

**FINAL  
MINUTES OF THE MEETING OF THE  
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD  
AT THE OFFICES OF THE  
NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE  
TRENTON, NEW JERSEY  
October 17, 2006**

**Directors participating:** Darrel Farkus (Oxford); Sandi Kelly (Horizon BCBSNJ); Ulysses Lee (Guardian); Gale Simon (DOBI); Christine Stearns (arrived at 9:40 a.m.); Mary Taylor (Aetna Health Inc.).

**Others present:** Ellen DeRosa, Executive Director; DAG Eleanor Heck (DOL); Rosaria Lenox, Program Accountant.

**I. Call to Order**

E. DeRosa called the meeting to order at 9:38 a.m. She announced that notice of the meeting had been published in two newspapers and posted at the Department of Banking and Insurance (“DOBI”), the DOBI website, and the Office of the Secretary of State in accordance with the Open Public Meetings Act. A quorum was present.

**II. Report of Staff**

*Expense Report*

**M. Taylor offered a motion to approve the payment of the expenses on the October 2006 expense report. S. Kelly seconded the motion. The Board voted unanimously in favor of the motion.**

*Oxford Filing for Plan Option Withdrawal*

D. Farkus recused himself from consideration of the withdrawal filing since the filing was submitted by his employer.

E. DeRosa discussed the withdrawal filing, explaining that Oxford has offered a PPO plan for a number of years that features a common deductible for network and non-network services. The withdrawal filing requested permission to withdraw PPO plans that feature a common deductible. E. DeRosa explained that Oxford has already begun marketing PPO plans that feature separate network and non-network deductibles.

E. DeRosa said she reviewed the filing and it failed to include some notice information required by N.J.A.C. 11:20-18.6. She said she hoped to have received the information from Oxford prior to the meeting, but it had not arrived.

**III. Report of the Technical Advisory Committee**

### *Oxford Rate Filing*

D. Farkus recused himself from consideration of the rate filing submitted by Oxford since the filing was made by his employer.

S. Kelly discussed the rate filing that was submitted to provide rates for a PPO plan that features a common deductible rather than separate network and non-network deductibles. She said TAC recommended that the filing be found complete subject to clarification of the calculation of the maximum out of pocket.

**G. Simon offered a motion to find the Oxford filing for a common deductible PPO Plan C complete, subject to clarification. C. Stearns seconded the motion. The Board voted unanimously in favor of the motion.**

### **IV. Draft Notice of Adoption N.J.A.C. 11:20-2.17**

E. DeRosa said both the Legal and Operations and Audit Committees reviewed the draft notice of adoption, and comments from the Committee discussions have been incorporated into the text before the Board.

The Board reviewed and discussed every comment and response and suggested some changes to wording.

*[Break: 10:38 a.m. – 10:50 a.m.]*

M. Taylor commented that the draft responses which were reviewed by the Legal and Operations and Audit Committees were consistent with the Board's prior discussions on the issues.

G. Simon noted that the comments raised two issues, first, whether the adjusted net earned premium methodology is proper, and second, if the adjusted net earned premium methodology should be applied to years prior to 1997/1998. She said she believed the responses appropriately addressed the comments.

**S. Kelly offered a motion to adopt N.J.A.C. 11:20-2.17, with changes as discussed during the meeting. G. Simon seconded the motion. The Board voted in favor of the motion, with U. Lee abstaining.**

### **V. Oxford Filing for Plan Option Withdrawal**

D. Farkus recused himself from consideration of the withdrawal filing since the filing was submitted by his employer.

E. DeRosa said Oxford faxed information relative to the withdrawal filing that she reviewed during the break and she said she found it to be responsive to the outstanding

issues. With this additional information, she said the staff recommendation was to approve the filing to withdraw the common deductible PPO plan design.

**S. Kelly offered a motion to approve the Oxford plan option withdrawal filing. C. Stearns seconded the motion. The Board voted unanimously in favor of the motion.**

## **VI. Other**

DAG E. Heck reported that she was working on a brief responding to challenges to the 1996 interim reconciliation.

The Board finalized the Meeting Schedule for 2007.

## **VII. Close of Meeting**

**U. Lee offered a motion to close the meeting. D. Farkus seconded the motion. The Board voted unanimously in favor of the motion.**

The meeting adjourned at 11:20 a.m.

Attachment: sign-in sheet