

**INSURANCE  
DEPARTMENT OF BANKING AND INSURANCE  
DIVISION OF INSURANCE**

**Small Employer Health Benefits Program**

**Proposed Readoption: N.J.A.C. 11:21-11, 13, 15, 20 and 21; and 11:21 Appendix Exhibit BB, Parts 3, 4 and 5.**

**Proposed Readoption with Amendments: N.J.A.C. 11:21-7A, 9, 16 and 19; and 11:21 Appendix Exhibits FF and GG.**

**Proposed Repeal and New Rule: N.J.A.C. 11:21 Appendix Exhibit FF**

Authorized By: Steven M. Goldman, Commissioner, Department of Banking and Insurance.

Authority: N.J.S.A. 17:1-8.1, 17:1-15e, and 17B:27A-17 et seq., and P.L. 2008, c. 38.

Calendar Reference: See Summary below for explanation of exception to calendar requirements

Proposal number: PRN 2009-83

Submit comments by May 15, 2009 to:

Robert Melillo, Chief  
Legislative and Regulatory Affairs  
Department of Banking and Insurance  
P.O. Box 325  
Trenton, NJ 08625-0325  
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The agency proposal follows:

**Summary**

Pursuant to Executive Order No. 66 (1978) and N.J.S.A. 52:14B-5.1, N.J.A.C. 11:21- 7A, 9, 11, 13, 15, 16, 19, 20 and 21, and 11:21 Appendix Exhibits BB-Parts 3, 4 and 5, FF and GG expire on February 19, 2009. In accordance with N.J.S.A. 52:14B-5.1c, through the filing of this notice of proposal, this expiration date of N.J.A.C. 11:21-7A, 9, 11, 13, 15, 16, 19, 20 and 21 and 11:21 Appendix Exhibits BB-Parts 3, 4 and 5, FF and GG is extended to August 18, 2009.

Some of the subchapters contained within this chapter were promulgated by the Department of Banking and Insurance (Department); the remainder by the Small Employer Health Benefits Program Board (SEH Board). As required by the Executive Order, the Department has reviewed those subchapters it promulgated and has determined that they are necessary, reasonable and proper for the purpose for which they were originally promulgated. The Department is also proposing to make certain amendments to these subchapters. Some of the amendments are necessary as a result of the enactment of P.L. 2008, c. 38, approved July 8, 2008. Among other things, P.L. 2008, c. 38 made various reforms to the individual and small employer health insurance markets. The Department has determined that other amendments are necessary for clarification or housekeeping purposes. All of the proposed amendments are described below.

The readoption of N.J.A.C. 11:21-7A is necessary because it implements the loss ratio and refund reporting requirements of the New Jersey Small Employer Health Benefits Law, P.L. 1992, c. 162 (N.J.S.A. 17B:27A-17 et seq.). The Department is proposing to amend this subchapter by deleting the reference to the five standard health benefits plan policy forms at N.J.A.C. 11:21-7A.3(a) because P.L. 2008, c. 38 eliminated the requirement that the SEH Board establish five standard plans. The Department is also proposing to amend N.J.A.C. 11:21-7A.5(a) by changing the reference to a 75 percent loss ratio requirement to 80 percent as required by P.L. 2008, c. 38. Finally, N.J.A.C. 11:21 Appendix Exhibit GG, the Loss Ratio Report Form, is being amended to change all references to the 75 percent loss ratio to 80 percent.

The readoption of N.J.A.C. 11:21-9 is necessary because it requires all Small Employer Benefits Program carriers (SEH carriers) to file with the Commissioner of the Department an informational rate filing which includes premium and rating methodology information for all health benefits plans offered under the SEH Program. The Department is proposing to amend N.J.A.C. 11:21-9.3(a)3ii, which requires carriers' informational rate filings to include an actuarial memorandum

setting forth the assumptions used in developing anticipated loss experience and basic premium rates, and anticipated distribution of business by rating classification. The Department is adding language clarifying that a carrier's actuarial memorandum is to include the claim, administrative expense and profit assumptions. The Department is further proposing to amend N.J.A.C. 11:21-9.3 and 9.4 by changing references to the 75 percent loss ratio requirements to 80 percent as required by P.L. 2008, c. 38.

The readoption of N.J.A.C. 11:21-11 is necessary because it contains procedures and standards for approval of all nonstandard health benefits plans offered under the SEH Program.

