

**NEW JERSEY**  
**INDIVIDUAL HEALTH COVERAGE PROGRAM**

**20 West State Street, 10<sup>th</sup> Floor**  
**P.O. Box 325 (include for mailing)**  
**Trenton, NJ 08625**

**Phone: (609) 633-1882 x 50306**  
**Fax: (609) 633-2030**  
**E-mail: [wsanders@dobi.state.nj.us](mailto:wsanders@dobi.state.nj.us)**

[Web version: Personalized bulletins sent to all IHC Member Carriers via certified mail on 8/16/01]

**ADVISORY BULLETIN 01-IHC-01**

**RE: Preliminary Notice of 1999/2000 Loss Share and Notice of 2001/2002 Minimum Enrollment Share/Exemption Requests**

**PLEASE READ THIS ENTIRE BULLETIN CAREFULLY**

**THIS BULLETIN MAY REQUIRE ACTION WITHIN 30 DAYS**

The New Jersey Individual Health Coverage Program ("IHC") Board is authorized by N.J.S.A. 17B:27A-2 et seq. and N.J.A.C. 11:20-et seq. to administer the IHC Program and to assess carriers which are members of the Program for their proportionate shares of reimbursable losses and operating expenses. A carrier is a member of the IHC Program if it is licensed to sell health benefits plans in New Jersey and reported net earned premium from individual, small group, or large group health benefits plans in either 1999 or 2000.

This bulletin contains a preliminary estimate of your share of 1999/2000 reimbursable losses. Attached is a spreadsheet showing the calculation of each carrier's loss assessment and a memorandum explaining the calculation. Eight carriers\* have sought reimbursement of their 1999/2000 reimbursable losses. The dollar amount of the reimbursable loss assessment for 1999/2000 shown on the attached spreadsheet reflects losses of \$7,555,769, down from \$29,771,141 from the previous two-year calculation period. The estimated loss assessment is subject to change, and the Board is in the process of auditing the reimbursement requests of all carriers. Further, each carrier's ultimate assessment liability may be affected by a number of matters, including the results of the loss audits and revised filings.

This Bulletin also shall serve as notice, required by N.J.A.C. 11:20-9.3(a), of the "minimum number of non-group persons" each carrier would have to enroll to be exempt from assessment for **2001/2002** reimbursable losses. Please note that NJ FamilyCare Part A lives are counted as Medicaid lives for purposes of determining non-group persons; NJ FamilyCare Parts B, C and D are not considered Medicaid lives.

**EXEMPTIONS FROM ASSESSMENT ARE ONLY AVAILABLE TO CARRIERS ACTIVELY OFFERING STANDARD INDIVIDUAL HEALTH BENEFITS PLANS IN NEW JERSEY. IF A CARRIER WISHES TO APPLY FOR A CONDITIONAL**

**EXEMPTION FOR THE TWO-YEAR CALCULATION PERIOD 2001/2002, YOU MUST SUBMIT A REQUEST TO THE BOARD, IN ACCORDANCE WITH N.J.A.C. 11:20-9.2, NO LATER THAN SEPTEMBER 17, 2001. PLEASE SEND THE REQUEST FOR EXEMPTION TO THE ATTENTION OF ELLEN DEROSA, DEPUTY EXECUTIVE DIRECTOR, AT THE ADDRESS ABOVE. LATE REQUESTS WILL BE DENIED; THERE WILL BE NO EXCEPTIONS. PLEASE CONSIDER THE CARRIER'S EXEMPTION REQUEST CAREFULLY AS IT MAY HAVE A SIGNIFICANT IMPACT ON THE CARRIER'S ASSESSMENT LIABILITY.**

**This notice is not a bill.** You will receive a bill in 60 days for the 1999/2000 Program losses as well as an administrative assessment. If you are aware of a carrier that should be assessed, but is not listed, or if the net earned premium on the attached spreadsheet does not reflect your *total* net earned premium for *both* 1999 *and* 2000, please contact me immediately.

Reimbursable Losses for 1999/2000 (Unaudited): [varies by carrier]

Estimated Loss Share: [varies by carrier]

Minimum Enrollment Share 2001/2002: [varies by carrier]

[Carrier specific information is available by calling the IHC Program

at the number above]

*Wardell Sanders*

Executive Director