

9/15/92 Minutes
rec'd 10/6/93 approved

Draft Minutes of the Small Employer
Health Benefits ("SEH") Board
Meeting, September 15, 1993

Directors: Frederick Title, HIP Rutgers
Anne Bossi, Prudential
Emily Crandall, Guardian
David Swords, Aetna
James Eick, Travelers
Barbara Pryor-Waugh, DOI
John Bellingham, BCBSNJ
Nancy Featherstone, DOH
Melanie Willoughby, NJ Retail
Merchants Association

Deputy Attorney General Valerie Bollheimer

Other Attendees: List maintained in records of NJDOI

1. Call to Order

The meeting was called to order at 10:15 am. A statement of compliance with the Open Public Meetings Act was delivered by M. Willoughby, who chaired this meeting and noted that a quorum was present.

2. Review of Draft Minutes

M. Willoughby distributed to the Board copies of draft minutes taken from the August 4 and 18 meetings. The Board decided that M. Lopes and M. Willoughby would represent the Board for the purpose of the Senate Regulatory Committee hearings.

On motion of E. Crandall, seconded by J. Eick, the minutes from the August 18 meeting, as amended, were adopted unanimously.

On motion of E. Crandall, seconded by B. Pryor-Waugh, the minutes from the August 4 meeting were adopted unanimously.

3. Plan of Operations

Dana Benbow distributed language for regulations on market share adjustment, which was discussed by the Board.

On motion of F. Title, seconded by J. Bellingham, the Board approved the recommended language unanimously.

4. Report of the Chairperson

M. Willoughby distributed to the Board a copy of each of 1) a draft

public notice, and 2) an order form (to purchase policy forms).

5. Review of Comments to the Regulations

E. Crandall presented draft responses to written comments received to the Board's regulations on benefit designs. The Board discussed the various comments and draft responses as follows:

- 1) with respect to a comment received from the NJ Medical Society, the Board decided:
 - a) not to include foster children as dependents eligible for coverage,
 - b) not to change the definition of PCP,
 - c) not to include a benefit for outreach for HIV or TB,
 - d) not to increase the preventive care dollar limits to \$1,000 and \$500,
 - e) not to create separate benefit limits for in- and outpatient MH,
 - f) not to include a benefit for ABMT/breast cancer, on the basis that it is experimental/investigational; (except that, later in its meeting, the Board created an exception to the exclusion for ABMT/breast cancer when performed as part of clinical trials, and only with proper coordination of benefits),
 - g) not to increase the insurer payment percentage for providers to 80% in plan A,
 - h) not to lower the maximum coinsurance cap, and
 - i) not to increase the lifetime maximum in plan B to \$5M;
- 2) with respect to a comment received from an optometrist, the Board decided not to include vision therapy as a covered therapy charge;
- 3) with respect to a comment received from the NJ State Nurses' Association, the Board decided:
 - a) to replace the word "routine" with "appropriate," as it refers to nursing care services,
 - b) not to modify the definition of "nurse" so as to qualify only those licensed in NJ, and
 - Garden State* - c) not to change certain language pertaining to emergency room treatment;
- 4) with respect to a comment received from the NJ Home Health Assembly, the Board decided:
 - a) to again review the definition of "home health agency" to determine if modification is warranted, and
 - b) to clarify the definition as it pertains to the skilled nursing component, but not so as to render it inconsistent with statutory mandates;

- 5) with respect to a comment received from the Kessler Institute for Rehabilitation, the Board decided:
 - a) not to increase the benefits for rehabilitative care, and
 - b) to follow the state definition to distinguish "extended care" from "rehabilitation" centers; but not to modify the combined benefit limit;
- 6) with respect to a comment received from the Northern NJ Chiropractic Society, wherein it argued that plan A is a violation of First Amendment rights, the Board makes no design modification;
- 7) with respect to a comment received from Garden State Hospital, the Board decided to expand the language in the plans pertaining to the Medicare as secondary payor rules; and
- 8) with respect to a comment requesting guidance as to whether a carrier could rearrange the policy provisions, the Board determined that it could not.

Dana Benbow then proposed a modification of the previously approved draft language, which modification was adopted unanimously by motion made by J. O'Connor, seconded by F. Title.

The Board recessed from 11:17 AM until 11:35 AM.

Upon its return, the Board received the final minutes from its August 11 meeting.

The Board then heard a presentation by A. Bossi on the experimental/investigational nature of ABMT, with high-dose chemotherapy, in the treatment of breast cancer. She reported that her research, which included commentary from 3 consultants knowledgeable in the field, indicated that:

- 1) it is still considered to be "investigational,"
- 2) there is no conclusive evidence that it prolongs survival, esp. when considering its high toxicity,
- 3) it is not clearly demonstrated to be superior, and
- 4) it is not yet a standard treatment.

N. Featherstone confirmed that DOH also believes this treatment to be experimental/investigational. A. Bossi recommended that the Board take the position that a carrier should cover this treatment for someone admitted into clinical trials. D. Swords disagreed, arguing that the Board should not make this exception now.

After further discussion, A. Bossi moved, and N. Featherstone seconded, to modify the plan designs to allow the above-stated exception to the experimental/investigational exclusion as it pertains to ABMT with high-dose chemo for breast cancer, subject to preapproval, and with coordination of benefits. F. Title abstained; all others voted to adopt the motion.

The motion was carried, by majority vote of those present.

M. Lopes raised an issue pertaining to certain language in the regulations which would permissively waive interest penalties.

On motion of A. Bossi, seconded by F. Title, the Board approved the removal of said language unanimously.

E. Crandall offered to intervene, on the Board's behalf, to discuss with HIAA the issue which had been raised by BCBSNJ. D. Cieslik was asked to FAX to E. Crandall the BCBSNJ memorandum concerning the potential license violation mandated by the Board's regulation which requires carriers to use PHCS data to determine R and C.

6. Report on the Buyers' Guide

M. Willoughby distributed to the Board a copy of the most recent draft of the document. She noted that it was much shorter than the previous draft. She also reported that, according to her research, the guide could produce and mail the guide to 300,000 recipients at a cost of approximately \$.13/unit. Finally, she estimated that it would be to the printer by the end of October.

7. Report on RFPs

M. Willoughby reported that although the RFP for a Communications' Consultant was not completed, she expected to have one, with the assistance of the Interim Administrator, by next week. No conclusion has been made as to whether this, or the permanent administrator, would be the same individual or entity chosen by the IHC Board.

8. New Business

V. Bollheimer distributed to the Board a copy of the Constitutional Amendment which provides the mechanism for legislative oversight of the Board. The Board then discussed the time frame requirements with respect to legislative review and adoption of this Board's proposed regulations.

The Board noted that this would be James Eick's last meeting as a Director. The Chair commended his service on the Board.

9. Adjournment

A motion to adjourn the meeting was made at 12:38 PM by M. Lopes, seconded by F. Title, and unanimously approved.

Respectfully submitted:

By: Deborah A. Cieslik
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