

AMENDED AND RESTATED
PLAN OF OPERATION AND TERMINATION
of
NEW HAMPSHIRE HEALTH PLAN

(To Implement NH House Bill 1696 – 2016 Session)

This AMENDED AND RESTATED PLAN OF OPERATION AND TERMINATION (the “*Restated Plan*”) of the **New Hampshire Individual Health Plan Benefit Association, doing business as “New Hampshire Health Plan” (“NHHP”)**, a nonprofit New Hampshire corporation created pursuant to New Hampshire RSA 404-G (the “*Statute*”), has been approved by the NHHP Board of Directors (the “*Board*”) and submitted to the New Hampshire Insurance Commissioner (the “*Insurance Commissioner*”) and the New Hampshire Department of Health and Human Services Commissioner (the “*DHHS Commissioner*”) for approval.

Factual Background:

A. On September 11, 2013, the Commissioner approved the Plan of Termination adopted by the NHHP Board as required by Section 11 of the Statute (the “*Original Plan of Termination*”). The Commissioner subsequently approved a First Amendment to the Plan of Termination effective May 30, 2014 (the “*First Amendment*”), and a Second Amendment to the Plan of Termination effective February 20, 2015 (the “*Second Amendment*”). The Original Plan of Termination, as amended by the First Amendment and the Second Amendment, is referred to as the “*Existing Plan of Termination*.”

B. Since the adoption of the Existing Plan of Termination, the New Hampshire General Court passed and the Governor signed into law House Bill 1696 of the 2016 Session, which amended the Statute effective April 5, 2016 (the “*2016 Statutory Amendments*”). The 2016 Statutory Amendments essentially require NHHP to continue in existence for the limited purpose of collecting assessments on behalf of the State of New Hampshire in support of the New Hampshire Marketplace Premium Assistance Program established under New Hampshire RSA 126-A:5(XXV).

C. In fulfillment of the obligations imposed by amended Section 11(VI-a) of the Statute, the Board has approved this Restated Plan to provide for the continuation of NHHP and the operational details of its assessments against NHHP members and subsequent remittance payments to the New Hampshire Health Protection Trust Fund established under New Hampshire RSA 126-A:5-b in support of the Program. This Restated Plan also acknowledges the implementation of the provisions of the Existing Plan of Termination, but for ease of reference it replaces the Existing Plan of Termination as well as the NHHP Plans of Operation in their entirety.

Terms of Amended and Restated Plan of Operation and Termination:

In fulfillment of the obligations imposed by Section 11(VI-a) of the Statute, the terms of the Existing Plan of Termination, and of the NHHP Plans of Operation which it amended, are further amended by deleting them in their entirety and replacing them with the following:

PREAMBLE:

NHHP was formed in 1998 to operate a subsidy mechanism for insurance carriers providing individual health insurance coverage in New Hampshire in an effort to share excessive risk and maintain affordable premiums (the "*Subsidy Mechanism*"). In 2003 the role of NHHP expanded to include the operation of an individual high risk pool (the "*Health Plans*"), and in 2010 NHHP began operation of an under-19 subsidy mechanism pursuant to regulations promulgated by the Commissioner (the "*Under 19 Subsidy Mechanism*"). All of the foregoing were funded solely by assessments on insurance carriers providing health coverage in New Hampshire, each of whom is a member in the New Hampshire Individual Health Plan Benefit Association pursuant to Section 4(I) of the Statute (collectively the "*Members*"). NHHP also operated a federally qualified high risk pool (pre-existing condition insurance plan)(the "*PCIP*") under contract with the federal government pursuant to the Affordable Care Act (the "*ACA*"), but effective July 1, 2013, NHHP's operation of the federally qualified high risk pool ended and was assumed by the federal government.

