



July 28, 2016

To: All NHHP Member Companies

Re: *NH Health Protection Program – Extension of New Hampshire Health Plan Purpose and Re-Establishment of Health Insurance Carrier Assessments*

Dear Sir or Madam:

As you may know, in its recent session the New Hampshire legislature passed House Bill 1696 (HB 1696), which extended Medicaid expansion under the Affordable Care Act (the “Health Protection Program”) for an additional two calendar years ending December 31, 2018. HB 1696 requires health insurance carriers and hospitals doing business in NH to split the difference between the State’s costs of running the Health Protection Program and federal support (the so-called “remainder amount”). The insurance carriers’ portion of the difference is projected to be a total of approximately \$18 Million for the additional two years.

To facilitate the carriers’ payment of their collective share of the remainder amount, HB 1696 postpones the dissolution of the NH Individual Health Plan Benefit Association, d/b/a New Hampshire Health Plan (“NHHP”), and authorizes it to impose and collect assessments against its carrier members. The law directs NHHP to deposit the assessments it collects, together with the funds remaining after the closure of NHHP’s high risk pool (net of administrative expenses and reserves), to the Health Protection Plan. NHHP also must identify the administrative details of this Medicaid Expansion assessment process in an amendment to its Plan of Operations/Termination to be submitted for approval to the NH Departments of Health and Human Services and Insurance by October 1, 2016.

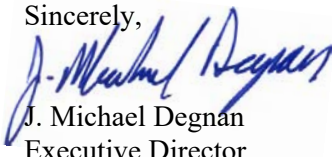
NHHP expects that it will use the same assessment process it established for the high risk pool. Assessments are collected quarterly and the first assessment will be payable on April 1, 2017, based on covered lives reported for the period from January 1, 2017 to March 31, 2017. Assessment payments are considered late if they are received by NHHP more than 45 days after the due date and are subject to a late fee charged at the rate of 18% per annum.

In order to establish an assessment rate that is designed to cover its members’ remainder amount obligations without creating significant overages or the need for subsequent special assessments, NHHP is asking each health insurance carrier to provide it with current monthly covered lives information for the quarter ending June 30, 2016. This will assist NHHP in determining the 2017 per member per month (PMPM) assessment rate.

WE WOULD LIKE TO RECEIVE YOUR APRIL 1, 2016 THROUGH JUNE 30, 2016 COVERED LIVES DATA NO LATER THAN MONDAY AUGUST 22, 2016. Please visit our website www.nhhealthplan.org to complete the assessment form. You will see a link (button) on the bottom right side of the page for the NHHP Online Assessment Form.

Thank you for your timely cooperation to help us make the assessment rate as accurate as possible. We will post on our website the amendment to our Plan of Operation/Termination as soon as it is approved by the regulators. If you have any questions in the interim, please contact either Erin Meagher (emeagher@helmsco.com) or Mike Degnan (jmdegnan@helmsco.com) by email or at the phone number below.

Sincerely,



J. Michael Degnan
Executive Director