

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
October 16, 2019

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

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, 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. Review of Minutes of September 18, 2019

T. Taliaferro made a motion, seconded by M. Koller, to approve the minutes of the meeting of September 18, 2019, without amendment. By roll call vote, the motion carried, with L. Hahn abstaining.

IV. Report of Staff – *Expense Report, Meeting Dates, Policy Form Amendments*

Expense Report

R. Lenox presented the Expense Report for October, totaling \$275 for accounting software upgrades. She noted there was no need for a funds transfer, and that the expense (originating from the IHC Program, which has the contract with the consulting firm) is being offset against the amount charged to the IHC Program for staff salaries.

CY2020 Meeting Dates

E. DeRosa reminded Board members that she sent out proposed meeting dates, and was still awaiting responses from members.

Third Draft of Policy Form Amendments

E. DeRosa highlighted the following as being different from the prior draft:

- Based upon the recommendation of a consulting developmental pediatrician, the definition of developmental disability now includes reference to neurodevelopmental disabilities to better align with current medical philosophy, which considers all developmental disorders as neurodevelopmental in nature, thus eliminating any distinction in terms of developmental disabilities being classified as medical versus mental health related. Upon questioning as to whether the definition in the forms is broader than as presented in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5), E. DeRosa explained that the DSM-5 presents a list of neurodevelopmental disorders, but acknowledges the list is not exhaustive of all possibilities, and advises use of a diagnostic code by practitioners to designate an unspecified neurodevelopmental disorder when a condition-specific code does not otherwise apply.
- Based upon suggestions from a member's medical director, the transplant section includes reference to hematopoietic stem cell to encompass both allogeneic and autologous bone marrow and stem cell transplants generally, when medically appropriate.
- The variable text permitting carriers to cover immunizations under the pharmacy benefit has been modified to allow carriers to point to a website for a list of which immunizations can be covered thusly.
- To resolve the multiple exclusion of vitamins controversy, based on the decision of the IHC Board, the exclusion for coverage of all vitamins is being retained with language added regarding coverage of certain preventive vitamins, while the exclusion of vitamins-but-for-Legend-Drugs would be removed.
- Previous proposed amendments included:
 - Revisions throughout to address the administration of coverage for mental health conditions consistent with P.L. 2019, c. 58 (Chapter 58, which provides for mental health parity) by: replacing mental illness throughout with mental health condition, and including reference to the DSM-5, in the definition of mental health condition; adding the definition of same terms and conditions to the forms; and, separately addressing substance abuse disorder (SUD), which falls within the definition of mental health condition, but under New Jersey law is subject to a separate set of standards for SUD treatment.
 - In addition, with respect to Chapter 58, restructuring of the therapy services provisions and presentation of therapy services on the Schedule page to clarify how limits on therapy may apply in different circumstances, resulting largely from Chapter 58 and its application to developmental disorders; to wit: limitations still apply with respect to services provided on a rehabilitative basis, but not when provided on a habilitative basis
 - Removal of the effective date for coverage of donated human breast milk, because the date has passed.
 - Amendments to the provisions for "triggering events" would be revised to pick up HRA eligibility.
 - Removal of the 96-hour supply requirement for prescription drug benefits pending prior authorization for some drugs.

- Addition of variable text allowing carriers to cover the costs of immunizations administered by an eligible pharmacist (as a pharmacy benefit rather than as a medical benefit).

T. Taliaferro made a motion, seconded by M. Koller, to approve the proposal of amendments to the policy forms as presented in the third draft. By roll call vote, the motion carried.

[L. Hahn apparently was not present on the phone for the vote; however, there was a quorum.]

E. DeRosa briefly explained that the proposal will have to be reviewed by the Attorney General's office and others prior to filing with the Office of Administrative Law, but because of timing issues, she suggested using the expedited rulemaking process, while reminding carriers that they will need to comply with laws that are already effective, such as Chapter 58, and the additional triggering event that went into effect pursuant to federal law in August 2019.

V. Finance & Audit Committee (FAC) Report

R. Lenox presented the report of the FAC, which met October 10, 2019 to review financial statements for the year ended June 2019, and Managements Discussion and Analysis (MDA) for the fiscal year ended June 30, 2019. She noted the following with respect to the MDA:

- The Board issued the final administrative expenses for FY2018, including interest of \$241.80, with a carrier owing the Program \$1,346.89, and the Program refunding others a total of \$82,832.53.
- The Program's assets total \$526,989, but \$148,551 of that amount is being held for the Medicare Supplement Under 50 Program.
- Total actual expenditures were favorable to budget by \$94,598, due largely to less than expected fringe, and \$60,000 for marketing being budgeted, but not spent.

R. Lenox also briefly went over the Statement of Net Assets, Statement of Changes in Net Assets, Statement of Cash Flows, and Comparison of Budget and Actual Expenditures.

E. DeRosa stated that the auditors will be coming shortly, and once the audit it completed, the Board can reconcile assessments for fiscal year 2019.

VI. Public Comments

There were no public comments.

VII. Close of Meeting

M. Koller made a motion, seconded by P. Gennace, to close the meeting. By roll call vote, the motion carried.

[The meeting adjourned at 11:11 A.M.]