

NEW JERSEY

INDIVIDUAL HEALTH COVERAGE PROGRAM

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BULLETIN NUMBER 94-02

TO: ALL CARRIERS AUTHORIZED TO ISSUE HEALTH BENEFITS PLANS
IN NEW JERSEY AND OTHER INTERESTED PERSONS

FROM: THE BOARD OF DIRECTORS OF THE INDIVIDUAL HEALTH COVERAGE
PROGRAM

RE: AMENDMENTS TO THE STANDARD HEALTH BENEFITS
PLANS, CONVERSION TO AMENDED STANDARD POLICY
FORMS, AND END OF THE USE OF ALTERNATIVE POLICY
FORMS

DATE: July 6, 1994

As part of a comprehensive review of the standard individual health benefits plans and policy forms, the New Jersey Individual Health Coverage Board ("Board") recently proposed amendments to the standard policy forms, set forth in the Appendix to N.J.A.C. 11:20 as Exhibits A through F. The Board intends to adopt the proposed amendments on August 2, 1994. While many of the proposed changes are non-substantive in nature and designed to simplify and clarify policy form provisions, some of the changes are substantive and will have the effect of increasing or decreasing specified benefits for insureds. In an effort to ensure an orderly transition to the amended standard policy forms, the IHC Board issues this Bulletin to provide guidance on the transition to the amended forms and on the end of the use of alternative policy forms.

I. CONVERSION TO THE AMENDED STANDARD POLICY FORMS

In order to provide carriers with sufficient time in which to convert to the amended standard policy forms, the Board will not require use of the amended policy forms until October 1, 1994. Carriers are required to use the amended standard policy forms beginning on October 1, 1994, with inforce policies being converted to the amended standard policy forms on the first

anniversary date occurring on or after October 1, 1994. Carriers may use amended standard policy forms as soon as the Board adopts them. However, in no event shall a carrier require a policyholder to convert from an existing standard policy form or alternative policy form to an amended standard policy form prior to his or her anniversary date.


II. SUBMISSION AND USE OF ALTERNATIVE POLICY FORMS

Carriers that have been using alternative policy forms are subject to the requirements set forth above. Thus, for all issuances and renewals occurring on or after October 1, 1994, carriers must use the amended standard policy forms.

Additionally, the Board will no longer consider submissions of alternative policy forms for the standard health benefits plans. As indicated in N.J.A.C. 11:20-3.2(b), the use of alternative policy forms was a transitional measure, adopted in order to provide carriers with some flexibility in altering their policy forms. As the period of transition has come to a close, the need for the use of alternative policy forms has ended.

Carriers may request a computer disc of the amended policy forms by contacting the IHC Program at the address below. The cost of the disc is \$10 payable by check to the "IHC Program." The discs will be available immediately following the Board's adoption of the policy forms.

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