

**MINUTES OF THE MEETING OF THE
NEW JERSEY INDIVIDUAL HEALTH COVERAGE PROGRAM BOARD
HELD TELEPHONICALLY PURSUANT TO EXECUTIVE ORDER 103 (MURPHY)
December 13, 2022**

Directors participating: Sandi Kelly (Horizon); Robert Morrow (Oxford); Colleen Picklo; Thomas Pownall (Aetna); Gale Simon (DOBI); Adam Young (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.

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,¹ 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. Retirement of Tony Taliaferro; AmeriHealth’s new representative

E. DeRosa announced that Tony Taliaferro retired from AmeriHealth (and Independence Blue Cross), and that Adam Young is now AmeriHealth’s representative. She stated that T. Taliaferro had not made the announcement during the Board’s November 29th meeting because he had not yet had the opportunity to provide the information to the Small Employer Health Benefits Program Board of Directors, for whom he was the Chair. She welcomed Adam Young, noting that he has been with AmeriHealth for quite some time, and has sat in on Board meetings, and is familiar with the New Jersey markets.

S. Kelly stated that T. Taliaferro would be sorely missed: he had a long history with the IHC Board and the reform markets in general – there from the beginning -- and was always very thoughtful about public policy and market dynamics.

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¹ Executive Order 103 (Murphy) has been continuously extended multiple times since originally issued, the most recent extension occurring on February 17, 2021, pursuant to Executive Order 222 (Murphy).

T. Pownall made a motion, seconded by S. Kelly, to approve the minutes of the meeting of November 29, 2022, without amendments. By roll call vote, the motion unanimously carried.

IV. Expense Report

R. Lenox presented the December expenses, totaling \$24,228.48, including charges for newspaper legal notices, staff salaries and shared expenses, and FY22 audit costs from WithumSmith+Brown. She indicated the Board could authorize an intra-agency transfer of funds from the Board's account with DOBI to the SEH Board's account with DOBI to pay for salaries and shared expenses, but that the Board would need to authorize a transfer of funds from the Board's Money Market Account to its Checking Account to pay the remaining expenses.

Adam Young made a motion, seconded by C. Picklo, to approve: payment of the December expenses; the transfer of \$12, 268.85 from the IHC Board's DOBI funds to the SEH Board's DOBI funds to pay for shared expenses; and, the transfer of \$11,959.63 from the IHC Board's Wells Fargo Money Market Account to the Board's Wells Fargo Checking Account to pay the remaining December expenses. By roll call vote, the motion unanimously carried.

V. Policy Forms

E. DeRosa discussed suggested changes and questions she had received from Board members since the November 29, 2022 meeting that she thought might be addressed as agency-initiated changes upon adoption of the proposed policy form amendments. Discussions included the following:

- Additional language changes would be made to clarify a distinction between Responsible Person and Children Coverage, which permits blood relatives or those with a legal relationship to a child to cover that child if the child depends upon the adult for support and resides in the person's household.
- The definition of Responsible Person would be revised to clarify that "children" refers to *dependent* children.
- The definition of Special Enrollment Period would be revised to remove reference to "standard health benefits plans with riders" because such riders are no longer permitted.
- The definition of Newborn Children would be revised to clarify that applicable premium is required to effectuate coverage for a newborn under a policy issued as Responsible Person and Children Coverage, as applicable.
- E. DeRosa indicated no changes were requested with respect to the coverage of abortion services, but that a question had arisen regarding administration of the coverage as worded, specifically whether the proposed language was meant to indicate that carriers must provide coverage as a medical benefit and/or a drug benefit. She explained that the policy form only specifies that abortion services be covered, but does not dictate whether benefits are to be paid as medical or as prescription drug benefits.
- E. DeRosa noted that a separate concern was raised with respect to Summaries of Benefits & Coverage (SBCs) forms. She indicated that in some instances, SBCs will need to be revised to note that abortion is covered (or not limited). She stated that the SBCs must also remove the limiting age for coverage of hearing aids.

- The optional coverage for gene-based, cellular and other innovative therapies would be revised to expand variability options.
- The provisions regarding the effect of Medicare on an individual health benefits plan would be revised to make it clearer when someone who is Medicare eligible might retain coverage under an individual health benefits plans (that is, only when covered under the individual health benefits plan first, and only with respect to that specific individual plan). In addition, when referring to Medicare Part A, and Medicare Part A and B, some conjunctions would be changed from “and” to “or” in an effort to clarify that the result is the same, whether someone enrolls in Medicare Part A, whether or not they also enroll in Medicare Part B. Also, some clarification would be made regarding misstatements of Medicare-eligibility.

The Board discussed the opportunity for covered persons with an ESRD diagnosis who become eligible for Medicare to enroll in and continue individual coverage. Language proposed regarding ESRD-individuals specifies that they can continue their coverage under their existing individual plan, and receive benefits without regard to any Medicare eligibility if they do not enroll in Medicare.² The Board did not recommend revisions to the draft text in this regard.

E. DeRosa reminded the Board that it needed to be thinking about an operative date following adoption of the proposal, noting that the operative date can be later than the effective date.

E. DeRosa confirmed that the Board is scheduled to meet on December 29, 2022 at 10:00 A.M. She noted that the SEH Board also is scheduled to meet on December 29, 2022 at 11:00 A.M.

There was additional discussion regarding the HINT Form (enrollment form). G. Simon stated she would reach out again to try to get more information.

VI. Report of the Operations & Audit Committee (OAC)

R. Lenox stated the OAC had met to discuss the Q1FY23 financials for the IHC Board. She then discussed the following financial statements for the period ended September 30, 2022:

- The Statement of Financial Position
- The Statement of Activities & Changes in Net Assets
- The Statement of Cash Flow
- The Comparison of Budget to Actual Expenditures

Among other things, R. Lenox reported that the Board budgeted \$310,540 for FY2023, and has had actual expenses of \$75,223.52 thus far. She noted that the budget included an estimate of fringe at 62%, but that the final report from OMB set fringe at 68.45%. R. Lenox indicated this will need to be watched over the year, particularly because staffing of the Boards will be in flux.

E. DeRosa mentioned that this would be R. Lenox’s final report for the Board. Chair S. Kelly expressed deep gratitude for R. Lenox’s service over the years, congratulated her and wished her the best in the future.

² N.B., the same language applies to someone who becomes eligible for Medicare due to disability. If an individual enrolls in Medicare, whether only Part A or both Parts A and B, the individual plan pays secondary.

VII. Close of Meeting

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

[The meeting ended at 11:07 A.M.]

Identified Public Attendees:

- Robert Axelrod, Oscar Garden State Health Ins. Corp.³
- Brendan Peppard, WellCare Insurance
- Elijah Park, WellCare Insurance
- Hunter Smith, WellCare Insurance
- Asfar Shamsi, WellCare Insurance

³ Oscar is a member of the Small Employer Health Benefits Program Board of Directors, as are several of the Directors on the IHC Board; however, there was not a quorum of the SEH Board present, and all discussions and actions at the meeting concerned the specific public business of the IHC Board.