

**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**  
**August 21, 2019**

**Members participating:** Herb Ames; Robert Benkert (Oxford); Natalie Bernardi (Cigna); Gary Cupo; Phil Gennace (DOBI); Laura Hahn; Margaret Koller; Taylor Kopelan (Horizon); Thomas Pownall (Aetna); Tony Taliaferro (AmeriHealth).

**Others participating:** Ellen DeRosa, Executive Director; Christine Machnowsky, Deputy Executive Director; 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. Review of Minutes of July 17, 2019**

**T. Pownall made a motion, seconded by M. Koller, to approve the minutes of the meeting of July 17, 2019, without amendment. By roll call vote, the motion carried.**

**IV. Report of Staff**

*Draft Policy Form Amendments*

E. DeRosa presented draft amendments to the policy forms, explaining that the majority of the amendments are intended to address P.L. 2018, c. 58 (Chapter 58), which revised the requirement to cover mental health conditions, but that there were some amendments being suggested based upon carrier requests and complaints she has received. She highlighted the following:

- As required by Chapter 58, the definition of mental health condition refers to the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5) to identify conditions that are mental health conditions, and thus, subject to mental health parity requirements of the federal Mental Health Parity and Addiction Equity Act (MHPAEA).
- Although substance abuse disorder (SUD) is a mental health condition, because New Jersey has special standards for SUD treatment, she said she retained separate references to SUD to avoid any confusion as to whether the SUD-specific requirements still apply.

- Limits for certain therapies (ex. PT, ST, OT) that were previously removed with respect to treatment of autism would be removed with respect to treatment of all developmental disabilities, because neurodevelopmental disorders are included under the DSM-5.
- References to mental illness would be replaced throughout the policy forms by mental health condition.
- A definition of “same terms and conditions” would be added to clarify that it refers to both qualitative and quantitative standards, to be consistent with MHPAEA.
- Exclusions for treatment of nicotine dependence would be removed.
- Amendments to the provisions for “triggering events” would be revised to pick up certain circumstances not previously addressed in the forms.
- Removal of the 96-hour supply requirement for prescription drug benefits set forth in the SEH policy forms, which had been added many years ago when the DOBI agreed to permit carriers to establish prior authorization for some drugs. E. DeRosa explained that the DOBI never published rules on the matter, and with the changes in technology and health care practices, the issue that the 96-hour supply requirement was intended to address is substantially abated.
- The transplant benefits section needs to be updated to reflect more current practices, having not been updated in more than 25 years. E. DeRosa noted that she expects input from the carriers’ medical directors, and will provide more information to the Board at a later date.
- There is a conflict within the policy forms regarding the coverage/exclusion of vitamins and Legend vitamins, and it needs to be addressed.

E. DeRosa stated that Board members should review the draft, and be prepared to take action at the September Board meeting. She noted that to the extent that statutory requirements are in effect, or take effect shortly, carriers will have to comply with them administratively. She also said that it was likely carriers would be given the option of using the Compliance and Variability Rider during 2020 to bring existing forms into compliance with any changes.

#### **V. Public Comments**

There were no public comments.

#### **VI. Close of Meeting**

**H. Ames made a motion, seconded by N. Bernardi, to close the meeting. By roll call vote, the motion carried.**

*[The meeting adjourned at 10:42 A.M.]*