

## ***New Jersey Under 50 Med Supp Program Board***

**Meeting Minutes: January 16, 1998**

**DATE:** March 4, 1998

**TO:** All Board Members

**FROM:** David Kreiss

**RE:** Meeting Minutes: January 16, 1998

**Present:**

David Kreiss	Oxford Health Plans
Christina Palme-Krizak	United HealthCare
Rebecca Smart	Mutual of Omaha
Tom Rinaldi	Blue Cross/Blue Shield/Administrative Carrier
Bob Vehec	DOBI
Mike Malloy	DOBI
Bob King	DOBI
Deborah Breslin	DHSS, CHIME
Bob Hoffman	Public Member

The New Jersey Medigap Under 50 Plan Board meeting convened at 9:30 AM in the 5<sup>th</sup> Floor Conference Room at The Department of Banking and Insurance in Trenton, NJ.

1. **Minutes**
  - a) Minutes of the November 13, 1997 Board Meeting were approved as amended.
2. **Eligibility & Coverage Issues**
  - a) **Loophole Scenario:**
    - i) A dependent person under 50 is covered under a spouse's group's insurance. Dependent becomes disabled and eligible for Msupp <50 coverage and, under current rules, must enroll in the MSupp Medigap program within 6 months from their possible effective date in Medicare Part B.
  - b) **Potential Problem**
    - i) Dependent risks losing eligibility if they continue under group coverage because of eligibility window / no guarantee issue rule. This was not contemplated in HIPPA.
  - c) **Issues:**

- i) In order to remain consistent with the intent of HIPPA and as sound public policy, should or can Board toll eligibility window and allow individuals to enroll in Msupp <50 Medigap program from the point at which they lose or drop their group coverage.?
  - ii) Should Board also follow HIPPA and not apply the 3 month pre-existing conditions coverage gap provision in NJ Msup law?
  - iii) What about a < 50 disabled Medicare HMO member who disenrolls and wants Medigap coverage?
  - iv) What about a <50 disable Medicare enrolle who purchases Msupp Medigap coverage, disenrolls, and then seeks to get back into the Msupp program at a later date.
- d) Preliminary Analysis/Opinions:
- i) DOBI didn't seem to think Board would be prohibited from relaxing eligibility / coverage rules for c (i), (ii), & (iii) above. No response about the issue raised in c (iv) above.
  - ii) BC/BS indicated a willingness to be flexible about these issues
  - iii) The Board has not received formal legal opinion, but feels confident that it has the authority to extend coverage to these individuals falling within this loophole. The Board also indicated that it would be sound public policy and prudent to fall in line with HIPPA.
  - iv) The Board also advocates for a change in the statute so that this loophole can be closed and that the law be consistent with HIPPA
- e) Action Item:
- i) Christina will look at BBA, NAIC models, and will outline changes for the NJ Msupp <50 program.

3. **Administrator Report:**

- a) No numbers available. Tom said he would have them for the next meeting.
- b) Start-up Costs:
  - i) Board members asked questions about start-up costs. Tom promised to bring back up materials to next meeting.
  - ii) Tom will also bring copies of the enrollment kits/materials.
- c) *Action item:*
  - i) Tom will provide expense breakout between Program and Administrative expenses.