

**NEW JERSEY
SMALL EMPLOYER HEALTH BENEFITS PROGRAM**

20 WEST STATE STREET
CN 325
TRENTON, NEW JERSEY 08625
Fax: (609) 633-2030
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SEH Bulletin 95-03

**TO: ALL HEALTH MAINTENANCE ORGANIZATIONS
AUTHORIZED TO DO BUSINESS IN NEW JERSEY**
FROM: SEH PROGRAM BOARD
RE: POS Products in the Small Employer Market; Certification
DATE: June 27, 1995

The New Jersey Small Employer Health Benefits Program ("SEH") Board, authorized pursuant to N.J.S.A. 17B:27A-17 et seq. as the state agency responsible for regulating the small employer health benefits market, has become aware that there may be Health Maintenance Organizations ("HMOs") selling Point of Service ("POS") products on HMO paper to small employers in New Jersey. Current SEH regulations do not permit the sale of POS products by HMOs and the Board has not developed standardized forms which would permit HMOs to sell POS products in the small employer market. Further, the New Jersey Department of Insurance, via Bulletin No. 95-11, recently outlined the circumstances under which an HMO may contract to provide indemnity services or benefits and provided notice of its intention to promulgate regulations for the provision of indemnity services or benefits.

This SEH Bulletin is intended to make absolutely clear to all HMOs authorized to do business in New Jersey, that HMOs are **not** permitted at this time to sell POS products on HMO paper in the small employer market. The SEH Board advises that HMOs currently offering POS products should voluntarily **cease and desist** from marketing and selling POS products in the small employer market. Any HMO which continues to market POS products after the receipt of this bulletin does so at its own risk and may be subject to penalties permitted by law.

Attached hereto is a questionnaire and certification which the SEH Board directs that you return to the Board at the address or fax number above by **July 10, 1995**. If you have any questions or concerns, please contact the Board at the number above.

DUE DATE: July 10, 1995

HMO Certification Regarding POS Products

Please complete the certification below and return by JULY 10, 1995 to:

SEH Program Board
20 West State Street, 10th Fl.
CN 325
Trenton, NJ 08625
or fax to: (609)633-2030

1. Respondent information:

HMO: _____

Respondent's name: _____

Title: _____

Phone: _____

Fax: _____

2. Is your HMO offering a POS product in the small employer market in New Jersey on HMO paper?

___ Yes No ___

If you answered "yes" to question number 2, please respond to the questions below; if you answered "no" to question 2, please skip questions 3 through 6 and sign the certification. If necessary, please use attachment sheets to answer the questions below.

3. Briefly describe the POS products being offered on HMO paper.

4. How long have POS products been offered on HMO paper?
5. Please provide a copy of the policy form/contract which the carrier is using to sell a POS product on HMO paper.
6. Please provide a copy of any Exhibit BBs, Part 1 (“Certification of Compliance”) filed with the SEH Board.
7. Certification:

I, the undersigned, certify that this completed form is true and accurate, and that I am an officer of the carrier duly authorized to submit this certification.

Date

Signature

Title

Are you aware of any HMOs which are offering POS products on HMO paper in the small employer market in New Jersey?

___ Yes No ___

If yes, please identify the HMO below and attach any supporting documentation (i.e. a copy of the POS contract, advertisement, etc.):

