

State Health Benefits Commission

Meeting Minutes

July 10, 2019

Adequate notice of this meeting has been 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 2019 annual meeting schedule was mailed to the Secretary of State, Star Ledger and the Trenton Times on June 6, 2019.

The meeting of the State Health Benefits Commission of New Jersey was called to order on Tuesday, June 11, 2019 at 1:30 PM. 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

Gail Simon, 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 (appearing telephonically)

Absent:

Debra Davis, Representative for State Government Employees

Also Present:

Mark Cipriano, New Jersey Division of Pensions and Benefits

Nicole Ludwig, New Jersey Division of Pensions and Benefits

Christopher Meyer, Deputy Attorney General

Meeting Minutes

Acting Secretary Nicole Ludwig advised the Commission the Meeting Minutes for March and May, are not prepared and stated they would be presented at the next Commission Meeting.

Acting Secretary Nicole Ludwig advised the Commission that DAG Meyer was running late, and asked how the Commission would like to proceed. Chairperson Culliton asked, in the AGs absence that the Commission review Workers Compensation.

Settlement Proposals:

Case #07101901: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Burge seconded the motion; all voted in favor.

Case #07101902: Chairperson Culliton made a motion to authorize Equian to settle the matter as presented. Commissioner Burge; all voted in favor.

At this time the Deputy Attorney General entered the room. Acting Secretary Nicole Ludwig advised the Commission would return to the Agenda.

PDC RESOLUTIONS FOR REIVEW: 2019-5; 2019-6 & 2019-7

Acting Secretary Nicole Ludwig provided the Commission with Resolutions 2019-5, 2019-6 and 2019-7, which were recently passed by the Plan Design Committee (PDC). The PDC has asked that these Resolutions be presented to the Commission for review, and inform the PDC of any questions they may have.

Co-Chair of the SHBP PDC Jennifer Keyes-Maloney presented the three resolutions to the Commission. Co-Chair Keyes-Maloney stated the intent of Resolution 2019-7, was to encourage the SHBC to allow for local entity to opt into or out of the SHBP for just medical or medical & prescription combined.

Commissioner Burdge asked if this applies to Retirees. Co-Chair Keyes-Maloney confirmed. Commissioner Burdge asked if this also apples the active population. Co-Chair Keyes-Maloney stated this is the same for Actives. She is asking that due consideration be given in the future.

Co-Chair Keyes-Maloney reviewed Resolution 2019-5. She explained this Resolution is before the Commission to take notice, and to act accordingly in due time as you decide to direct.

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

Case #07101903: This appeal was tabled from the March Commission. The appeal was for a medication which is FDA approved for the opposite sex. Commissioner Culliton made a motion to go into Executive Session to seek guidance from the Deputy Attorney General. Commissioner Burdge seconded the motion; all voted in favor.

Upon return from Executive Session, Chairperson Culliton made a motion to deny the member's appeal based on the off-label use. Commissioner Webster Cobb seconded the motion; all voted in favor.

Case #07101904: This appeal is for Specialty Pharmacy to be dispensed at the Retail Level. Commissioner Culliton asked Optum if this has ever been done before. Mr. White of OptumRx stated it has been done only in extenuating circumstances, for example when there is a long term back order on a medication. Commissioner Culliton clarified, the instances are one time overrides, not ongoing. Mr. White confirmed. The member has been receiving the medication at the retail level due to a grandfathering that was provided by the Division under Express Scripts.

Mr. Draeger of OptumRx stated that in preparation for the appeal OptumRx has assigned a liaison to the family. This was done to ensure that the family has a direct contact who would help coordinate deliveries. Chairperson Culliton confirmed with OptumRx that the liaison would be available 24/7, also that the liaison could put an override in to allow a script to be filled at the Pharmacy level, if needed.

Chairperson Culliton made a motion to table the appeal for 4-5 months to allow the member to work with the liaison provided by Briova/OptumRx. Chairperson Culliton explained at that time the member would need to prove to the Commission that they were not able to fill the medication. However, if everything is moving smoothly, there is no need to present to the Commission again. Commissioner Webster Cobb seconded the motion, clarifying that the member is required to use Briova, and could not fill at the local pharmacy. The member confirmed they understood; all voted in favor.

