

MEETING MINUTES OF THE
UNDER 50 MED SUPP PROGRAM BOARD

TUESDAY, JUNE 26, 2001

Board Members Present:

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

Others Present:

Debbie Breslin	-	SHIP
Trish Kaciuba	-	SHIP
Bob Vehec	-	Department of Banking and Insurance
Bob King	-	Department of Banking and Insurance
Gerry Cote	-	Pool Administrators
Rick Larose	-	Pool Adminstrators

The New Jersey Medigap Under 50 Plan Board meeting was held via telephone conference, at 2:00 p.m. (EST) on Tuesday, June 26, 2001.

1) Minutes of Last Meeting

The Board reviewed the minutes from the Board meeting held on May 29, 2001. The Minutes were approved by the Board with several corrections. Approved meeting minutes for May 29, 2001 are attached hereto.

2) Status of Collections/Payments

Rick Larose and Gerry Cote prepared a summary of the account balance as of 6/22/01 which includes the following:

Checking Acct. Balance 2/28/01	\$ 7,573.99
Assessment Collected	<u>\$382,585.00</u>
	\$390,158.99
Payment to Arthur Anderson	- \$ 33,200.00
Payment to Horizon BCBS	- <u>\$300,000.00</u>
	\$56,958.99

Since the update was prepared, Amerihealth HMO has made their payment with a request for interest to be refunded to them. They are appealing interest because they feel they did not get the notice timely. The Board discussed this appeal and the problems getting carrier reports and assessments paid. Still outstanding are the following carriers:

Aetna US Healthcare	\$176,180.24
Americaid	\$ 9,802.80
Amerihealth Ins. of NJ	\$ 30,429.70
Prudential Health	\$ 32,232.50
University Health Plans	\$ 6,173.07

David Kreiss offered to facilitate discussions with Amerihealth and Aetna to recover the outstanding payment. Gerry Cote reported that they have had conversations with most of the larger carriers and is confident that they will get payments from Aetna and Prudential. The balance due and payable to Horizon BCBS will be paid as assessments are collected.

3) Year 2001 Assessment

The Board discussed the recent market share reports and potential discrepancies with prior reports, NAIC data, and the individual carrier reports. The next assessment will be able to be mailed upon completion of the market share reports and recalculation of the expenses. Commissioner Suter has already approved the 2001 loss report and the interest calculation has been finalized. The Board approved efforts to finalize the market share report and provide a recommendation for an assessment to be submitted to the Department no later than July 15, 2001.

The Board also discussed the program status and its desire to have a more formalized program report from Horizon BCBS at each meeting. Chris Palme-Krizak offered to share a report prepared by BCBS of Montana for their pool to show various formats of information.

The Board also discussed the assessment calculation report and the amount needed for the next assessment. The Board approved an assessment of \$1,115,068 plus whatever amount would be needed to cover outstanding or uncollectable amounts from the previous assessment. Rebecca Smart thanked Pool Administrators for their efforts on the reports and collection activities.

Kyle Johnson agreed to discuss possible regulatory or legislative changes with Horizon's government affairs department for action or changes to the assessment constraints since it impacts them directly.

4) Board Membership

Debbie Breslin recommended the addition of Carol Keating to the Board as the second public member. After discussion, the Board approved the recommendation. Ms. Keating's resume has been submitted to Commissioner Suter for approval and formal appointment.

David Kreiss also mentioned that he will be joining CMS (formerly HCFA) as special assistant to Thompson and will be moving to D.C. Oxford will be naming a Board replacement and making a recommendation to the Department.

5) Program Issues – Pam Bishop mentioned that she is working with Sandy Kelly at Horizon BCBS to finish the underwriting guidelines and will have them ready for review at the next Board meeting.

Kyle Johnson raised an issue from the marketing managers regarding members who missed their original window of opportunity to enroll in the program. Victor Shulman discussed the extensive publication that was done when the program was first introduced. The Board indicated that enrollments are handled pursuant to the regulation and program guidelines.

6) Other

The next meeting will take place in October in Trenton unless an interim conference call is needed. Chris and Rebecca will forward possible dates to the Board for this meeting. There being no additional business, the meeting was adjourned at 2:10 p.m. central time.