After months of tough bargaining with the State of New Jersey, we are proud to announce that our union has reached an agreement on the State Health Benefit Plan that protects our access to quality, affordable healthcare while pushing back against a potential double-digit increase to our contributions and $100 million in cost-shifting that had been mandated by the State budget.

Why This Matters

The State Health Benefits Plan premiums were projected to rise over 17% in 2026, which would cause a double-digit increase in our paycheck contributions. Our state executive branch contracts require bargaining to try to minimize this increase. CWA partnered with all other executive branch unions to jointly negotiate against these premium hikes.

Also, the State's budget included a mandate for $100 million in healthcare "savings" in the first half of 2026. Too often, those "savings" come straight out of workers' pockets in the form of worse benefits, much higher copays, and deductibles. In fact, the State proposed changes to our plans that would have shifted thousands of dollars onto members. We went to the table determined to prevent that. The agreement we won ensures healthcare costs are reduced without putting the entire burden on you and your family by getting the State to agree to actual cost-saving measures that will help reduce further unnecessary increases in healthcare costs.

Key Wins for Members

- *Protected current copays for Primary Care, Specialist and Urgent Care office visits*
- *Zero increase to member contributions for 2026*
- Budget Resolution Reversed: The Legislature will be asked by the Governor to rescind the budget language that triggered this fight. That ensures negotiated agreements, not political mandates, govern your healthcare.
- *Union Seat at the Table: A joint working group, with union representatives included, will create a roadmap for the next Administration and Legislature to tackle the real driver of rising costs: healthcare provider prices and lack of oversight in the system*.
- Minimized impact to out of pocket costs: While the MOA adjusts certain copays and out of pocket expenses, they are contained to a fraction of what the State was seeking through legislative mandates.
- Vendor Report by October 2025: An independent review will expand claims audits, identifying and recovering provider overpayments to save money for the plan without cutting benefits.
- *Pharmacy Costs Cut: The State will use a reverse auction to secure a pharmacy benefit manager (PBM) contract, projected to save hundreds of millions of dollars.*

- Responsible Use of GLP-1 Medications: Members prescribed GLP-1s for weight loss will have access to counseling support, improving outcomes and controlling costs so the plan remains sustainable.
- *Protecting In-Network Strength: Design changes will encourage use of the plan's excellent, extensive in-network providers, preventing unnecessary out-of-network costs.*
- *Lower-Cost Surgery Options: The plan will steer appropriate procedures like carpal tunnel surgery, colonoscopies, and arthroscopies to high-quality ambulatory surgery centers, saving money while keeping quality of care high.*

What's Next

We will develop additional materials in advance of the October enrollment period to help members make informed choices. The plan design changes will go into effect starting January 1st, 2026.

This is not the end of our fight—it's a step forward. The agreement requires continued oversight, innovation, and accountability from the State. Whether we win stronger governance and cost-reductions through bargaining, legislation or joint efforts with the State, we will keep fighting for high-quality, affordable healthcare. Your union will remain vigilant and engaged at every stage to make sure these commitments translate into real savings for the plan, not cost-shifting onto members.

We reached this outcome because of the strength and solidarity of our members. By standing together, we forced the State to work with us in addressing the rising costs of healthcare.