

MEETING OF THE NEW JERSEY SMALL EMPLOYER HEALTH EXCESS  
INSURANCE PROGRAM (SEHP)  
OFFICE OF THE DEPARTMENT OF INSURANCE  
TRENTON, NJ

File SEH  
Minutes

FEBRUARY 16, 1994

**ATTENDEES**

Maureen Lopes, NJBIA  
Fred Title, HIP/Rutgers  
Valerie Bollheimer, NJDAG  
Ken Robinson, Chubb  
John Bellingham, BC/BS  
Jim Donnellan, Prudential  
Leon Moskowitz, DOI  
Emily Crandall, Guardian  
Bea Manning, DOH  
Larry St. John, Traveler's  
Dave Swords, Aetna Health Plans

**I. Call To Order**

Maureen began the meeting at 9:35 and acknowledged that the meeting had been publicly noticed in two New Jersey newspapers and notice was sent to the Secretary of State. A copy of the agenda and a roster of the attendees is on record at the DOI.

**II. Legislative Update**

Maureen updated the Board on the status of the off label drug matter. The matter was assigned to the legislative workgroup for their February 17th meeting.

Maureen also updated the board on A-635, an amendment to the Small Employer law. She explained the Governor's office is focusing on this legislation and the legislature is waiting to learn of her position. The Board's concern on union employees has been communicated to Mike Torpe. (SR)

Language on the various amendments will be drafted by the legislative workgroup tomorrow.

**III. Adopt NJAC 11:21-4.2 & 4.3**

The alternate utilization review language was reviewed. Emily Crandall motioned we accept the language without further deliberation. The motion was seconded and passed.

**IV. Proposed Regulations**

Maureen reviewed the carrier certification of non member status, 11:21-6. Leon motioned to propose this regulation, which was seconded and approved.

A review of the SEH Market Share Reporting, 11:21 was completed. The member reporting date was moved to April 15th. Leon motioned and was seconded, to approve its publication.

A lengthy discussion on MEWA Registration was held. The need for reporting of information about MEWAs was reviewed. The purpose of the review was to advise the Board that the language used was drafted after the NEIC model and since it had just been received and had not been cleaned up, no action was taken. Leon raised the issue of the need to understand the scope of the use of MEWAs in order to assess health coverage in the state. Comments on this issue should be forwarded to Maureen.

In addition, the DOI offered that DOI regulations would be ready soon and both sets of regulations would be coordinated before being proposed.

At this point in the meeting, Leon introduced Don Bryant, Verice Mason's replacement at the DOI.

#### **V. IHC Report on Optometrists and Policy Form Complicance.**

Jim Donnellan discussed that vision therapy had been covered prior to the implementation of reform under Individual Health Plans. He discussed the information submitted by the NJ Optometrists Association and shared research conducted by the Individual Board.

Emily Crandall offered that the SEH Board's original intent was to clearly spell out what is and is not covered and that if the IHC Board's information was adopted, it would be contrary to our approach and intent. Further, it was discussed that treatment of this type of condition is currently subject to medical necessity, and that current company practices should be considered. Leon offered that there is a need for the IHC Board to not move ahead with newly adopted benefit coverages without discussion with the Essential Health Services Commission.

#### **VI. HIAA Database for Paying Claims**

Dave Swords discussed Aetna's position on compliance with this part of the regulation and offered that while every effort was being made to comply, Aetna would not be able to do so at this time. John Bellingham expressed concern that one carrier would not be in compliance and that this could be potentially disruptive to the market.

Leon offered that Aetna needs to report on our progress at the next Board meeting. Dave agreed to have a better understanding of when Aetna would comply with this part of the law.

#### **VII. Association Plans**

John Bellingham reviewed the matter of association plans adding new groups in 1994 and what plans they need to offer, particularly if they had not reached their anniversary. Emily offered that the statute did not anticipate this issue; Leon offered that for any small employer the clear intent was after 1/1/94, all small employers, including association plans, would offer the standard plan designs. It was agreed to obtain a legal opinion on this issue.

### **VIII. Buyer's Guide**

Maureen offered that since some essential information was still not finalized, the guide should not be sent to customers at this time. Leon added that the IHC Buyer's Guide differs and that the SEH Board should be aware of these differences. It was agreed that it was essential to come to closure on outstanding items as soon as possible so the guide could be finalized.

### **IX. Subsidized Health Insurance Program**

Leon provided an update on the Essential Health Services Commission. He advised that a draft of their program was almost completed and the intent was to have it proposed for regulation for the March 1st meeting of the Committee. In addition, he offered that an RFP for administration of this plan has been drafted and that the plans and rates to be offered will be identical to the IHC plans. The goal is to have these plans available by mid year with effective dates of 9 or 10/1. They will be contributory plans. If available, Leon will bring the proposed regulations to the March 2 SEH Board meeting.

### **X. Board Positions/SEH Board Committees**

The intent is to have a ballott for open positions on the Board. Maureen offered that it also gives us an opportunity to review our standing committees. In addition, she offered the need for coordination with the Enforcement Division of the DOI and the Board on periodic complaints her office is receiving about various carriers.

### **XI. Review of Minutes of Previous Meetings**

- 12/15 Meeting: Leon moved that the minutes be approved and was seconded.

- 1/5 Meeting: Leon moved that these minutes, as amended, be approved and was seconded.

At approximately 11:05, Maureen closed the open session of the meeting so the Board could move into Executive session. Since no more public business was to be discussed, the public meeting as adjorned.

Minutes: Dave Swords, Aetna Health Plans