

**FINAL**  
**MINUTES OF THE OPEN SESSION OF THE ANNUAL MEETING OF THE**  
**NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD**  
**HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)**  
**September 13, 2022**

**Directors participating:** Sandi Kelly (Horizon); Robert Morrow (Oxford); Colleen Picklo; Thomas Pownall (Aetna); Gale Simon (DOBI); Tony Taliaferro (AmeriHealth).

**Others participating:** Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Managing Financial Officer; 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, which was designated as the annual meeting, had been posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, at the Office of the Secretary of State and submitted to the State House Press Corps, and published in three newspapers of general circulation, in accordance with the Open Public Meetings Act.

E. DeRosa noted that, pursuant to P.L. 2020, c. 2, as a result of the public health emergency and state of emergency declared by Governor Murphy on March 9, 2020 through Executive Order 103, subsequently extended,<sup>1</sup> due to the COVID-19 pandemic, this meeting, was being held telephonically, and not at the Board’s offices in Trenton. She stated that, in accordance with P.L. 2020 c. 11, electronic notice of the meeting and the means by which the public could attend the meeting telephonically was posted on the Board’s website, and issued electronically to all known interested parties.

E. DeRosa determined a quorum was present. She stated that voting would be by roll call.

Members of the public were asked to identify themselves; public attendees, if any, are identified at the end of these minutes.

**II. Minutes – August 9, 2022**

**R. Morrow made a motion, seconded by C. Picklo, to approve the minutes of the meeting of August 9, 2022, without amendment. By roll call vote, the motion unanimously carried.**

**III. Annual Meeting – Election of Chair, Vice Chair, Reconstitution of Committees**

E. DeRosa reminded the Board that the Board elects a Chair and Vice Chair for a one year term during the Annual Meeting, noting that the election of the Chair, and Vice Chair is personal to the

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<sup>1</sup> Pursuant to N.J.S.A. 26:13-3(b), a Public Health Emergency lasts for 30 days unless extended, while States of Emergency declared in accordance with N.J.S.A. App A:9-33 et seq. remain in effect until declared ended by a subsequent executive order. The Public Health Emergency was continuously extended through multiple executive orders until E.O. 244 (Murphy), issued June 4, 2021, declared the Public Health Emergency ended. However, Governor Murphy has not yet ended the State of Emergency established by E.O. 103 (Murphy). Thus, the Board continues to meet remotely, and public access is limited to telephonic means. (Notably, E.O. 280 (Murphy, January 11, 2022) resulted in another Public Health Emergency due to COVID-19, lifted by E.O. 292 on March 4, 2022.)

representative, not the company or organization that person may represent, if any. A Board member asked whether the current Chair (S. Kelly) and Vice Chair (T. Pownall) were willing to serve an additional term, and both indicated they would be willing, if elected.

**C. Picklo made a motion, seconded by R. Morrow, to re-elect Sandi Kelly to serve as Chair and Thomas Pownall to serve as Vice Chair until the election at the next Annual Meeting. By roll call vote, the motion carried unanimously.**

E. DeRosa stated that the Board reconstitutes its Committees during its Annual Meeting. She noted the Board's four standing Committees and their compositions:

- Legal Committee: Aetna, Horizon, and DOBI
- Technical Advisory Committee (TAC): AmeriHealth, Horizon, DOBI
- Marketing Committee: Horizon, Oxford
- Operations and Audit Committee (OAC): Colleen Picklo, Oxford, DOBI

She stated that the OAC meets most frequently to address budgets, assessments, and financial statements, while the TAC meets occasionally to address assessments, and both Legal and Marketing tend to meet only as issues arise. A Board member noted that there had been some discussion in 2021 about the Marketing Committee meeting to update the IHC Buyer's Guide, and that it might still be a consideration going forward. It was also noted that the Marketing Committee previously included Joe Camargo, who resigned, and it was suggested that a public member be on that committee. C. Picklo agreed to participate on the Marketing Committee. No one indicated a desire to step down from any committees.

**S. Kelly made a motion, seconded by C. Picklo, to reconstitute each standing committee in its current composition, with the addition of C. Picklo to the membership of the Marketing Committee until the next Annual Election. By roll call vote, the motion carried unanimously.**

#### **IV. Report of Staff – Expense Report; Year-End Financials (OAC Report)**

##### *Expense Report*

R. Lenox presented the expense report, which totaled \$12,355.35, all related to salaries and shared expenses for August (FY2023) She stated that the expenses can be paid by transferring funds from the IHC Program's DOBI account to the SEH Program's DOBI account.

