

New Jersey Under 50 Board - Conference Call - October 18, 1996

**Participating:**

Leon Moskowitz, NJ DOI  
 Marc Buro, NJ DOI  
 Debbie Breslin, NJ DOI  
 Bob King, NJ DOI  
 Bob Vehec, NJ DOI  
 Barbara Tancredi - Prudential

Martina Vernado, BCBS of New Jersey  
 Hank Meisner, BCBS of New Jersey  
 Victor Shulman - Public Member  
 Bob Hoffman - Public Member  
 Kara Navarro, Bankers Life & Casualty Co.



**1. Temporary Plan of Operations**

Blue Cross assembled staff to present an overview of their concerns with the Plan of Operations. They will outline these concerns in writing and submit them for review. The Plan, which has been sent to the Commissioner, will be amended if/as necessary.

Among the substantive issues are:

- (a) the definition of "net earned premium" - add HMO's here and throughout the document where "insurers" are mentioned.
- (b) definition of "contracting carrier" - address reimbursement for both an original and a replacing contracting carrier. Need to resolve how to deal with 2 (or more) pools of this business.
- (c) definition of "reasonable administrative expense" - how should start up costs and program costs be included or excluded?

BCBS will submit calculations of start up costs.

BCBS argued for reimbursement before audit is completed.

Timing of bills is an open issue.

- (d) Articles 3 & 4 - should they come out?

Once the Plan of Operations is completed, the regulations will have to be reviewed for consistency.

**2. Appointment of Contracting Carrier**

This will be done once the Plan of Operations is approved by the Commissioner.

**3. CIGNA**

David Mannis indicated to Marc that they will not be replacing their Board representative and would like to be removed from the Board. Marc will contact the HMO Association for a replacement.

**4. Mutual of Omaha**

Marc will speak to the Commissioner, and then to Pat Carmody, about Mutual of Omaha's Board representation.

**5. Bob Hoffman**

We welcome our newest public member.

**6. Board Secretary/Books & Records**

Kara will talk with Leon and Kevin O'Leary about the books, records, and related duties, as they pertain to IHC/SEH.

We will then put together a matrix of tasks/roles and allocate them based on function - "Insurance", "Board", "Administrative", "Financial", etc. for discussion at our November 25 meeting.

**7. Actuaries**

Bob Vehec reminded us that he needs actuarial representatives from the companies.

**8. Next meeting**

November 1, Conference Call - 10 A.M. Eastern.

To be discussed: Plan of Operations, Membership.