

FINAL
MEETING OF THE NEW JERSEY UNDER 50 MEDICARE SUPPLEMENT
PROGRAM BOARD
March 20, 2018

Board Members:

Absent – Aetna (HMO) – *currently vacant*
Present – UHC (Med Supp writer) – Steve Kane (Chair)
Present – Horizon (Contracting Carrier) – Jackie Duddy
Absent – Transamerica (Med Supp writer) – Crystal Wyland
Present – Public Rep – Ron Ouellette
Present – Public Rep – Pat Walsh
Present – DOBI Rep – Don Henson
Vacant – AHIP Rep

Others Present:

Ellen DeRosa, Executive Director, IHC/SEH Programs
Christine Machnowsky, Deputy Ex. Dir., IHC/SEH Programs
Chanell McDevitt, Deputy Ex. Dir., IHC/SEH Programs
Rosaria Lenox, Managing Financial Officer, IHC/SEH Programs

This meeting was held at 1:30 p.m. in the 11th floor conference room at the Department of Banking and Insurance. Most members participated by phone.

I. Minutes of January 16, 2018

R. Oulette made a motion, seconded by J. Duddy, to accept the minutes of January 16, 2018, with amendments. By roll call vote, the motion carried.

II. Election of Officers

E. DeRosa informed the Board that Thomas Kowalczyk was no longer at Aetna, consequently, the Board needed to elect a new chair, and possibly vice chair. She noted that the chair and vice chair were selected in their personal capacity, so Aetna's new representative (when appointed) would not necessarily take over the chairmanship.

R. Oulette nominated, and J. Duddy seconded, S. Kane to be chair of the Board. By roll call vote, the motion carried.

Don Henson then volunteered to be vice chair, after R. Oulette and P. Walsh declined.

III. Assessments and Distribution of Refund

R. Lenox reported that nearly 75% of the assessments had been collected, but explained that 4 carriers – two owing large sums – still had amounts outstanding. She stated that she has been in

contact with the companies owing the largest amounts and both say checks have been issued and sent, and both realize they will be assessed interest penalties.

E. DeRosa suggested that the Board make a recommendation that the Commissioner approve payment be made to Horizon as soon as all assessed amounts are received and deposited, consistent with the assessment and refund report prepared for the assessment action for calendar year 2016's audited losses, which totaled \$7,047,124.00.

D. Henson made a motion, seconded by P. Walsh, recommending that the Commissioner approve the transfer to the Small Employer Health Benefits Program's Wells Fargo Checking Account from the DOBI Treasury account of \$3,532,608.51 upon collection of such amount in assessments for the MSU50 Program's CY2016 audited losses, and the subsequent issuance from the Small Employer Health Benefits Program's Wells Fargo Checking Account reimbursements on behalf of the MSU50 Program to Horizon in the amount of \$3,532,608.51 for CY2016, which constitutes the total audited losses that exceed Horizon's share of the MSU50 Program's losses for that calendar year. By roll call vote, the motion carried.

IV. Reported losses for Calendar Year 2017; Program Audits

E. DeRosa stated that Horizon has submitted the losses for the MSU50 Program for calendar year 2017, totaling \$6,129,268. She noted that, because the audit contract with WithumSmith+Brown is now in place, she expected the audit of the CY2017 losses to begin in May, and that everyone believed it would be relatively quick and easy, since all documents will be current.

E. DeRosa explained that the MSU50 Program's administration would be audited as well this time, and that the audit should also commence in May.

V. Other discussions – Legislation; Aetna Representative

E. DeRosa stated that she has not yet seen legislation that would update the MSU50 Program, but that the DOBI is aware of the need for it.

E. DeRosa confirmed that Aetna intends to appoint another representative, and that she has spoken with the person most likely to be appointed, but that nothing is official as yet.

VI. Close of Meeting

D. Henson made a motion, seconded by P. Walsh, to adjourn the meeting. The motion carried.

[The meeting adjourned at 1:50 P.M.]