

State Health Benefits Commission
Meeting Minutes
November 8, 2018 10:00 AM

Adequate notice of this meeting was provided through the annual notice of the schedule of regular meetings of the Commission filed with and prominently posted in the offices of the Secretary of State. The annual meeting notice was mailed to the Secretary of State, Star Ledger and the Trenton Times on January 3, 2018.

The meeting of the State Health Benefits Commission of New Jersey was called to order on Wednesday, November 8, 2018 at 10:00 AM. The meeting was held at the Division of Pensions and Benefits, 50 West State Street in Trenton.

The text of Resolution A (Closed Session) and Resolution B (Executive Session) were read in their entirety in the event that the Commission desires, at any point in the meeting, to approve a motion to go into closed or executive session.

Acting Secretary Nicole Ludwig took Roll Call and established that a quorum was present.

Roll Call

Commissioners:

Susanne Culliton, Chairperson, representing State Treasurer Elizabeth Maher Muoio
Holly Gaenzle, representing Commissioner of the Department of Banking and Insurance
Marlene Caride
Dudley Burdge, Representative for Local Government Employees
Deirdre Webster-Cobb, CEO, Civil Service Commission
Debra Davis, Representative for State Government Employees

Also Present:

John Megariotis, New Jersey Division of Pensions and Benefits
David Pointer, New Jersey Division of Pensions and Benefits
Mark Cipriano, New Jersey Division of Pensions and Benefits
Joseph Palladino, New Jersey Division of Pensions and Benefits
Nicole Ludwig, New Jersey Division of Pensions and Benefits

Danielle Schimmel, Deputy Attorney General

Meeting Minutes:

Acting Secretary Ludwig stated that the minutes from the September Commission meetings SHBC are still under review and will be presented at the Commission's January meeting.

Discussion of the State Auditors Report of 07/18/2018

The Commission discussed the State Auditor's report.

Chairperson Culliton made a motion to go into Closed Session, Commissioner Davis seconded the motion; all voted in favor.

The following cases, due to HIPAA regulations, were heard in Closed Session:

Case #11081801: The member appeals OptumRx's denial of coverage of a DESI drug, which is not FDA approved and is excluded from the Plan's formulary. This appeal was previously tabled. OptumRx explained the category of DESI drugs, this drug in particular, and the FDA approved alternatives. The member's physician did provide a letter detailing the reasons the member cannot take any of the alternative, FDA approved medications.

Chairperson Culliton made a motion to go into Executive Session to seek advice from the Deputy Attorney General. Commissioner Davis seconded the motion, and all voted in favor.

Upon return from Executive Session, Commissioner Webster Cobb made a motion to approve the appeal, because the medication is medically necessary and there is no alternative medications available that the member can take. Commissioner Burdge seconded the motion; all voted in favor.

Case # 11081802: The member appeals OptumRx's denial of coverage for a non-FDA approved medication. OptumRx explained that on June 13, 2018 the FDA notified all manufacturers to stop distributing medications which included one of the ingredients in the requested medication. OptumRx also noted that the member had filled a prescription for an alternate medication that is covered, on October 25, 2018.

Chairperson Culliton made a motion to deny the appeal because it is not an FDA approved drug. Commissioner Davis seconded the motion. The motion passed 4-1 (Commissioner Burdge, nay)

Case # 11081803 (member present): The member appeals the denial of coverage for a growth hormone for the member's dependent child. The member explained the child's medical diagnoses and that the child is now considered to be shorter than the recommended height for the child's age. Chairperson Culliton asked the member if the birth parent's height was able to be presented, as the member's appeal challenging the IRO decision stated that this information was available. The member stated that the only documentation they had was provided to the IRO and they do not know where or how to obtain this information anymore.

Commissioner Davis made a motion to go into Executive Session to seek advice from the Deputy Attorney General.; Chairperson Culliton seconded the motion; all voted in favor.

Upon return from Executive Session, Chairperson Culliton made a motion to table the appeal to allow the member the opportunity to secure documentation to show the child's birth parents' height. Commissioner Davis seconded the motion, all voted in favor.

Case # 11081804: This member appeals the denial of coverage for an excluded compound medication. OptumRx explained the requested medication is comprised of three bulk chemicals which are specific plan exclusions. Further, there are 2 medications that are commercially available at are comparable.

Chairperson Culliton made a motion to deny the appeal, because bulk chemicals are excluded from the plan. Commissioner Webster-Cobb seconded the motion; all voted in favor.

Case # 11081805: The member appeals OptumRx's denial of coverage for a non-FDA approved medication. OptumRx explained that the medication in question is approved by the FDA at a different dosage. The requested dosage is not FDA approved. OptumRx also noted that the member did fill a prescription for a dosage that is FDA approved and was covered under the plan.

Chairperson Culliton made a motion to deny the appeal, as the drug in question is not FDA approved, and the member has been able to fill a prescription since the appeal was scheduled. Commissioner Davis seconded the motion; all voted in favor.