NHHP's overriding community purpose has been "to facilitate the availability of affordable individual non-group health insurance" in New Hampshire. Given the establishment of an individual health insurance "marketplace" (the "*Marketplace*") and the restriction on insurance carriers from denying individual health insurance because of pre-existing conditions under the ACA effective January 1, 2014, the New Hampshire General Court in the 2013 Session determined that the programs operated by NHHP no longer were necessary, and that NHHP should transition the enrollees in its Health Plans to the Marketplace and wind down its affairs (the "*2013 Statutory Amendments*"). To assist in this transition, NHHP applied for and received federal grant monies under three Consumer Assistance Grants (the "*Grants*"). As noted above, the Existing Plan of Termination was adopted as the procedural guide to the winding down of NHHP's operations and affairs, and the dissolution of NHHP as required by the 2013 Statutory Amendments.

NHHP has concluded its operations with respect to the Subsidy Mechanism, the Under 19 Subsidy Mechanism, the Health Plans, the PCIP, and the Grants (collectively the "*Non-Program Operations*") and fulfilled the terms of the Existing Plan of Termination except as noted in Section I(B) below. NHHP's purpose and responsibilities, however, have been extended by the 2016 Statutory Amendments.

Therefore, this Restated Plan is designed to guide NHHP with respect to collecting assessments on behalf of the State of New Hampshire in support of the New Hampshire Marketplace Premium Assistance Program established under New Hampshire RSA 126-A:5(XXV) (the "*Program*"), and the remittance of payments (net of NHHP's administrative costs) and the Non-Program Surplus (defined below) to the New Hampshire Health Protection Trust Fund established under New Hampshire RSA 126-A:5-b (the "*Trust Fund*"), all in fulfillment of its obligations under the 2016 Statutory Amendments.

Any capitalized terms used but not defined in this Restated Plan will have the meaning ascribed to them by the Statute.

I. NON-PROGRAM OPERATIONS.

A. CONFIRMATION OF CESSATION OF OPERATIONS

NHHP confirms that, as of October 1, 2016, it will have: (i) concluded the Non-Program Operations; (ii) paid, or made reasonable provision for the payment of, all of NHHP's liabilities, whether accrued, contingent, expected or otherwise, in connection with the Non-Program Operations; and (iii) converted all remaining Non-Program Operations assets to liquid assets to the extent possible. Following the completion of the final audit of Non-Program Operations described in Paragraph (B) below, the remaining Non-Program Operations assets (the "*Non-Program Surplus*") will be used for the Program in accordance with Section II below.

B. FINAL AUDITS

NHHP has had an independent audit performed for calendar year 2014 which included coverage of the conclusion of the PCIP, and an independent audit for calendar year 2015 which included coverage of the conclusion of the Subsidy Mechanism and Under 19 Subsidy Mechanism (collectively the "*Subsidy Mechanisms*") and coverage of the closing of the first two of three Grants. In 2016, NHHP has had independent auditors perform special procedures covering the closing of the third of three Grants. A final independent audit performed for calendar year 2016, including the coverage of the closing of all Grants and the conclusion of the Health Plans operations, is expected to be completed by February 28, 2017.

C. TAX STATUS AND FILINGS

NHHP will continue its exemption from federal income tax under Section 501(c)(26) of the Internal Revenue Code of 1986, as amended (the "*Code*"), through September 30, 2016, and will file a final Form 990 when due. As of October 1, 2016, NHHP will assert exemption from federal income tax under Section 115 of the Code.

II. NEW HAMPSHIRE MARKETPLACE PREMIUM ASSISTANCE PROGRAM

The following new provisions set forth the operational details for NHHP's implementation of the Statutory Amendments in support of the Program:

A. NOTICE TO MEMBERS; UPDATE OF ASSESSMENT BASE

Because coverage under the Health Plans ceased on June 30, 2014, and the Subsidy Programs were ended by the 2013 Statutory Amendments, NHHP has not assessed its Members since the third quarter of 2013. Therefore, on July 28, 2016 NHHP posted a notice on its web site and sent an email to all Members known to it or identified by the New Hampshire Insurance Department. The notice described that the 2016 Statutory Amendments require the continued existence of NHHP for the sole purpose of collecting from the Members an amount not to exceed one-half of the "remainder amount" for the Program defined in RSA 126-A:5-c(1)(b) (the "*Remainder Amount*") plus NHHP's administrative expenses (including reserves), as reduced by the Non-Program Surplus. The notice also requested that the Members report by August 22, 2016 their Covered Lives for each month for the calendar quarter ended on June 30, 2016. NHHP will review the reports and follow-up with Members in an effort to estimate the number of Covered Lives on which assessments in support of the Program initially will be calculated.

