

**MINUTES OF THE MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
May 9, 2023**

Directors participating: Sandi Kelly (Horizon); Robert Morrow (Oxford); Colleen Picklo; Thomas Pownall (Aetna); Adam Young (AmeriHealth).

Others participating: Ellen DeRosa, 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.

E. DeRosa stated that 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 – March 14, 2023

A. Young made a motion, seconded by C. Picklo, to approve the minutes of the meeting of March 14, 2023 without amendment. By roll call vote, the motion unanimously carried.

III. Executive Director Report

Expense Report

E. DeRosa presented total expenses of \$109,022.27. She noted C. Picklo reviewed most but not all of the supporting documentation.

E. DeRosa said that expense reports are based on invoices or reported charges from fiscal screens. She reported that the 3Q23 Division of Law invoice specified the charge for 3Q23 along with the detail for the charge. The invoice also included a line showing the charge for 2Q23. No invoice for 2Q23 was received and thus that charge has not been paid. E. DeRosa said she requested a copy of the invoice but had not yet received it. Since the amount of the charge for 2Q23 was known because it was included on the 3Q23 invoice, E. DeRosa said she included the \$7,226.52 charge for 2Q23 on the Expense Report. Following Board discussion, the Board agreed the charge could be considered provided the invoice for 2Q23 is received and reviewed by C. Picklo. *(Note: The invoice was received on May 9, 2023 after the Board meeting, and reviewed and approved by C. Picklo.)*

E. DeRosa explained the salaries and fringe amounts are broken out into four rows on the Expense Report to identify amounts for March, April, May and June 2023. The March amount is the amount the Board would have considered at the April meeting that was cancelled. The April and May amounts cover salary paid or that will be paid in April and May. The June amount is the anticipated fringe for FY23 that is charged at the end of the fiscal year. Thus it includes fringe for R. Lenox and C. McDevitt from July through December, and E. DeRosa from July through May. E. DeRosa asked that the Board authorize the transfer of \$100,936.26 from the IHC funds held at the Department to the SEH funds held at the Department for the salary and fringe expenses.

E. DeRosa provided an update on the salary charges for a person unrelated to the IHC Board or the SEH Board that had been taken from the SEH funds. She said she was assured that the error was being corrected, funds are being returned to the account, and no fringe benefit deductions will be applied to the salary that was incorrectly withdrawn. The IHC Board did not fund 50% of the erroneously charged salary, so the correction will not affect IHC Board monies. SEH funds will be restored.

S. Kelly made a motion, seconded by C. Picklo, to approve the payment of expenses totaling \$109,022.27 subject to receipt and review of the Division of Law invoice for 2Q23 by May 16, 2023. If the invoice is not received and approved, the total amount must be reduced by \$7,226.52. The motion further authorizes the transfer of \$100,936.26 from the IHC funds held at the Department to the SEH Funds held at the Department to cover salary and fringe as well as a request to the Department to issue a check from IHC funds to pay the Division of Law \$8,086.01, adjusted to \$859.49, if the invoice is not received and approved. By roll call vote, the motion unanimously carried.

Marketing Report Recommendations

E. DeRosa reported that all carriers filed their marketing reports electronically. She briefly described the minimum standards that carriers must meet to be considered to be marketing in good faith during the prior calendar year: the carrier's application includes at least three standard individual health benefits plans (or at least one standard HMO plan if the carrier is an HMO); the carrier demonstrates that it undertook at least one individual consumer directed marketing effort in direct support of the sale of the standard health benefits plans; and the carrier did not provide misinformation regarding the plans offered or eligibility for such plans. She noted that all of the reports included the required information and commented that some of the reports provided extensive evidence of efforts even to the point of capturing screen shots of websites for each month during the year. She recommended that the Board accept the reports as provided by each of the carriers that submitted reports. Since the written report to the Board summarized the specific efforts of each carrier, E. DeRosa said she would not specifically discuss each effort, but would be happy to answer any questions the Board may have regarding the summary report. No Board members raised any questions about the nature of the efforts as included on the report.

A. Young recused himself from the discussion and any action taken by the Board with respect to Good Faith Marketing by AmeriHealth Insurance Company of New Jersey and AmeriHealth HMO, Inc., because of his employer's interest in the outcome of the action.

S. Kelly made a motion, seconded by T. Pownall, to find AmeriHealth Insurance Company of New Jersey and AmeriHealth HMO, Inc. to have marketed individual standard health benefits plans in good faith during calendar year 2022. By roll call vote, the motion carried 4 - 0.

S. Kelly recused herself from the discussion and any action taken by the Board with respect to Good Faith Marketing by Horizon Healthcare Services, Inc., and Horizon Healthcare of New Jersey, Inc., because of her employer's interest in the outcome of the action.

T. Pownall made a motion, seconded by C. Picklo, to find Horizon Healthcare Services, Inc., and Horizon Healthcare of New Jersey, Inc. to have marketed individual standard health benefits plans in good faith during calendar year 2022. By roll call vote, the motion carried 4-0.

S. Kelly made a motion, seconded by B. Morrow, to find Oscar Garden State Insurance Company to have marketed individual standard health benefits plans in good faith during calendar year 2022. By roll call vote, the motion carried 5-0.

B. Morrow recused himself from the discussion and any action taken by the Board with respect to Good Faith Marketing by Oxford Health Insurance, because of his employer's interest in the outcome of the action.

S. Kelly made a motion, seconded by C. Picklo, to find Oxford Health Insurance to have marketed individual standard health benefits plans in good faith during calendar year 2022. By roll call vote, the motion carried 4-0.

Reinsurance Program Updates

E. DeRosa reported that 1Q2023 reinsurance program requests total 43,498,984.91, an amount that far exceeds the first quarter total requests in recent years.

E. DeRosa stated that no actuarial information had been provided by the consultants the Department engaged to evaluate the payment parameters and therefore there was no information to enable Board discussion of payment parameters for plan year 2024. She noted that 2023 is the final year of the 5-year 1332 waiver. A Board member reported having read that the Department submitted a letter of intent to renew the waiver.

The Board expressed concern that the statutory April 30 deadline was not satisfied, but recognizes that without the information the Department requested from an actuarial consulting firm that the Board could not fulfill its obligation.

IV. Other Board Discussion

S. Kelly reported that she, M. Koller, chairperson of the SEH Board, and T. Pownall, vice chairperson of both the IHC and SEH Boards, have been meeting with E. DeRosa to discuss the

transition of work following E. DeRosa's retirement. S. Kelly stated that the roles of Committees will expand to perform more of the work. She noted that in the early years of both programs, the majority of work was performed by Committees.

The Board recognized that a Policy Forms Committee has not existed for some years while the Board was able to rely on the policy forms experience of staff.

C. Picklo made a motion, seconded by A. Young to constitute a Policy Forms Committee with members from AmeriHealth, Horizon and Aetna. By roll call vote, the motion unanimously carried.

V. Close of Meeting

C. Picklo made a motion, seconded by S. Kelly, to adjourn the meeting. By roll call vote, the motion unanimously carried.

[The meeting ended at 11:00 A.M.]

Identified Public Attendees:

- Robert Axelrod, Oscar Garden State Health Ins. Corp.¹
- Brendan Peppard, WellCare of New Jersey
- Afsar Shamsi, WellCare of New Jersey
- Sheri Ferguson, WellCare of New Jersey

¹ 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.