The readoption of N.J.A.C. 11:21-13 is necessary because it sets forth the criteria and procedures for a carrier to withdraw a nonstandard health benefits plan.

The readoption of N.J.A.C. 11:21-15 is necessary because it contains the informational and procedural requirements for carriers to request relief from certain obligations required by the SEH law, such as paying assessments and offering coverage to small employers.

The readoption of N.J.A.C. 11:21-16 is necessary because it contains the requirements and procedures for carriers intending to withdraw from the small employer market. The Department is proposing amendments to Subchapter 16. At N.J.A.C. 11:21-16.3(e)5, the Department is adding the SEH Board's website address as an additional source for small employers to obtain information about small employer health benefits coverage after receiving notice that the employer's current SEH carrier intends to withdraw from the SEH market. The Department is also proposing a new subsection (i) at N.J.A.C. 11:21-16.3 requiring an SEH carrier filing a notice of withdrawal from the SEH market to simultaneously file a notice of withdrawal from the individual health coverage market. This proposed amendment reflects the new requirement contained in P.L. 2008, c. 38. Further, as required by P.L. 2008, c. 38, the Department is proposing to amend N.J.A.C. 11:21-16.4 by adding language that prohibits an SEH carrier from writing new business in the New Jersey individual health coverage

market for a period of five years from the date of termination of the last individual health coverage plan nonrenewed.

The readoption of N.J.A.C. 11:21-19 is necessary because it requires small employer carriers to submit to the Department the data that is necessary to annually publish an SEH Program Premium Comparison Survey pursuant to the SEH law at N.J.S.A. 17B:27A-33g. The Department is proposing to amend N.J.A.C. 11:21-19.3(c) by deleting the reference to the five standard health benefits plans because, as mentioned above, P.L. 2008, c. 38 eliminated the requirement that the SEH Board establish five standard plans. As a clarification, the Department is also deleting the reference to HMO/POS plans standard rider packages in this subsection because there are no such packages. As a housekeeping measure, at N.J.A.C. 11:21-19.3(e) the Department is proposing to change the reference to the Public Affairs Office to the Life & Health Division. The Department is also proposing to replace the current survey form appearing as N.J.A.C. 11:21 Appendix, SEH Program Premium Comparison Survey, Exhibit FF, with an updated form. The updated form includes the following changes: submission of the new survey form to the Department is no longer directed to the Public Affairs Office, but instead to Life/Health Actuarial; the new form includes a certification that the information contained in the form is true and accurate; the new form requests company email addresses in addition to addresses and phone numbers; the new form contains different types of plans for which the survey is required to be completed and requires the inclusion of premium for all delivery systems rather than only one delivery system; the new form includes different assumptions for deductibles and coinsurance; and the new survey no longer requests information on premium guarantee periods.

The readoption of N.J.A.C. 11:21-20 is necessary because it establishes standards and procedures for carriers to withdraw standard SEH plan optional benefit riders.

The readoption of N.J.A.C. 11:21-21 is necessary because it establishes rules for the formation and operation of small employer purchasing alliances.

The Department is additionally proposing for readoption the exhibits contained in the Appendix to Chapter 21 that relate to the subchapters being proposed for readoption and/or amendment. These exhibits include Exhibit GG, which is a loss ratio report form filed annually by carriers with the Department pursuant to N.J.A.C. 11:21-7A. As mentioned above, however, the Department is proposing to amend this form by changing the references to the 75 percent loss ratio requirement to 80 percent as required by P.L. 2008, c. 38. The Department is also proposing to readopt Parts 3, 4 and 5 of Exhibit BB, which contain certain checklist and certification forms to be filed by carriers with the Department pursuant to N.J.A.C. 11:21-11. Also, the Department is proposing to replace Exhibit FF, which is a premium comparison survey form required to be filed by carriers with the Department pursuant to N.J.A.C. 11:21-19, with a more current survey format, as discussed above.

Readoption of the remaining subchapters in Chapter 21 was proposed separately by the New Jersey Small Employer Health Benefits Program Board at 41 N.J.R. 84(a), and completion of the readoption process will be coordinated between the agencies.

This notice of proposal is not required to be referenced in a rulemaking calendar since a public comment period of 60 days is being provided. See N.J.A.C. 1:30-3.3(a)5.

