

**MINUTES OF THE MEETING OF THE  
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD  
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)  
February 19, 2025**

**Members Present:**

Kelly Fernandez  
Gary Cupo  
Michael Fahncke  
Staci Grant  
Kathy Hempstead  
Amirah Hussain  
Margaret Koller  
Taylor Kopelan  
Adam Young

**Others:**

Jeffrey Posta (DAG)  
Jessica Lugo (DAG)  
Ava Rimal (DOBI)  
Meredith Harmison (DOBI)  
Fred Brinkman (DOBI)

**I. Call to Order**

M. Koller called the meeting to order at 10:02 A.M.

**II. Public Comments**

A. Pierre Jacques asked when the enrollment data and the medical loss ratio report for the small group market will be uploaded to the Department's website.

M. Fahncke responded that the quarter three 2023 enrollment data report has been completed and should be posted by the end of the week. M. Fahncke explained that quarter four 2023 enrollment data was still being processed. M. Fahncke stated that the 2023 loss ratio reports would be reviewed during this meeting and posted to the Department's website thereafter.

**III. Administrative Items for Review**

Meeting Minutes

G. Cupo made a motion to approve the Meeting Minutes from January 15, 2025. This motion was seconded by S. Grant. All present voting members voted to approve. The motion carried.

#### Invoices for Payment

M. Koller motioned to approve a NJ Advance Media invoice dated December 31, 2024, in the amount of \$73.96. All present members voted to approve. The motion carried.

G. Cupo motioned to approve the legal services invoice from the New Jersey Department of Law and Public Safety in the amount of \$1,923 for the first quarter of 2025. All present members voted to approve. The motion carried.

J. Posta, Deputy Attorney General, noted that he will be retiring next year and his colleague Jessica Lugo, who has been attending SEH Board meetings, will provide legal guidance to the Board upon his retirement.

#### **IV. Updates & Discussion**

F. Brinkman presented the medical loss ratio report for 2023. In 2023, the SEH market had \$1,831,460,958 in claims and \$2,159,787,408 in premium for a loss ratio of 84.8%. Four NJ carriers were required to pay 2023 SEH NJ State Refunds totaling \$9,094,163. Refunds were paid by December 31, 2024.

S. Grant asked whether the medical loss ratio calculation included data from all health insurance carriers operating in New Jersey.

F. Brinkman stated that the ratio was calculated using data only from carriers who participated in the small employer market.

K. Hempstead asked why the Horizon HMO medical loss ratio was significantly higher than other carriers, at 158.8%.

F. Brinkman advised that he could not pinpoint an exact cause but suspected that there was significantly low enrollment, which can result in greater fluctuations in medical loss ratio from year to year.

Linda Schwimmer asked if the medical loss ratio report will be posted to the Department's website by Friday.

M. Fahncke confirmed that he expected that the report would be posted by Friday.

K. Hempstead made a motion to adjourn the meeting. M. Koller seconded the motion. All voting members present voted yes. The motion was carried.

[The meeting adjourned at 10:52 A.M.]

Public known to be in attendance:

Linda Schwimmer (NJ Health Care Quality Institute)

Armonie Pierre Jacques (NJ Health Care Quality Institute)

Sandy Araujo Russo (Horizon)

Kelly Ferreira (Horizon)

Dana Kelly (Horizon)

Theresa Sullivan (Horizon)

Joan Fusco