Case #07101905: This is an appeal for eligibility into the Retiree Health Benefits. The member had previously presented to the Commission in September 2018. During this time the Commission advised the member that they had 90 days to pay the COBRA premiums for the required timeframe. This was done to ensure there was not a lapse in coverage, qualifying the member for Retiree Health Benefits. Chairperson Culliton asked the member if COBRA had been paid for as directed by Commission. The member confirmed they did not pay for COBRA.

Commissioner Simon made a motion to deny the ability to enroll in the SHBP as a Retiree. Commissioner Burdge second the motion; all voted in favor.

Case #07101906: This appeal is for a tier cost reduction on the medication NEXIUM. Mr. White of OptumRx explained the denial was based on the CMS guidance for 2019. This guidance states that for a medication to be considered for a tier cost reduction, there must be a name brand equivalent at a lower tier. Mr. White also went on to explain that NEXIUM is an over the counter medication (OTC) since March of 2014.

Commissioner Burge made a motion to deny the appeal for tier cost reduction. Commissioner Webster Cobb seconded the motion; all voted in favor.

Case #07101907: This appeal is for Private Duty Nursing (PDN). The parents presented stating that the child was receiving 12 hours of PDN, which will begin to step down to 8 hours through the end of October. Mrs. Ruotola, or Horizon explained the child was receiving 12 hours of PDN as an administrative direction given by the Division in 2003. She explained that the member is covered under Trenton City. She stated that in 2017 Trenton City left SHBP, the location returned to SHBP in 2018. Mrs. Ruotola explained due to the break in service the grandfathering ended. The PDN is now evaluated on Medical Necessity. Chairperson Culliton asked if a Peer to Peer was conducted. Mrs. Ruotola state it was not. Commissioner Simon asked if the child was on Medicaid, and if the child is receiving PDN under Medicaid. The member confirmed the child is receiving four hours of PDN under Medicaid.

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

Upon return from Executive Session, Chairperson Culliton made a motion to table the appeal. The appeal was tabled to allow Horizon to complete a Peer to Peer with the child's doctors. If by chance, the peer to peer is not successful, the Commission has directed Horizon to conduct a second IRO. This IRO should be completed by a doctor in the specialty that is specific to the case at hand. She explained the Commission is asking for a pediatric gastroenterologist, or a pediatric pulmonologist. Commissioner Burdge seconded the Motion; all voted in favor.

Dr. Napoli of Horizon asked for clarification on which doctors should be included in the peer to peer. Commissioner Simon stated Dr. Maxwell, and Dr. Sullivan from CHOP. The member stated that a Developmental Pediatrician should be included in the peer to peer. Chairperson Culliton stated Horizon should stick to the two doctors identified, as PDN is based on Medical Necessity and not cognitive ability.

Case #07101908: This appeal is for out-of-network Ambulatory Surgical Center (AMS) claims. Mrs. Ruotola of Horizon presented the appeal stating the services were rendered on June 25, 2018. The plan reimburses 160% of CMS allowance for AMS, and has a \$100 deductible for out-of-network, the reimbursement was for \$92.81. She presented a signed consent form from the provider which has examples of how claims will be paid, however, is not particular to this case.

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

Case #07101909: This appeal is for a change of dental plans for a member outside of the open enrollment period. Acting Secretary Nicole Ludwig advised the Commission that the member is in the Horizon DMO, and wishes to change to the Aetna DPO, she stated the member has not been in the plan for the required 12 month period.

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

Chairperson Culliton made a motion to enter into Executive Session to hear a settlement proposal from DAG Chung. Commissioner Burdge Seconded the motion; all voted in favor.

Case #07101910: The settlement proposal was presented in Executive session.

Case #07101911: This is a request for a hearing in the Office of Administrative Law. The appeal for Out of Network reimbursement was denied at the March 19, 2019 SHBC meeting. Chairperson Culliton made a motion to go into Executive Session to seek advice from the Deputy Attorney General. Commissioner Simon seconded the motion; all voted in favor.

Upon return from Executive Session, Chairperson Culliton made a motion to deny the hearing at the OAL. She directed the Acting Secretary to create a Final Administrative Determination. Commissioner Burdge seconded the motion; all voted in favor.

Adjournment:

Having no further items to discuss, Chairperson Culliton made a motion to adjourn. Commissioner Simon seconded the motion; all voted in favor.

The meeting adjourned at 1:46pm.

Sincerely,

A handwritten signature in black ink that reads "Nicole Ludwig". The signature is written in a cursive, flowing style.

Nicole Ludwig
Acting Secretary SHBC