

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
May 23, 2022

Directors participating: Daniel Bradshaw (Oxford); Taylor Kopelan (Horizon); Colleen Picklo; Thomas Pownall (Aetna); Gale Simon (DOBI); Adam Young (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Eleanor Heck, Deputy Attorney General.

I. Call to Order

E. DeRosa called the meeting of the IHC Board to order at 2:30 P.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 and submitted to the State House Press Corps 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, this additional Board meeting which was in addition to the regularly scheduled meetings, 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. Reinsurance Program Payment Parameters for Plan Year 2023

E. DeRosa reported that the Department’s actuarial consulting firm that has done work on the reinsurance program, Oliver Wyman, considered the data the carriers supplied. Oliver Wyman determined that the payment parameters chosen for plan year 2022, \$35,000 attachment point/50% coinsurance/ \$245,000 reinsurance cap, if selected for plan year 2023, are expected to continue to produce an average 15.4% premium reduction. Two alternative sets of payment parameters were offered, both also expected to produce an average 15.4% premium reduction in plan year 2023.

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, lifted by E.O. 292 on March 4, 2022.)

G. Simon reported that both the Commissioner and the Chief of Staff supported maintaining the existing payment parameters. C. Picklo noted that since the current parameters have been working, and there is funding available to fund the reinsurance payments determined by the payment parameters, there would be no reason to change them. She commented that this set of parameters might be the “sweet spot.”

G. Simon made a motion, seconded by A. Young, that the Board propose² the following payment parameters to the Commissioner for plan year 2023: \$35,000 attachment point/50% coinsurance/ \$245,000 reinsurance cap. By roll call vote the Board unanimously approved the motion.

III. Good Faith Marketing Reports for Plan Year 2021

E. DeRosa reported that all carriers filed their reports electronically. She briefly described the minimum standards that carriers must meet to be considered to be marketing in good faith during the prior calendar year: the carrier’s application includes at least three standard individual health benefits plans (or at least one standard HMO plan if the carrier is an HMO); the carrier demonstrates that it undertook at least one individual consumer directed marketing effort in direct support of the sale of the standard health benefits plans; and the carrier did not provide misinformation regarding the plans offered or eligibility for such plans.

E. DeRosa described the information submitted by each carrier.

A. Young recused himself from the discussion and any action taken by the Board with respect to Good Faith Marketing by AmeriHealth Insurance Company of New Jersey and AmeriHealth HMO, Inc., because of his employer’s interest in the outcome of the action.

E. DeRosa explained that AmeriHealth listed 16 plans on its combined insurer/HMO application and included multiple pieces of marketing materials for both brokers and individual use, in English and available in Spanish. The materials included Market Edge News for brokers, and a Benefits at a Glance Brochure. She recommended finding the companies to have marketed in good faith.

T. Pownall made a motion, seconded by G. Simon, to find AmeriHealth Insurance Company of New Jersey and AmeriHealth HMO, Inc. to have marketed individual standard health benefits plans in good faith during calendar year 2021. By roll call vote, the motion carried 5-0.

T. Kopelan recused himself from the discussion and any action taken by the Board with respect to Good Faith Marketing by Horizon Healthcare Services, Inc., and Horizon Healthcare of New Jersey, Inc., because of his employer’s interest in the outcome of the action.

E. DeRosa explained that Horizon listed 8 plans on its insurance application and one on its HMO application. Horizon submitted multiple pieces of marketing materials for use by brokers and individuals, including materials available in Spanish. The materials included a Health Plan Guide, web portals, online broker portal and SBCs for all plans. She recommended finding the companies to have marketed in good faith.

² N.J.S.A. 17B:27A-10.5 states: “The board shall propose to the commissioner the payment parameters for the next benefit year...”

T. Pownall made a motion, seconded by D. Bradshaw, to find Horizon Healthcare Services, Inc., and Horizon Healthcare of New Jersey, Inc. to have marketed individual standard health benefits plans in good faith during calendar year 2021. By roll call vote, the motion carried 5-0.

D. Bradshaw recused himself from the discussion and any action taken by the Board with respect to Good Faith Marketing by Oxford Health Insurance, because of his employer's interest in the outcome of the action.

E. DeRosa explained that Oxford Health Insurance listed three plans on its application available on its website and Broker portal, and submitted multiple marketing materials for use primarily by brokers, but also by individuals. The materials include website screen-shots, newspaper advertisements, an enrollment kit and brochure, SBCs for all plans and multiple broker resources. E. DeRosa noted, however, that some of the training materials provided to brokers contained curious information, indicating that if a consumer is not interested in one of the Oxford plans, the broker should discuss Oscar's plans. E. DeRosa reminded the Board that that same referral was included in the materials received last year.

T. Pownall made a motion, seconded by C. Picklo, to find Oxford Health Insurance to have marketed individual standard health benefits plans in good faith during calendar year 2021. By roll call vote, the motion carried 5-0.

E. DeRosa explained that while Oscar submitted plan year 2021 marketing materials including a Plan Brochure, plan grid, rate sheet and broker communications, Oscar failed to submit the application, as required. She reported having contacted Oscar twice to advise that the application had not been received.

Robert Axelrod from Oscar, a public attendee at the meeting, advised that he understood the company experienced technical difficulty sending the application through email.

C. Picklo made a motion, seconded by G. Simon, that the Board defer any action regarding the Oscar report to allow additional time for Oscar to submit the application. The report will be considered again during the Board meeting on June 14, 2022. By roll call vote, the motion carried 5-0.

IV. Close of Meeting

C. Picklo made a motion, seconded by D. Bradshaw, to adjourn the meeting. By roll call vote, the motion unanimously carried.

[The meeting ended at 2:57 P.M.]

Identified Public Attendees: Robert Axelrod, Oscar Garden State Health Ins. Corp.³ and Stacey Grant, Henry O Baker Insurance Group

³ 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.