

**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
March 9, 2010**

Directors present by telephone: Darrel Farkus (United); Sandi Kelly (Horizon); Christine Stearns; Tony Taliaferro (AmeriHealth); Mary Taylor (Aetna Health Inc.); Lisa Yourman (*joined at 10:05*).

Directors present in Trenton: Gale Simon (DOBI)

Others participating: Ellen DeRosa, Executive Director; Rosaria Lenox, Program Accountant; Chanell McDevitt, Deputy Executive Director; DAG Vicki Mangiaracina.

I. Call to Order

E. DeRosa called the meeting to order at 10:00 A.M. She announced that notice of the meeting had been published in two newspapers of general circulation 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. She noted that, because most of the directors were participating by phone, votes would be taken by roll call. Following a roll call, she determined a quorum was present.

II. Minutes – January 12, 2010 Open Session

M. Taylor made a motion to approve the Open Session minutes of the January 12, 2010 meeting, with amendments. T. Taliaferro seconded the motion. Through a roll call vote, the motion was approved, with C. Stearns abstaining.

III. Staff Report

Expense Report

R. Lenox presented the March Expense Report, with expenses totaling \$62,205.67. She noted that the expenses being paid included salaries and benefits for staff, a bill for the professional services of Withum, Smith+Brown (WSB) related to audits of carriers seeking reimbursements for losses for the two year calculation periods 01/02 through 05/06, and the program audits for FY09. Expenses also include a bill from the Division of Law.

L. Yourman made a motion to approve payment of the expenses for March 2010, which was seconded by C. Stearns. The motion was approved by a unanimous roll call vote.

IV. Report of the Operations and Audit Committee (OAC)

M. Taylor reported that the OAC met with WSB on March 2, 2010 regarding the program audit for FY09, and received an excellent report. She noted that WSB found current operating procedures and accounting were in good order with all recommendations from prior audit reports having been addressed, and that, because WSB found no material or significant deficiencies, there was no SAS 115 letter for the OAC or Board to review. M. Taylor stated that WSB was very complimentary to staff, particularly R. Lenox.

G. Simon questioned the reference in the audit report regarding litigation being settled in favor of the Board, and asked if the phraseology was being used in an accounting sense, rather than legal sense. She noted that, in actuality, the cases were not settled, but rather, rulings from the courts had been issued for the Board. E. DeRosa explained that WSB was aware of the rulings, and had used the phraseology in a non-legal sense to simply explain that the legal issues had been resolved.

V. Report of the Technical Advisory Committee (TAC)

E. DeRosa reported that the TAC reviewed the Basic & Essential (B&E) Plan quarterly reports from Horizon, Oxford and AmeriHealth, and would continue to monitor as required by the statute. She noted that B&E enrollment continues to increase, and that TAC had observed it appears that a significant number of more recent enrollees in B&E plans include people who indicate their prior coverage was through a group. Committee members speculated that this may be a result of the current economic events. Board members asked whether the data collected could distinguish if the enrollees were primarily employees or dependents, and whether enrollment was being drawn off the small employer market. E. DeRosa responded that the data does not make these distinctions, having been originally designed to gauge whether the B&E Plan is drawing enrollment away from the standard individual plans.

VI. Executive Session Minutes of January 12, 2010

E. DeRosa stated that the Board could vote on whether to approve the Executive Session minutes of January 12, 2010 without moving into executive session if there was no substantive discussion about the minutes.

S. Kelly made a motion, seconded by M. Taylor, to approve the Executive Session minutes of January 12, 2010. By roll call vote, the motion carried, with C. Stearns abstaining.

VII. Close of Meeting

G. Simon made a motion to adjourn the meeting. C. Stearns seconded the motion, which was approved by a unanimous roll call vote.

[The meeting adjourned at 10:15 A.M.]