

**FINAL  
MINUTES OF THE MEETING OF THE  
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD  
AT THE OFFICES OF THE  
NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE  
TRENTON, NEW JERSEY  
July 20, 2011**

**Members present by phone:** Thomas Collins; Gary Cupo; Darrel Farkus (United/Oxford); Margaret Koller; Thomas Pownall (Aetna); Niranjana Rao, M.D.; Christine Stearns; Tony Taliaferro (AmeriHealth); Adam Young (Horizon).

**Members present in person:** None.

**Others participating:** Ellen DeRosa, Executive Director; Rosaria Lenox, Accountant; Chanell McDevitt, Deputy Executive Director; DAG Eleanor Heck (DLPS).

**I. Call to Order**

E. DeRosa called the meeting to order at 10:00 A.M. E. DeRosa 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. She determined a quorum was present, and stated that votes would be by roll call because of the participation of Board members by telephone.

**II. Public Comments**

There were no public comments.

**III. Minutes – May 18, 2011**

**T. Collins made a motion, seconded by T. Taliaferro, to approve the open session minutes for May 18, 2011. By roll call vote, the motion carried, with N. Rao abstaining.**

**IV. Staff Report**

*Expense Report and Transfer of Funds*

R. Lenox discussed the July Expense Report, noting that the only outstanding bill was from the Division of Law, totaling \$2,452.00 for services in the 3<sup>rd</sup> and 4<sup>th</sup> quarters of the 2011 fiscal year.

**C. Stearns made a motion, seconded by N. Rao, to approve payment of the expenses on the expense report for July. By a roll call vote, the motion carried.**

R. Lenox then explained that the Board would need to approve the transfer of money from the Board’s money market account to its checking account in order for the bill to be paid.

**N. Rao made a motion, seconded by M. Koller, authorizing the transfer by staff of \$2,500 from the Board's Wells Fargo Money Market account to the Board's checking account in the same institution, for the purpose of paying expenses as previously approved. By a roll call vote, the motion carried.**

*Financial Statements*

R. Lenox noted that the Finance and Audit Committee (FAC) members received and reviewed the financial statements, but did not have a formal meeting to discuss them after it was determined that FAC members had no comments or questions. R. Lenox then briefly discussed the financial statements for the 3<sup>rd</sup> quarter of FY 2011 (which ended March 31, 2011), including a Statement of Net Assets, a Statement of Changes in Net Assets, a Statement of Cash Flows, and a Comparison of Budget to Actual Expenditures. R. Lenox noted that \$80,000 remained available for expenses for the 4<sup>th</sup> quarter.

**V. Report of the Legal Committee**

E. DeRosa reminded the Board that the Legal Committee was still considering amendments to the SEH policy forms to address restrictions on rescissions, based on the federal definition of rescission, which is broader than the industry's common use of the term, and includes essentially any termination that is retroactive. She noted that the Legal Committee had met twice to review drafts of amended language since the Board's May meeting, but was not yet in a position to make a recommendation. E. DeRosa stated that Legal Committee members agreed that changes need to be made, but had not come to an agreement on which revisions should be made. She said the Legal Committee expected to meet twice more before the Board's scheduled September meeting, and anticipated a recommendation would be presented at that time.

**VI. Other Business**

There was no other business

**IX. Public Comments**

There were no public comments.

**X. Close of Meeting**

**T. Pownall made a motion, seconded by T. Collins, to adjourn the meeting. By a roll call vote, the motion carried.**

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