B. NHHP BUDGET

On or before October 1, 2016, the NHHP Board will adopt a budget covering the period from October 1, 2016 to June 30, 2019 for the anticipated expenses (including reserves) of supporting the Program as required by the 2016 Statutory Amendments and for winding down and dissolving NHHP as required by the Statute (the "*Budgeted Expenses*"). On or before October 1, 2017, the NHHP Board will review the Budgeted Expenses and make any necessary adjustments based on actual expenses incurred by NHHP in supporting the Program under this Restated Plan. Because the initial assessments will not be payable until May 15, 2017 and pursuant to Section 11(VI-a) of the Statute, NHHP will retain a portion of the Non-Program Surplus equal to the Budgeted Expenses in a reserve account to be used for payment of the Budgeted Expenses (the "*Budgeted Expense Reserve Fund*"). Following receipt of the final audit of the NHHP financial statements covering the completion of the Grants and the Health Plans operations as described in Section I(B) above, NHHP will retain the remainder of the Non-Program Surplus (i.e. less the Budgeted Expense Reserve Fund) as a reserve against contingencies which may affect the Remainder Amount under the Program (the "*Program Reserve Fund*"). NHHP will report at least quarterly to the DHHS Commissioner or his designee the amount of the Program Reserve Fund.

C. DETERMINATION OF ASSESSMENT RATE

1. Initial Calculation of Assessment. On or prior to November 1, 2016, the NHHP Board will determine and submit to the Insurance Commissioner for approval an assessment rate calculated to raise from NHHP Members the amount described in revised Section 5-a(IV)(d) of the Statute (the "*Health Insurers' Program Share*"), less the Program Reserve Fund, when multiplied by the estimated number of Covered Lives. In calculating the Health Insurers' Program Share, NHHP will rely on the Remainder Amount reported to NHHP on or before August 15th of each year by the DHHS Commissioner as required by New Hampshire RSA 126-A:5-c(IV) for the period beginning January 1, 2017 and ending December 31, 2018. Upon approval by the Insurance Commissioner, NHHP will notify Members of the assessment rate commencing calendar year 2017 and will post on the NHHP web site its calculation of such assessment rate in accordance with this Paragraph 1.

2. Revised Calculation of Assessment. On or prior to November 1, 2017, the NHHP Board will determine and submit to the Insurance Commissioner for approval any required changes to the assessment rate established under Paragraph 1 above resulting from: (i) any change in the DHHS Commissioner's calculation of the Remainder Amount through December 31, 2018 reported to NHHP on or before August 15, 2017 as required by New Hampshire RSA 126-A:5-c(IV); (ii) any adjustment to the Budgeted Expenses pursuant to Section II(B) above which is not covered by the Budgeted Expense Reserve Fund; and/or (iii) any change in the estimated number of Covered Lives. Upon approval by the Insurance Commissioner, NHHP will notify Members of the assessment rate for calendar year 2018 and will post on the NHHP web site its re-calculation (if any) of such rate in accordance with this Paragraph 2. If any 2018 Program assessment include any adjustment to the Budgeted Expenses, such portion of assessment monies received will be deposited in the Budgeted Expense Reserve Fund.

3. Mid-Year Adjustment to Assessments. On or before January 15, 2018 as required by New Hampshire RSA 126-A:5-c(V), the DHHS Commissioner will determine and report to NHHP any difference between the projected Remainder Amount and the actual Remainder Amount for calendar year 2017. If the actual Remainder Amount is greater than the projected Remainder Amount, then NHHP will increase the 2018 assessment rate to allow for the collection of fifty percent (50%) of such difference during 2018. NHHP will submit the assessment rate increase to the Insurance Commissioner as soon as possible for approval, and will notify the Members upon receipt of such approval. Any such assessment rate increase will be deemed to be a special assessment allowing Members to increase premiums charged by the amount of such special assessment as described in Section 5-a(V) of the Statute. If the actual Remainder Amount is less than the projected Remainder Amount, then NHHP will deduct fifty percent (50%) of such difference

from the next scheduled payment to the Trust Fund described in Section D below, and will add such monies to the Program Reserve Fund.

