

State Health Benefits Commission

Meeting Minutes

September 11, 2019

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 2019 annual meeting schedule was mailed to the Secretary of State, Star Ledger and the Trenton Times on April 12, 2019.

The meeting of the State Health Benefits Commission of New Jersey was called to order on Wednesday, September 11, 2019 at 10 AM. The meeting was held at the Division of Pensions and Benefits, 50 West State Street in Trenton.

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.

Roll Call

Commissioners:

Susanne Culliton, representing State Treasurer Elizabeth Maher Muoio

Gail Simon, representing Commissioner of the Department of Banking and Insurance Marlene Caride

Dudley Burdge, Representative for Local Government Employees

Deirdre Webster Cobb, CEO, Civil Service Commission (appearing telephonically)

Debra Davis, Representative for State Government Employees

Also Present:

Mark Cipriano, New Jersey Division of Pensions and Benefits

Nicole Ludwig, New Jersey Division of Pensions and Benefits

Christopher Meyer, Deputy Attorney General

MEETING MINUTES

Acting Secretary Nicole Ludwig presented the meeting minutes for the following meetings:

- March 13, 2019, noting that Commissioner Webster Cobb was not present.
- April 18, 2019
- May 8, 2019
- May 24, 2019

Chairperson Culliton made a motion to approve all meeting minutes. Commissioner Davis seconded the motion; April 18, May 8, May 24 passed 4:1 (Commissioner Simon abstained as she was not present). March 13, 2019 passed 3:2 (Commissioner Webster Cobb and Commissioner Simon were not present).

Chairperson Culliton made a motion to go into Executive session to hear member's appeals.

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

Case #09111901: This is an administrative appeal for retiree enrollment eligibility. The member presented the appeal, stating they were never advised there must be continuous coverage to be eligible for retiree coverage. The member confirmed SHBP coverage ended in July 2017.

Commissioner Davis made a motion to go into executive session to seek advice from the Deputy Attorney General.

The member stated they were provided documents from the employer in 2017 in regards to retirement.

Chairperson Culliton made a motion to go into executive session, to seek advice from the Deputy Attorney General. Commissioner Davis seconded the motion; all voted in favor.

Upon return from executive session Chairperson Culliton made a motion to table the appeal to allow the member to produce the retirement documents that were provided by the employer at the time of the layoff. Commissioner Davis seconded the motion; all voted in favor.

Case #09111902: This appeal is for a Non-FDA Approved Medication. Jonathan Hjelm of OptumRx presented the case. He stated the medication is not FDA approved, therefore it is excluded from the plan as outlined in the contract.

Chairperson Culliton made a motion to deny the appeal based on the medication lacking FDA approval. Commissioner Simon seconded the motion; all voted in favor.

Case #09111903: This appeal is for a tier cost reduction for a Medicare Eligible retiree. Steve White of OptumRx explained that tier cost reduction is not allowed by the Centers for Medicare and Medicaid (CMS) per section 42 C.F.R. § 423.578 (a) (7), which states very high cost or unique drugs are not eligible for a tiering exception.

Chairperson Culliton made a motion to deny the appeal based on CMS guidance. Commissioner Simon seconded the motion. The motion passed (3:2 Commissioners Burdge and Davis voted nay.)

Case #09111904: This is an appeal for coverage of dental procedures denied due to medical necessity. Ian Carrucci of Aetna presented the appeal. He stated the member had a bone replacement graft in an attempt to save an implant. Mr. Carrucci stated the services were denied for medical necessity, as well as services not covered as the services were in relation to an implant.

Commissioner Davis made a motion to deny the appeal. Commissioner Burdge seconded the motion; all voted in favor.

Case #09111905: This as an administrative appeal to change dental coverage outside of the open enrollment period.

Chairperson Culliton made a motion to deny the appeal. Commissioner Davis seconded the motion; all voted in favor.

Chairperson Culliton made a motion to return to open session. Commissioner Davis seconded the motion; all voted in favor.

OFFICE OF ADMINISTRATIVE LAW APPEALS

Case #09111905: Acting Secretary Nicole Ludwig presented the Office of Administrative Law hearing request. The appeal was denied at the July Commission.

Chairperson Culliton made a motion to authorize the Acting Secretary to draft a Final Administrative Determination. Commissioner Burdge seconded the motion; all voted in favor.

Case #09111906: Acting Secretary Nicole Ludwig presented the Office of Administrative Law hearing request. The appeal was denied at the July Commission.

Chairperson Culliton made a motion to approve the request for a hearing. Commissioner Burdge seconded the motion; all voted in favor.

SETTLEMENT PROPOSALS

Case #09111907: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Webster Cobb seconded the motion; all voted in favor.

Case #09111908: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Webster Cobb seconded the motion; all voted in favor.

Case #09111909: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Davis seconded the motion; all voted in favor.

Case #09111910: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Burdge seconded the motion; all voted in favor.

FINAL ADMINISTRATIVE DETERMINATIONS

Case #09111911: Chairperson Culliton made a motion to approve the Final Administrative Determination presented to the Commission. Commissioner Burdge seconded the motion; all voted in favor.

Commissioner Culliton made a motion to return to closed session. Commissioner Burdge seconded the motion; all voted in favor.

Acting Secretary Nicole Ludwig advised the Commission on an update from Horizon regarding an appeal from the July commission.

Commissioner Burdge made a motion to send the IRO to the Department of Banking and Insurance. Commissioner Davis seconded the motion; the motion passed 3:2 (Chairperson Culliton and Commissioner Webster Cobb voted nay).

Chairperson Culliton made a motion to return to open session. Commissioner Davis seconded the motion; all voted in favor.

ADJOURNMENT

With no further items to address, Chairperson Culliton made a motion to adjourn. Commissioner Burdge seconded the motion; all voted in favor. The meeting adjourned at 1:16 pm

Sincerely,



Nicole Ludwig

Acting Secretary, State Health Benefits Commission