Case # 11081806 (member present): The member appeals the denial of coverage for a dental procedure to close a sinus perforation, CDT code D7261. Aetna Dental explained that the procedure is rare. Further, the procedure is covered under the Aetna Dental Managed

Organization (DMO) plan but not under the Dental Expense Plan (DEP). The member is covered under the DEP.

Chairperson Culliton made a motion to table the appeal and refer this matter to the Plan Design Committee to review and determine if this code should be covered under the DEP. Commissioner Davis seconded the motion; all voted in favor.

Case # 11081807: The member appeals the denial over coverage for a new dental crown, placed within five years from the last implant.

Chairperson Culliton made a motion to deny the claim based on the terms of the plan, which do not cover replacement of a crown within 5 years of the last placement. Commissioner Webster-Cobb seconded the motion; all voted in favor.

Case # 11081808 (member present): The member appeals the denial of room and board coverage for a dependent who was treated at an out-of-network substance abuse facility in Connecticut. The dependent, now deceased, was in and out of treatment facilities which were all covered by the SHBP. The member did state that they were informed up front by the facility that room and board would need to be paid out of pocket and it was up to the member to seek reimbursement from their insurer. The outpatient services at the facility were billed directly to the SHBP and covered. Horizon explained that the provider facility only requested authorization for outpatient services, not inpatient services. Room and board are not covered expenses with outpatient services. Horizon also explained that the facility is licensed to provide outpatient services, however, it is not a licensed inpatient facility.

Chairperson Culliton made a motion to go into Executive session to seek advice from counsel. Commissioner Davis seconded the motion; all voted in favor.

Upon return from Executive Session, Commissioner Burdge noted that for coverage under the SHBP, services must be provided by a licensed facility. Based on the information available to the Commission, as presented by Horizon, the facility in question is not licensed for inpatient services; therefore the claim cannot be paid. Commissioner Burdge made a motion to deny the appeal, based on the information provided by Horizon which states that the facility is not a licensed inpatient facility. Chairperson Culliton seconded the motion; all voted in favor.

Case # 11081809 (member present): The member appeals the denial of a Prior Authorization (PA) for Fertility Treatments for a member over the age of 45. The member asserts that the

denial is age discrimination. The member also noted a current pregnancy that resulted without fertility treatment.

Chairperson Culliton made a motion to deny the appeal, based on the New Jersey Fertility Mandate, which does not cover fertility treatments after age 45, and the fact that there is a current pregnancy. Commissioner Davis seconded the motion; all voted in favor.

Case # 11081810: This previously tabled appeal is for additional reimbursement for a prosthetic from an out-of-network facility. Horizon explained that the out-of-network facility in question, which is out of state, is a separate entity from the in state, in-network facility of similar name. Horizon reiterated that the claim was properly paid in accordance with the New Jersey Orthotic and Prosthetic Mandate.

Chairperson Culliton made a motion to deny the claim, based on the NJ Orthotic and Prosthetic Mandate, which applies to the SHBP. Which states that claims are paid at the same rate as the Federal Medicare reimbursement schedule. Commissioner Davis seconded the motion. The motion passed 4:1 (Commissioner Burdge nay)

Case # 11081811: This previously tabled appeal is to reimburse out-of-network pain management services as an in-network service based on emergency. The Commission previously tabled this appeal to allow the member time to submit a letter from the medical provider stating that the services rendered were emergent in nature. Acting Secretary Ludwig stated that the member had called and informed her that the doctor refused to provide the letter. No additional documentation was provided to either Horizon or the NJDPB.

Chairperson Culliton made a motion to deny the appeal. Commissioner Webster-Cobb seconded the motion; all voted in favor.

Chairperson Culliton made a motion to return to Open Session. Commissioner Davis seconded the motion; all voted in favor.

2019 Commission Dates for Approval

Commissioner Burdge made a motion to approve the 2019 Commission meeting schedule. Commissioner Gaenzle seconded the motion; all voted in favor.

Final Administrative Determinations:

Case # 11081812: Chairperson Culliton made a motion to approve the Final Administrative Determination. Commissioner Davis seconded the motion; all voted in favor.

Case # 11081813: Chairperson Culliton made a motion to approve the Final Administrative Determination. Commissioner Gaenzle seconded the motion; all voted in favor.

Case # 11081814: Chairperson Culliton made a motion to approve the Final Administrative Determination. Commissioner Davis seconded the motion; all voted in favor.

Settlement Proposals:

Case # 11081815: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Davis seconded the motion; all voted in favor.

Case # 11081816: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Burdge seconded the motion; all voted in favor.

Case # 11081817: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Webster-Cobb seconded the motion; all voted in favor.

Case # 11081818: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Budge seconded the motion; all voted in favor.

Adjournment:

Commissioner Davis made a motion to adjourn; Chairperson Culliton seconded the motion; all voted in favor. Meeting adjourned at 3:45.

Respectfully Submitted,



Nicole Ludwig
Acting Secretary, State Health Benefits Commission