

**DISCUSSION 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**  
**November 17, 1999**

**Members present:** Gary Cupo; Tim English (Guardian); Darrel Farkus (Oxford); Charlotte Furman (AH&L); Jane Majcher (DOBI); Michael Torrese (Horizon BCBSNJ); Bonnie Wiseman (DOHSS).

**Others present:** Ellen DeRosa, Deputy Executive Director; DAG Jennifer Fradel (DOL); Joanne Petto, Assistant Director; Wardell Sanders, Executive Director.

**I. Call to Order**

W. Sanders noted that an insufficient number of members were present and therefore, unless additional members were to arrive, the Board would not be able to proceed with the scheduled Board meeting. He suggested that there could be discussion of issues that did not require Board action as they awaited the arrival of additional members.

**II. Public Comments**

W. Sanders asked if any member of the audience wished to offer comments concerning the items stated on the agenda. No comments were offered.

**III. Minutes**

*October 20, 1999*

The members discussed the draft minutes and noted an amendment on page 2. Any vote to adopt the minutes would be held if additional members arrived at the meeting.

**IV. Staff Report**

*Expense Report (see attached)*

The Expense report could not be fully considered since payment of the expenses requires a Board vote. W. Sanders noted that the expenses shown on the report included November expenses as well as anticipated December expenses, since the Board did not have a meeting scheduled for December 1999.

*Legislative Update*

W. Sanders said that a summary of legislative activity was included in Board materials. He specifically noted two of the bills, S. 2208 and S. 2216 since they would impact representation on both the SEH and IHC Boards.

*Premium Comparison Survey for 2000*

J. Petto reported that she was missing data from two carriers. She asked any Board members who had comments on the draft survey to please contact her. She said that upon receipt of the data from the two carriers, the survey would be ready to be released.

*1999 Assessment Collections*

W. Sanders reported that additional assessment payments had been received.

**V. Report of the Policy Forms Committee**

*Home Health Care and Private Duty Nursing*

E. DeRosa reported that the Committee again discussed coverage of home health care (HHC) and private duty nursing (PDN). She said the Committee discussed the possibility of crafting a HHC benefit that excluded coverage for PDN. Coverage for HHC could track the coverage required by New Jersey law. PDN could be covered under a separate benefit, and since there is no statute that requires a certain level of coverage for PDN, the benefit could be subject to some internal limit.

Those present for the discussion agreed that it would be wise to survey carriers to determine whether they cover PDN under non-standard plans. Further, the survey should ask, if PDN is covered, whether there are coverage limits for PDN, or if a separate benefit is provided.

**VI. Report of the Legal Committee**

*Draft Regulation on Broker Commissions*

W. Sanders said the Legal committee reviewed the draft changes to the SEH Regulations to address impermissible distinctions in broker commissions. Neither the number of eligible employees nor the number of enrollees could be the basis for a difference in commission levels.

M. Torrese suggested that the Board should evaluate the effects of allowing multiple plans. W. Sanders said he would put together a summary of the history of allowing multiple plans.

*Draft Bulletin on Termination*

W. Sanders asked for any comments concerning the Bulletin, 99-SEH-07, no later than Friday, November 19, 1999.

*Compliance with HIPAA*

W. Sanders said the Legal Committee discussed a communication from HCFA concerning HIPAA compliance. He said the Committee believed it would be helpful to write to HCFA and explain what the SEH Program has done, the reasons for such action, and ask for guidance as to whether these actions are acceptable.

### *COBRA*

T. English commented that there has been a change in the manner of counting employees for the purpose of COBRA eligibility. He said a formula was recently added to COBRA such that part time employees would not be counted in the same manner as a full-time employee.

### **VII. Close of Discussion**

W. Sanders said the Board would need to meet in December to vote on the minutes, the expense report and rule proposal. He said the meeting could be by teleconference, with a speakerphone in the conference room such that any public attendees could hear the proceedings of the meeting.

The discussion ended at 11:15 a.m.