### **Social Impact**

The readoption of these subchapters of N.J.A.C. 11:21, which established the SEH Program under which all small employer carriers in New Jersey must offer standard health benefits plans, will continue to have a favorable impact on New Jersey small employers and their employees. Small employers will continue to have access to a greater variety of carriers offering small employer health benefits in the State, and, while the proposed amendments eliminate the requirement that carriers offer

five standard health benefits plans, the requirement that carriers offer only the plans designed by the SEH Program Board will enable small employers to continue to readily compare price among carriers. The proposed amendment increasing the current 75 percent minimum loss ratio requirement to 80 percent will have a positive impact on policyholders because they may obtain a higher level of medical services. Further, carriers will continue to be obligated to provide small employer health benefit plans on a guaranteed issue basis, with plans subject to guaranteed renewability, modified community rating and limitations as to the imposition of a pre-existing conditions exclusion.

### **Economic Impact**

The rules proposed for readoption with amendments, new rule and repeal will continue to have a substantial economic impact on carriers offering small employer health benefits plans in this State. The proposed increase of the current 75 percent minimum loss ratio requirement to 80 percent may have a negative impact on member carriers because they will be required to use more of the premium they collect for providing medical services to policyholders rather than for administrative or other costs. Policyholders will be favorably impacted because more of their premium dollars will be used for providing them with medical services. Member carriers intending to withdraw from the SEH market may be unfavorably impacted by the proposed amendment requiring them to simultaneously withdraw from the individual market. Nevertheless, both the 80 percent loss ratio requirement and the simultaneous withdrawal requirement are required by P.L. 2008, c. 38. Member carriers will also continue to be required to bear other costs associated with complying with these rules. All of these costs, however, are attendant to the continued implementation of the comprehensive reforms effectuated by the Small Employer Health Benefits Act, and are far outweighed by the long-term benefits to carriers, small employers and their employees covered by one of the standard SEH plans.

Small employers will be impacted indirectly in that the regulatory requirements placed on carriers will enable small employers to continue to experience the advantages of the health benefits plans available in the small group market.

The Department will continue to be required to bear the costs of reviewing all filings submitted by carriers required by this chapter, but does not anticipate any new or additional costs as a result of any of the proposed amendments to the rules, or the proposed repeal and new rule.

The Department does not believe that insureds will experience any direct adverse economic impact resulting from the subchapters being proposed for readoption, the rules proposed for amendment, and the proposed repeal and new rule.

### **Federal Standards Statement**

The rules proposed for readoption with amendments, repeal and new rule comply with the Federal Health Insurance Portability and Accountability Act of 1996, Pub.L. 104-191 and do not expand upon the requirements set forth in the Federal law.

### **Jobs Impact**

The Department does not anticipate the creation or loss of any jobs as a result of rules proposed for readoption with amendments, repeal and new rule.

### **Agriculture Industry Impact**

The Department does not believe that the rules proposed for readoption with amendments, repeal and new rule will have any impact on the agriculture industry in New Jersey.

### **Regulatory Flexibility Analysis**

The rules proposed for readoption with amendments, repeal and new rule apply to all carriers that are members of the Small Employer Health Benefits Program. Some of these entities may be “small businesses” as defined in the Regulatory Flexibility Act at N.J.S.A. 52:14B-16 et seq. All carriers to whom these rules apply are required to bear any costs associated with complying with the requirements of the rules. The requirements and costs are discussed under the Summary and Economic Impact above. Additionally, the Department does not believe that carriers will be required to utilize or



employ any additional professional services in order to comply with the readopted rules with amendments, repeal and new rule. To the extent that these rules apply to small business carriers, they may have a greater impact in that small business carriers may be required to devote proportionately more staff and financial resources to achieve compliance. The Department believes, however, that any additional costs would not pose an undue burden because the information required is readily available to carriers.

The Small Employer Health Benefits Act provides no different compliance requirements based on business size. The rules at N.J.A.C. 11:21 establish procedures and standards for carriers to meet their obligations pursuant to the Act, and the fair, reasonable and equitable administration of the SEH Program pursuant to N.J.S.A. 17B:27A-17 et seq. Accordingly, these repropose rules provide no differentiation in compliance requirements based on business size.

