

**FINAL**  
**MINUTES OF THE MEETING OF THE**  
**NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD**  
**HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)**  
**November 10, 2020**

**Directors participating:** Joseph Camargo; Philip Gennace (DOBI); Sandi Kelly (Horizon); Robert Morrow (United); Colleen Picklo; Thomas Pownall (Aetna).

**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.

E. DeRosa noted that, pursuant to P.L. 2020, c. 2, as a result of the public health state of emergency declared by Governor Murphy on March 9, 2020 through Executive Order 103, subsequently extended,<sup>1</sup> due to the COVID-19 pandemic, the IHC Board’s regularly scheduled meeting was being held telephonically, and not at the Board’s offices in Trenton. She stated that, in accordance with P.L. 2020 c. 11, electronic notice of the change in the meeting and the means by which the public could attend the meeting telephonically was posted on the Board’s website, and issued electronically to all known interested parties.

E. DeRosa determined a quorum was present. She stated that voting would be by roll call.

Members of the public were asked to identify themselves; public attendees, if any, are identified at the end of these minutes.

**II. Minutes (Open Session and Executive Session) – *October 13, 2020***

**S. Kelly made a motion, seconded by T. Pownall, to approve the minutes of the open session of the meeting of October 13, 2020, with amendments. By roll call vote, the motion carried.**

**C. Picklo made a motion, seconded by J. Camargo, to approve the minutes of the executive session of the meeting of October 13, 2020, with correction of typographical errors. By roll call vote, the motion carried.**

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<sup>1</sup> Executive Order 103 (Murphy) has been continuously extended multiple times since originally issued, the most recent extension occurring on October 24, 2020, pursuant to Executive Order 191 (Murphy).

### **III. Report of Staff – Expense Report; Reinsurance Program Update; 1332 Waiver Annual Public Forum**

#### *Expense Report*

R. Lenox presented the expense report for November 2020, explaining that the IHC Board owed its share of staff salaries and fringe, totaling \$17,565.49, to the Small Employer Health Benefits (SEH) Program. She stated that the Board can approve an internal transfer by the DOBI fiscal office of the specific amount due from the IHC Board's DOBI account to the SEH Board's DOBI account.

In addition, R. Lenox recommended the Board authorize a transfer of \$30,000.00 from the IHC Board's funds in Treasury to the IHC Board's DOBI account to replenish that account for the purpose of paying future expenses.

**S. Kelly made a motion, seconded by C. Picklo, authorizing the internal transfer of \$17,565.49 from the IHC Program's DOBI account to the SEH Program's DOBI account to pay the IHC Board's share of staff salaries and fringe as presented on the November expense report, and authorizing the transfer of \$30,000 from the IHC Board's account in Treasury to the IHC Board's DOBI account for purposes of payment of future expenses. By roll call vote, the motion carried.**

#### *Reinsurance Program*

E. DeRosa reported that she had received the 3Q20 reinsurance requests, totaling \$84,905,703.50. She stated this is higher than it was for 3Q19, which totaled \$75,109,732.79, and deviates from 1Q20 and 2Q20, which saw claims coming in below 1Q19 and 2Q19. When asked if it was likely the increase is due to the intensity in costs of care for COVID-19 patients, she stated that she only receives the dollar amounts, but no other insight to the claims are reported.

E. DeRosa reported that reinsurance payments for 2019 were required to be paid no later than November 1, 2020, and that she knew the federal pass-through funds had been transferred from the federal account on or about October 30, so all carriers should have seen a deposit of funds.

#### *1332 Waiver Annual Public Forum*

E. DeRosa reminded Board members that the DOBI scheduled the annual public forum required as part of the approval of New Jersey's 1332 Waiver request for 2 P.M. today, but that no one had registered to attend. (Note: the forum was to be held virtually, and registration by November 6 was necessary to obtain the Teams meeting invitation.)

### **IV. Bulletins 20-35 and 20-36; Form Amendments for the Pregnancy Triggering Event**

E. DeRosa discussed the policy form changes proposed to address the new pregnancy triggering event established by Bulletin 20-35. She noted that the standard plans use some terminology that differs from that used in the Bulletin. She also noted that she had bracketed the triggering event, and included instructions for it to apply to policies offered through the State-based Exchange (SBE), consistent with Bulletin 20-35, but explained that the Board could decide whether to limit the triggering event thus, or apply it to the policies offered outside of the SBE as well, in which event, the brackets and SBE-specific instructions would be removed.

Several Board members affirmed that Bulletin 20-35 specified the triggering event and consequent special enrollment period (SEP) for policies only when offered through the SBE, but another Board member pointed to Bulletin 20-36, which revises the non-group HINT form, and evidences an expectation that all standard plans would include pregnancy as a triggering event.

While it was acknowledged that there are other triggering events and special enrollment periods that are available only through an exchange, the discussion considered the possibility of the unintended consequences of having two different standards for this type of triggering event (which is a health event), and that the disparity in treatment is not consistent with New Jersey's public policy goals. The following observations were made:

- The disparity in events that create enrollment eligibility can be confusing for consumers
- While most consumers eligible for the SEP would benefit from applying for coverage through the SBE because they also are eligible for financial assistance, there are other people who choose to purchase a plan outside of the SBE for a variety of reasons (e.g., additional plan choices), who would not have that option with respect to this triggering event.
- There are people residing in New Jersey who cannot purchase through the SBE (because they may not be lawfully present in the United States), but who remain eligible to enroll in plans offered outside of the SBE; these people would be denied the opportunity to use this triggering event if it is limited to plans offered through the SBE.
- Application of the pregnancy triggering event and SEP to standard plans offered both inside and outside of the SBE would better serve New Jersey's policy goals than limiting the triggering event and SEP to a subset of standard plans.

It was clarified that the effective date of the triggering event and SEP is February 1, 2021, and that it does not apply concurrently with the ongoing annual open enrollment period.

**P. Gennace made a motion, seconded by S. Kelly, to adopt the draft language adding the pregnancy triggering event and special enrollment period to all policy forms for the IHC standard plans, without any restrictions or special instructions for limitation of the triggering event to plans offered through the State-based Exchange. By roll call vote, the motion carried, with R. Morrow abstaining.**

E. DeRosa acknowledged that the still outstanding rule proposal that the Board has been amending over the last two years would be updated to address this triggering event, and then would be presented again to the internal review process.

## **V. Ethics Training**

E. DeRosa reminded Board members that she had sent them information regarding mandatory ethics training. She noted there are two dates being offered – one following the meeting of the Small Employer Health Benefits Program Board in November, and the other following the meeting of the IHC Board in December – and that Board members may choose to participate in either

meeting. She clarified that the training is required even if a Board member completed online ethics training earlier in 2020.

## **VI. Close of Meeting**

**S. Kelly made a motion, seconded by J. Camargo, to adjourn the meeting. By roll call vote, the motion carried.**

*[The meeting ended at 10:30 A.M.]*

### **Identified Public Attendees:**

No members of the public identified themselves as participating in the meeting.