected when they retire, but must pay the increased contributions until they retire. Employees with less than 20 years of service must pay the increased contributions when they retire, however the legislation is being challenged in Court. We are monitoring the progress of the lawsuit.

In the past few weeks, we have received several inquiries concerning the health care premium contributions that will be due from our members when our contract expires. In response, we have attached four spreadsheets based on Chapter 78 contributions and the estimated cost of the health care plans for 2012. The plans are broken down to single cost, employee plus one child, husband-wife and family plan costs. Please note that the legislation imposes a minimum contribution of 1.5% of an employee's base salary. Additionally, the legislation, as it concerns non-SHBP employees, includes benefits such as medical, prescription, dental and vision plans in its cost of coverage.

If you have any questions, please do not hesitate to contact our offices. Thank you.

Single cost 2012, expect 10% increase per year

Plan Cost \$9,579.00

	Year 1			Year 2			Year 3			Year 4		
	%Payment	Deduction	Per Pay	%Payment	Deduction	Per Pay	%Payment	Deduction	Per Pay	%Payment	Deduction	Per Pay
< \$20,000.00	1.50%	\$ 143.69	\$ 5.99	2.25%	\$ 215.53	\$ 8.98	3.38%	\$ 323.77	\$ 13.49	4.50%	\$ 431.06	\$ 17.96
\$20,000.00 - \$24,999.99	1.50%	\$ 143.69	\$ 5.99	2.75%	\$ 263.42	\$ 10.98	4.13%	\$ 395.61	\$ 16.48	5.50%	\$ 526.85	\$ 21.95
\$25,000.00 - \$29,999.99	1.88%	\$ 180.09	\$ 7.50	3.75%	\$ 359.21	\$ 14.97	5.68%	\$ 539.30	\$ 22.47	7.50%	\$ 718.43	\$ 29.93
\$30,000.00 - \$34,999.99	2.50%	\$ 239.48	\$ 9.98	5.00%	\$ 478.95	\$ 19.96	7.50%	\$ 718.43	\$ 29.93	10.00%	\$ 957.90	\$ 39.91
\$35,000.00 - \$39,999.99	2.75%	\$ 263.42	\$ 10.98	5.50%	\$ 526.85	\$ 21.95	8.25%	\$ 790.27	\$ 32.93	11.00%	\$ 1,053.69	\$ 43.90
\$40,000.00 - \$44,999.99	3.00%	\$ 287.37	\$ 11.97	6.00%	\$ 574.74	\$ 23.95	9.00%	\$ 862.11	\$ 35.92	12.00%	\$ 1,149.48	\$ 47.90
