

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
January 19, 2022

Members participating: Herb Ames; Robert Benkert (United); Natalie Bernardi (Cigna); Gary Cupo; Philip Gennace (DOBI); Laura Gunn; 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 10:02 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 the 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.

E. DeRosa determined that a quorum was present, and that voting would be by roll call.

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 December 15, 2021

L. Gunn made a motion, seconded by T. Taliaferro, to approve the minutes of the meeting of December 15, 2021 without amendment. By roll call vote, the motion carried.

¹ Pursuant to N.J.S.A. 26:13-3(b), a Public Health Emergency lasts for 30 days unless extended, while States of Emergency declared in accordance with N.J.S.A. App A:9-33 et seq. remain in effect until declared ended by a subsequent executive order. The Public Health Emergency was continuously extended through multiple executive orders until E.O. 244 (Murphy), issued June 4, 2021, declared the Public Health Emergency ended. However, Governor Murphy has not yet ended the State of Emergency established by E.O. 103 (Murphy). Thus, the Board continues to meet remotely, and public access is limited to telephonic means. (Notably, E.O. 280 (Murphy, January 11, 2022) resulted in another Public Health Emergency due to COVID-19.)

IV. Staff Report – Expense Report

R. Lenox presented the expenses for January, totaling \$7,119.60, payable to WithumSmith+Brown for FY2021 audit costs. R. Lenox recommended transferring the full amount from the Board's Money Market account to its Checking account, both in Wells Fargo, to pay the expenses, if approved.

G. Cupo made a motion, seconded by T. Pownall, to approve payment of the reported expenses, and transfer of \$7,119.60 from the Board's Wells Fargo Money Market account to the Board's Wells Fargo Checking account in order to make the payments. By roll call vote, the motion carried.

V. Loss Ratio Report for 2020

Fred Brinkman, a DOBI actuary, presented the SEH Loss Ratio and Refund Report for 2020 to the Board. He noted the following:

- The SEH market had a total of about \$1.7 billion in claims for CY2020, and about \$2.1 billion in earned premium, resulting in an 80% loss ratio under New Jersey law.
- Carriers' separate loss ratios ranged from a low of 69% to a high of 102%.
- Three carriers – AmeriHealth HMO, AmeriHealth Insurance Co., and Oxford Insurance Co. – owed refunds pursuant to New Jersey law, totaling \$43,086,648.
- The total refund amount included a reduction in AmeriHealth Ins. Co.'s refund under New Jersey law by the amount of refund it had been determined to owe pursuant to the federal ACA law (\$5,472,131).
- Refunds were paid by the carriers by December 31, 2021.

When asked if there were any notable changes in claims trajectory, F. Brinkman stated that nothing was readily apparent from the cumulative data.

VI. Public Comments

There were no comments.

VII. Close of Meeting

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

[The meeting adjourned at 10:15 A.M.]

Public known to be in attendance:

- Suzanne Fitzgerald, Savoy Associates