4. Final True-Up. On or before January 15, 2019 as required by New Hampshire RSA 126-A:5-c(V), the DHHS Commissioner will determine and report to NHHP the difference, if any, between the Remainder Amount for calendar year 2018 projected pursuant to New Hampshire RSA 126-A:5-c(IV) and the actual Remainder Amount. If the actual Remainder Amount for 2018 is greater than the projection used for the 2018 assessments, then NHHP will calculate a special assessment rate to collect fifty percent (50%) of such difference from Members based on the Covered Lives reported for the fourth quarter of calendar 2018 (i.e. the last-reported Covered Lives) and taking into account any projected balance in the Program Reserve Fund or the Budgeted Expense Reserve Fund, and will submit such rate to the Insurance Commissioner for approval. Upon receipt of such approval, NHHP will notify Members of the special assessment and require payment within forty-five (45) days of such notice. If the actual Remainder Amount for calendar year 2018 is less than the projected Remainder Amount, then NHHP will reduce its final payment to the Trust Fund described in Section F(1) below by fifty percent (50%) of such difference, and any remaining funds will be available for distribution in accordance with Section III below.

D. ASSESSMENTS: REPORTING AND COLLECTIONS

1. Member Quarterly Reporting of Covered Lives and Assessment Payment. NHHP will make available on its web site an automated tool for Members to report Covered Lives as defined in the Statute (each an "Assessment Report"). NHHP intends to continue to use the tools utilized for assessments to support the Subsidy Mechanisms and the Health Plans. On or before the 15th day of the second month following the end of each calendar quarter in 2017 and 2018, each Member must submit electronically to NHHP an Assessment Report which details the Member's Covered Lives for each month of the quarter just ended and shows the calculation of that Member's assessment amount using the assessment rate established under Section II(C) above. The Member will remit to NHHP simultaneously with its Assessment Report payment of the assessment amount shown in such Report. Any assessment not paid by the due dates for each calendar quarter shown below will be subject to interest, calculated as provided in the NHHP reporting tool, accruing from the date the assessment amount was due. The following is the calendar of assessments in support of the Program:

Reporting Period	Report and Payment Deadline
January 1 - March 31, 2017	May 15, 2017
April 1 - June 30, 2017	August 15, 2017

Reporting Period	Report and Payment Deadline
July 1 - September 30, 2017	November 15, 2017
October 1 - December 31, 2017	February 15, 2018
January 1 - March 31, 2018	May 15, 2018
April 1 - June 30, 2018	August 15, 2018
July 1 - September 30, 2018	November 15, 2018
October 1 - December 31, 2018	February 15, 2019

2. Special Assessments. Assessments under this Section II(D), the Program Reserve Fund and any projected excess in the Budgeted Expense Reserve Fund will be NHHP's sole sources of revenue to make the remittances to the Trust Fund in support of the Program as required by the 2016 Statutory Amendments, which remittances will not exceed the Health Carriers' Program Share. Although NHHP will endeavor to avoid special assessments, the Board may establish one or more special assessment rates as is necessary or desirable to meet the obligations described in Sections C(3) and (4) above and/or to wind up the affairs of NHHP and to satisfy all of its debts and liabilities. The Board will use its reasonable efforts to manage expenses within the Budgeted Expenses, and to wind down and conclude the affairs of NHHP as soon as is reasonably possible after its obligations to support the Program end. To the extent necessary to maintain cash flow as determined by the NHHP Board, NHHP may obtain a line of credit upon commercially reasonable terms, the costs of which will be recovered from the Budgeted Expense Reserve Fund and, if necessary, Program Assessments.

