

BOROUGH OF RIVER EDGE
RESOLUTION #26-145

Resolution Urging State Leaders to Implement Fair and Equitable Reforms to Mitigate the Unsustainable Increases in Health Benefit Premiums for Public Sector Employees

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 an SHBP fund supplied by the State, participating local employers, and member premiums; and

WHEREAS, the rate increase for the 2026 Local Government Employer Group is 36.25% and does not include fully funding the loan to the SHBP Local Government Group under c. 86 or funding to bring the Claims Stabilization Reserve to the required two-month balance; and

WHEREAS, since the end of 2020 nearly 200 local government employers have exited the SHBP, representing a nearly 30% decline, largely leaving only local governments with the highest risk in the plan; and

WHEREAS, subsequently, during budget testimony State Treasurer Binder noted regarding the SHBP costs, while Treasury does not have the final numbers, “based on the plan actuary’s midyear reports and SHBP Local Government fund levels, it is possible that rate increases could be as high as the rate increases, we experienced last 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, despite innovative cost containment measures taken by municipalities to make available affordable and quality healthcare for valued employees and their families, public sector health benefit plans are far too costly; and,

WHEREAS, time is of the essence for State leaders to enact long-term structural reforms that should include eliminating costly plan designs; modifying co-pays for specialists and urgent care, restricting the use of out-of-network healthcare coverage and GLP-1 drugs; implementing a Reference Based Pricing system; streamlining the use of Health Savings Accounts and Flexible Spending Accounts; and, enhancing medical transparency and the collection of data; and

WHEREAS, failure to make these long-term structural reforms will leave local officials no choice but to impose hiring freezes, eliminate budgeted vacancies, and increase taxes on residents already burdened with the highest property tax bills in the nation.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Borough of River Edge, County of Bergen urge state leaders to implement fair and equitable reforms to mitigate the unsustainable increases in health benefit premiums for public sector employees.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to Governor Sherrill, State Treasurer Binder, Senate President Scutari, Assembly Speaker Coughlin, Senator Lagana, Assemblywoman Swain, Assemblyman Tully, and New Jersey State League of Municipalities.

May 14, 2026

	Motion	Second	Yes	No	Abstain	Absent
Kinsella						
Montisano-Koen						
Maellari						
Glass						
Dhariwal						
Feffer						
Mayor Papaleo						

I hereby certify that this resolution, consisting of 1 page(s), was adopted at a meeting of the Mayor and Council of the Borough of River Edge, held on this 14th day of May, 2026

Anne Dodd, Borough Clerk