



State of New Jersey
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ADVISORY BULLETIN
06-SEH-02

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To: Carriers that Issue or Renew Coverage in the SEH Market

From: Ellen DeRosa, Executive Director

**Re: High Deductible Health Plans offered in Conjunction with a Federally
Qualified Health Savings Account**

P.L. 2005, c. 248 was approved December 21, 2005. Among other amendments, P.L. 2005, c. 248 specifically amends N.J.S.A. 17B:27A-19k and creates a new section 16 to address the application of the deductible to coverage for necessary medical follow-up and treatment for lead poisoned children covered under a high deductible health plan for which qualified medical expenses are paid using a health savings account established pursuant to section 223 of the federal Internal Revenue Code of 1986.

P.L. 2005, c. 248 created a new section 17 that specifies conditions under which a carrier may offer a small employer a health benefits plan that qualifies as a high deductible health plan for which qualified medical expenses are paid using a health savings account established pursuant to section 223 of the federal Internal Revenue Code of 1986. Some of the provisions would limit the circumstances under which the plans may be offered to small employers.

Carriers are reminded that Title XXVII of the Federal Public Health Service Act includes small group guaranteed availability provisions that require carriers offering health insurance coverage in the small group market to offer, to any small employer in the state, all products that are approved for sale in the small group market that the carrier is actively marketing. Therefore, a carrier that offers coverage in the New Jersey small employer market would not comply with Federal law if the carrier offers a particular product, such as a high deductible health plan, to some, but not all small employers in New Jersey who meet the Federal definition of small employer.

If you have any questions, please feel free to call our office.