E. PAYMENTS TO TRUST FUND

1. Remittance of Collected Assessments. NHHP will remit to the Trust Fund (a) the aggregate quarterly assessments, and (b) any special assessments it collects under Section II(D) above less the amount of any actual expenses which exceed the Budgeted Expense Reserve Fund and are included in such special assessments (collectively the "Program Assessments"). The total Program Assessments remitted by NHHP to the Trust Fund will not exceed the Health Carrier's Program Share. Each remittance to the Trust Fund will be made forty-five (45) days from the due date for each Program Assessment. The remittance of regular quarterly Program Assessments will be made in accordance with the following schedule:

Reporting Period	Assessment Due Date	Remittance to Trust Fund
January 1 – March 31, 2017	May 15, 2017	June 30, 2017
April 1 – June 30, 2017	August 15, 2017	September 30, 2017
July 1 – September 30, 2017	November 15, 2017	December 31, 2017
October 1 – December 31, 2017	February 15, 2018	March 31, 2018
January 1 – March 31, 2018	May 15, 2018	June 30, 2018
April 1 – June 30, 2018	August 15, 2018	September 30, 2018
July 1 – September 30, 2018	November 15, 2018	December 31, 2018
October 1 – December 31, 2018	February 15, 2019	March 31, 2019

NHHP will remit to the Trust Fund any Program Assessments received after the applicable due date within ten (10) days of their receipt.

2. Use of Program Reserve Fund. NHHP will plan to distribute the Program Reserve Fund to the Trust Fund as part of the last remittance shown in the schedule in Paragraph 1 above. Notwithstanding the foregoing, NHHP will remit all or any portion of such Program Reserve Fund to the Trust Fund within thirty (30) days of its receipt of a written direction from the DHHS Commissioner to do so. Any remittance of Program Reserve Fund monies will be credited against the next scheduled remittance, and any balance remaining in the Program Assessment for such quarter will be deposited into the Program Reserve Fund. It is NHHP's expectation (absent a default by any Member) that the total Program Assessments and Program Reserve Fund monies remitted to the Trust Fund will equal (but may not exceed) the Health Carriers' Program Share based on the actual Remainder Amount for calendar years 2017 and 2018 as determined by the DHHS Commissioner under New Hampshire RSA 126-A:5-c.

F. TERMINATION OF PROGRAM

1. Scheduled Termination of NHHP. The final remittance to the Trust Fund under Section II(E)(1) above is scheduled to be made on March 31, 2019 but is subject to extension for a special assessment under Section II(D)(4)above (as it may be extended, the "Final Remittance Date"). Absent a subsequent legislative amendment to the Statute, NHHP will begin winding down its affairs after the Final Remittance Date as described in Section III below.

2. Early Termination Due to Insufficient Funding. If the DHHS Commissioner determines that there is not sufficient funding in the Trust Fund to cover the projected Program costs for the non-federal share for the subsequent quarter, and terminates the Program under New Hampshire RSA 126-A:5-c(III), then he will give prompt notice of such termination to NHHP (the "Program Termination Notice"). Upon receipt of a Program Termination Notice, NHHP will issue a notice to its Members informing them of the Program termination, and establishing a revised Program Assessment schedule under Section II(D)(1) above to reflect the termination of the Program one hundred eighty (180) days from the date of the Program Termination Notice or as otherwise determined by the DHHS Commissioner. For purposes of this Restated Plan, the term "Final Remittance Date" will mean the date of any final remittance to the Trust Fund due from NHHP under the revised schedule described in this Paragraph 2.

III. WINDING DOWN OF NHHP AFFAIRS

A. PAYMENT OF CLAIMS AND CREDITORS; LIQUIDATION OF ASSETS.

Following the Final Remittance Date, NHHP will carry on no business except for the purposes of winding down its affairs, liquidating its assets, and paying, discharging or making reasonable provision for the payment of all of NHHP's liabilities, whether accrued, contingent, expected or otherwise.

B. FINAL AUDIT OF THE PROGRAM OPERATIONS.

NHHP will continue to have an annual independent audit of its operations and finances while this Amended Plan remains in effect. NHHP will have a final audit conducted by an independent certified public accounting firm of its last year (or short year, if applicable) of operations and finances, as described above, prior to any final distributions to Members under Section III(C) below. NHHP will continue to maintain its finances and bookkeeping on a calendar year basis.

