

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
June 11, 2019

Directors participating: Philip Gennace (DOBI); Colleen Picklo; Thomas Pownall (Aetna); Taylor Kopelan (Horizon); Tony Taliaferro (AmeriHealth) (*arrived at 10:15*); Ulysses Lee (United) (*arrived at 10:04*); Joseph Camargo.

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, Deputy Executive Director; Christine Machnowsky, Deputy Executive Director; Rosaria Lenox, Managing Financial Officer; 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. She announced that notice of the meeting had been posted at the Department of Banking and Insurance (“DOBI”), on the DOBI website, at the Office of the Secretary of State, submitted to the State House Press Corps, and published in three newspapers of general circulation 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. Review of Minutes – May 14, 2019

C. Picklo made a motion, seconded by J. Camargo, to approve the minutes of the meeting of May 14, 2019 without amendment. By roll call vote, the motion carried.

III. Report of Staff

Expense Report

R. Lenox presented the expense report for June 2019 with expenses totaling \$13,084.01 for salaries for May to be paid to the Small Employer Health Benefits Program. R. Lenox stated that a transfer of \$13,000.00 from the IHC Board’s Wells Fargo Money Market account to its checking account would be necessary to pay these expenses.

C. Picklo made a motion, seconded by J. Camargo, to approve payment of the expenses reported, and the transfer of \$13,000 from the Board’s Money Market account to its checking account to do so. By roll call vote, the motion carried.

Scope of Work for Audit Services

E. DeRosa noted that a Scope of Work for combined audit services for the IHC, SEH and MSU50 Boards was distributed to all vendors listed on the Treasury website under the Treasury contract that was previously utilized for the past audits of these same programs. However, no vendors submitted questions or proposals. Given that this Scope of Work was distributed via email without a return receipt notification, staff was concerned that some vendors may not have opened or even received the Scope of Work. Therefore, the Scope of Work was again distributed to the same list of vendors with a due date to respond of June 15, 2019.

Good Faith Marketing Report Recommendations

E. DeRosa discussed the Good Faith Marketing Reports and noted that carriers are required to demonstrate that they marketed in good faith in the Individual Market as a condition of participation in the Small Employer Market. N.J.A.C. 11:20-24.6, which sets forth the good faith marketing standards, requires that the application must have at least three options for individual health plans, or, for HMOs, at least one option, and must demonstrate how the individual application was made available to individual consumers during the prior calendar year, and must demonstrate at least one effort to market in direct support of the sale of the individual plan during the prior calendar year. The applicable regulations have also been recently amended to not only require that carriers be proactive in marketing but also specifically prohibiting them from disseminating inaccurate information. E. DeRosa reported that Good Faith Marketing Reports were submitted by AmeriHealth, Cigna, Horizon, Oscar and Oxford. She noted that although Cigna submitted a withdrawal filing during 2018 which was approved and effective January 1, 2019, such withdrawal did not negate Cigna's obligation to market and make individual plans available during 2018.

E. DeRosa discussed the Good Faith Marketing Report for AmeriHealth. She noted that AmeriHealth's application was a part of the report and that AmeriHealth had at least three plans available. AmeriHealth also submitted marketing materials including a Broker Brief and a "Benefits at a glance brochure."

T. Pownall made a motion to accept the IHC Board staff's recommendation that AmeriHealth be found to have marketed in good faith in 2018. C. Picklo seconded this motion. By roll call vote, the motion carried.

[T. Taliaferro arrived at 10:15 which was after the discussion and vote considering the AmeriHealth filing].

[T. Kopelan recused himself from any action taken by the IHC Board regarding the Horizon Blue Cross and Blue Shield and/or Horizon Healthcare Good Faith Marketing Report because of the interest of his employer and its affiliates in the outcome of the Board's actions.]

E. DeRosa discussed the Good Faith Marketing Report for Horizon Blue Cross and Blue Shield and Horizon HMO. E. DeRosa noted that at least 3 plans were listed on the application. The Horizon packet also included marketing materials, such as: the "2018 Health Plan Guide", screen shots of web portals which displayed Horizon's OMNIA and Advantage products for sale on the Horizon website as well as the U.S. Government's portal and the online broker portal. IHC Board staff recommended that the IHC Board find that Horizon marketed in good faith in 2018.

C. Picklo made a motion to accept the IHC Board staff's recommendation that Horizon be found to have marketed in good faith in 2018. J. Camargo seconded this motion. By roll call vote, the motion carried.

E. DeRosa discussed the Good Faith Marketing Report for Oscar. E. DeRosa noted that at least 3 plans were listed on the application and such applications were made available through brokers

and the web portal. Oscar also provided marketing materials IHC Board staff recommended that the IHC Board find that Oscar marketed in good faith in 2018.

T. Pownall made a motion to accept the IHC Board staff's recommendation that Oscar be found to have marketed in good faith in 2018. U. Lee seconded this motion. By roll call vote, the motion carried.

[U. Lee recused himself from any action taken by the IHC Board regarding the Oxford Good Faith Marketing Report because of the interest of his employer in the outcome of the Board's actions.]

E. DeRosa discussed the Good Faith Marketing Report for Oxford. E. DeRosa noted that at least 3 plans were listed on the application and they were made available through the website and Broker Portal. The Oxford filing included website printouts, broker materials and a newspaper advertisement. IHC Board staff recommended that the IHC Board find that Oxford marketed in good faith in 2018.

C. Picklo made a motion to accept the IHC Board staff's recommendation that Oxford be found to have marketed in good faith in 2018. J. Camargo seconded this motion. By roll call vote, the motion carried.

E. DeRosa discussed Cigna's Good Faith Marketing Report. Cigna's application lists 1 HMO which satisfies the requirements for HMOs set forth by regulation. Cigna also submitted a copy of a page from Cigna's website which demonstrated that the HMO plan was marketed. IHC Board staff recommended that the IHC Board find that Cigna marketed in good faith in 2018.

The summary and staff recommendation for the Cigna filing was inadvertently omitted from the Good Faith Marketing Report. The summary and staff recommendations will be amended to include this information.

C. Picklo made a motion to accept the IHC Board staff's recommendation that Cigna be found to have marketed in good faith in 2018. T. Pownall seconded this motion. By roll call vote, the motion carried.

IV. Reinsurance Program

Public Forum

E. DeRosa reminded Board members that a Public Forum for the 1332 Waiver - Reinsurance Program had been scheduled for 11:00 A.M. She reported that one Board member requested the ability to call-in to listen to the Public Forum. A discussion ensued regarding the appropriateness of allowing a Board member to listen to the meeting via phone.

P. Gennace made a motion to go into Executive Session to receive legal advice as to whether IHC Board members should be permitted to call-in to the Public Forum. T. Pownall seconded the motion. By roll call, the motion carried.

[Executive Session: 10:25-10:45 am]

V. Close of meeting

P. Gennace made a motion, seconded by C. Picklo to adjourn the meeting. By roll call vote, the motion carried.

[The meeting ended at 10:45 A.M.]