

**MINUTES OF THE MEETING OF THE
NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
December 21, 2022**

Members participating: Herbert Ames; Robert Benkert (United); Alison Birzon (Cigna); Jess Bowker (Oscar Garden State); Gary Cupo; Margaret Koller; Thomas Pownall (Aetna Health); Jason Premus (Horizon); Gale Simon (DOBI); Adam Young (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.

Margaret Koller, Vice Chair of the Board, chaired the meeting.

II. Minutes – November 16, 2022 Open & Executive Sessions; November 30, 2022

The Board did not review minutes at its November 30, 2022 meeting, so considered minutes from both its November 16th and November 30th meetings.

T. Pownall made a motion, seconded by A. Young, to approve the Open Session minutes of the meeting of November 16, 2022 without amendments. 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, 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.)

T. Pownall made a motion, seconded by A. Young, to approve the minutes of the Executive Session minutes of the meeting of November 16, 2022 without amendments. By roll call vote, the motion carried unanimously.

G. Cupo made a motion, seconded by A. Young, to approve the minutes of the meeting of November 30, 2022 without amendments. By roll call vote, the motion carried unanimously.

III. Report of Staff – *Expense Report; Draft Agency-initiated Changes Upon Adoption*

Expense Report

R. Lenox presented the December expenses, totaling \$10,735.17. She explained that the expenses were for multiple legal notices placed in the newspapers to provide notice of the Board's anticipated actions and special meetings, as well as the regular meeting dates for calendar year 2023, in addition to audit expenses from WithumSmith+Brown (WSB) related to the FY22 audit. She indicated the Board should transfer the total amount from its Wells Fargo Money Market Account to its Checking Account at Wells Fargo in order to pay the expenses, if approved.

T. Pownall made a motion, seconded by H. Ames, to pay the December expenses as presented, and to transfer \$10,735.17 from the Board's Money Market Account to its Checking Account, both at Wells Fargo, for the purpose of paying the expenses. By roll call vote, the motion carried unanimously.

Draft Agency-initiated Changes to the Policy Forms

E. DeRosa stated that she had received a couple suggested changes so far that could be made upon adoption, and presented the draft language to the Board for consideration, but not action, at this time. Specifically:

- It was pointed out that the policy forms had not been updated to comply with P.L. 2021, c. 376, enacted in January 2022, altering the contraceptive coverage requirement. She explained that the mandate replaced the requirement to cover a 6-month prescription for contraceptives with a 12-month prescription coverage requirement. She explained further that the newer law removed the right to cover only a 3-month prescription upon initial dispensing, and removed the opportunity to limit prescription coverage to the date of termination of the policy, in the event the carrier knew that the prescription supply period exceeded the term of the policy.
- Additional variable brackets regarding facilities and practitioners would be added to the proposed variable text regarding coverage for gene, cellular and other innovative therapies, increasing the flexibility in the design of this optional coverage.

She stated that many comments continue to come in regarding the abortion provisions, some supportive of, and some opposed to, the proposed changes. She noted that the comment period ends on December 23, 2022.

She reminded the Board that it has a meeting scheduled on December 29, 2022 at 11:00 A.M., at which it has given notice it may take such action. She suggested that Board members should come to the meeting prepared to discuss realistic operative dates for implementation of the amended policy forms text.

IV. Report of the Finance and Audit Committee (FAC) -- Audit; Financial Statements

Program Audit

R. Lenox reported that the FAC met with WSB for the auditor's presentation regarding the FY2022 program audit. She noted that WSB indicated it will issue an unqualified opinion, consistent with the draft report provided in the Board materials. She stated WSB expects to issue the final audit report soon, and the final report will be distributed to Board members.

1QFY2023 Financial Statements

R. Lenox presented the Board's financial statements, previously reviewed by the FAC, for the first quarter of fiscal year 2023, which ended as of September 30, 2022. She briefly discussed the following:

- Statement of Net Assets
- Statement of Changes in Net Assets
- Statement of Cash Flow
- The Comparison of Budget and Actual Expenditures

R. Lenox noted that the Board continues to hold a little more than \$50,000 for the Medicare Supplement Under 50 Program in the Board's Money Market Account. She noted the Board budgeted \$303,540 for FY2023, and had actual expenses thus far of \$75,153.52, but that the Office of Management and Budget issued the fringe assessment recently at 68.45%, while the Board budgeted fringe at 62% -- an estimate it considered reasonably conservative at the time the budget was developed. She indicated that the impact of this discrepancy in the budget for fringe and the actual fringe is uncertain given changes in staffing in calendar year 2023, but that it will need to be monitored.

V. Staff Changes

It was confirmed that both R. Lenox and C. McDevitt are retiring as of January 1, 2023 from state service. The Board expressed its deep appreciation for their many years of service to the Board, with M. Koller noting that, in these types of positions, when you do your job well, and everything runs smoothly, the quiet operations are taken for granted, and the service goes unnoticed. She indicated she understood both staff members had provided excellent and steady service, and that both R. Lenox and C. McDevitt would be greatly missed.

VI. Election of New Chair

E. DeRosa asked whether the Board was prepared to elect a new Chair, or if it preferred to have M. Koller to continue acting as Chair through the January meeting. Following a brief discussion, M. Koller stated she would be willing to serve as Chair if elected, and no other nominations were made:

G. Simon made a motion, seconded by G. Cupo, to elect M. Koller as Chair of the SEH Board through the Annual Meeting of the Board. By roll call vote, the motion carried unanimously, and M. Koller was elected Chair.

E. DeRosa asked whether the Board was prepared to elect someone to fill the Vice Chair position, now that M. Koller was vacating it. After some discussion, Board members agreed to postpone taking any action on that position until the January meeting.

VII. Close of Meeting

G. Cupo made a motion, seconded by T. Pownall, to adjourn 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