

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

OCTOBER 1, 1999

Board Members Present:

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

Others Present:

Bob Vehec	-	Department of Banking and Insurance
Bob King	-	Department of Banking and Insurance
Joan Fusco	-	Horizon Blue Cross Blue Shield of NJ

The New Jersey Medigap Under 50 Plan Board met via conference call at 2:00 p.m. (EDT) on Friday, October 1, 1999.

Rebecca reviewed with the Board members the approval letter received from the Department of Banking and Insurance for the Carrier Assessment for Program Years 1996 through 1999. The amounts the Board had recommended for assessment for the 1996, 1997 and 1998 Program Losses and Expenses were approved. The proposed interim assessment for projected 1999 expenses was approved. However, the interim assessment for projected 1999 Program Losses was not approved based on the Board's Plan of Operation which provides only for "advance interim assessments as may be reasonable and necessary for organizational and interim operating expenses." The Plan of Operation does not specifically provide for advance assessments for projected losses. Upon review of the correspondence from the Department of Banking and Insurance, it was agreed by the Board to proceed with an assessment in the amount of \$713,512.00. Exhibit I attached to these minutes shows the detail for the assessment calculation in this amount.

The Board also reviewed drafts of an assessment letter and invoice to be sent to carriers, along with a copy of the most updated Market Share Report. It was noted that there were still a couple of questions regarding some of the carriers' Market Share Reports. Rebecca indicated she would be working with Pool Administrators to clarify open issues with the carriers in question with the objective of the assessment notices being sent by mid-October.

There being no additional business at this time, the meeting was adjourned.

Approved at 03/08/00 Board Meeting