

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

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)
IN THE MATTER OF THE WINDING DOWN OF:)

THE NEW HAMPSHIRE MEDICAL MALPRACTICE)
JOINT UNDERWRITING ASSOCIATION)
)
_____)

No. 217-2015-CV-00347

**RECEIVER'S REQUEST FOR APPROVAL OF
HARDSHIP GRANT DETERMINATIONS AS OF APRIL 22, 2016**

Pursuant to RSA 404-C:16, III, and the NHMMJUA Hardship Grant Process approved by the Court on October 1, 2015, Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, as Receiver ("Receiver") of the New Hampshire Medical Malpractice Joint Underwriting Association ("NHMMJUA"), hereby requests that the Court approve the Receiver's determinations on three applications for hardship grants.

1. As set forth in the Receiver's Motion for Approval of Hardship Grant Application Process dated September 16, 2015, the Act regarding the dissolution of the NHMMJUA, 2015 Laws 263 ("Act"), requires the Receiver to allocate a portion of NHMMJUA surplus to establish a hardship fund to be available for hardship grants to NHMMJUA policyholders as of July 20, 2015 who suffer significant economic hardship when moving to the private insurance market. RSA 404-C:16, III. The Receiver accordingly established a hardship fund on the books of the NHMMJUA and requested the Court's approval of a hardship grant application form and application process. The Court issued the Order Approving Hardship Grant Application Process on October 1, 2015. That Order approved the NHMMJUA Hardship Grant Process ("Hardship

Grant Process”) and the NHMMJUA Hardship Grant Application (“Application”) attached to the Receiver’s motion.

2. To obtain a hardship grant under the Act, an applicant must show that the applicant (a) is a midwife certified under RSA 326-D or another health care provider licensed or approved by the State with an in-force medical malpractice policy with the NHMMJUA as of July 20, 2015, and (b) will suffer “significant adverse economic hardship as a result of an increase of at least 25% in the cost of medical malpractice coverage” from the premium charged for the most recent NHMMJUA coverage. RSA 404-C:16, III. The Act specifies that any grant “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.” RSA 404-C:16, III.

3. In accordance with RSA 404-C:15, II and the Order Approving Hardship Grant Application Process, the Receiver has been issuing notices of nonrenewal of NHMMJUA policies that enclose copies of the Hardship Grant Process and the Application.

4. As of April 22, 2016, the Receiver had received three applications for hardship grants. The Receiver has reviewed those applications, in one instance obtained additional information from the applicant, and sent letters to the applicants notifying them of the Receiver’s recommended determinations.

5. Each of the three applicants is a certified midwife or another health care provider licensed or approved by the State who had an in-force medical malpractice policy with the NHMMJUA as of July 20, 2015. In all three instances, the applicants have shown they will suffer “significant adverse economic hardship as a result of an increase of at least 25% in the

cost of medical malpractice coverage” from the premium charged for the most recent NHMMJUA coverage. The applicants are thus eligible for a hardship grant.

6. The Receiver accordingly determined the difference between (a) the premium for medical malpractice insurance in the private market as documented by the applicant and (b) the premium for the NHMMJUA policy plus 25%. This difference is the recommended hardship grant in accordance with the Act.

7. The Receiver’s recommendations concerning the three applications are set forth on the attached Schedule “A”.

8. In accordance with the Paragraph 6 of the Hardship Grant Process, a copy of this Request for Approval is being mailed to each of the three applicants. As provided in that paragraph, any applicant who disagrees with a recommended determination has the right to file an objection with the Court within ten days of the filing of this request for approval.

9. In accordance with Paragraph 5 of the Hardship Grant Process, the Receiver reports that there have been no prior hardship grants so that the hardship fund balance is \$2,000,000.

WHEREFORE, the Receiver requests that the Court approve the recommended hardship grant determinations as set forth on Schedule A.

Respectfully submitted,

ROGER A. SEVIGNY, INSURANCE COMMISSIONER
OF THE STATE OF NEW HAMPSHIRE, SOLELY AS
RECEIVER OF THE NEW HAMPSHIRE MEDICAL
MALPRACTICE JOINT UNDERWRITING
ASSOCIATION

By his attorneys,

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April 28, 2016

Certificate of Service

I hereby certify that a copy of the foregoing Receiver's Request for Approval of Hardship Grant Determinations as of April 22, 2016, was sent this 28th day of April, 2016, by first class mail, postage prepaid to all persons on the attached service list.



Eric A. Smith

NH Bar ID No. 16952

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SERVICE LIST

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Applicants:

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Pemi-Baker Community Health
101 Boulder Pt. Drive, Suite 3
Plymouth, NH 03264

Fred W. Salvatoriello, DMD
P.O. Box 181
Hanover, NH 03755-181

Ms. Kathryn Hartwell
Concord Birth Center
254 N. State Street
Concord, NH 03301

SCHEDULE A

RECEIVER'S RECOMMENDED NHMMJUA HARDSHIP GRANT DETERMINATIONS AS OF APRIL 22, 2016

<u>Applicant</u>	<u>Eligibility</u>	<u>Grant Amount</u>
Ms. Chandra Engelbert Pemi-Baker Community Health 101 Boulder Pt. Drive, Suite 3 Plymouth, NH 03264	Eligible (licensed provider whose annual premium for medical malpractice coverage has increased by more than 25% who will suffer significant adverse economic hardship from the increase in premium)	\$697 (amount by which private market premium exceeds the NHMMJUA premium plus 25%)
Fred W. Salvatoriello, DMD P.O. Box 181 Hanover, NH 03755-181	Eligible (licensed provider whose annual premium for medical malpractice coverage has increased by more than 25% who will suffer significant adverse economic hardship from the increase in premium)	\$702 (amount by which private market premium exceeds the NHMMJUA premium plus 25%)
Ms. Kathryn Hartwell Concord Birth Center 254 N. State Street Concord, NH 03301	Eligible (licensed provider whose annual premium for medical malpractice coverage has increased by more than 25% who will suffer significant adverse economic hardship from the increase in premium)	\$4,549 (amount by which private market premium exceeds the NHMMJUA premium plus 25%)