#### **Smart Growth Impact**

The rules proposed for re-adoption with amendments, repeal and new rule have no impact on the achievement of smart growth and the implementation of the State Development and Redevelopment Plan.

#### **Housing Affordability Impact**

The rules proposed for re-adoption with amendments, repeal and new rule have no impact on housing affordability. The rules proposed for re-adoption with amendments, repeal and new rule affects carriers that are members of the Small Employer Health Benefits Program established pursuant to N.J.S.A. 17B:27A-17 et seq.

#### **Smart Growth Development Impact**

The rules proposed for readoption with amendments, repeal and new rule have no impact on housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan. The rules proposed for readoption with amendments, repeal and new rule affect carriers that are members of the Small Employer Health Benefits Program established pursuant to N.J.S.A. 17B:27A-17 et seq.

**Full text** of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 11:21-7A, 9, 11, 13, 15, 16, 19, 20 and 21 and 11:21 Appendix Exhibits BB, Parts 3, 4, and 5, FF and GG.

**Full text** of the rule proposed for repeal may be found in the New Jersey Administrative Code at N.J.A.C. 11:21 Appendix Exhibit FF.

**Full text** of the proposed amendments and new rule follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus])

## SUBCHAPTER 7A. LOSS RATIO REPORTS; DIVIDENDS AND CREDITS

### 11:21-7A.3 Filing of loss ratio reports

(a) Each carrier having [the five] standard health benefits plan policy forms, open or closed nonstandard health benefits plan policy forms or HMO plans in force at any time during the preceding calendar year shall file with the Department an annual loss ratio report on the form appearing as Exhibit GG in the Appendix to this chapter, incorporated herein by reference. The annual loss ratio report, beginning with 1997 data reported in 1998, shall:

1. – 4. (No change.)

(b) - (c) (No change.)

## 11:21-7A.5 Dividend or credit plan

(a) If the preceding calendar year loss ratio for any of the classifications listed in N.J.A.C. 11:21-7A.3(a) is less than [75] **80** percent, the carrier shall include within the loss ratio report a plan to be approved by the Department for the distribution of all dividends and credits against future premiums for all policyholders with that classification in the preceding calendar year in an amount sufficient to assure that the claims in the preceding calendar year plus the amount of the dividends and credits shall equal [75] **80** percent of the premiums for that classification in the preceding calendar year.

1. - 2. (No change.)

(b) – (h) (No change.)

SUBCHAPTER 9. INFORMATIONAL RATE FILING REQUIREMENTS PURSUANT TO THE  
SMALL EMPLOYER HEALTH BENEFITS PROGRAM

11:21-9.3 Informational rate filing requirements for small employer health benefits plans issued or renewed after December 31, 1993.

(a) All carriers issuing policies, contracts or certificates under health benefit plans to small employers, including any standard or nonstandard rider option, prior to issuing any policy, contract or certificate under such plan, shall file with the Commissioner an informational rate filing which shall include the following data:

1. - 2. (No change.)

3. A detailed actuarial memorandum setting forth the assumptions and methods used in the development of the rate, which shall include:

i. (No change.)

ii. The **claim, administrative expense and profit** assumptions used in developing the anticipated loss experience and the basic premium rates specified in (a)1v above, and the anticipated distribution of business by rating classification described in (a)2 above;

iii. - v. (No change.)

vi. A certification signed by a member of the American Academy of Actuaries attesting as follows:

(1) - (2) (No change.)

(3) The anticipated incurred loss ratio for each plan, which shall not be less than [75] **80** percent of the premium therefore;

(4) – (6) (No change.)

vii. (No change.)

(b) – (d) (No change.)

#### 11:21-9.4 Purchasing alliances

(a) All carriers providing discounts to small employer purchasing alliances shall file an informational rate filing with the Commissioner prior to the date of providing such discounts, which shall include the following data:

1. – 3. (No change.)

4. An actuarial memorandum setting forth the assumptions used in the development of the discount, which shall include:

i. – iii. (No change.)

iv. A certification signed by a member of the American Academy of Actuaries attesting to the following:

(1) - (2) (No change.)

(3) The anticipated incurred loss ratio for each plan offered to purchasing alliances, which shall not be less than [75] **80** percent of the premium;

(4) – (7) (No change.)

(b) (No change.)

