

**FINAL
MINUTES OF THE MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
AT THE OFFICES OF THE
NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE
TRENTON, NEW JERSEY
October 13, 2015**

Directors participating: Sandi Kelly (Horizon); Lisa Levine (United/Oxford); Brendan Peppard (DOBI); Thomas Pownall (Aetna); Tony Taliaferro (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Rosaria Lenox, Program Accountant; and Eleanor Heck, Deputy Attorney General.

I. Call to Order

E. DeRosa called the meeting of the IHC Board to order at 10:00 A.M. E. DeRosa announced that notice of the meeting had been published in two newspapers of general circulation and posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, at the Office of the Secretary of State, and submitted to the State House Press Corps, in accordance with the Open Public Meetings Act. A quorum was present. She stated that voting would be by roll call because some directors were participating by phone.

II. Minutes – September 8, 2015

T. Pownall made a motion, seconded by T. Taliaferro, to approve the minutes of the September 8, 2015 Board meeting. In voting by roll call, the motion carried.

III. Staff Report

Expense Report – October

R. Lenox presented the expense report for October, totaling \$68,933.56, noting that the majority of it was payment to the Small Employer Health Benefits Program for the IHC Board’s share of staff salaries and fringe, but that there were also expenses from the *Star Ledger* and *The Times* for the notice required for the most recent rule proposal, and expenses from the Division of Law. She explained that the Board would need to transfer \$69,000 from its Wells Fargo Money Market Account to its Checking account to pay for the operating expenses, should the Board approve them.

R. Lenox also suggested that the Board approve transfer \$680,000.00 from the DOBI funds to the Treasury funds in order to earn interest.

S. Kelly made a motion, seconded by B. Peppard, to approve the October expense report, the transfer of \$69,000 from the IHC Board’s Wells Fargo Money Market account to its Wells Fargo Checking account for the purpose of paying the October operating expenses, and the transfer of \$680,000.00 from the DOBI funds to the funds in Treasury in order to earn interest. In voting by roll call, the motion carried.

Late Fees based on Administrative Assessments

R. Lenox reported that several carriers had submitted their assessment amounts late, and had incurred late fees. She noted that four carriers' late fees are less than \$2.00, which is the *de minimus* amount that the Board has agreed not to bill because the Board's cost of recovery is less than the fee itself. She stated that staff proposes the Board bill only the four carriers exceeding the *de minimus* for a total amount of \$3,633.13.

S. Kelly made a motion, seconded by B. Peppard, to approve assessment of the late fees totaling \$3,633.13. In voting by roll call, the motion carried.

Policy Forms – Draft Notice of Adoption

E. DeRosa explained that the required public hearing for amendments to the IHC policy forms was held on September 24, 2015, but that no one attended, thus, no recommendation(s) from the hearing officer was required. She noted that no written comments were received either. She said, however, that she was suggesting a non-substantive, agency-initiated change with respect to the description of the expense accumulation for other-than-single coverage for high deductible health plans (HDHPs) eligible for use with health savings accounts, based upon discussions at the September Small Employer Health Benefits Program Board meeting. She explained that the proposed clarification would provide that satisfaction of the deductible must be at the family level for other-than-single HDHPs, while satisfaction of the MOOP is at the single person level, and she suggested that the policy forms include additional clarifying language.

E. DeRosa asked Board members to recommend a date when use of the Compliance and Variability Rider for new issues in 2016 should end, and all agreed that April 1, 2016 should be the end date.

T. Taliaferro made a motion, seconded by L. Levine, to approve the adoption of the amendments as proposed in accordance with the Board's expedited rulemaking authority, with the agency-initiated change as set forth in the draft adoption. By roll call vote, the motion carried.

IV. Close of Meeting

S. Kelly made a motion, seconded by B. Peppard, to adjourn the meeting. In voting by roll call, the motion carried.

[The meeting adjourned at 10:25 A.M.]