

**New Hampshire Insurance Department
56 Old Suncook Road, Concord, NH 03301
603-271-2261
Consumer Hotline 800-852-3416
FAX 603-271-1406**

**Contact: Paula T. Rogers
Insurance Commissioner**

Insurance Department Press Release

**For Immediate Release
May 31, 2000**

Insurance Commissioner Paula T. Rogers today announced that she has authorized Harvard Pilgrim Health Care of New England to resume writing new health insurance coverage in New Hampshire, effective June 1st.

Commissioner Rogers' approval was conditioned upon the terms of a Consent Agreement, and it followed the approval by the Massachusetts Supreme Judicial Court of a rehabilitation plan prepared by Massachusetts officials. The Court's order approving the rehabilitation plan was issued on May 24th. In March, Harvard Pilgrim Health Care was given permission by these officials to write new business in Massachusetts.

Harvard Pilgrim Health Care of New England and its parent Harvard Pilgrim Health Care currently provide health insurance coverage to approximately 50,000 New Hampshire residents. It is the third largest HMO insuring residents in the State.

Commissioner Rogers commended Massachusetts Officials for their handling of the Harvard rehabilitation. Rogers also expressed her desire to see Harvard continue its return to financial health in order to enhance competition in the health care insurance marketplace in New Hampshire.

Rogers noted that the Consent Agreement was designed to expand the Insurance Department's financial and market oversight over Harvard during this interim period. Among other things, the Consent Agreement imposes a continuing obligation on Harvard to advise the Department and to notify prospective policyholders with regard to the status of its provider network in New Hampshire. The Consent Agreement also requires Harvard to file monthly financial reports and to maintain a \$1.5 million special deposit in New Hampshire for the protection of New Hampshire policyholders. Rogers also expects there to be continuing, close cooperation between New Hampshire and Massachusetts state officials.

Even with these protections, Rogers advised employers and brokers to make their own evaluation. As part of her oversight, Rogers will be continuing her dialogue with New Hampshire healthcare providers regarding their relationship with Harvard and other managed care insurers in the State.