

School Employees' Health Benefits Commission
Meeting Minutes
September 19, 2018; 1:00 PM

The meeting of the School Employees' Health Benefits Commission of New Jersey was called to order on Wednesday, September 19, 2018 at 1:00 PM. The meeting was held at Thomas Edison State University, 101 West State Street in Trenton.

Commissioner Gallagher made a motion to go into Executive Session to receive advice from the Attorney General's Office. Commissioner Kelleher seconded the motion and all voted in favor.

Upon return from Executive Session, Mark Cipriano took Roll Call and established that a quorum was present.

Roll Call

Commissioners:

Kevin Kelleher, NJEA

Julie Giordano Plotkin, NJEA

Dan Goldman, NJEA

Sonia Rivera-Perez, representing State Treasurer Elizabeth Maher Muoio

Thomas Gallagher, representing Commissioner Marlene Caride of the Dept. of Banking and Insurance

Cynthia Jahn, N.J. School Boards Association

Michael Maillaro, AFL-CIO

Also Present:

Amy Chung, Deputy Attorney General

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

Nicole Ludwig, New Jersey Division of Pensions and Benefits

Joseph Palladino, New Jersey Division of Pensions and Benefits

Commissioner Gallagher made a motion that the meeting proceed and to enter a statement into the record. Commissioner Maillaro seconded the motion and all voted in favor.

Commissioner Gallagher read the following statement:

At the commencement of every meeting of a public body the person presiding shall announce publicly, and shall cause to be entered in the minutes of the meeting, an accurate statement to the effect:

a. that adequate notice of the meeting has been provided, specifying the time, place, and manner in which such notice was provided; or

b. that adequate notice was not provided, in which case such announcement shall state

(1) the nature of the urgency and importance referred to in subsection 4.b.(1) and the nature of the substantial harm to the public interest likely to result from a delay in the holding of the meeting;

(2) that the meeting will be limited to discussion of and acting with respect to such matters of urgency and importance;

(3) the time, place, and manner in which notice of the meeting was provided; and

(4) either (a) that the need for such meeting could not reasonably have been foreseen at a time when adequate notice could have been provided, in which event, such announcement shall specify the reason why such need could not reasonably have been foreseen; or (b) that such need could reasonably have been foreseen at a time when adequate notice could have been provided, but such notice was not provided, in which event the announcement shall specify the reason why adequate notice was not provided.

Commissioner Kelleher made a motion to accept the statement as read into the record. Commissioner Goldman seconded the motion and all voted in favor.

Commissioner Gallagher then requested that the Division of Pensions and Benefits provide information on the emergency. Mark Cipriano explained that the School Employees' Health Benefits Program Plan Design Committee met on September 17, 2018 and passed resolutions that the Commission needs to consider. Open Enrollment is in October and there are new plans that need to be developed. Commissioner Kelleher noted that the Commission usually approves rates in July, sometimes August, and with it now being the middle of September, without enough

time for the Division of Pensions and Benefits to prepare and publish information, members will not be able to analyze the plans to determine which one is best.

Commissioner Goldman made a motion to affirm that an emergency exists sufficient to satisfy an exception to the Open Public Meetings Act. Commissioner Maillaro seconded the motion. All voted in favor.

Interim Chair

Commissioner Kelleher made a motion to nominate Commissioner Gallagher as interim chair. Commissioner Goldman seconded the motion and all voted in favor.

Plan Design Committee Resolutions

Mark Cipriano explained that Plan Design Committee Resolution 1 creates two new plans, NJDirect 0 and Freedom 0. The plans will have \$0 co-pays for primary care and specialist care. There is also a \$500 NJWell incentive. The plan also directs appropriate action with the Pharmacy Benefits Manager to implement the plans.

Commissioner Maillaro questioned if these plans were in addition to those that already exist. Mr. Cipriano answered yes. Commissioner Goldman questioned what the 10% co-insurance applies to and if it was on limited areas. Mr. Cipriano again responded affirmatively.

Commissioner Kelleher made a motion to approve the recommendation from the Plan Design Committee under Resolution 1 to create NJDirect 0 and Freedom 0 plans with the benefits outlined in Resolution 1. Commissioner Goldman seconded the motion. All voted in favor.

Mr. Cipriano explained the Plan Design Committee Resolution 2 moves all Medicare-eligible retirees to Medicare Advantage plans, Medicare Advantage PPO 10 and Medicare Advantage PPO 15, effective January 1, 2019.

Commissioner Gallagher questioned if this would just be with Aetna now and Mr. Cipriano responded affirmatively. Commissioner Kelleher questioned whether the change moves NJDirect 10 and NJDirect 15 under Horizon to Aetna Medicare 10 or 15, but if the members still wanted

to keep a supplemental plan, are there still plans offered? Mr. Cipriano responded that there are still supplemental plans offered, just not the 10 and 15 plans.

Commissioner Kelleher made a motion to approve Resolution 2 as recommended by the Plan Design Committee. Commissioner Rivera-Perez seconded the motion. All voted in favor.

Adjournment

Commissioner Kelleher made a motion to adjourn at 1:21 pm. Commissioner Goldman 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, School Employees' Health Benefits Commission