

NEW JERSEY
SMALL EMPLOYER HEALTH BENEFITS PROGRAM

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ADVISORY BULLETIN
98-SEH-02

March 23, 1998

To: SEH Program Member Carriers

From: Ellen F. DeRosa, Deputy Executive Director

Re: CERTIFICATION OF COMPLIANCE (Exhibit BB, Part 1)
USE OF OPTIONAL BENEFIT RIDERS (Exhibit BB, Part 6)
Action Requested by May 1, 1998

In accordance with N.J.A.C. 11:21-4.2, carriers are required to submit Exhibit BB part 1, the Certification of Compliance with Small Employer Health Benefits Plans by March 1 of every year. While some carriers have submitted the Certification of Compliance, a number of carrier have not. As a result of modifications that were made to the standard policy forms effective September 1997 and January 1998, the text of Certification of Compliance as it appears in the New Jersey Administrative Code, in the Appendix to N.J.A.C. 11:21 as Exhibit BB, Part 1, does not accurately reflect the options that are available to carriers. Therefore, the SEH Board will propose changes to the text of the Certification of Compliance later this spring that will likely be adopted this summer.

Since it is important for the SEH Board to have accurate information concerning the plans carriers are issuing, the SEH Board requests that carriers complete the attached Certification of Compliance, Exhibit BB, Part 1. The attached Certification is the Certification that will be proposed and adopted later this year.

The SEH Board recognizes that a number of carriers have filed Optional Benefit Riders of increasing value with the SEH Board as well as some riders of decreasing value with the Department of Banking and Insurance. Advisory Bulletin 98-SEH-01 requested that carriers review all optional benefit riders and re-file riders as may be necessary. In order to assist carriers with keeping inventory of the Optional Benefit Riders, the SEH Board created an additional Part to Exhibit BB. Attached is "Use of Optional Benefit Riders," Exhibit BB, Part 6. The SEH Board requests that carriers complete this exhibit. The attached Exhibit is the Exhibit that will be proposed and adopted later this year.

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Both Exhibit BB, Part 1 and Part 6 will be due each March 1 of each year. For calendar year 1998, however, the SEH Board asks that carriers complete the forms and return them to the SEH Board at the above address by May 1, 1998.

If you have any questions, please feel free to contact me.