

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
October 8, 2024

Directors participating: Sandi Kelly (Horizon); Robert Morrow (Oxford); Tom Pownall (Aetna); Adam Young (AmeriHealth); Colleen Picklo, Michael Fahncke (DOBI)

Others participating: Julie Bogorad (AmeriHealth), Eleanor Heck (Division of Law); Ava Rimal (DOBI); Meredith Harmison (DOBI)

I. Call to Order

S. Kelly called the meeting of the IHC Board to order at 10:04 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 two newspapers of general circulation in accordance with the Open Public Meetings Act.

S. Kelly 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.

S. Kelly 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 13, 2024

T. Pownall made a motion, seconded by A. Young, to approve the August 13, 2024 meeting minutes. By roll call vote, the motion unanimously carried.

III. Expenses

S. Kelly suggested we defer the discussion about the expenses until we receive clarification of an open item from the 2Q fiscal year 2024 bill from the Attorney General’s office.

IV. IHC Policy Form Draft Amendments

M. Fahncke indicated that the policy forms were updated to incorporate new and updated statutory mandates. The Board discussed various concerns related to the coverage requirements in the draft policy form amendments, including coverage for diabetes treatment products, epinephrine auto-injector devices, and asthma inhalers under the “Cap the Copay” legislation and the cost-sharing requirements for hearing aids.

Cap the Copay - A number of Board members representing carriers expressed their belief that the legislation only requires a carrier to offer members a single option within each category with the capped copay. They pointed to the use of a singular reference when addressing the asthma inhalers and insulins. This single option position is also consistent with the recollections of those who were

involved in negotiating the language which eventually became the relevant statute sections. The same Board members also expressed concerns that if all insulin, epinephrine auto-injector devices and asthma inhalers were subject to the cost sharing restrictions, there would a rate impact that was not accounted for in 2025 rate setting.

M. Fahncke's position was that the single product interpretation only applies to epinephrine auto-injector devices because of specific language used in that statute, which language was not used in the insulin or asthma inhalers sections, all of which were adopted in a single bill. M. Fahncke also noted that nothing in the documented legislative history of the enabling legislation indicates that any amendments made to the bill as it was under consideration were designed or intended to restrict the provisions of the bill to a single insulin or asthma inhaler product.

S. Kelly suggested that a revision was needed to the HSA schedule to remove the references to capping the copays for asthma inhalers and epinephrine auto-injector devices. M. Fahncke agreed this change should be made because the enabling legislation includes language expressly providing that the cost sharing restrictions do not apply to HSA plans to the extent prohibited by federal law.

Hearing Aid/DME - A. Young expressed concern for removing the hearing aid benefit from Durable Medical Equipment (DME). He provided a historical perspective that in 2013, DOBI put hearing aids under DME because of the cost, despite a prior DOBI bulletin that conflicted with this approach. M. Fahncke said treating hearing aids as DME for cost sharing purposes represents a significant out-of-pocket cost share for members and that the Department's intent is to address affordability issues for consumers. M. Fahncke also suggested the history of hearing aid coverage reflects an overall trend of making hearing aids more affordable and accessible for consumers. A. Young noted that this change would impact rates. M. Fahncke asked carriers to advise how they are administering this benefit by Tuesday, October 15, 2024.

The Board agreed to hold a special meeting to discuss the policy forms further on Tuesday, October 22, 2024, at 10:00 A.M.

V. Other Discussion

- A. Pierre-Jacques from the New Jersey Health Care Quality Institute asked when individual enrollment information and medical loss ratio data would be posted on DOBI's website. M. Fahncke responded that these data were expected to be posted very shortly.
- A. Young inquired about the HINT form and whether updates were forthcoming. M. Fahncke responded that the changes are being finalized and would be released shortly.

VI. Close of Meeting

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

[The meeting ended at 10:45 A.M.]

Identified Public Attendees:

- Armonie Pierre-Jacques, New Jersey Health Care Quality Institute

- Robert Axelrod, Oscar Garden State Insurance Company
- Brendan Peppard, Fideliscare