

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
September 15, 2021

Members participating: Herb Ames; Robert Benkert (United); Natalie Bernardi (Cigna); Chrissy Buteas; Gary Cupo; Philip Gennace (DOBI); Laura Gunn; Randi Imbriaco (Oscar); Margaret Koller; Taylor Kopelan (Horizon); Thomas Pownall (Aetna Health); Tony Taliaferro (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Managing Financial Officer; Jeffrey 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.

E. DeRosa noted that, pursuant to P.L. 2020, c. 2, as a result of the state of emergency and public health emergency declared by Governor Murphy on March 9, 2020 through Executive Order 103, as subsequently extended,¹ due to the COVID-19 pandemic, the SEH Board’s regularly scheduled meeting is being held entirely telephonically rather than at the Board’s offices in Trenton. She stated that, in accordance with P.L. 2020 c. 11, electronic notice of this special meeting and 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.

Members of the public were asked to identify themselves, and are listed at the end of these minutes.

II. Public Comments

There were no public comments.

III. Minutes of July 21, 2021

Before discussion of the minutes, E. DeRosa welcomed Randi Imbriaco as the new representative of Oscar Garden State Insurance Company, replacing Monica Aurelian. She then reminded the Board that there was no Board meeting in August, and that they need to review and vote on the July minutes.

¹ Due to the requirements of N.J.S.A. 26:13-3(b), which limits declaration of a Public Health Emergency by the Governor to 30 days, the Public Health Emergency established by E.O. 103 (Murphy) was continuously extended through multiple executive orders until E.O. 244 (Murphy), issued June 4, 2021, which declared the Public Health Emergency ended; however, E.O. 244 (Murphy) did not end the State of Emergency established by E.O. 103 (Murphy). Consequently, the Board continues to meet remotely, and public access is limited to telephonic means.

T. Pownall made a motion, seconded by M. Koller, to approve the minutes of the meeting of July 21, 2021 without amendment. By roll call vote, the motion carried, with R. Imbriaco abstaining.

IV. Annual Meeting – Election of Officers and Reconstitution of Committees

Chair & Vice Chair

E. DeRosa explained that this is the Board's annual meeting, at which it elects its Chair and Vice Chair, and reconstitutes its standing committees. She explained that, with respect to the Chair and Vice Chair, the Board members are electing the person to serve in the position, not the carrier the person represents, and when the Chair is not available to run the meeting, it is the Vice Chair that takes over responsibility for running the meeting, not the designated alternate representative of the carrier. She noted that the SEH plan of operation includes no limit to the number of terms an individual may serve as Chair or Vice Chair.

T. Pownall nominated T. Taliaferro to serve as Chair and M. Koller to serve as Vice Chair, which was seconded by H. Ames. No other nominations were offered, and both T. Taliaferro and M. Koller expressed a willingness to serve another term. By roll call vote, the motion carried.

Reconstitution of Committees

E. DeRosa set forth the existing standing committees and their composition, which are as follows:

- Legal – Aetna, AmeriHealth, DOBI, Horizon
- Finance & Audit (FAC) – AmeriHealth, H. Ames, DOBI, Horizon, United
- Marketing – G. Cupo, Horizon, M. Koller, United

She noted that: (a) the FAC is the most active committee, while the least active is Marketing currently; (b) additional members could serve on any of the three committees, if interested, but that membership can change during the year, too, when necessary; and, (c) a company's representative on the Board need not be the same person who sits on a committee.

G. Cupo made a motion, seconded by N. Bernardi, to reconstitute each committee with its existing composition for another year term. By roll call vote, the motion carried.

V. FAC Report – Financial End-of-Year Discussion

R. Lenox noted that the FAC had met to review the Management's Discussion and Analysis of SEH Program activities, and the following year-end financial statements:

- Statement of Net Assets
- Statement of Changes in Net Assets
- Statement of Cash Flows
- Comparison of Budget and Actual Expenditures

R. Lenox then presented each to the Board, highlighting the following:

- The Board issued the final reconciliation for FY2020 during FY2021, resulting in refunds of \$14,920.09, including interest, as well as amounts due to the Program by four carriers totaling \$8,899.68.
- The Board issued the interim assessment for FY2022 in the amount of \$293,950 which is recorded as deferred income.
- The SEH Board's total assets equals \$412,034 which includes \$82,518 held in cash for the Medicare Supplement Under 50 Program.
- Total expenditures for FY2021 were \$274,393.01, which were favorable to budget by \$16,536.99, due to less than expected salaries, fringe and overhead.
- New expense categories for FY2021 included software costs and the associated depreciation expense.

VI. Public Comments

A question arose whether the public may obtain minutes and other material discussed by the Board. E. DeRosa explained that, when final, minutes are posted on the Board pages of the DOBI website.

VII. Adoption of SEH Rule Amendments

E. DeRosa advised the Board that she had received permission to send the rule amendments adopted by the Board at the May 5th meeting to the Office of Administrative Law for publication, which she had done. She noted that the adopted rules/forms would be published on the website, and that she had sent the relevant information to all carriers in the market. She reminded Board members that carriers may use the Compliance & Variability Rider for inforce business.

VIII. Close of Meeting

H. Ames made a motion, seconded by T. Pownall, to close the meeting. By roll call vote, the motion carried.

[The meeting adjourned at 10:30 A.M.]

Public known to be in attendance:

- Amanda Mellilo (Senator Vitale's office)