

Final

**MINUTES OF THE MEETING
OF THE NEW JERSEY SMALL EMPLOYER HEALTH BENEFITS PROGRAM BOARD
AT THE OFFICES OF THE NEW JERSEY DEPARTMENT OF INSURANCE
TRENTON, NEW JERSEY
June 15, 1994**

Directors present: Maureen Lopes, Chair (NJBIA); Emily Crandall (Guardian); Jim Donellan (Prudential); Karl Ideman (Travelers); Dennis Marco (BCBSNJ); Leon Moskowitz (DOI); David Swords (Aetna); Fred Title (HIP Rutgers); Edward Tobin (New York Life); Barbara Vivona (DOH).

Others present: Kevin O'Leary, Executive Director; Wardell Sanders, SEH Program Assistant Director; Susan Church, IHC Program Assistant Director; DAG Valerie Bollheimer (DOL).

I. Call to Order

M. Lopes called the meeting to order at approximately 9:35 a.m. and announced that notice of the meeting had been published in three newspapers and posted at the Department of Insurance and the Office of the Secretary of State in accordance with the Open Public Meetings Act. A quorum was present.

II. Report of the Legal Committee

J. Brown described the most recent version of the draft regulations concerning the cessation of issuance and renewal of non-standard health benefit plans which draft regulations would appear as Subchapter 3A in N.J.A.C. 11:21. L. Moskowitz suggested adding a definition for the term "Association" and the Board agreed noting that the Department of Insurance would be responsible for adding the term to its regulations.

J. Brown also described the most recent version of the draft amendments to the Program Compliance regulations found in Subchapter 7 of N.J.A.C. 11:21. With respect to the "Participation requirements" section found at N.J.A.C. 11:21-7.6, the Board discussed the issue of whether more than one carrier could be operating with respect to the same small employer. The Board asked the for an opinion from the Attorney General's Office on this matter. With respect to draft amendments to N.J.A.C. 11:21-7.8, Leon Moskowitz raised the issue of the portability of IHC policies. The Board agreed that, for pre-existing condition limitations, credit should be given for prior coverage under one of the standard IHC policies.

With respect to the amendments to Subchapter 2 of N.J.A.C. 11:21, the Board requested an opinion from the Attorney General's Office as to whether a public hearing was necessary for changes made to the Plan of Operation which changes were required by the enactment of P.L. 1994, c. 11.

The Board recessed from 11:15 a.m. until 11:30 a.m.

The Executive Director reported that he had received bids for computers and construction of office space.

The Executive Director asked the Board if he should proceed by requesting specific authorization for each expenditure associated with setting up the offices of the Program or whether he could act provided that he stay within the budget adopted by the Board.

* L. Moskowitz made a motion to permit the Executive Director to make expenditures to set up the offices of the Program provided that he stay within the budget adopted by the Board, K. Ideman seconded, and the motion was approved unanimously.

* E. Crandall made a motion to open an SEH Program bank account with M. Lopes, M. Willoughby, and K. O'Leary as signatories which account would require two signatures, D. Marco seconded, and the motion was approved unanimously.

The Executive Director reported that he sent a letter on behalf of both the SEH and the IHC Boards to the sponsor of the Wellness Act. The Board instructed the Executive Director to send a similar letter to all of the legislative sponsors of the Wellness Act.

VIII. Review of Minutes

* F. Title made a motion to approve the draft minutes of its March 16, 1994 meeting, and the minutes, as amended, of its June 1, 1994 meeting, D. Marco seconded, and the motion was approved with B. Vivona abstaining.

In addition, an errata sheet was distributed to replace what was originally page 3 of the May 4, 1994 meeting minutes.

IX. Close of Meeting

The meeting was adjourned.