\$45,000.00 - \$49,999.99	3.50%	\$ 335.27	\$ 13.97	7.00%	\$ 670.53	\$ 27.94	10.50%	\$ 1,005.80	\$ 41.91	14.00%	\$ 1,341.06	\$ 55.88
\$50,000.00 - \$54,999.99	5.00%	\$ 478.95	\$ 19.96	10.00%	\$ 957.90	\$ 39.91	15.00%	\$ 1,436.85	\$ 59.87	20.00%	\$ 1,915.80	\$ 79.83
\$55,000.00 - \$59,999.99	5.75%	\$ 550.79	\$ 22.95	11.50%	\$ 1,101.59	\$ 45.90	17.25%	\$ 1,652.38	\$ 68.85	23.00%	\$ 2,203.17	\$ 91.80
\$60,000.00 - \$64,999.99	6.75%	\$ 646.58	\$ 26.94	13.50%	\$ 1,293.17	\$ 53.88	20.25%	\$ 1,939.75	\$ 80.82	27.00%	\$ 2,586.33	\$ 107.76
\$65,000.00 - \$69,999.99	7.25%	\$ 694.48	\$ 28.94	14.50%	\$ 1,388.96	\$ 57.87	21.75%	\$ 2,083.43	\$ 86.81	29.00%	\$ 2,777.91	\$ 115.75
\$70,000.00 - \$74,999.99	8.00%	\$ 766.32	\$ 31.93	16.00%	\$ 1,532.64	\$ 63.86	24.00%	\$ 2,298.96	\$ 95.79	32.00%	\$ 3,065.28	\$ 127.72
\$75,000.00 - \$79,999.99	8.25%	\$ 790.27	\$ 32.93	16.50%	\$ 1,580.54	\$ 65.86	24.75%	\$ 2,370.80	\$ 98.78	33.00%	\$ 3,161.07	\$ 131.71
\$80,000.00 - \$84,999.99	8.50%	\$ 814.22	\$ 33.93	17.00%	\$ 1,628.43	\$ 67.85	25.50%	\$ 2,442.65	\$ 101.78	34.00%	\$ 3,256.86	\$ 135.70
\$85,000.00 - \$89,999.99	8.50%	\$ 814.22	\$ 33.93	17.00%	\$ 1,628.43	\$ 67.85	25.50%	\$ 2,442.65	\$ 101.78	34.00%	\$ 3,256.86	\$ 135.70
\$90,000.00 - \$94,999.99	8.50%	\$ 814.22	\$ 33.93	17.00%	\$ 1,628.43	\$ 67.85	25.50%	\$ 2,442.65	\$ 101.78	34.00%	\$ 3,256.86	\$ 135.70
\$95,000.00 - \$99,999.99	8.75%	\$ 838.16	\$ 34.92	17.50%	\$ 1,676.33	\$ 69.85	26.25%	\$ 2,514.49	\$ 104.77	35.00%	\$ 3,352.65	\$ 139.69
\$100,000.00 - \$104,999.99	8.75%	\$ 838.16	\$ 34.92	17.50%	\$ 1,676.33	\$ 69.85	26.25%	\$ 2,514.49	\$ 104.77	35.00%	\$ 3,352.65	\$ 139.69
\$105,000.00 - \$109,999.99	8.75%	\$ 838.16	\$ 34.92	17.50%	\$ 1,676.33	\$ 69.85	26.25%	\$ 2,514.49	\$ 104.77	35.00%	\$ 3,352.65	\$ 139.69
\$110,000.00 -	8.75%	\$ 838.16	\$ 34.92	17.50%	\$ 1,676.33	\$ 69.85	26.25%	\$ 2,514.49	\$ 104.77	35.00%	\$ 3,352.65	\$ 139.69

