

**MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
April 16, 2025**

Members Present:

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

Others:

Jeffrey Posta (DAG)

I. Call to Order

M. Koller called the meeting to order at 10:04 A.M. She announced that notice of the meeting had been posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, at the Office of the Secretary of State, submitted to the State House Press Corps, and published in two newspapers of general circulation in accordance with the Open Public Meetings Act.

M. Koller stated that 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.

M. Koller determined a quorum was present. She stated that voting would be by roll call.

Members of the public were asked to identify themselves; public attendees, if any, are identified at the end of these minutes.

II. Public Comments

A. Pierre Jacques asked when the 2023 medical loss ratio report for the small group market and the 2024 third quarter enrollment reports for the small group market will be uploaded to the Department’s website. M. Fahncke responded that he will follow up on his internal requests for the 2023 medical loss report and the third quarter 2024 enrollment reports to be posted on the Department’s website.

III. Administrative Items for Review

Meeting Minutes

G. Cupo made a motion to approve the Meeting Minutes from March 19, 2025. This motion was seconded by S. Grant. All present voting members voted to approve, with A. Hussain abstaining since she didn't attend the last meeting. The motion carried.

M. Fahncke explained that, due to an administrative issue related to Bob Morrow from United HealthCare's resignation from the Board in 2024 that involved the impermissible delegation of his seat, certain previously-approved meeting minutes needed to be amended to accurately reflect the authorized membership of the Board at those meetings. The minutes that are being resubmitted for consideration and approval are from the November 22, 2024, December 18, 2024, and January 15, 2025 Board meetings. S. Grant asked whether the membership issue affected any official Board action taken at the three implicated meetings. M. Koller confirmed that there were sufficient votes to approve each item taken up at those meetings and that the membership issue would not invalidate any actions previously approved by the Board. K. Fernandez noted that B. Morrow is still referenced in the December 18, 2024 minutes and that he should be removed as a voting member. G. Cupo made a motion to approve the amended Meeting Minutes from November 22, 2024, December 18, 2024 (with the additional edit noted above), and January 15, 2025. This motion was seconded by S. Grant. All present voting members voted to approve. The motion carried.

Invoices for Payment

S. Grant motioned to approve an invoice from New Jersey Advance Media, in the amount of \$31.82, to re-notice the March 19, 2025 meeting to reflect that it would not be held in person. A. Young seconded the motion. All present members voted to approve. The motion carried.

Prior Authorization Law

S. Grant asked whether the "Ensuring Transparency in Prior Authorization Act," P.L.2023, c.296, applies to carriers participating in the small group market, and whether any action would be needed by the Board to implement the law, such as updating standard forms or revising regulations. M. Fahncke advised that the law does apply to carriers participating in the small group market and that the law was currently under review by the Department to determine whether rules and regulations would need to be promulgated in order to implement the law, including any rules and regulations specific to the Small Employer Health Benefits Program. He advised that the Department would reach out to the Board concerning any necessary rule amendments once that review is complete. M. Fahncke noted that, as outlined in DOBI Bulletin No. 24-17, carriers are expected to comply with the requirements of the law pending the adoption of rules and regulations.

Standard Policy Forms

A. Young asked when the 2025 Small Employer Health Benefits Program forms will be uploaded to the Department's website. M. Fahncke explained that the Department was continuing to work to get the policy forms posted.

K. Fernandez asked when the draft 2026 standard policy forms would be available for review by the Board. M. Fahncke advised that potential revisions to the forms are currently under review and the draft forms would be available for review as soon as practicable.

IV. Updates & Discussion

K. Jarosz followed up on a question, posed at the March 19, 2025 Board meeting, as to whether the 2025 Small Employer Health Benefits Program forms that included the new out-of-pocket caps on cost sharing distinguished between preventative and non-preventative services in connection with certain health savings accounts, as outlined in certain guidance issued by the IRS, which may affect whether the service is applied to the enrollee's deductible. M. Fahncke advised that the proposed interpretation of the IRS guidance is still under review by the Department. However, given that the forms should have been sent by April 1st, it was determined that carriers could apply deductibles to HSA plans consistent with the proposed interpretation of the IRS guidance, with the understanding that the question could be revisited as needed once the Department's review is complete, and updated correspondence may need to be issued to members.

G. Cupo made a motion to adjourn the meeting. M. Koller seconded the motion. All voting members present voted yes. The motion carried.

[The meeting adjourned at 10:38 A.M.]

Public known to be in attendance:

Armonie Pierre Jacques (NJ Health Care Quality Institute)

Kelly Ferreira (Horizon)

Dana Kelly (Horizon)

Kristin Jarosz (Horizon)

Sandra Araujo (Horizon)

Joan Fusco