

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
September 10, 2013

Directors present: Darrel Farkus (Oxford); Neil Sullivan (DOBI); Mary Taylor (Aetna)

Directors participating by phone: Sandi Kelly (Horizon); Tony Taliaferro (AmeriHealth)

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Program Accountant; William Puskas, Deputy Attorney General.

I. Call to Order

E. DeRosa called the meeting to order at 10:05 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, the Office of the Secretary of State and submitted to the State House Press Corp, in accordance with the Open Public Meetings Act. A quorum was present. She stated that votes would be by roll call because two Board members were participating by phone.

II. Minutes – July 9, 2013

S. Kelly made a motion, seconded by T. Taliaferro, to approve the minutes of the open session of the meeting on June 11, 2013. By roll call vote, the motion carried.

M. Taylor made a motion, seconded by D. Farkus, to approve the minutes of the executive session of the meeting on June 11, 2013. By roll call vote, the motion carried.

III. Staff Report

Expense Report

R. Lenox presented the expense report for September, with expenses totaling \$105,374.05. She explained that expenses are primarily for the IHC Board’s share of staff salaries and fringe, but that there were also expenses incurred for services of the Division of Law and for continuing professional education courses. R. Lenox indicated that, in order to pay the expenses, the Board also would need to approve a transfer of \$105,000 from the Board’s money market account to its checking account.

S. Kelly made a motion, seconded by D. Farkus, to approve the expenses on the September 2013 report, and the transfer of funds in the amount of \$105,000 from the Board’s Wells Fargo Money Market account to the Board’s Wells Fargo checking account for the purpose of paying the approved expenses. By roll call vote, the motion carried.

Transfer of funds from DOBI

R. Lenox reminded the Board that it had assessed carriers \$622,900 based on the budget the Board approved for fiscal years 2014 and 2015, and stated that virtually 100% of the funds have been collected (she noted a very small amount from one carrier remained outstanding). She suggested that, for the purpose of earning interest, the Board approve transfer of \$260,000 from the DOBI account to the Board's money market account, and \$340,000 to Treasury. She recommended against transferring more than \$260,000 to the money market account, because of the \$250,000 FDIC limit on bank balances.

M. Taylor made a motion, seconded by D. Farkus, approving the transfer of \$260,000 of the funds held in DOBI to the Board's Wells Fargo Money Market account, and \$340,000 of the funds held in DOBI to Treasury, so that the funds may earn interest in both instances. By roll call vote, the motion carried.

VI. Recommendations of the Legal Committee, the Technical Advisory Committee (TAC), and the Ad Hoc Committee

E. DeRosa reported that the Board's Legal, TAC and recently-formed ad hoc committees met multiple times since mid-July to address changes the committees thought were necessary or appropriate for the IHC Program rules to comply with applicable law. She presented the proposed draft amendments, noting that the draft reflects the collective comments and recommendations of all of the committees.

M. Taylor made a motion, seconded by D. Farkus, to approve the draft proposal and its publication in accordance with the IHC Board's expedited rulemaking authority set forth at N.J.S.A. 17B:27A-16.1. By roll call vote, the motion carried.

V. Annual Meeting: Officers and Committee Composition

Officers

E. DeRosa reminded Board members that the September 10th meeting was noticed as the Board's annual meeting. She stated that the Board traditionally elects its Chair and Vice Chair and votes on the composition of its committees during the annual meeting.

T. Taliaferro made a motion, seconded by S. Kelly, to re-seat M. Taylor as Chair. M. Taylor acknowledged a willingness to serve as Chair. By roll call vote, the motion carried.

T. Taliaferro made a motion, seconded by M. Taylor, to re-seat S. Kelly as Vice Chair. S. Kelly acknowledged a willingness to serve as Vice chair. By roll call vote, the motion carried.

Committees

E. DeRosa reported that composition of the standing committees of the IHC Board is as follows:

TAC: AmeriHealth, DOBI, Horizon

Legal: Aetna, DOBI, Horizon

Marketing: C. Stearns, Horizon, Oxford

Operations & Audit: Aetna, DOBI, Oxford

S. Kelly made a motion, seconded by M. Taylor, to reconstitute the standing committees of the IHC Board maintaining the current composition of each committee. By roll call vote, the motion carried.

VI. Close of Meeting

D. Farkus made a motion, seconded by M. Taylor, to adjourn the meeting. By roll call vote, the motion carried.

[The meeting adjourned at 10:25 A.M.]