C. DISTRIBUTION OF ANY REMAINING ASSETS.

Cash or other assets that remain after NHHP's liabilities and obligations have been paid and discharged in full, including but not limited to any balance remaining in the Budgeted Expense Reserve Fund after the payment of actual expenses in connection with the Program (the "*Actual Expenses*"), will be distributed within ninety (90) days of NHHP's receipt of its final audit report (as described in Section III(B) above) pursuant to Section 11(VI) of the Statute. Such assets will be deemed to be excess assessments and distributed (returned) to the Members in accordance with the number of Covered Lives attributable to such Member as of the then most recent quarterly Assessment Report; provided, however, that the Board may make adjustments to the distribution

formula with respect to those Members who have not fully-paid all prior assessments, including those Members who have entered into settlement agreements with NHHP. If the remaining assets are so minimal that such distribution to Members would be inefficient and costly because of the relatively small size of the distributions, then the Board may propose another method of distribution which is consistent with the principles of the Statute and this Restated Plan, for example a distribution to the New Hampshire Vaccine Association credited proportionately to the Members. Any such alternative distribution proposal must receive the prior approval of the Insurance Commissioner.

D. DISSOLUTION OF NHHP.

At the time NHHP is prepared to distribute its remaining assets to Members as described in Section III(C) above, NHHP will adopt a Plan of Dissolution consistent with this Restated Plan and applicable law for submission to the Insurance Commissioner. Upon approval of the Plan of Dissolution by the Insurance Commissioner, NHHP will make the final distribution to Members and file with the New Hampshire Secretary of State the Certificate of Dissolution described below.

IV. REGULATORY, LEGAL AND ADMINISTRATIVE MATTERS

A. REGULATORY MATTERS

1. Reports Required by Statute. NHHP will continue to make an annual report to the Insurance Commissioner in accordance with Sections 4-a and 7 of the Statute until the obligations of the NHHP are satisfied in full and any excess funds have been returned to Members. Rather than reporting on the Subsidy Mechanisms and the Health Plans, NHHP's annual report under Section 7 will include the status of the implementation of the 2016 Statutory Amendments and this Restated Plan for the preceding year.

2. Effect of Restated Plan. This Restated Plan will constitute an amendment to the Existing Plan of Termination required by Section 11(VI-a) of the Statute, and together with such amended Plan of Termination (as required by Section 11(V) of the Statute) a consolidation and restatement of the amended NHHP Plans of Operation described in Sections 5 and 5-a of the Statute. This Restated Plan and the Statute, except for those provisions specifically applicable to the Non-Program Operations, will remain in full force and effect and will continue to govern the operations of NHHP and the manner in which NHHP is administrated while it is supporting the Program under the 2016 Statutory Amendments and winding down its affairs after the Final Remittance Date.

3. Effective Date. This Restated Plan will become effective (the “*Effective Date*”) on the later of the dates of its approval by the Insurance Commissioner and the DHHS Commissioner.

4. Amendments to Restated Plan. Amendments to this Restated Plan may be initiated and adopted by the NHHP Board at any time and from time to time. No such amendment will become effective until it has been approved by the Insurance Commissioner and, if the amendment affects in any way NHHP’s operations in connection with the Program as described in Section III above, by the DHHS Commissioner.

B. LEGAL MATTERS.

1. Authority of the Board; Delegation. The NHHP Board will have authority to do or authorize any or all acts as it considers necessary or desirable to carry out the purposes of this Restated Plan, including, without limitation, the execution and filing of all certificates, documents, instruments, information returns, tax returns, forms and other papers which may be necessary or appropriate to implement the Restated Plan or which may be required by applicable laws. The Board may take or, as appropriate, authorize such further action as may be necessary or desirable and proper to consummate the transactions contemplated by this Restated Plan, and may engage such contractors and professional advisors as it deems necessary to assist it in interpreting and effectuating this Restated Plan. Because of the requirements of RSA 91-A to have a quorum physically present at meetings and in order to properly oversee the actions required by this Restated Plan of Termination, the Board may delegate some or all of its duties under Section III of this Restated Plan, except for the approval of the Plan of Dissolution, to its Wind Down and Transition Committee (the “*Wind Down Committee*”).