SUBCHAPTER 16. WITHDRAWALS FROM THE SMALL EMPLOYER HEALTH BENEFITS  
PLANS MARKET AND WITHDRAWALS OF PLAN(S), PLAN  
OPTION(S) AND COPAYMENT/DEDUCTIBLE OPTION(S)

11:21-16.3 General provisions for market withdrawal

(a) - (d) (No change.)

(e) Any small employer carrier which seeks to withdraw from the small employer market shall, not later than two months following the date of notification to the commissioner, nor less than six months in advance of the nonrenewal on the anniversary date of the policy or contract, mail notices to every small employer insured by the carrier, with copies for each covered person, informing the small employer and all covered persons that the policy or contract will be nonrenewed on the anniversary date. This initial notice to each small employer shall be sent by certified mail and shall include the following information:

1. – 4. (No change.)

5. A notice that a list of active small employer carriers and information about small employer health benefits coverage may be obtained by writing to the New Jersey Small Employer Health Benefits Coverage Program Board, PO Box 325, Trenton, NJ 08625-0325 or by calling 1-800-263-5912 **or accessing the Board's website at <http://www.state.nj.us/dobi/reform.htm>**, and requesting a copy of the "Get the Facts" brochure; and

6. (No change.)

(f) – (h) (No change.)

**(i) Any small employer carrier that files a notice of withdrawal from the small employer market with the Commissioner shall simultaneously file a notice of withdrawal from the individual health coverage market pursuant to N.J.S.A. 17B:27A-6c(4) and N.J.A.C. 11:20-18.5.**

11:21-16.4 Restrictions on writings following a market withdrawal

Any small employer carrier that ceases to do business pursuant to this subchapter shall be prohibited from writing new business in the New Jersey small employer market for a period of five years from the date of termination of the last health benefits plan nonrenewed under this subchapter **and shall be prohibited from writing new business in the New Jersey individual health coverage market for a period of five years from the date of termination of the last individual health coverage plan nonrenewed.**

#### SUBCHAPTER 19. SEH PROGRAM PREMIUM COMPARISON SURVEY

11:21-19.3 SEH Program premium comparison survey

(a) - (b) (No change.)

(c) Completed survey forms shall be filed no later than November 1 of each year, and shall reflect the monthly premiums to be charged for each of the [five] standard health benefits plans, the HMO plans [,] **and** the HMO/POS plans [, and any standard rider packages] as of January 1 of the year immediately following.

(d) (No change.)

(e) Completed survey forms and signed certification shall be filed with the Department pursuant to this subchapter at the following address:

SEH Program Premium Comparison Survey  
[Public Affairs Office] **Life & Health Division**

New Jersey Department of Banking and Insurance  
20 West State Street  
PO Box 325  
Trenton, New Jersey 08625-0325

(Agency Note: Proposed new N.J.A.C. 11:21 Appendix Exhibit FF published below does not appear in all boldface text, in order to properly reproduce the permanent boldface and underlined text appearing in the form.)

EXHIBIT FF

STATE OF NEW JERSEY  
SEH PROGRAM PREMIUM COMPARISON SURVEY

Submit this completed survey in duplicate no later than December 1 of each year to:

Life and Health Actuarial  
Premium Comparison Survey  
20 West State Street  
P.O. Box 325  
Trenton, NJ 08625-0325

or Fax to: 609-633-0527  
Attn: Neil Vance  
or E-mail: [neil.vance@dobi.state.nj.us](mailto:neil.vance@dobi.state.nj.us)  
with copy to: [avnee.parekh@dobi.state.nj.us](mailto:avnee.parekh@dobi.state.nj.us)

NOTE: Use PO Box for US Mail, Street Address for UPS/FedEx or other express services.

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Part 1  
COMPANY AND RESPONDENT INFORMATION

Company Name:	
NAIC #:	
Respondent's Name:	
Respondent's Title:	
Respondent's Address:	
Respondent's Telephone:	
Respondent's Facsimile:	
Respondent's Email:	

CERTIFICATION

I certify that the information set forth in this SEH Premium Comparison Survey is true and accurate, and hereby further certify that I am authorized to execute this certification on behalf of the above-named carrier.

