

**MEETING MINUTES OF THE NEW JERSEY
UNDER 50 MEDICARE SUPPLEMENT PROGRAM BOARD**

July 1, 2004

Board Members Present:

Rebecca Smart – Central States Health & Life Company
Sam Sandella – United HealthCare Insurance Co.
Lisa Beck – Horizon Blue Cross/Blue Shield of N.J.
Victor Shulman – Public Member

Others Present:

Neil Vance – Department of Banking and Insurance
Mike Malloy – Department of Banking & Insurance
Kyle Johnson – Horizon Blue Cross/Blue Shield

The New Jersey Medicare Supplement Under 50 Program Board held an interim meeting via telephone conferencing at 3:00 PM, EST on July 1, 2004. Four Board members were present.

I. Approve Prior Meeting Minutes

The chair decided to wait for the next full Board meeting before adopting the minutes from the February 20, 2004 meeting.

II. Review and Approve Program Year 2003 Assessment

Horizon reported 2003 Program losses of \$2,240,268. The Board voted to approve and forward to Pool Administrators to run through the assessment calculator and forward to the Commissioner.

Neil Vance will try to approve both 2002 and 2003 assessments so companies will only receive one assessment for both years.

The Board also approved the 2005 projected program expenses of \$60,500.

III. Status of Audits

The ongoing audit of Horizon is progressing.

IV. Follow Up on Enrollment Issues

Horizon is still reviewing the original applications of those members who are currently older than 58 (that is, accepted into the program after they turned 50). If Horizon determines that they do not

belong in the Under 50 Program, they will be moved to Horizon's regular 50 – 65 program at the same rate.

The Board also agreed to accept into the Program certain disabled individuals who involuntarily lost coverage. The Chair will determine what changes to the "Administrative Guideline for Program Enrollments" need to be made.

Since that meeting, additional research has been conducted. It appears that if a disabled person involuntarily loses coverage, they are eligible for guaranteed issue. The chair will continue to research and discuss at the next Board meeting.

The Board also re-affirmed the position that as covered Program members turn 65, Horizon needs to develop a communication plan to advise members of their new open enrollment period.

V. Next Meeting

The Chair will advise all parties when the next meeting is to be scheduled.

<Minutes of Under 50 Med Supp3>