

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
March 8, 2022

Directors participating: Sandi Kelly (Horizon); Robert Morrow (United); Colleen Picklo; Thomas Pownall (Aetna); Gale Simon (DOBI); Tony Taliaferro (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Managing Financial Officer.

I. Call to Order

E. DeRosa called the meeting of the IHC Board to order at 10:00 A.M. She announced that notice of the meeting had been posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, at the Office of the Secretary of State, submitted to the State House Press Corps, and published in three newspapers of general circulation in accordance with the Open Public Meetings Act.

E. DeRosa noted that, pursuant to P.L. 2020, c. 2, as a result of the public health emergency and state of emergency declared by Governor Murphy on March 9, 2020 through Executive Order 103, subsequently extended,¹ due to the COVID-19 pandemic, the IHC Board’s regularly scheduled meeting was being held telephonically, and not at the Board’s offices in Trenton. She stated that, in accordance with P.L. 2020 c. 11, electronic notice of the meeting and the means by which the public could attend the meeting telephonically was posted on the Board’s website, and issued electronically to all known interested parties.

E. DeRosa determined a quorum was present. She stated that voting would be by roll call.

Members of the public were asked to identify themselves; public attendees, if any, are identified at the end of these minutes.

II. Minutes – February 8, 2022

C. Picklo made a motion, seconded by T. Pownall, to approve the minutes of the meeting of February 8, 2022 without amendment. By roll call vote, the motion carried.

III. Report of Staff – Expense Report

R. Lenox presented the expense report for March 2022, totaling \$13,811.13, for the IHC Board’s share of staff salaries and other expenses payable to the Small Employer Health Benefits (SEH) Program at \$11,003.63, and expenses from WithumSmith+Brown (WSB) for FY2021 audit activity at \$2,807.50. R. Lenox stated the Board can approve an internal transfer by the DOBI

¹ Pursuant to N.J.S.A. 26:13-3(b), a Public Health Emergency lasts for 30 days unless extended, while States of Emergency declared in accordance with N.J.S.A. App A:9-33 et seq. remain in effect until declared ended by a subsequent executive order. The Public Health Emergency was continuously extended through multiple executive orders until E.O. 244 (Murphy), issued June 4, 2021, declared the Public Health Emergency ended. However, Governor Murphy has not yet ended the State of Emergency established by E.O. 103 (Murphy). Thus, the Board continues to meet remotely, and public access is limited to telephonic means. (Notably, E.O. 280 (Murphy, January 11, 2022) resulted in another Public Health Emergency due to COVID-19.)

fiscal office of the amount due for salaries and operating expenses from the IHC Board to the SEH Board, and recommended a transfer of \$2,807.50 from the Board's Wells Fargo Money Market account to its Wells Fargo Checking account to pay the remaining expenses. She suggested the Board approve transfer of \$50,000 from its Department of Treasury account to its DOBI account.

S. Kelly made a motion, seconded by R. Morrow, to: approve the expenses; pay the salaries and shared expenses via an intra-department of \$11,003.63 from the Board's account to the SEH Board's account; transfer \$2,807.50 from the Board's Money Market account to its Checking account at Wells Fargo to pay the remaining March operating expenses; and authorizing the transfer of \$50,000 from the Board's funds in Treasury to the IHC Program's DOBI funds. By roll call vote, the motion carried.

IV. Loss Ratio Report for 2020

DOBI Actuary, Fred Brinkman, briefly discussed the Loss Ratio and Refund Report for 2020. It was pointed out that DOBI is looking more closely at loss ratio reporting, and seeking verification of information. He stated the DOBI is waiting on final information from a carrier, so the written report is not final, but that he did not expect the premium, claims, or refund numbers to change. He provided the following information:

- IHC Program claims totaled approximately \$1.5 billion for CY2020
- IHC Program premiums totaled approximately \$1.9 billion for the same period, resulting in a market loss ratio of 77.2%
- Three carriers owe refunds pursuant to NJ's loss ratio requirement, totaling about \$56 million: AmeriHealth, Horizon and Oscar
- Two carriers owe refunds pursuant to the federal loss ratio requirement, totaling about \$15 million: AmeriHealth, and Oxford
- Because New Jersey reduces any amount owed by a carrier under NJ's law by amounts the carrier owed pursuant to the federal law, AmeriHealth's amount due as refunds under NJ law was reduced by nearly \$15 million.
- Because of the reduction for AmeriHealth, the total owed in refunds pursuant to the NJ loss ratio requirement is nearly \$42 million, rather than in excess of \$56 million.

F. Brinkman offered to meet when the loss ratio report is final if the Board would find it helpful.

V. Public Health Emergency Clarification

R. Morrow noted that Governor Murphy's most recently declared Public Health Emergency (PHE) had ended, and that he believes most actions extended by the PHE have also ended, but sought clarification as to what remains in place.

VI. Close of Meeting

S. Kelly made a motion, seconded by R. Morrow, to adjourn the meeting. By roll call vote, the motion carried.

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

Identified Public Attendees: Robert Axelrod, Oscar Garden State Health Ins. Corp.²

² Oscar is a member of the Small Employer Health Benefits Program Board of Directors, as are several of the Directors on the IHC Board; however, there was not a quorum of the SEH Board present, and all discussions and actions at the meeting concerned the specific public business of the IHC Board.