Remember that the first year is the 1.5 (what is being deducted now) or these new figures, whichever is higher.

Employee +1 child cost 2012, expect 10% increase per year

Plan Cost **\$13,379.00**

	Year 1			Year 2			Year 3			Year 4		
	%Payment	YR Deduction	Per Pay	%Payment	YR Deduction	Per Pay	%Payment	YR Deduction	Per Pay	%Payment	YR Deduction	Per Pay
<\$20,000.00	1.50%	\$ 200.69	\$ 8.36	1.75%	\$ 234.13	\$ 9.76	2.63%	\$ 351.87	\$ 14.66	3.50%	\$ 468.27	\$ 19.51
\$20,000.00 - \$24,999.99	1.50%	\$ 200.69	\$ 8.36	1.75%	\$ 234.13	\$ 9.76	2.63%	\$ 351.87	\$ 14.66	3.50%	\$ 468.27	\$ 19.51
\$25,000.00 - \$29,999.99	1.50%	\$ 200.69	\$ 8.36	2.25%	\$ 301.03	\$ 12.54	3.38%	\$ 452.21	\$ 18.84	4.50%	\$ 602.06	\$ 25.09
\$30,000.00 - \$34,999.99	1.50%	\$ 200.69	\$ 8.36	3.00%	\$ 401.37	\$ 16.72	4.50%	\$ 602.06	\$ 25.09	6.00%	\$ 802.74	\$ 33.45
\$35,000.00 - \$39,999.99	1.75%	\$ 234.13	\$ 9.76	3.50%	\$ 468.27	\$ 19.51	5.25%	\$ 702.40	\$ 29.27	7.00%	\$ 936.53	\$ 39.02
\$40,000.00 - \$44,999.99	2.00%	\$ 267.58	\$ 11.15	4.00%	\$ 535.16	\$ 22.30	6.00%	\$ 802.74	\$ 33.45	8.00%	\$ 1,070.32	\$ 44.60
\$45,000.00 - \$49,999.99	2.50%	\$ 334.48	\$ 13.94	5.00%	\$ 668.95	\$ 27.87	7.50%	\$ 1,003.43	\$ 41.81	10.00%	\$ 1,337.90	\$ 55.75
\$50,000.00 - \$54,999.99	3.75%	\$ 501.71	\$ 20.90	7.50%	\$ 1,003.43	\$ 41.81	11.25%	\$ 1,505.14	\$ 62.71	15.00%	\$ 2,006.85	\$ 83.62
\$55,000.00 - \$59,999.99	4.25%	\$ 568.61	\$ 23.69	8.50%	\$ 1,137.22	\$ 47.38	12.75%	\$ 1,705.82	\$ 71.08	17.00%	\$ 2,274.43	\$ 94.77
\$60,000.00 - \$64,999.99	5.25%	\$ 702.40	\$ 29.27	10.50%	\$ 1,404.80	\$ 58.53	15.75%	\$ 2,107.19	\$ 87.80	21.00%	\$ 2,809.59	\$ 117.07
\$65,000.00 - \$69,999.99	5.75%	\$ 769.29	\$ 32.05	11.50%	\$ 1,538.59	\$ 64.11	17.25%	\$ 2,307.88	\$ 96.16	23.00%	\$ 3,077.17	\$ 128.22
\$70,000.00 - \$74,999.99	6.50%	\$ 869.64	\$ 36.23	13.00%	\$ 1,739.27	\$ 72.47	19.50%	\$ 2,608.91	\$ 108.70	26.00%	\$ 3,478.54	\$ 144.94
\$75,000.00 - \$79,999.99	6.75%	\$ 903.08	\$ 37.63	13.50%	\$ 1,806.17	\$ 75.26	20.25%	\$ 2,709.25	\$ 112.89	27.00%	\$ 3,612.33	\$ 150.51
\$80,000.00 - \$84,999.99	7.00%	\$ 936.53	\$ 39.02	14.00%	\$ 1,873.06	\$ 78.04	21.00%	\$ 2,809.59	\$ 117.07	28.00%	\$ 3,746.12	\$ 156.09
\$85,000.00 - \$89,999.99	7.50%	\$ 1,003.43	\$ 41.81	15.00%	\$ 2,006.85	\$ 83.62	22.50%	\$ 3,010.28	\$ 125.43	30.00%	\$ 4,013.70	\$ 167.24
\$90,000.00 - \$94,999.99	7.50%	\$ 1,003.43	\$ 41.81	15.00%	\$ 2,006.85	\$ 83.62	22.50%	\$ 3,010.28	\$ 125.43	30.00%	\$ 4,013.70	\$ 167.24
\$95,000.00 - \$99,999.99	7.50%	\$ 1,003.43	\$ 41.81	15.00%	\$ 2,006.85	\$ 83.62	22.50%	\$ 3,010.28	\$ 125.43	30.00%	\$ 4,013.70	\$ 167.24
\$100,000.00 - \$104,999.99	8.75%	\$ 1,170.66	\$ 48.78	17.50%	\$ 2,341.33	\$ 97.56	26.25%	\$ 3,511.99	\$ 146.33	35.00%	\$ 4,682.65	\$ 195.11
\$105,000.00 - \$109,999.99	8.75%	\$ 1,170.66	\$ 48.78	17.50%	\$ 2,341.33	\$ 97.56	26.25%	\$ 3,511.99	\$ 146.33	35.00%	\$ 4,682.65	\$ 195.11
\$110,000.00 -	8.75%	\$ 1,170.66	\$ 48.78	17.50%	\$ 2,341.33	\$ 97.56	26.25%	\$ 3,511.99	\$ 146.33	35.00%	\$ 4,682.65	\$ 195.11

Remember that the first year is the 1.5 (what is being deducted now) or these new figures, whichever is higher.

