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May 20, 2025

Statement from New Jersey State PBA President Andreyev regarding the Structural and Financial problems of the NJ State Health Benefits Program

The structural and financial problems plaguing the SHBP-LG are not the product of fate, nor are they the fault of the Plan Design Committee members now being scapegoated. They are the direct result of years of failure by the Treasury and the Administration to act prudently, enforce contracts, or pursue meaningful reform.

Let's be very clear: the only consistent strategy offered by this Administration has been to shift more and more costs onto public employers and employees—ignoring the root causes of the crisis entirely. There has been no meaningful effort to confront the outrageous hospital prices driving these costs. No attempt to rein in the bloated, opaque, and dishonest middlemen siphoning value out of the system. Just more premium hikes, more blame, and more delays.

Meanwhile, every serious cost-containment proposal has come from the very PDC members they now point fingers at. Reference-based pricing, estimated to save \$1 billion annually, was dismissed. A Centers of Excellence resolution was passed over a year ago, yet not a single procurement has been issued. And the state's pharmacy benefit manager contract—responsible for billions in drug spend—has now rolled into a second emergency extension. Not because of labor interference. Because of Treasury's failure to execute a basic procurement strategy. The result? Hundreds of millions in lost potential savings.

Time after time, stakeholders have come to the table with thoughtful, data-driven solutions. Time after time, the Treasury has walked away, buried the work, or sided with vendors. And when the inevitable collapse they refused to prevent begins to unfold, they blame the very people who tried to stop it.

This is not a governance problem. It's a leadership problem. And until the Administration is willing to confront the industry forces driving healthcare inflation—not just pass the bill to workers—no structural fix will succeed. The public deserves the truth: the SHBP-LG didn't just deteriorate. It was abandoned.