2. Limitations on NHHP Obligations.

(a) *Generally.* NHHP is under no obligation to comply with any provisions of the Statute pertaining to the ongoing conduct of the Non-Program Operations which have been terminated as required by Section 11 of the Statute. NHHP’s remaining obligations are limited to adhering to the requirements of this Restated Plan and the applicable provisions of the Statute with respect to the Program under the 2016 Statutory Amendments, and the subsequent winding down of NHHP’s affairs as described in Section III above. NHHP cannot be required to undertake any actions or responsibilities under this Restated Plan or the Statute which are anticipated to cause its Actual Expenses to exceed the Budgeted Expenses.

(b) *Program Support.* NHHP's duties are strictly administrative, and it is under no obligation to evaluate independently nor will it have the authority to challenge the DHHS Commissioner's determination of the Remainder Amount or the adequacy of the Trust Fund (the "DHHS Determinations"). NHHP, its directors, officers, administrators and agents will be entitled to rely conclusively without independent investigation on any report, instruction or other directive of the Insurance Commissioner and the DHHS Commissioner. If NHHP receives conflicting directives from the Insurance Commissioner and the DHHS Commissioner, it will be entitled to rely on and follow the Insurance Commissioner's directives except for the DHHS Determinations, with respect to which NHHP will be entitled to rely on and follow the DHHS Commissioner's directives. NHHP is not a guarantor of the Program Assessment obligations of its Members, whose liability under the Statute and this Restated Plan is several, nor is it required to take extraordinary collection efforts or other enforcement measures beyond those contemplated under this Restated Plan.

3. Immunities and Insurance. In conducting the affairs of NHHP under this Restated Plan, the Board and its committees, including without limitation the Wind Down Committee, the individual directors and committee members, and the NHHP administrators and their employees continue to enjoy the immunities of Sections 3(IV) and 9 of the Statute and the indemnification set forth in the NHHP Bylaws, which protections will continue after the termination of NHHP. To the extent not currently in effect, NHHP may acquire and maintain director and officer liability insurance to cover the activities of the Board and its committees under this Restated Plan.

4. Governance. The NHHP Bylaws, the charters of any Board committees, and any existing and subsequent duly-adopted policies will continue to govern the NHHP Board and its activities under this Restated Plan, which governance documents may be amended from time to time by the NHHP Board. Although the Board will endeavor to fill vacancies in its composition as described by Section 4 of the Statute, the actions and decisions of the Board will be valid and have full legal effect despite the existence of vacancies on the Board.

5. Certificate of Dissolution. Upon approval of the Plan of Dissolution by the Board and the Insurance Commissioner, NHHP will file a Certificate of Dissolution with the New Hampshire Secretary of State as required by New Hampshire RSA 292. Upon the satisfaction of all of its liabilities in full and the filing of such Certificate, NHHP will be deemed to be dissolved.

6. Subsequent Liabilities. If a liability of NHHP arises after the final distribution of remaining assets under Section III(C) above and to which no legal defenses (including the passage of the applicable statute of limitations) exist, then

NHHP will retain the power, and will establish, a special Assessment to cover such liability, and the Members will pay such Assessment in the same proportions by which assets were distributed under Section III(C). This provision is not intended to, and will not, benefit any third party, and NHHP reserves all legal and equitable rights and defenses available to it.

C. ADMINISTRATIVE MATTERS

1. Executive Director and Assessment Administrator. The Board will coordinate the implementation of this Restated Plan with the Assessment Administrator and Executive Director (collectively the “Administrators”). If the duties of any of the Administrators in connection with this Restated Plan exceed the terms of the existing contract for services between such Administrator and NHHP, the Board may amend or replace such contract accordingly and without a competitive bidding process. Such contracts may be extended by the Board through the anticipated completion of the winding down and dissolution of NHHP, which is currently projected to occur between June and September of 2019. The fees and other compensation payable to the Administrators will be included in the Budgeted Expenses.

