

NEW JERSEY
INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
Trenton, NJ 08625

IN THE MATTER OF GREATER ATLANTIC HEALTH
SERVICE'S APPEAL OF THE INDIVIDUAL HEALTH
COVERAGE PROGRAM BOARD'S ASSESSMENT FOR
REIMBURSABLE LOSSES AND ADMINISTRATIVE
EXPENSES FOR CALENDAR YEAR 1994

ADMINISTRATIVE ORDER NUMBER 96-09

WHEREAS, the New Jersey Individual Health Coverage Program ("IHC") Board is authorized by the Individual Health Insurance Reform Act of 1992 ("IHC Act"), N.J.S.A. 17B:27A-2 et seq., and regulations promulgated thereunder, to administer the IHC Program, to assess members of the IHC Program on the basis of their proportionate share of program losses and administrative expenses and to take any legal actions necessary to recover assessments owed to the IHC Program;

WHEREAS, Greater Atlantic Health Service ("Greater Atlantic") is a "carrier" that filed a Market Share and Net Paid Loss Report ("Exhibit K") with the IHC Board on August 18, 1995 which reported net earned premium of \$1,549,025 and sought reimbursement of \$6,634 in net paid losses;

WHEREAS, the IHC Board, on November 21, 1995, assessed Greater Atlantic for its share of reimbursable losses and administrative expenses of the IHC Program for calendar year 1994 in the amount of \$22,333, based on its net earned premium;

WHEREAS, Greater Atlantic notified the Board of its intent to appeal, by letter dated December 21, 1995 and subsequently appealed the assessment by letter dated January 10, 1996, on the grounds that Greater Atlantic incorrectly reported its net paid loss, and submitted a revised Exhibit K seeking reimbursement of net paid losses of \$13,267;

WHEREAS, the IHC Board has considered Greater Atlantic's appeal of the 1994 assessment. Based upon Greater Atlantic's revised Exhibit K, certified by Joseph L. Foley, Controller, the Board accepts the late filing and agrees to reimburse Greater Atlantic for its stated reimbursable losses, subject to audit pursuant to N.J.S.A. 17B:27A-11 and N.J.A.C. 11:20-8.8, should one be conducted in the future.

NOW THEREFORE, pursuant to the authority granted to the Board by N.J.S.A. 17B:27A-2 et seq., and all powers expressed or implied therein, and the decision of the Board as expressed by approval of this Administrative Order;

IT IS on this 12th day of March, 1996,

ORDERED that Greater Atlantic's appeal of the 1994 assessment by the IHC Board is hereby granted.

Kevin O'Leary, Executive Director

Date