Husband and wife cost 2012, expect 10% increase per year

Plan Cost \$20,290.00

	Year 1			Year 2			Year 3			Year 4		
	%Payment	Deduction	Per Pay	%Payment	Deduction	Per Pay	%Payment	Deduction	Per Pay	%Payment	Deduction	Per Pay
< \$20,000.00	1.50%	\$ 304.35	\$ 12.68	2.25%	\$ 456.53	\$ 19.02	3.38%	\$ 685.80	\$ 28.58	4.50%	\$ 913.05	\$ 38.04
\$20,000.00 - \$24,999.99	1.50%	\$ 304.35	\$ 12.68	2.75%	\$ 557.98	\$ 23.25	4.13%	\$ 837.98	\$ 34.92	5.50%	\$ 1,115.95	\$ 46.50
\$25,000.00 - \$29,999.99	1.88%	\$ 381.45	\$ 15.89	3.75%	\$ 760.88	\$ 31.70	5.63%	\$ 1,142.33	\$ 47.60	7.50%	\$ 1,521.75	\$ 63.41
\$30,000.00 - \$34,999.99	2.50%	\$ 507.25	\$ 21.14	5.00%	\$ 1,014.50	\$ 42.27	7.50%	\$ 1,521.75	\$ 63.41	10.00%	\$ 2,029.00	\$ 84.54
\$35,000.00 - \$39,999.99	2.75%	\$ 557.98	\$ 23.25	5.50%	\$ 1,115.95	\$ 46.50	8.25%	\$ 1,673.93	\$ 69.75	11.00%	\$ 2,231.90	\$ 93.00
\$40,000.00 - \$44,999.99	3.00%	\$ 608.70	\$ 25.36	6.00%	\$ 1,217.40	\$ 50.73	9.00%	\$ 1,826.10	\$ 76.09	12.00%	\$ 2,434.80	\$ 101.45
\$45,000.00 - \$49,999.99	3.50%	\$ 710.15	\$ 29.59	7.00%	\$ 1,420.30	\$ 59.18	10.50%	\$ 2,130.45	\$ 88.77	14.00%	\$ 2,840.60	\$ 118.36
\$50,000.00 - \$54,999.99	5.00%	\$ 1,014.50	\$ 42.27	10.00%	\$ 2,029.00	\$ 84.54	15.00%	\$ 3,043.50	\$ 126.81	20.00%	\$ 4,058.00	\$ 169.08
\$55,000.00 - \$59,999.99	5.75%	\$ 1,166.68	\$ 48.61	11.50%	\$ 2,333.35	\$ 97.22	17.25%	\$ 3,500.03	\$ 145.83	23.00%	\$ 4,666.70	\$ 194.45
\$60,000.00 - \$64,999.99	6.75%	\$ 1,369.58	\$ 57.07	13.50%	\$ 2,739.15	\$ 114.13	20.25%	\$ 4,108.73	\$ 171.20	27.00%	\$ 5,478.30	\$ 228.26
\$65,000.00 - \$69,999.99	7.25%	\$ 1,471.03	\$ 61.29	14.50%	\$ 2,942.05	\$ 122.59	21.75%	\$ 4,413.08	\$ 183.88	29.00%	\$ 5,884.10	\$ 245.17
\$70,000.00 - \$74,999.99	8.00%	\$ 1,623.20	\$ 67.63	16.00%	\$ 3,246.40	\$ 135.27	24.00%	\$ 4,869.60	\$ 202.90	32.00%	\$ 6,492.80	\$ 270.53
\$75,000.00 - \$79,999.99	8.25%	\$ 1,673.93	\$ 69.75	16.50%	\$ 3,347.85	\$ 139.49	24.75%	\$ 5,021.78	\$ 209.24	33.00%	\$ 6,695.70	\$ 278.99
\$80,000.00 - \$84,999.99	8.50%	\$ 1,724.65	\$ 71.86	17.00%	\$ 3,449.30	\$ 143.72	25.50%	\$ 5,173.95	\$ 215.58	34.00%	\$ 6,898.60	\$ 287.44
\$85,000.00 - \$89,999.99	8.50%	\$ 1,724.65	\$ 71.86	17.00%	\$ 3,449.30	\$ 143.72	25.50%	\$ 5,173.95	\$ 215.58	34.00%	\$ 6,898.60	\$ 287.44
\$90,000.00 - \$94,999.99	8.50%	\$ 1,724.65	\$ 71.86	17.00%	\$ 3,449.30	\$ 143.72	25.50%	\$ 5,173.95	\$ 215.58	34.00%	\$ 6,898.60	\$ 287.44
\$95,000.00 - \$99,999.99	8.75%	\$ 1,775.38	\$ 73.97	17.50%	\$ 3,550.75	\$ 147.95	26.25%	\$ 5,326.13	\$ 221.92	35.00%	\$ 7,101.50	\$ 295.90
\$100,000.00 - \$104,999.99	8.75%	\$ 1,775.38	\$ 73.97	17.50%	\$ 3,550.75	\$ 147.95	26.25%	\$ 5,326.13	\$ 221.92	35.00%	\$ 7,101.50	\$ 295.90
\$105,000.00 - \$109,999.99	8.75%	\$ 1,775.38	\$ 73.97	17.50%	\$ 3,550.75	\$ 147.95	26.25%	\$ 5,326.13	\$ 221.92	35.00%	\$ 7,101.50	\$ 295.90
\$110,000.00 -	8.75%	\$ 1,775.38	\$ 73.97	17.50%	\$ 3,550.75	\$ 147.95	26.25%	\$ 5,326.13	\$ 221.92	35.00%	\$ 7,101.50	\$ 295.90