**T. Pownall made a motion, seconded by T. Taliaferro, to approve the expenses, and the transfer of \$12,355.35 from the IHC DOBI account to the SEH DOBI account for the payment of salaries and shared expenses. By roll call vote, the motion unanimously carried.**

##### *OAC Report – Year End Financials and MDA*

R. Lenox reported that the OAC met to consider the Management's Discussion and Analysis (MDA) document and the financial statements for the year ended June 30, 2022. She reported the OAC recommended acceptance of the MDA and financial statements. She then discussed information in the MDA, highlighting the following:

- The IHC Program billed carriers in FY2022 to fund the budget for FY2023, which included the final assessment for FY2021, resulting in a refund to Program members totaling \$27,862.
- There was a net increase in assets and liabilities, totaling \$26,219. For assets, this was due to an increase in cash and interest earned, while for liabilities, it was the result of an increase in the amount due to the SEH Program and the Office of Administrative Law (OAL), offset by the FY2021 refund to carriers.
- Total actual expenditures increased \$22,712 over FY2021, primarily due to the difference between actual and budgeted fringe (61.05% vs. 53.25%), and legal expenses from the OAL for rulemaking at \$15,376.
- Despite the increase in expenditures, actual expenditures still were favorable to budget, due in part to lower overhead allocation.

R. Lenox presented the Year-End Financial Statements, including the:

- Statement of Financial Position, with Assets and Liabilities totaling \$472,813.54.
- Statement of Activities and Changes in Net Assets, with expenditures totaling \$300,887.47.
- Statement of Cash Flows, which included funds received from carriers for the FY2022 budgeted amount offset by the final FY2020 assessment, and funds received from carriers for the FY2023 budgeted amount offset by the final FY2021 assessment.
- Comparison of the FY2022 Budget to Actual Expenditures, in which total expenditures were favorable to budget by about \$5,500.

**S. Kelly made a motion, seconded by G. Simon, to accept the financial statements and Management's Discussion and Analysis as presented. By roll call vote, the motion unanimously carried.**

#### **V. Policy Forms and HINT form**

Board members requested an update on the policy form changes and changes to the HINT form. E. DeRosa stated she has not received approval to release any information regarding the draft policy form changes. She noted the revised HINT form would be released by DOBI bulletin.

Carrier representatives on the Board questioned whether and how they are expected to comply with some of the changes intended – specifically the multiple-children coverage – without a final product. E. DeRosa acknowledged she is receiving questions from carriers offering the pediatric dental plans as well.

Carriers indicated great difficulty trying to comply with the multiple-children coverage requirement, noting that GetCovered NJ is instructing that the youngest child be designated at the subscriber, and the parent indicated as a dependent of the child if the parent later enrolls, which carrier systems do not support, and is not consistent with the language of the IHC contracts, or industry practice regarding contracts generally.

#### **VI. Executive Session – Personnel Issues**

E. DeRosa requested that the Board move into Executive Session to discuss personnel issues. She indicated that it was best if only identified representatives of Board members, staff and E. Heck

be in the meeting. She indicated she did not expect any action to occur when the Board returned to Open Session.

**T. Pownall made a motion, seconded by C. Picklo, to move into Executive Session for the purpose of discussing personnel matters, and then return to Open Session for the sole purpose of closing the meeting. By roll call vote, the motion carried unanimously.**

*[The Board closed the Open Session at 10:32 A.M.]*

## **VII. Open Session Reconvenes**

S. Kelly called the Open Session to order at 10:50 A.M., stating that no additional matters need to be discussed.

## **VIII. Close of Meeting**

**S. Kelly made a motion, seconded by T. Pownall, to adjourn the meeting. By roll call vote, the motion unanimously carried.**

*[The meeting ended at 10:51 A.M.]*

**Identified Public Attendees:** Robert Axelrod, Oscar Garden State Health Ins. Corp.<sup>2</sup> was in attendance during the first Open Session.

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<sup>2</sup> Oscar is a member of the Small Employer Health Benefits Program Board of Directors, as are several of the Directors on the IHC Board; however, there was not a quorum of the SEH Board present, and all discussions and actions at the meeting concerned the specific public business of the IHC Board.