2. Professional Advisors. NHHP will review and amend as necessary any existing contract with its professional advisors and other consultants, including without limitation, contracts with its legal and accounting advisors, and may engage such other consultants and professional advisors as it deems necessary or desirable to effect this Restated Plan, the costs of which will be included in the Budgeted Expenses.

3. Books and Records. NHHP will maintain books and records of its operations so that financial statements can be prepared and audited. NHHP will maintain a general ledger whose balances are used to produce NHHP’s financial statements in accordance with generally accepted accounting principles. The balances in the general ledger will agree with the corresponding balances in subsidiary ledgers or journals. All bank accounts/checking accounts will be established in the name of NHHP and, together with account signatories, will be approved by the Board. Two signatures will be required on all checks in excess of \$5,000.00.

4. Investment Policy. The NHHP Board has adopted, and will maintain, an investment policy. All Program Assessments collected prior to the applicable remittance date, and the Program Reserve Fund, will be invested by the Board in accordance with such policy.

5. Audits and Nonpayment of Assessments. NHHP reserves the right to audit its Members with respect to the accuracy of any Assessment Report submitted under Section II(D) above. Members will cooperate with NHHP with respect to such audits, and any information disclosed in the course of the audit will remain confidential unless disclosure is mandated by law or a regulatory body or officer with appropriate jurisdiction. The NHHP Board may, but will not be required to, initiate legal action to recover any assessment or portion of assessment amount, including late interest. In addition, the Board will send a list of any Member(s) that have not paid their assessments to the Insurance Commissioner as required by Section 4-a of the Statute, and the Insurance Commissioner may take further action as contemplated under Sections 6(I) and 6(II) of the Statute.

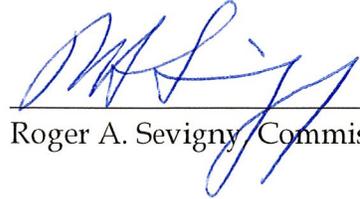
6. Member Appeals. Members may request permission to appear before the Board at any time in connection with any dispute with NHHP, or a Member may appeal directly to the Insurance Commissioner pursuant to Section 6(III) of the Statute. No request or appeal relating to Assessments will be heard until the protesting Member has paid the assessment in full. Any assessment amount paid under protest will be held in an interest bearing account with principal and interest to be paid to the prevailing party upon final resolution of the protest.

7. Limitations. No claim for adjustment, repayment or collection of assessments will be effective: (i) for an assessment paid or due three years before presentment of the claim to NHHP, unless NHHP elects in writing to waive the limitations period as equity and fairness may dictate, in its sole discretion; or (ii) after the dissolution of NHHP. Presentment of a claim will be deemed the date the notice is received by NHHP. If NHHP is required to refund collected assessments to a Member, the Association may elect to refund such amounts in installments for a period of up to three (3) years, with annual interest accruing at the federal applicable rate. The frequency and amount of such installments will be determined by the Board, in its discretion, based on the projected cash needs of NHHP.

APPROVAL OF NEW HAMPSHIRE INSURANCE COMMISSIONER

The foregoing Amended and Restated Plan of Operation and Termination adopted by the Board of Directors of the New Hampshire Individual Health Plan Benefit Association is hereby approved.

DATE: Oct 17 __, 2016

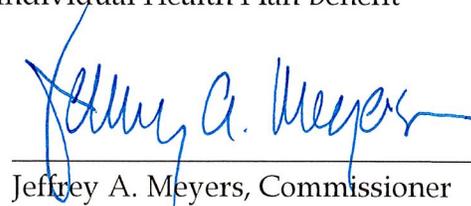


Roger A. Sevigny, Commissioner

**APPROVAL OF NEW HAMPSHIRE HEALTH AND HUMAN SERVICES
COMMISSIONER**

The foregoing Amended and Restated Plan of Operation and Termination adopted by the Board of Directors of the New Hampshire Individual Health Plan Benefit Association is hereby approved.

DATE: Oct 6 __, 2016



Jeffrey A. Meyers, Commissioner