Remember that the first year is the 1.5 (what is being deducted now) or these new figures, whichever is higher.

Family 2012 cost, expect 10% increase per year

Plan Cost \$22,885.00

	Year 1			Year 2			Year 3			Year 4		
	%Payment	Yr Deduction	Per Pay	%Payment	Yr Deduction	Per Pay	%Payment	Yr Deduction	Per Pay	%Payment	Yr Deduction	Per Pay
<\$20,000.00	1.50%	\$ 343.28	\$ 14.30	1.50%	\$ 343.28	\$ 14.30	2.25%	\$ 514.91	\$ 21.45	3.00%	\$ 686.55	\$ 28.61
\$20,000.00 - \$24,999.99	1.50%	\$ 343.28	\$ 14.30	1.50%	\$ 343.28	\$ 14.30	2.25%	\$ 514.91	\$ 21.45	3.00%	\$ 686.55	\$ 28.61
\$25,000.00 - \$29,999.99	1.50%	\$ 343.28	\$ 14.30	2.00%	\$ 457.70	\$ 19.07	3.00%	\$ 686.55	\$ 28.61	4.00%	\$ 915.40	\$ 38.14
\$30,000.00 - \$34,999.99	1.50%	\$ 343.28	\$ 14.30	2.50%	\$ 572.13	\$ 23.84	3.75%	\$ 858.19	\$ 35.76	5.00%	\$ 1,144.25	\$ 47.68
\$35,000.00 - \$39,999.99	1.50%	\$ 343.28	\$ 14.30	3.00%	\$ 686.55	\$ 28.61	4.50%	\$ 1,029.83	\$ 42.91	6.00%	\$ 1,373.10	\$ 57.21
\$40,000.00 - \$44,999.99	1.75%	\$ 400.49	\$ 16.69	3.50%	\$ 800.98	\$ 33.37	5.25%	\$ 1,201.46	\$ 50.06	7.00%	\$ 1,601.95	\$ 66.75
\$45,000.00 - \$49,999.99	2.25%	\$ 514.91	\$ 21.45	4.50%	\$ 1,029.83	\$ 42.91	6.75%	\$ 1,544.74	\$ 64.36	9.00%	\$ 2,059.65	\$ 85.82
\$50,000.00 - \$54,999.99	3.00%	\$ 686.55	\$ 28.61	6.00%	\$ 1,373.10	\$ 57.21	9.00%	\$ 2,059.65	\$ 85.82	12.00%	\$ 2,746.20	\$ 114.43
\$55,000.00 - \$59,999.99	3.50%	\$ 800.98	\$ 33.37	7.00%	\$ 1,601.95	\$ 66.75	10.50%	\$ 2,402.93	\$ 100.12	14.00%	\$ 3,203.90	\$ 133.50
\$60,000.00 - \$64,999.99	4.25%	\$ 972.61	\$ 40.53	8.50%	\$ 1,945.23	\$ 81.05	12.75%	\$ 2,917.84	\$ 121.58	17.00%	\$ 3,890.45	\$ 162.10
