

FINAL
MINUTES OF THE 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
March 12, 2019

Directors participating: Philip Gennace (DOBI); Colleen Picklo; Thomas Pownall (Aetna); Sandi Kelly (Horizon); Tony Taliaferro (AmeriHealth); Ulysses Lee (United).

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Christine Machnowsky, Deputy Executive Director; Eleanor Heck, Deputy Attorney General.

I. Call to Order

E. DeRosa called the meeting of the IHC Board to order at 10:00 A.M. She announced that notice of the meeting had been posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, at the Office of the Secretary of State, submitted to the State House Press Corps, and published in three newspapers of general circulation in accordance with the Open Public Meetings Act. A quorum was present. She stated that voting would be by roll call because some directors were participating by phone.

II. Review of Minutes – January 8, 2019

T. Pownall made a motion, seconded by S. Kelly, to approve the minutes of the meeting of January 8, 2019 without amendment. By roll call vote, the motion carried.

III. Report of Staff

Expense Report

E. DeRosa presented the expense report for March 2019 with expenses totaling \$32,388.77, for salaries for the prior two months to be paid to the Small Employer Health Benefits Program, for CPA licensing and continuing education fees for R. Lenox, for expenses involved in providing notice for the IHC 2019 Meeting Schedule, for legal fees from the Division of Law, and for FY2018 audit costs from WithumSmith+Brown. E. DeRosa stated that a transfer of \$32,300.00 from the IHC Board’s Wells Fargo Money Market account to its checking account would be necessary to pay these expenses.

T. Taliaferro made a motion, seconded by C. Picklo, to approve payment of the expenses reported, and the transfer of \$32,300 from the Board’s Money Market account to its checking account to do so. By roll call vote, the motion carried.

IV. Report of the Operations and Audit Committee

E. DeRosa noted that the Operations and Audit Committee (OAC) held two meetings. On February 8, 2019, the OAC met with the auditor, WithumSmith+Brown (WSB), who presented and discussed the audit for the IHC Program for the fiscal year ended June 30, 2018. WSB noted that the audit resulted in an unqualified opinion and there were no findings of significant or material deficiencies. The committee members had no questions or comments.

E. DeRosa noted that the final audit report has since been issued by WSB and has been posted on the Department's website.

On March 5, 2019, the OAC met to discuss the Financial Statements as of December 31, 2018 as of the end of the second quarter of the fiscal year 2019.

V. Reinsurance Program

E. DeRosa noted that, during the January meeting, the Board formed an Ad Hoc committee to consider data collection associated with the reinsurance program. The Committee is composed of AmeriHealth, Horizon and the Department. A meeting for this Ad Hoc committee is being scheduled.

E. DeRosa reminded the Board that the law (P.L. 2018, c. 24) requires carriers to file reinsurance payment requests on a quarterly basis. She said it appears the requests can be as simple as the amount requested. The Ad Hoc Committee will consider this possibility.

As learned during discussions with states that have already implemented a reinsurance program, access to EDGE Data is a good source to use for data verification. E. DeRosa said she expected the Committee will discuss the potential for New Jersey carriers to provide EDGE data.

E. DeRosa reported that the State OIT has set her up with secured data transfer capabilities which will allow her to receive huge data files that are encrypted so that PHI is protected. The Department's IT programmers are working on developing a program to facilitate the use of this data to calculate reinsurance payments.

P. Gennace noted that the Department has been involved with formulating this approach and looks forward to carrier input.

V. Close of meeting

S. Kelly made a motion, seconded by P. Gennace to adjourn the meeting. By roll call vote, the motion carried.

[The meeting ended at 10:20 A.M.]