

NHMMJUA HARDSHIP GRANT PROCESS

Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, as Receiver (“Receiver”) of the New Hampshire Medical Malpractice Joint Underwriting Association (“NHMMJUA”), has allocated \$2,000,000 of surplus to a hardship fund as required by RSA 404-C:16, III. The hardship fund is available for hardship grants to certain NHMMJUA policyholders as provided in RSA 404-C:16, III.

1. Midwives certified under RSA 326-D and other health care providers who are licensed or approved by the State of New Hampshire who have in-force policies with the NHMMJUA on July 20, 2015 may apply to the Receiver for hardship grants using the attached NHMMJUA Hardship Grant Application Form. Applicants shall submit the completed Application, including the required attachments, to the NHMMJUA’s Receiver at Receiver, NHMMJUA, C/O Hays Companies, 133 Federal Street, Boston, MA 02110 (or Fax: 617-723-5155).

2. To be eligible for a hardship grant, the applicant must be a midwife certified under RSA 326-D and or another health care provider licensed or approved by the State of New Hampshire with an in-force medical malpractice policy with the NHMMJUA as of July 20, 2015. The Application Form requests this information.

3. To receive a hardship grant, the applicant must show that the applicant has or will suffer significant adverse economic hardship as a result of an increase of at least 25% in the cost of medical malpractice coverage. This requires that the applicant show (a) an increase of at least 25% in the cost of medical malpractice coverage as compared to the cost of coverage from the NHMMJUA as of July 20, 2015, and (b) significant adverse economic hardship from the increase. To demonstrate such an increase, the applicant shall submit a binding quote for medical malpractice coverage from an insurer in the New Hampshire private market that is comparable to the applicant’s coverage with the NHMMJUA as of July 20, 2015. To show economic hardship from the increase, the applicant shall provide the percentage of its annual revenue (gross revenue before expenses) that would be spent on the replacement medical malpractice coverage and an explanation of how the increase will cause significant economic hardship. The Application Form requests this information.

4. The Receiver shall review applications after they are received. If an application form is incomplete, or if the Receiver needs additional information, the Receiver may request that the applicant provide additional information to complete the application.

5. The Receiver shall determine whether each applicant is an eligible provider as described in paragraph 2 and has suffered significant adverse economic hardship from an increase in cost of at least 25% as described in paragraph 3. If the applicant is an eligible provider suffering the requisite significant adverse economic hardship, the Receiver shall determine the amount of any hardship grant. As provided in

RSA 404-C:16, III, any grant provided shall not exceed the difference between the cost of insurance through the NHMMJUA plus 25% and the premium charged in the private market for the most comparable coverage available. If the applicant is not an eligible provider or if the applicant has not demonstrated that the increase in premium will cause significant economic hardship, the Receiver shall deny the application. In all instances, the Receiver shall notify the applicant of the determination and that the Receiver will seek approval of the determination from the Court with notice to the applicant.

6. The Receiver shall request approval of all determinations from the Court. The Receiver may submit determinations to the Court in groups as he deems practical and appropriate. Each request shall provide the total amount of prior hardship grants, the total of hardship grants recommended in the request, and the remaining hardship fund balance. The Receiver shall serve a copy of the request for approval of the determination on the applicant by mail and shall provide notice that the applicant may object to the determination by filing an objection with the Court within ten days of the date the request for approval is filed with the Court. The Court shall be the final arbiter of all determinations.

7. The Receiver shall administer the hardship fund until it is exhausted or until the termination of the receivership, whichever occurs first. Each grant shall be for a one-year period, and recipients may be eligible for further grants in subsequent years if the hardship fund is still in effect. If in light of the number and amounts of grants requested by eligible applicants the Receiver anticipates that the hardship fund will be exhausted, the Receiver shall promptly report to the Court with recommendations. If funds remain in the hardship fund as the end of the receivership approaches, the Receiver shall seek the approval of the Court for the transfer of any remaining funds to a charitable organization that promotes aid to health care providers servicing medically underserved populations in accordance with RSA 404-C:16, III.