

MEETING MINUTES OF THE
UNDER 50 MED SUPP PROGRAM BOARD

MONDAY, MARCH 12, 2001

Board Members Present:

Pam Bishop	-	Mutual of Omaha
David Kreiss	-	Oxford Health Plans
Christina Palme-Krizak	-	United HealthCare
Keitha Lackey	-	Horizon Blue Cross Blue Shield of NJ
Victor Shulman	-	Public Member
Rebecca L. Smart	-	Central States Health & Life Co.

Others Present:

Angela Edger	-	United HealthCare
Trish Kaciuba	-	SHIP
Michael Malloy	-	Department of Banking and Insurance
Bob Vehec	-	Department of Banking and Insurance

The New Jersey Medigap Under 50 Plan Board meeting was held via telephone conference, at 1:00 p.m. (CST) on Monday, March 12, 2001.

1) Minutes of Last Meeting (8/18/2000)

The Board reviewed the minutes from the Board meeting held on August 18, 2000. The Minutes were approved by the Board. Approved meeting minutes for August 18, 2000 are attached hereto.

2) Update on Board Members

Rebecca Smart informed the Board that she has taken a new position with Central States Health & Life Co. of Omaha. Central States is an HIAA member and they are willing to fill the open Board position for a HIAA member. She indicated that Pam Bishop will now be representing Mutual of Omaha.

Due to the death of Bob Hoffman the board is seeking recommendations for another public candidate. It was decided that Victor Shulman would contact Debbie Breslin to determine the selection process.

3) Update on Assessment

Horizon Blue Cross Blue Shield, the Department of Insurance and Arthur Andersen have been reviewing the Program Loss numbers. Revised numbers have been submitted to the Commissioner using the February calculations. Based on the revised numbers, the assessment has been revised from \$1,062,594 to \$1,037,528.

Pool Administrators re-ran the 1999 market share report using the new assessment number. The True-Up of the 1998 Assessment formerly calculated using the 1997 reported premium was shown in Section IIA of the attachments sent to Board members by Rebecca Smart. She indicated that there are a number of differences in the carrier listings for 1998 and 1999 from three sources. Carriers will not be assessed amounts of \$10.00 or less. Many of the companies on the True-Up are ones that have zero market shares for 1998; they would have the same for 1999 and will not show up on the 1999 listings. The Board approved the assessment update.

Pool Administrators have been receiving year 2000 market share reports from carriers. They were unable to attend this meeting because they were working on other reports. However, they indicated if they received an assessment direction they would be able to send out assessment notices within 10 working days.

Concerning the assessment and program losses, Arthur Andersen has finalized the audit work and are ready to complete the final audit. They are waiting for final numbers.

4) **2000 Program Losses** - Horizon has submitted their year 2000 program losses to the Department. Keitha Lackey informed the Board that the enrollment is up to 567 members with high medical costs being in the area of End Stage Renal Disease.

5) **Consumer Issues** - Victor Shulman indicated that the only reference to the under 65 program is sent out in the Medicare Handbook provided by Social Security. The concern was that most people under 50 don't realize they could be eligible for the Medicare Supplement under 50 program until it is too late.

Many people don't know what services are available to them through this program and the question was how do we inform people about the program? There was also a question as to how people come to find out about the program? Suggestions were made to get information out to the local Social Security office, since everyone is put on Medicare through the Social Security administration. Merely a one-page document informing people of the program would be helpful.

Victor Shulman, Trish Kaciuba and Debbie Breslin will collaborate efforts to see what information the Board can provide to the NJ social security state offices.

Debbie Breslin received a letter from a Medicare HMO participant who had difficulty with a provider, and wanted to switch to the NJ Under 50 Program. He left his plan with Aetna after being told that he would now have to participate in a mental health group setting, instead of receiving individual treatment. The participant did not file a complaint and his mother was speaking on his behalf to try to get him enrolled in the Under 50 Medicare Supplement Plan.

The Board agreed that they did not want to set a precedent by allowing members to join the Under 50 plan when they became dissatisfied with services from their plan. The Board also determined that there did not appear to be any material misrepresentation of coverage nor any misrepresentation by the agent. They asked Debbie Breslin to send a response to the mother.

6) Other

There being no additional business, the meeting was adjourned at 2:00 p.m. central time.