School Employees’ Health Benefits Commission
Open Session Minutes
November 22, 2021

Adequate notice of this meeting has been provided through the annual notice of the schedule of regular meetings of the Commission filed with and prominently posted in the offices of the Secretary of State. The 2021 annual meeting schedule was mailed to the Secretary of State on December 19, 2020, and Star Ledger and the Trenton Times on December 23, 2020. Updates regarding the telephonic meeting were sent to the Secretary of State on November 8, 2021.

The meeting of the State Health Benefits Commission of New Jersey was called to order on Monday, November 22, 2021 at 10:00AM. Due to health and safety concerns for the public regarding COVID-19, the meeting of November 22, 2021, was not be held in-person and instead be conducted via teleconference.

The text of Resolution A (Closed Session) and Resolution B (Executive Session) were read in their entirety in the event that the Commission desires, at any point in the meeting, to approve a motion to go into Closed or Executive session.

Acting Secretary Nicole Ludwig took Roll Call and established that a quorum was present.

Commissioners:
Thomas Gallagher, Interim Chair
Kevin Kelleher
Sonia Rivera-Perez
Denise Graff Policastro
Julie Giordano Plotkin
Carl Tanksley
Michael Mallairo
Kathryn Okeson

Also Present:
Alison Keating, Deputy Attorney General
Porter Stricklen, Deputy Attorney General
Nicole Ludwig, Division of Pensions and Benefits
Debra Pelto, Division of Pensions and Benefits
Andrew Lawson, Division of Pensions and Benefits
Paul Eberle, Optum RX
Kate Miller, Optum RX
Steve White, Optum RX

Interim Chair

Commissioner Kelleher nominated Thomas Gallagher to Interim Chair. Commissioner Okeson seconded. The commission voted in favor of the motion, and Thomas Gallagher was named Interim Chair for the meeting.
Meeting Minutes

Commissioner Maillaro made a motion to approve the 2022 SHBC meeting dates. Commissioner Giordano Plotkin seconded. All voted in favor, the dates were approved and would be posted on the division website.

Commissioner Giordano Plotkin made a motion to go into Closed Session to hear the Closed Session appeals that contain protected health information. Commissioner Maillaro seconded. All voted in favor.

The following cases, due to HIPAA regulations, were heard in Closed Session:

Case #2021112201: The member presented their case to appeal the denial of a prescription from Optum RX. Optum RX advised that because the drug is not FDA approved it is excluded from the formulary. Optum presented options for a formulary alternative that would be covered, and advised they had attempted to reach the member to advise them of these options. Acting Secretary Ludwig advised she could help facilitate a call between the member, their physician and Optum to discuss the formulary alternative options.

Commissioner Kelleher made a motion to put the appeal in abeyance while Acting Secretary Ludwig sets up the call between the member, the provider and Optum, and Acting Secretary Ludwig will report back to the Commission at the next meeting. Commissioner Gallagher seconded. All voted in favor. Acting Secretary Ludwig advised she will be reaching out to schedule the meeting.

Case #2021112202: The attorney for the member presented the appeal. The member’s adult dependent child had been on the SEHBP coverage as an overage handicap dependent since 2017. The member renewed the child’s eligibility in 2018 when it expired and the child stayed on the coverage until expiration in 2020. When the member did not receive a renewal package they reached out to the Division to request one, but did not receive anything. The member did not receive a notification that her dependent child was removed from coverage. When the child needed care in October 2021, the member found out the child had been removed from coverage. The member immediately contacted Horizon and the Division of Pensions and Benefits and was advised that her child had been removed from coverage for not renewing the overage handicap dependent status.

Commissioner Kelleher made a motion to go into Executive Session. Commissioner Okeson seconded. All voted in favor.

Upon return from Executive Session, Commissioner Kelleher made a motion to approve the appeal and reinstate coverage for the dependent child retroactive to when coverage was terminated. He stated, for the record, that there is clear evidence that the member and the Division had been in contact regarding this issue. Commissioner Maillaro seconded. All voted in favor.

Case #2021112203: This appeal was for a reconsideration for OAL request that was denied in the last Commission meeting, regarding a denial from Optum RX for coverage of their dependent child’s medication.

Optum advised that a third party completed the IRO and did not indicate approval.
Commissioner Gallagher made a motion to go into Executive Session. Commissioner Kelleher seconded. All voted in favor.

Upon return from Executive Session, Commissioner Kelleher made a motion to deny the reconsideration for the requested medication, a motion against sending this to the Office of Administrative Law, and a request that the Division of Pensions and Benefits create a Final Agency Determination to be presented to the Commission for approval. Commissioner Rivera-Perez seconded. All voted in favor. The appeal for reconsideration and a hearing in the OAL were denied, and a FAD letter would be drafted, presented to the Commission for approval, and after approval would be issued to the member.

Commissioner Gallagher made a motion to move to Open Session. Commissioner Giordano Plotkin seconded. All voted in favor. The Commission moved to Open Session.

The Commission next reviewed two settlement proposals for Workers’ Compensation. Commissioner Gallagher made a motion to accept both proposals. Commissioner Okeson seconded. All voted in favor. The Workers’ Compensation were approved and would be communicated to Horizon.

Commissioner Graff-Policastro asked the Division of Pensions and Benefits for an update regarding the February premium holiday for school districts. Theresa Williams advised there was a plan for a FAQ and a certifying officer letter to be issued.

Commissioner Kelleher made a motion to adjourn. Commissioner Maillaro seconded. All voted in favor and the meeting was adjourned at 11:50 am.

Respectfully submitted,

Nicole Ludwig
Acting Secretary
State Health Benefits Commission