

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
November 17, 2021

Members participating: Herb Ames; Robert Benkert (United); Natalie Bernardi (Cigna); Chrissy Buteas; Gary Cupo; Philip Gennace (DOBI); Laura Gunn; Randi Imbriaco (Oscar); Margaret Koller; Taylor Kopelan (Horizon); Thomas Pownall (Aetna Health); Tony Taliaferro (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Managing Financial Officer; Jeffrey Posta, Deputy Attorney General.

I. Call to Order

E. DeRosa called the meeting to order at 10:00 A.M. She announced that notice of the meeting was provided to three newspapers of general circulation and the State House Press Corps, and posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, and at the Office of the Secretary of State in accordance with the Open Public Meetings Act.

E. DeRosa noted that, pursuant to P.L. 2020, c. 2, as a result of the state of emergency and public health emergency declared by Governor Murphy on March 9, 2020 through Executive Order 103, as subsequently extended,¹ due to the COVID-19 pandemic, the SEH Board’s regularly scheduled meeting is being held entirely telephonically rather than at the Board’s offices in Trenton. She stated that, in accordance with P.L. 2020 c. 11, electronic notice of this special meeting and the means by which the public could attend the meeting telephonically was posted on the Board’s website, and issued electronically to all known interested parties.

Members of the public were asked to identify themselves, and are listed at the end of these minutes.

II. Public Comments

There were no public comments.

III. Minutes of September 15, 2021

E. DeRosa reminded Board members that the regularly scheduled October meeting was cancelled, so the Board still needs to review and act upon the minutes of its September meeting.

T. Pownall made a motion, seconded by M. Koller, to approve the minutes of the meeting of September 15, 2021 without amendment. By roll call vote, the motion carried.

¹ Due to the requirements of N.J.S.A. 26:13-3(b), which limits declaration of a Public Health Emergency by the Governor to 30 days, the Public Health Emergency established by E.O. 103 (Murphy) was continuously extended through multiple executive orders until E.O. 244 (Murphy), issued June 4, 2021, which declared the Public Health Emergency ended; however, E.O. 244 (Murphy) did not end the State of Emergency established by E.O. 103 (Murphy). Consequently, the Board continues to meet remotely, and public access is limited to telephonic means.

IV. Meeting Dates for CY2022

E. DeRosa stated that the SEH Board has traditionally met on the third Wednesday of the month, and it has generally worked reasonably well, so she was suggesting continuing to follow that practice. She noted that it is possible that the Board will not need all 12 meetings for 2022, but, because it is much easier to cancel meetings than to schedule and provide required notice of them, she would prefer to schedule them monthly, and then cancel a meeting if it is not needed. Board members agreed.

V. Enrollment Reports

E. DeRosa stated that she had emailed Board members the first and second quarter enrollment reports earlier today, and noted that, while enrollment continues to decrease from quarter to quarter, much as it has done since CY2000, the decline appears to be moderating, and is not as steep as it had been in very recent years. E. DeRosa also noted that enrollment is spread across the actuarial value (AV) categories, with substantial enrollment in both silver and gold AV plans, and smaller but not insubstantial enrollment in both platinum and bronze plans.

	1Q2021	2Q2021
Total Covered Lives	294,813	292,855
<i>EPO</i>	227,255	226,345
<i>HMO</i>	5,235	4,918
<i>PPO</i>	62,323	61,592
Total Contracts	45,924	45,798
<i>Bronze</i>	3,163	3,279
<i>Silver</i>	21,874	21,814
<i>Gold</i>	15,752	15,473
<i>Platinum</i>	5,135	5,232

Several Board members expressed interest in seeing the 3Q enrollment data, which should include the impact of the liquidation of the Members Health Plan MEWA², noting that Members Health Plan had about 30,000 covered lives. E. DeRosa indicated she thought the Board members were correct, but that they would have to wait until December for the data, explaining that the 3Q enrollment reports are not due from carriers until the end of November, but should be aggregated prior to the December Board meeting.

Several questions/speculations arose regarding the 1Q and 2Q data:

- Whether the distribution of contracts among the AV categories indicates that consumers in standard plans are less price sensitive than they were, and are considering the value of more comprehensive coverage.
- Whether the continuing availability in the SEH market of plans with out-of-network benefits – which are not available in the IHC market – may have an influence on the purchasing decisions of some small employers.
- Whether there may be relative price compression among the most frequently purchased plans.

² Members Health Plan is a d/b/a of Affiliated Physicians and Employers Master Trust, which filed Chapter 11 bankruptcy on 5/24/2021, and subsequently began an orderly wind-down of the plan.

It was suggested that the discussion of the enrollment data continue at the December meeting.

E. DeRosa pointed out that the “grandmothered” plans – Horizon’s pre-2014 plans that have been continued as a result of multiple permissible extensions over the last several years – will not be renewed again, and will result in movement of about 14,000 lives out of those plans shortly, so the Board will want to watch the potential impact of that.

One Board member asked when the reports will be posted on the website, and whether the information can be widely distributed prior to such posting. E. DeRosa stated that the reports would be sent to the webmaster shortly, and that it is preferable for the posting to occur before general distribution of the data.

VI. Public Comments

There were no comments.

VII. Close of Meeting

G. Cupo made a motion, seconded by M. Koller, to close the meeting. By roll call vote, the motion carried.

[The meeting adjourned at 10:20 A.M.]

Public known to be in attendance:

- Suzanne Fitzgerald, Savoy Associates