

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
AT THE OFFICES OF THE
NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE
TRENTON, NEW JERSEY
July 18, 2018

Members participating: Herb Ames; Natalie Bernardi (Cigna); Gary Cupo; Philip Gennace (DOBI); Margaret Koller; Ulysses Lee (Oxford); Nick Peterson (Horizon); Thomas Pownall (Aetna); Tony Taliaferro (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Christine Machnowsky, Deputy Executive Director; Rosaria Lenox, Managing Financial Officer; Jeff Posta, Deputy Attorney General.

I. Call to Order

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

II. Public Comments

There were no public comments.

III. Minutes of June 20, 2018

G. Cupo made a motion, seconded by H. Ames to approve the minutes of the June 20, 2018 meeting without amendments. By roll call vote, the motion carried. N. Peterson abstained.

IV. Staff Report

Expense Report

R. Lenox reported that expenses totaled \$903.00 for July, for 4Q legal services by the Division of Law. She noted that the Board would need to transfer \$900.00 from its Wells Fargo Money Market to its checking account if the Board agreed to pay the June expenses.

T. Taliaferro made a motion, seconded by M. Koller, to approve the expense report and transfer \$900.00 from the Board’s Money Market account to its checking account for the purpose of paying the expenses on the July 2018 expense report. By roll call vote, the motion carried.

Draft Advisory Bulletin

E. DeRosa said that although the necessary approval to file the notice of adoption of the amendments the Board considered at the June meeting has not yet been received she drafted the bulletin with the necessary compliance and variability rider. No Board action is needed.

V. Report of the Finance and Audit Committee

Final Administrative Assessment for FY 2017

R. Lenox reported that the Committee considered the final administrative assessment for the fiscal year that ended June 30, 2017. The final assessment uses actual audited expenses, and is based on the 2016 Exhibit CC filings. The final assessment distributes interest earned as well as late fees from the interim assessment. R. Lenox noted that the assessment redistributes the liability of Freelancers, a liquidated carrier. E. DeRosa explained that the time for filing proof of claim against the estate closed and there would be no opportunity to seek payment for this new liability. The final assessment results in refunds totaling \$38,762.06 and invoices to two carriers totaling \$21,566.66.

G. Cupo made a motion, seconded by M. Koller, to approve the final administrative assessment, with refunds and invoices, as presented. By roll call vote, the motion carried.

VI. Executive Session

E. DeRosa asked for a motion to enter executive session to receive advice from counsel. She said there would be further discussion following executive session.

T. Taliaferro made a motion to enter executive session to receive advice from counsel. G. Cupo seconded the motion. By roll call vote, the motion carried.

Executive Session: 10:15 AM – 10:21 AM

VII. Discussion following Executive Session

Public Participation

E. DeRosa said that Board meetings are Open Public Meetings and the public is most welcome to attend and participate during Open Sessions. The Board specifically allows two opportunities for public comments during each Board meeting. She noted that any member of the public who wishes to participate must come to the Department of Banking and Insurance offices in Trenton to participate. Public members may not seek to participate by going to the office of a Board member who may be participating in the meeting by teleconference.

Association Health Plans

U. Lee asked if the Board or the Department will be addressing the recently adopted Federal rules regarding Association Health Plans (AHPs). G. Cupo expressed interest in discussing whether and how the rules may apply to fully-insured Multiple Employer Welfare Association (MEWA) plans in New Jersey.

E. DeRosa said the Department has been reviewing the recent Federal regulations governing AHPs.

The Board agreed that the regulatory framework of AHPs should be discussed by the Legal Committee.

U. Lee offered to provide a list of questions for the Board and/or Department to consider.

VIII. Public Comment

There were no public comments.

IX. Close of Meeting

G. Cupo made a motion, seconded by M. Koller to close the meeting and enjoy the summer. By roll call vote, the motion carried.

[The meeting adjourned at 10:34 A.M.]