



**The State of New Hampshire
Insurance Department**

21 South Fruit Street, Suite 14
Concord, NH 03301

Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

BULLETIN
Docket No.: INS No. 08-081-AB

TO: All New Hampshire Licensed Health Insurance Companies, Health Maintenance Organizations, Fraternal Benefit Societies and Third Party Administrators

FROM: Roger A. Sevigny

A handwritten signature in black ink, appearing to read "RAS", is placed over the name "Roger A. Sevigny" in the "FROM:" field.

DATE: January 13, 2009

RE: Guidelines for Hospital and Limited Indemnity Health Insurance

Questions have been raised concerning limited indemnity health insurance. Under RSA 420-G, indemnity health insurance is not considered health coverage subject to the requirements of RSA 420-G when it is offered as an independent, non-coordinated benefit. Similarly, the department's coordination of benefit rules do not include hospital indemnity coverage or other fixed indemnity coverage within the definition of a plan subject to coordination of benefits when the indemnity benefits are not related to the expenses incurred and are not related to reimbursement for services.

This Bulletin is intended to provide further guidance regarding the criteria that the department will apply 1) to determine whether a hospital or limited indemnity health plan constitutes an excepted benefit under RSA 420-G, and 2) to determine whether a filing may be approved as a hospital or limited indemnity product. These criteria are as follows:

1. The benefit must be for a specific amount that is event based and not expense based.

2. The benefit must be paid with respect to the occurrence of an event without regard to whether benefits are provided under other insurance.
3. The benefit shall not be assignable to a health care provider, and must be paid directly to the subscriber. The policy shall contain a provision prohibiting assignment of the benefit to a health care provider.
4. A subscriber must be able to determine from the policy schedule what coverage is provided.
5. Coordination of benefits is not permitted.
6. Managed care and network requirements are not permitted. The policy shall not include a provision requiring pre-certification.
7. Expense based riders shall not be permitted.
8. Rates for all limited indemnity health insurance products shall be submitted for approval.
9. Disclosures shall be provided in accordance with Ins. 1901.07.
10. Coverage may not be limited to or based on specific claim codes or diagnostic codes.

Indemnity policies that do not comply with the criteria specified in this Bulletin will not be considered to constitute excepted benefits under RSA 420-G, and will be required to meet the requirements of RSA 420-G.

For questions regarding this bulletin please contact Michael Wilkey at 603-271-2261.