

State Health Benefits Commission
Meeting Minutes
May 9, 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, May 9, 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 Palladino 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 Acting Commissioner of the Dept. of Banking and Insurance, Marlene Caride

Dudley Burdge, Representative for Local Government Employees

Deirdre Webster-Cobb, Chai/CEO, Civil Service Commission

Debra Davis, Representative for State Government Employees

Also Present:

Mark Cipriano, New Jersey Division of Pensions and Benefits

Joseph Palladino, New Jersey Division of Pensions and Benefits

Danielle Schimmel, Deputy Attorney General

Minutes

Commissioner Davis made a motion to approve the November, 9 2017 meeting minutes. Commissioner Burdge seconded the motion and all voted in favor.

Chiropractic Resolution: Appellate Court Decision

In this matter the Appellate Division affirmed the Plan Design Committee's adjustment to the reimbursements for chiropractic services.

Member Appeals

Case #05091801 (NJDPB Appeal) – The member appealed the denial of the request for enrollment into the retired dental program. The member filed the application for retiree coverage while a disability retirement application was pending. The member's coverage was terminated due to non-payment of premiums. The member was awaiting a pending disability retirement and stopped making payments for the dental coverage. There was a final notice to issue payment sent out to the member after no payment was received. The member was terminated from the dental coverage and the provisions of the plan do not allow re-enrollment at a later date.

Chairperson Culliton made a motion to go into Executive Session. Commissioner Davis seconded the motion and all voted in favor.

Chairperson Culliton made a motion to deny the appeal. Commissioner Webster-Cobb seconded the motion. The motion passed 3:2 (Commissioners Burdge and Davis, nay because they believed they needed more documentation, including bills for the premium).

Case #05091802 (NJDPB Appeal) member present – This member was appealing denial of enrollment into active health benefits coverage at the start of the member's employment as a new hire. The member asserted that information from the member's HR department misled the member on the 60 day waiting period for the health benefits, leading the member to believe that the application could not be submitted for 60 days.

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.

Chairperson Culliton made a motion to permit the member's enrolment in the SHBP effective June 1, 2018, contingent upon receipt of a certification from the employer explaining the employer's error and

that their new hire information has changed. Commissioner Burdge seconded the motion and all voted in favor.

Chairperson Culliton made a motion to go into Closed Session to hear member appeals. Commissioner Burdge seconded the motion and all voted in favor.

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

Case #05091803 (Horizon Appeal) member present – The member appealed the denial of coverage for a reduction mammoplasty. The member's request for preauthorization was denied because the required documentation, per the medical policy, was not provided. The member underwent the procedure without authorization. The denial of coverage was upheld by the IRO.

Chairperson Culliton made a motion to affirm the determination of the IRO denying the benefits and to deny the member's appeal. Commissioner Davis seconded the motion. The motion passed 4:1 (Commissioner Burdge, nay).

Case #05091804 (Horizon Appeal) – The member appealed the change in reimbursement rate for preauthorized out-of-network physical therapy. The reimbursement rate changed effective November 1, 2016.

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

Commissioner Burdge made a motion to approve the appeal because the member had received a pre-approval for the dates of service in question. Commissioner Davis seconded the motion and all voted in favor. Chairperson Culliton explained that she voted yes based on the equitable arguments advanced with regard to the fact that the member had already been preapproved for a certain number of visits and was in the middle of the course of treatment when the change occurred and the member was unaware.

Chairperson Culliton made a motion to go into Open Session. Commissioner Davis seconded the motion and all voted in favor.

The Following Cases were heard Open Session:

Case #05091805 (NJDPB Appeal) member present – This member appealed the date of the waiver of coverage of the SHBP Prescription Drug Plan. The member filed an application during open enrollment to waive coverage due to coverage through a spouse. While all coverage appeared canceled, part way through the year, deductions for prescription drug coverage were taken and the member filled prescriptions through the SHBP plan. The member claimed the application that NJDPB received was

altered. The member also raised questions about a refund received and line items for deductions on the pay stubs and asserted that the prescription drug claims were reversed.

Commissioner Burdge made a motion to table the appeal in order to allow the NJDPB to develop further information for the factual record. Commissioner Davis seconded the motion and all voted in favor.

Case #05091806 (NJDPB Appeal)– The member appealed the denial of the request to change dental plans within 12 months of enrollment in the plan. As a retiree, the member can change plans after remaining in an existing plan for at least 12 months and they do not have to wait for open enrollment.

Chairperson Culliton made a motion to deny the appeal. Commissioner Burdge seconded the motion and all voted in favor.

Case #05091807 (NJDPB Appeal) (member and representative present) – The member appealed the denial of Medicare Part-B reimbursement. This matter had been tabled a previous Commission meeting to permit the member to submit additional records supporting continuous service. NJDPB confirmed payroll records showing a gap in service of one pay period between employers.

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.

Chairperson Culliton made a motion to table the matter and request that that the Deputy Attorney General provide legal advice regarding the 25 years and as to whether hire date is a relevant factor. Commissioner Burdge seconded the motion and all voted in favor.

Settlement Proposals

Case #05091808 – Chairperson Culliton made a motion to approve the settlement authority requested by Equian. Commissioner Davis seconded the motion and all voted in favor.

Case #05091809 – Commissioner Webster-Cobb made a motion to go into Executive Session to discuss pending litigation. Commissioner Burdge seconded the motion and all voted in favor.

Chairperson Culliton made a motion to authorize Equian to settle the matter for no less than the amount that they represented would be fair. Commissioner Burdge seconded the motion and all voted in favor.

Adjournment

Chairperson Culliton made a motion to adjourn at 1:06 PM. Commissioner Burdge seconded the motion and all voted in favor.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Nicole Ludwig". The signature is written in a cursive, flowing style.

Nicole Ludwig
Acting Secretary, State Health Benefits Commission