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Maine-Based Health Insurance Co-op to Withdraw from NH in 2017

Community Health Options Has Had Financial Challenges; to Focus on Core Business in ME

CONCORD, NH – Health insurer Community Health Options will withdraw its business from New Hampshire in 2017 in an effort to focus on its core market in Maine. The health insurance co-op has worked with the New Hampshire Insurance Department and its primary regulator, the Maine Bureau of Insurance, on a plan aimed at allowing Health Options to strengthen its capital position and rebuild its reserves while mitigating disruption to its Granite State members.

“We think it is in the best long-term interest of consumers and the company itself for Health Options to focus on its core business in its home state as it works through financial issues,” said New Hampshire Insurance Commissioner Roger Sevigny. “In the meantime, Health Options policyholders in New Hampshire will have four insurance companies and numerous plans to choose from when open enrollment for 2017 coverage begins on November 1.”

In New Hampshire, 11,581 people have insurance coverage through Health Options (including group members); in Maine, Health Options has a total of 66,157 members. The company began selling plans in Maine in 2014 and expanded into New Hampshire in 2015. During its first years, Health Options saw high enrollment but also experienced higher-than-expected costs in the form of claims from its enrollees. In December 2015, the company announced that it would curtail new sales of 2016 individual plans in both Maine and New Hampshire in order to curb financial losses in the form of additional claims.

Of the New Hampshire members, approximately 1,400 were enrolled with Health Options under the Premium Assistance Program (PAP) as part of the New Hampshire Health Protection Program (NHHPP, the state’s Medicaid expansion). These Health Options members represent about 3% of PAP participants; they will have the opportunity to transition to other coverage for 2017 beginning November 1 through the NH Easy website maintained by the New Hampshire Department of Health and Human Services. To enroll or to change plans in the NHHPP, residents should call the DHHS Medicaid Service Center, at 888-901-4999.

The company, which is domiciled in Maine, is regulated by the Maine Bureau of Insurance. The Bureau has closely monitored Health Options since it began reporting losses in 2015 and has posted financial updates about the company on a monthly basis.

New Hampshire residents who are Health Options members will receive a letter from Health Options in the next few weeks notifying them directly that Health Options coverage will not be available in 2017. In order to ensure continued coverage, these New Hampshire members must select a new plan during open enrollment for the state’s health insurance marketplace, which begins November 1.

Consumers who enroll in a new plan by December 31 will have no gap in coverage, as the Health Options plans will remain in effect until the new coverage begins on January 1, 2017; however, the Insurance Department advises residents to select a new plan by December 15 in order to ensure a smooth transition. Consumers who have Health Options coverage through their employer will continue

to receive coverage until their plan's renewal date; questions should initially be directed to the employer.

"We have worked closely with Community Health Options and with the state of Maine to ensure that the company's withdrawal from New Hampshire would be minimally disruptive to policyholders here," said Commissioner Sevigny. "My hope is that this plan to focus on its core market in Maine will help Health Options regain its footing and ultimately return to New Hampshire's health insurance market."

The New Hampshire Insurance Department can help:

New Hampshire residents with questions about their Health Options coverage can contact the Department's Consumer Services Unit at 1-800-852-3416 or by email at consumerservices@ins.nh.gov.

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. For more information, visit www.nh.gov/insurance.