Respondent's Name:	
Respondent's Signature:	
Date Submitted:	



Part 2  
TOLL-FREE INFORMATION

Company's toll-free number where employers may obtain premium quotes:	
Company's email address to which employers may direct inquiries:	
Company's web address where employers may obtain plan information:	

Part 3  
DIRECTIONS FOR COMPLETING THE PREMIUM SURVEY

A. Give monthly premium, rounded to the nearest dollar, for a standard policy issued on **the next** January 1 to an employer described in paragraph C below, for each plan in accordance with paragraph D below. The following abbreviations and instructions apply:

- SCA: Selective Contracting Arrangement (An arrangement for the payment of predetermined fees or reimbursement levels for covered services by the carrier to preferred providers or preferred provider organizations (see N.J.A.C. 11:4-37.2)) offered in conjunction with Plan(s) B, C, D, or E.
- POS: A standard HMO Point of Service plan (HMO/POS plan) (N.J.A.C. 11:21-3.1(h)) or standard non-HMO Point of Service Plan (POS plan) (N.J.A.C. 11:21-3.1(g)).
- Standard Premium: The standard plan is offered or purchased without optional riders. **This premium must include all standard benefits, including standard prescription drug (Rx) benefits, and must not reflect any non-standard riders which increase or decrease benefits. The standard Rx plan for any plan other than an in-network only HMO plan is Rx covered subject to the indemnity or out-of-network cost sharing.**
- Rx: For HMO (in-network-only) Plan, the standard Rx benefit is 50%. (Pursuant to N.J.A.C. 11:21-3.1(c)3iii carriers are allowed the option of a \$15 copay, but this option does not appear to be used.)

- B. Use “NA” to indicate when any plan variation is not being offered.
- C. For purposes of completing the survey, assume the policyholder is a small employer, located in one of the following counties: Bergen, Camden, and Middlesex, with six employees as follows:
  - 1. Single Female - age 27
  - 2. Single Male - age 37
  - 3. Female parent - age 47, with two children
  - 4. Male Employee and Spouse - both age 57
  - 5. Male Employee - age 27; Spouse - age 24; two children – both under age 18
  - 6. Female Employee - age 47; Spouse - age 50; two children - both under age 18
- D. Follow instruction on Page 10 to describe all delivery systems.
- E. If any of Plans A – E are available on both an Indemnity and PPO (or POS) basis, give a PPO (or POS) premium on that Plan Page. If plans C or D are available on both a PPO and POS basis, give the PPO premium on the Plan C or D page, and the POS premium on the POS page.
- F. The survey no longer requests information on premium guarantee periods.

Part 4

PREMIUM SURVEY

PLAN A

SEH PROGRAM PREMIUM COMPARISON SURVEY

PLAN A PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$250	
Camden	
\$250	
Middlesex	
\$250	

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PLAN B

SEH PROGRAM PREMIUM COMPARISON SURVEY -

PLAN B PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$250	
\$500	
\$1,000	
\$2,000	
Camden	
\$250	
\$500	
\$1,000	
\$2,000	
Middlesex	
\$250	
\$500	
\$1,000	
\$2,000	

Type of Plan: Indemnity, PPO, POS	
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Note change from \$2,500 to \$2,000 Deductible

PLAN C  
 SEH PROGRAM PREMIUM COMPARISON SURVEY -  
 PLAN C PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$250	
\$500	
\$1,000	
\$2,000	
Camden	
\$250	
\$500	
\$1,000	
\$2,000	
Middlesex	
\$250	
\$500	
\$1,000	
\$2,000	

Type of Plan: Indemnity, PPO, POS	
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Note change from \$2,500 to \$2,000 Deductible

PLAN D  
 SEH PROGRAM PREMIUM COMPARISON SURVEY -  
 PLAN D PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$250	
\$500	
\$1,000	
\$2,000	
Camden	
\$250	
\$500	
\$1,000	
\$2,000	
Middlesex	
\$250	
\$500	
\$1,000	
\$2,000	

Type of Plan: Indemnity, PPO, POS	
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Note change from \$2,500 to \$2,000 Deductible

PLAN E

SEH PROGRAM PREMIUM COMPARISON SURVEY -

PLAN E PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$150	
Camden	
\$150	
Middlesex	
\$150	

Type of Plan: Indemnity, PPO, POS	
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Specify deductible if Plan E is offered as PPO or POS with a deductible different from \$150

HMO PLAN  
 SEH PROGRAM PREMIUM COMPARISON SURVEY -  
 HMO PLAN PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$15	
\$20	
\$30	
Camden	
\$15	
\$20	
\$30	
Middlesex	
\$15	
\$20	
\$30	

