

FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
June 15, 2022

Members participating: Herb Ames; Robert Axelrod (Oscar); Robert Benkert (United); Alison Birzon (Cigna); Chrissy Buteas; Gary Cupo; Thomas Pownall (Aetna Health); Jason Premus (Horizon); Gale Simon (DOBI); 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 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

L. Schwimmer introduced herself and advised the Board that the New Jersey Health Care Quality Institute (NJHCQI), recently released a report with some data and recommendations regarding the New Jersey small employer health benefits market. She indicated that she shared the report² with E. DeRosa, but wanted to mention it to Board members, noting the posting of the report on the

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, issued January 11, 2022, resulted in another Public Health Emergency due to COVID-19, which was extended by E.O. 288 on February 10, 2022, then lifted by E.O. 292 on March 4, 2022.)

² *Short and Long-term Strategies to Support Health Care Affordability and Price Transparency for Small Employers and Consumers in New Jersey*, originally issued July 2020, and updated June 2022.

NJHCQI website. E. DeRosa said she had forwarded the report to the Board. T. Taliaferro acknowledged awareness of the report and indicated an expectation the Board would be discussing some of the topics presented in the report in the future.

III. Minutes of May 18, 2022

T. Pownall made a motion, seconded by H. Ames, to approve the minutes of the meeting of May 18, 2022 without amendment. By roll call vote, the motion carried unanimously.

IV. Staff Report – Expenses

R. Lenox presented the reported expenses for June, totaling \$1,453 for actual 3QFY22 charges from the Division of Law. She stated that the Board would need to transfer the amount from its Wells Fargo Money Market account to its Checking account to pay for the charges.

H. Ames made a motion, seconded by G. Simon, to approve payment of the expenses reported, and approve the transfer of \$1,453 from the SEH Board’s Money Market account to its Checking account, both at Wells Fargo. By roll call vote, the motion unanimously carried.

V. Policy Forms

Waiting Periods

E. DeRosa reminded the Board that during its last meeting the Board discussed how to reconcile the inconsistency between the employer group application that allows employers to designate a waiting period specific to rehired employees, and the standard plan language that does not accommodate such a designation. After the May meeting, G. Cupo provided information regarding the IRS “parity” requirement; however, upon closer examination, it appeared the IRS requirement applies to treatment of new and rehired employees with respect to pension plans and did not address the issue in question. Upon further discussion, the Board agreed that employers should have the flexibility to designate a waiting period specific to rehired employees, as currently permitted by the employer group application. E. DeRosa stated that an amendment to the text of the standard plans to address a waiting period for rehired employees could be drafted.

Other Amendments

E. DeRosa reminded Board members that the adopted Federal Notice of Benefit and Payment Parameters for 2023 considers age limits to be discriminatory unless based on clinical evidence, and specifically cites age-limited coverage for hearing aids. Therefore, New Jersey’s statutory requirement for coverage of hearing aids through age 15 would be considered discriminatory and the age 15 limit must be removed from the standard plan text.

She explained that in response to her request at the May meeting for Board members to send her recommendations for changes to the standard plans, she had received some recommendations. She said that she requested additional information regarding the recommendations.

VI. Plan Management Instructions

E. DeRosa noted that the Department recently released the Plan Management Instructions for plan year 2023 in SERFF, with a filing deadline of June 21, along with rate filing instructions that

include a deadline of June 16. She explained that the instructions are similar to those of prior years, and that some of the changes that had occurred were specific to the individual market.

VII. Public Comments

L. Schwimmer referred Board members to the NJHCQI report again. She noted that there are recommendations in the report that she believes can be accomplished through regulatory changes rather than legislation.

S. Fitzgerald said she understands that the waiting period for rehires has always been a decision of the employer. She noted that employers often want to change the rehire waiting period for a specific employee but not change the rehire waiting period for the group plan. E. DeRosa pointed out that employee-specific requirements could be discriminatory and noted that if the employer establishes a rehire waiting period it should be applied consistently.

VIII. Close of Meeting

T. Pownall made a motion, seconded by R. Benkert, to close the meeting. By roll call vote, the motion carried unanimously.

[The meeting adjourned at 10:40 A.M.]

Public known to be in attendance:

- Suzanne Fitzgerald, Savoy Associates
- Linda Schwimmer, NJHCQI