\$65,000.00 - \$69,999.99	4.75%	\$ 1,087.04	\$ 45.29	9.50%	\$ 2,174.08	\$ 90.59	14.25%	\$ 3,261.11	\$ 135.88	19.00%	\$ 4,348.15	\$ 181.17
\$70,000.00 - \$74,999.99	5.50%	\$ 1,258.68	\$ 52.44	11.00%	\$ 2,517.35	\$ 104.89	16.50%	\$ 3,776.03	\$ 157.33	22.00%	\$ 5,034.70	\$ 209.78
\$75,000.00 - \$79,999.99	5.75%	\$ 1,315.89	\$ 54.83	11.50%	\$ 2,631.78	\$ 109.66	17.25%	\$ 3,947.66	\$ 164.49	23.00%	\$ 5,263.55	\$ 219.31
\$80,000.00 - \$84,999.99	6.00%	\$ 1,373.10	\$ 57.21	12.00%	\$ 2,746.20	\$ 114.43	18.00%	\$ 4,119.30	\$ 171.64	24.00%	\$ 5,492.40	\$ 228.85
\$85,000.00 - \$89,999.99	6.50%	\$ 1,487.53	\$ 61.98	13.00%	\$ 2,975.05	\$ 123.96	19.50%	\$ 4,462.58	\$ 185.94	26.00%	\$ 5,950.10	\$ 247.92
\$90,000.00 - \$94,999.99	7.00%	\$ 1,601.95	\$ 66.75	14.00%	\$ 3,203.90	\$ 133.50	21.00%	\$ 4,805.85	\$ 200.24	28.00%	\$ 6,407.80	\$ 266.99
\$95,000.00 - \$99,999.99	7.25%	\$ 1,659.16	\$ 69.13	14.50%	\$ 3,318.33	\$ 138.26	21.75%	\$ 4,977.49	\$ 207.40	29.00%	\$ 6,636.65	\$ 276.53
\$100,000.00 - \$104,999.99	8.00%	\$ 1,830.80	\$ 76.28	16.00%	\$ 3,661.60	\$ 152.57	24.00%	\$ 5,492.40	\$ 228.85	32.00%	\$ 7,323.20	\$ 305.13
\$105,000.00 - \$109,999.99	8.00%	\$ 1,830.80	\$ 76.28	16.00%	\$ 3,661.60	\$ 152.57	24.00%	\$ 5,492.40	\$ 228.85	32.00%	\$ 7,323.20	\$ 305.13
\$110,000.00 -	8.75%	\$ 2,002.44	\$ 83.43	17.50%	\$ 4,004.88	\$ 166.87	26.25%	\$ 6,007.31	\$ 250.30	35.00%	\$ 8,009.75	\$ 333.74

Remember that the first year is the 1.5 (what is being deducted now) or these new figures, whichever is higher.