

NEW JERSEY  
**INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD**  
Trenton, NJ 08625

IN THE MATTER OF GULF INSURANCE COMPANY'S  
APPEAL OF THE INDIVIDUAL HEALTH COVERAGE  
PROGRAM BOARD'S ASSESSMENT FOR REIMBURSABLE  
LOSSES AND ADMINISTRATIVE EXPENSES FOR  
CALENDAR YEAR 1994

**ADMINISTRATIVE ORDER NUMBER 96-05**

WHEREAS, the New Jersey Individual Health Coverage Program ("IHC") Board is authorized by the Individual Health Insurance Reform Act of 1992 ("IHC Act"), N.J.S.A. 17B:27A-2 et seq., and regulations promulgated thereunder, to administer the IHC Program, to assess members of the IHC Program on the basis of their proportionate share of program losses and administrative expenses and to take any legal actions necessary to recover assessments owed to the IHC Program;

WHEREAS, Gulf Insurance Company ("Gulf") is a "carrier" that reported accident and health premium on its annual statement filed with the New Jersey Department of Insurance, but Gulf failed to file either a timely Market Share and Net Paid Loss Report ("Exhibit K"), as required by N.J.A.C. 11:20-8.1 et seq., or a request for non-member status, as required by N.J.A.C. 11:20-13.1 et seq., with the IHC Board with respect to calendar year 1994;

WHEREAS, the IHC Board, on November 21, 1995, assessed Gulf for its share of reimbursable losses and administrative expenses of the IHC Program for calendar year 1994 in the amount of \$316, based on the accident and health premium reported on the annual statement filed with the Department of Insurance;

WHEREAS, Gulf appealed the assessment by letter dated December 8, 1995, on the grounds that Gulf is not a member of the IHC Program subject to assessment because its accident and health premium is entirely attributable to general accident insurance for rental cars;

WHEREAS, the IHC Board has considered Gulf's appeal of the 1994 assessment. Based on the undisputed facts, the Board's concludes that "accident only" insurance is expressly excluded from the definition of "health benefits plan" in N.J.A.C. 11:20-1.2, therefore, Gulf is not a member of the IHC Program.

NOW THEREFORE, pursuant to the authority granted to the Board by N.J.S.A. 17B:27A-2 et seq., and all powers expressed or implied therein, and the decision of the Board as expressed by approval of this Administrative Order;

IT IS on this 13th day of February, 1996,

ORDERED that Gulf's appeal of the 1994 assessment by the IHC Board is hereby granted. The Board will refund the amount paid, with interest.

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Kevin O'Leary, Executive Director

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Date