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NH Insurance Department Issues Guidance to Health Insurance Companies

State law details how companies must act to protect consumers if they alter coverage options

CONCORD, NH – The New Hampshire Insurance Department issued guidance today to health insurance companies on the state’s laws that dictate how a company must act to protect consumers if it decides to stop offering a certain product or leave the market altogether.

“Because of rising costs and uncertainty about what is going to happen at the federal level, New Hampshire residents are facing potential instability in the 2018 individual health insurance marketplace here in the state,” said New Hampshire Insurance Commissioner Roger Sevigny. “The Insurance Department is contemplating steps to help stabilize the market, but we also will make sure that consumers are given the protections granted to them under federal and state law.”

The Insurance Department’s guidance today to companies explains that because health coverage in New Hampshire is guaranteed renewable under state law, a company must give consumers advance notice and time to obtain other coverage if it decides to stop offering certain policies in the state. This includes providing notice at least 90 days in advance and offering each individual with discontinued coverage “the option to purchase any other health coverage currently being offered” by the company in the same market (individual, small group, or group).

If a company decides to leave a New Hampshire market altogether, it must provide notice to policyholders and enrollees at least 180 days in advance, New Hampshire law states. Companies that exit a market altogether will be barred, according to state law, from re-entering that market for five years. Any insurance company that decided to leave New Hampshire’s health insurance marketplace (HealthCare.gov) but continued to offer individual plans for sale “off-Exchange” would have to notify policy holders and enrollees of this “product discontinuance” by October 2, 2017.

“Companies want to continue to offer coverage, but they must include many factors in their analysis – rising claims costs, doubt over receiving cost-sharing-reduction payments from the federal government, and continued uncertainty about what reforms may be coming from Washington, D.C.,” said Commissioner Sevigny. “This is why I have asked the New Hampshire Legislature to approve legislation that would give the state the authority to consider a range of options to stabilize the individual market.”

The legislation, an amendment to House Bill 469, was approved yesterday by the Senate. The amended bill will now proceed to the House for a vote. It would authorize the New Hampshire Insurance Commissioner, operating under legislative oversight and with the cooperation of Governor Chris Sununu, to take steps aimed at shoring up the state’s individual market, potentially including seeking a federal waiver to fund the availability and price-stability of health insurance in the state. The amendment also would authorize the Insurance Department and the [New Hampshire Health Plan](#) to

investigate other options for assisting the individual market behind the scenes, without affecting the benefits or terms of coverage.