

**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
September 17, 2003**

Members participating: Thomas Collins; Gary Cupo; Darrel Farkus (Oxford); Jack Kalosy (HealthNet); Sandy Herman (Guardian); Kelly Stewart Maer; Vicki Mangiaracina (DOBI); Robert Shalongo (United); Jim Stenger; Tony Taliaferro (AmeriHealth); Michael Torrese (Horizon BCBSNJ); Joseph Tricarico, Jr. (DOHSS); Dutch Vanderhoof.

Others present: Ellen DeRosa, Deputy Executive Director; DAG Karyn Gordon (DOL); Rosaria Lenox, Accountant; Wardell Sanders, Executive Director.

I. Call to Order

J. Stenger called the meeting to order at 10:10 a.m. W. Sanders announced that notice of the meeting had been published in three 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. Roll call was taken. A quorum was present.

II. Public Comments

J. Stenger asked if any member of the public wished to address the Board. No comments were offered.

III. Staff Report

Expense Report (see attached)

M. McClure offered a motion to approve the payment of the expenses specified on the September 17, 2003 expense report. V. Mangiaracina seconded the motion. The Board voted unanimously in favor of approving the motion.

Optional Benefit Rider Filings

E. DeRosa said Aetna submitted optional benefit riders that provide limited dental and vision services. She said the staff recommendation was to find the filing complete and in substantial compliance.

J. Kalosy offered a motion to find the riders complete and in substantial compliance. T. Collins seconded the motion. The Board voted in favor of the motion, with M. McClure abstaining.

Draft Readoption

E. DeRosa reviewed a chart that summarized the changes made to the standard plans and identifies which plans were affected by each change.

The Board asked that the following be addressed in the proposal readoption:

- a) The maximum out of pocket should be crafted such that there may be a distinct maximum for network and non-network benefits or the maximum may be combined for network and non-network.
- b) In the participation section of the regulation and the policy forms it should be clear that only an employer's fully-insured plan would count toward participation.
- c) In the definition of reasonable and customary the text should explain that a consumer may be billed for the excess over the allowable charge.
- d) Verify that the conditions for a special open enrollment period in the plans are consistent with the requirements under HIPAA.
- e) Allow HMO copays of \$40 and \$50.
- f) Allow the initial maternity copayment to be either \$25 or the same as the physician visit copayment, at the carrier's option.
- g) Allow the emergency room copayment to be \$50, \$75, or \$100, at the carrier's option.
- h) Allow the calculation of the family deductible and maximum out of pocket to be satisfied either on a per individual basis or on an aggregate basis, at the carrier's option.

[Break: 12:10 p.m. – 12:25 p.m.]

- i) Check the requirements under COBRA regarding the period for notice to the qualified beneficiary.
- j) J. Stenger asked that the Mission Statement address affordability. M. McClure suggested that the mission is accessibility. DAG K. Gordon questions whose affordability – the employer? The employee? J. Stenger withdrew his suggestion.
- k) T. Taliaferro asked about the guaranteed renewability of optional benefit riders carriers have filed. If a rider is no longer appropriate given forms changes, may a carrier non-renew the rider? The Board agreed to review the issue.

M. McClure offered a motion to propose the regulations and policy forms, with changes as discussed. V. Mangiaracina seconded the motion. The Board voted unanimously in favor of the motion.

IV. Close of Meeting

M. Torrese offered a motion to adjourn the Board meeting. S. Herman seconded the motion. The Board voted unanimously in favor of the motion.

[The meeting adjourned at 1:20 p.m.]

Attachments: Expense Report; Chart Outlining Changes