

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
March 10, 2020

Directors participating: Philip Gennace (DOBI); Sandi Kelly (Horizon); Robert Morrow (United); Colleen Picklo; Thomas Pownall (Aetna); Tony Taliaferro (AmeriHealth).

Others participating: Ellen DeRosa, Executive Director; Chanell McDevitt, 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 – February 11, 2020

R. Morrow made a motion, seconded by C. Picklo to approve the minutes of the meeting of February 11, 2020, without amendment. By roll call vote, the motion carried.

III. Report of Staff – *Expense Report; Enrollment; Reinsurance Program*

Expense Report

R. Lenox presented the expense report for March 2020 with expenses totaling \$16,598.22 for the Board’s share of staff salaries, FY2019 audit costs, and expenses from the Division of Law. She stated that a transfer of \$16,600.00 from the IHC Board’s Wells Fargo Money Market account to its checking account would be necessary to pay the expenses.

S. Kelly made a motion, seconded by C. Picklo to approve payment of the expenses reported, and the transfer of \$16,600 from the Board’s Wells Fargo Money Market account to its checking account to do so. By roll call vote, the motion carried.

Enrollment Data for 4Q20

E. DeRosa stated that, although the 4Q20 enrollment data has not yet been posted to the website, she thought the Board members would be interested in seeing the information. She noted the following:

- There was a loss in enrollment between the third and fourth quarters, which has become typical since 2014 with the implementation of the ACA: calendar year enrollment peaks during the first quarter of the year, and decreases in each of the following three quarters of the year.

- The decline in 2019 was not as steep as in prior years, but the peak enrollment was also not as high as in prior years (1Q18 enrollment was reported at nearly 329,000, while 1Q19 enrollment is reported at about 315,400).

In discussion, it was suggested that the market may be leveling off with respect to individual enrollment, but that analysis and further discussion is warranted and should be pursued.

Reinsurance Program

E. DeRosa stated that the Department continued the engagement with Oliver Wyman to help with the analysis related to Plan Year 2021 payment parameters, and that she has been sending out numerous requests to carriers for various claims, premium and demographic information that will help with the analysis. She reminded the Board members that the Board elected to maintain the same payment parameters for Plan Year 2020 as were in place for Plan Year 2019, because no new information was available for consideration at the time the decision for the Plan Year 2020 payment parameters had to be made.

She noted that the decision for the payment parameters must be made by April 30, and that she anticipates needing additional Board meetings before then to fully discuss issues. After some discussion, it was determined that the Board should provide notice for two additional meetings:

- March 31, in the afternoon
- April 21, in the morning

E. DeRosa stated that carriers should be receiving meeting and document requests from the selected claims auditor, WithumSmith+Brown (WSB). She explained that WSB would be performing agreed-upon procedures (AUPs) of the information relevant to the requested reinsurance payments, and that the schedule is relatively aggressive, as the contract with WSB requires them to have draft AUPs completed by mid-May.

IV. Rule Proposal

In response to questions, E. DeRosa acknowledged there was no additional information concerning the rule proposal.

V. State of Emergency – COVID-19

P. Gennace announced that New Jersey Governor Phil Murphy had declared a State of Emergency, and that guidance from the Department regarding administration of health insurance had been released during the Board's meeting. He noted that the guidance will be on the Department's website.

VI. Close of Meeting

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

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