

DRAFT MEETING MINUTES OF THE  
NEW JERSEY UNDER 50 MED SUPP PROGRAM BOARD

FRIDAY, AUGUST 18, 2000

Board Members Present:

- Bob Hoffman - Public Member
- David Kreiss - Oxford Health Plans
- Christina Palme-Krizak - United HealthCare
- Keitha Lackey - Horizon Blue Cross Blue Shield of NJ
- Victor Shulman - Public Member
- Rebecca L. Smart - Mutual of Omaha

Others Present:

- Fran Cancro - SHIP
- Gerry Cote - Pool Administratorss
- Angela Edger - United HealthCare
- Karl Ideman - Pool Administrators
- Trish Kaciuba - SHIP
- Bob King - Department of Banking and Insurance
- Rick Larose - Pool Administrators
- Tanya Hughes-Walker - Horizon Blue Cross Blue Shield of NJ

The New Jersey Medigap Under 50 Plan Board meeting was held via telephone conference, at 1:30 p.m. (EDT) on Friday, August 18, 2000.

1) Minutes

The Board reviewed the minutes from the Board meetings held on April 12, and June 20, 2000. The Minutes were approved by the Board, with minor typographical corrections. Approved meeting minutes for April 12, and June 20, 2000 are attached hereto.

2) Status of Reports to DOBI

Commissioner Suter approved the Addendum to the Plan of Operation. Clean copies will be sent to the Board members in the next package of materials. The approval of Horizon's financial report and request for reimbursement of lost investment income and interest is still pending. Bob King reported that Bob Vehec has provided input to the Commissioner on the request. The Board discussed that the process is slower than anticipated and approval is needed to complete

the audit and assessment process. Rebecca Smart will schedule a meeting with the Commissioner to discuss the outstanding issues and offer assistance to bring these to conclusion.

3) **2000 Assessment Activities** -Karl Ideman gave an update on the 1997 Assessment Collection Status. Several carriers are still outstanding. The Board discussed involvement of the Department to bring these to conclusion. The Board agreed to draft a letter to the Commissioner informing her of the insurance companies which continue to have past due balances on their accounts. Delinquency letters have already been sent to the CFO of each carrier. Several of the carriers which have outstanding balances continue to be Medicaid carriers.

The Board reviewed and approved the 1998 Market Share Report and true-up as presented by the Pool Administrators. Carrier credits and balances will be reflected in the next assessment notice. The Board also reviewed and approved the 1999 Market Share Report and the 2000 assessment amount using the 1999 Market Share Reports. Subject to Commissioner approval the Board approved a year 2000 assessment of \$1,062,594.00.

4) **Horizon Blue Cross/ Blue Shield 1999 Losses and Investment Income** - Keitha Lackey indicated that ESRD continues to be the largest claim area. The Board asked Keitha to provide them with a spreadsheet showing current program financial numbers of where they are for recordkeeping purposes; as well as a summary of the conditions we are seeing.

#### 5) **Program Audits**

Karl Ideman indicated that their audit has been completed and an audit report furnished. No issues were noted and the audit went smoothly. The Board will receive a copy of the audit; a copy will be sent to Rebecca Smart and she will see that all members receive a copy.

Arthur Andersen has started the Horizon financial review and should be completed shortly. A copy of their audit report will also be distributed to the Board.

#### 5) **Consumer Issues**

Victor Shulman discussed a situation about a person who is presently receiving care through the VA. The person felt he wasn't receiving quality care through his present provider and wanted to apply for a supplemental plan through our program, so he could afford coverage in a different facility. The Board agreed that the current program eligibility criteria required enrollment only under certain criteria which this person did not meet.

#### 7). **Annual Report to the Commissioner**

Rebecca Smart is working on the Annual report to be submitted to the Commissioner and will provide a draft for Board review and approval prior to submission.

#### 8) **Miscellaneous**

There being no additional business, the meeting was adjourned at 3:00 p.m. eastern time.