Assume \$0 Deductible, 100% Coinsurance

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HMO/POS PLAN  
 SEH PROGRAM PREMIUM COMPARISON SURVEY -  
 POS PLAN PREMIUM 1/1/\_\_\_\_\_

Carrier:	
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	Standard Premium
Bergen	
\$15	
\$20	
\$30	
Camden	
\$15	
\$20	
\$30	
Middlesex	
\$15	
\$20	
\$30	

Assume \$0 Deductible, 100% Coinsurance

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**DELIVERY SYSTEMS (Plans A through E and HMO/POS or POS)**

Indicate below the Delivery System used for the Plans used in answering the survey. For example, if the rates provided for Plan D are for a PPO, then complete the column labeled “PPO” for that plan and leave the columns labeled “Traditional” and “POS” blank. Use a similar method for a Plan that is a POS. If the rates provided are not for POS or PPO plans, check the appropriate space under the column labeled “Traditional” and leave the “PPO” and “POS” columns blank. Check “Yes” under “Other Delivery Systems” if more than one delivery system is available; otherwise check “No.”

	Traditional	PPO			POS			Other Delivery Systems Available	
		Coinsurance		Copay	Coinsurance		Copay		
		% In	% Out	\$	% In	% Out	\$	Yes	No
<u>Plan A</u>									
<u>Plan B</u>									
<u>Plan C</u>									
<u>Plan D</u>									
<u>Plan E</u>									
<u>POS</u>									
<u>Plan C</u>									
<u>Plan D</u>									

\*Coinsurance percentages for Plan A are established by rule - no variations are permitted. See Exhibit A of Appendix to N.J.A.C. 11:21.

### Sample Tiered Premiums

Carriers should submit additional information about the premium for the following plans of benefits in Middlesex County: a) \$1000 Deductible Plan C PPO; b) \$20 Copay HMO; and c) \$500 Deductible, \$20 Copay Plan C POS. For these plans only, the carrier should provide a detailed calculation of the premium shown in the PCS in the same format as the sample calculation in the Carrier's SEH rating filing pursuant to N.J.A.C. 11:21-9.1 et seq. the detailed calculations should be attached to this survey.

The results of this detailed calculation should be summarized in a table:

PLAN	Single	2 Adult	P.C.	Family
\$1000C PPO				
\$20 HMO				
\$20/\$500C POS				

EXHIBIT GG

Loss Ratio Report Form

New Jersey Small Employer Health Benefits Program

Reporting Year \_\_\_\_\_

For Preceding Calendar Year Ending December 31, \_\_\_\_\_

Name of Carrier: \_\_\_\_\_ NAIC # \_\_\_\_\_

Address: \_\_\_\_\_

Check one: Insurance Company \_\_\_\_\_ HMO \_\_\_\_\_ Service Plan \_\_\_\_\_

A separate Report Form shall be completed and filed for each affiliate in addition to a combined report form for affiliated insurance companies or affiliated HMOs. Definitions and instructions regarding words and terms appearing below may be found on the reverse side.

	<u>Total</u>	<u>Standard Plans</u>	<u>Open Non- Standard Plans</u>	<u>Closed Non- Standard Plans</u>	<u>Purchasing Alliance Plans</u>
1. Premiums	_____	_____	_____	_____	_____
2. Claims (a. + b.-c. + d.-e.) (See definitions, reverse side)	_____	_____	_____	_____	_____
a.	_____	_____	_____	_____	_____
b.	_____	_____	_____	_____	_____
c.	_____	_____	_____	_____	_____
d.	_____	_____	_____	_____	_____
e.	_____	_____	_____	_____	_____
3. Loss ratio (2./1.)	_____	_____	_____	_____	_____
4. Dividends ([.75] <b>.80</b> x 1.-2.)*	_____	_____	_____	_____	_____
5. Dividend Percentage (4. + 1.)	_____	_____	_____	_____	_____

\* Note Instruction 4.

I certify that the above information is accurate and complete and has been prepared in accordance with N.J.A.C. 11:21-7A. If dividends (or credits) are required, an explanation of our plan to issue them is attached.

\_\_\_\_\_  
Actuary's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Type or Print Actuary's Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone Number

inoregs/bbseh21