

FINAL
MINUTES OF THE ANNUAL MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
AT THE OFFICES OF THE
NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE
TRENTON, NEW JERSEY
April 29, 2013

Directors present: Darrel Farkus (Oxford); Neil Sullivan (DOBI)

Directors participating by phone: Sandi Kelly (Horizon); Christine Stearns; Tony Taliaferro (AmeriHealth); Mary Taylor (Aetna)

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Program Accountant, Eleanor Heck, Deputy Attorney General.

I. Call to Order

E. DeRosa called the meeting to order at 9:05 A.M. She announced that notice of the meeting had been published in two newspapers of general circulation and posted at the Department of Banking and Insurance (“DOBI”), the DOBI website, the Office of the Secretary of State and submitted to the State House Press Corp, in accordance with the Open Public Meetings Act. A quorum was present. She stated that votes would be by roll call because of significant participation of Board members by telephone.

II. Staff Report

Expense Report and transfer of funds

E. DeRosa presented the expense report for April, with expenses totaling \$16,353.46. She explained that the expenses are primarily for amounts owed to the Small Employer Health Benefits Program for payment of staff salaries and fringe, as well as amounts owed to Withum, Smith+Brown for auditing services, the Department of Law and Public Safety for legal services, and reimbursement to R. Lenox for continuing education courses.

E. DeRosa also explained that, in order to pay the expenses, the Board must authorize transfer of funds from its Money Market account to its checking account in an amount totaling \$16,400.

C. Stearns made a motion, seconded by T. Taliaferro, to approve payment of the expenses on the April expense report and transfer of \$16,400 from the Board's Wells Fargo Money Market account to the Board's Wells Fargo checking account to pay such expenses totaling \$16,353.46. By roll call vote, the motion carried.

E. DeRosa noted that the DOBI helped pay the IHC expenses, including the IHC's share of the Great Plains accounting software, legal notices, and salaries and fringe.

Rule Proposal – Amendments to IHC Health Benefits Plans to Comply with the New Jersey Benchmark Plan

E. DeRosa stated that Board members have seen most of the amendments to be proposed, but noted that there were additional variables that she included at the request of multiple carriers since the last version Board members received. She stated she added most of the requested variables because they are permissive, and should provide carriers with greater flexibility.

N. Sullivan made a motion, seconded by D. Farkus, to propose revisions to the standard plans as set forth in the Board materials for this meeting. By roll call vote, the motion carried.

E. DeRosa reminded Board members that the Board's expedited rulemaking process will be used. She explained that she scheduled a public hearing on May 14th, immediately prior to the Board's regularly-scheduled meeting, but that the Board will not be able to take action on the proposal before the comment period closes on May 23rd.

III. Minutes – January 6, 2013

M. Taylor made a motion, seconded by D. Farkus, to approve the minutes of the January 6, 2013 open session minutes as drafted. By roll call vote, the motion carried.

IV. Report of the Operations and Audit Committee (OAC)

R. Lenox reported that the OAC met on March 5th, at which time, the Board had not received money already overdue from CIGNA (with respect to the amended final reconciliation for the 2005/2006 loss calculation period), although CIGNA indicated that the check had been written in December. She stated that, subsequent to the meeting, CIGNA made payment and provided proof that the check was originally written and sent on December 27, 2012. She explained that the issue was whether CIGNA owed a late fee of \$19.67 (for being 37 days late) or \$49.98 (for being 94 days late).

M. Taylor made a motion, seconded by D. Farkus, to charge CIGNA a late fee of \$19.67 for late payment of its administrative assessment, based upon CIGNA's submission of proof of mailing of the payment on December 27, 2012. By roll call vote, the motion carried.

E. DeRosa stated that the Board could hold off discussing the most recent financial statements, unless there were any questions. There were none.

V. Technical Advisory Committee (TAC)

S. Kelly stated that TAC reviewed the 4Q12 Basic & Essential reports, and would continue to monitor the results.

VI. Close of Meeting

The meeting adjourned at 9:20 A.M.