

**FOR IMMEDIATE RELEASE: July 19, 2017**

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**NH Insurance Department Takes Action to Stabilize Individual Market, Reduce Rate Increases**  
State seeks public comment on request for federal funding, proposed reinsurance program

**CONCORD, NH** – The New Hampshire Insurance Department today posted a notice seeking public comment, the first step in filing an application with the federal government for \$8.2 million in funding, part of a two-pronged plan to stabilize the state’s individual health insurance market.

The individual market, which insures 98,000 people through the state’s federally facilitated exchange (HealthCare.gov), has faced significant uncertainty and increased costs this year; because of this, premium rates on the exchange are likely to increase in 2018.

To promote stability and reduce the likelihood of dramatic rate increases in the individual market, the Insurance Department seeks to create a state-operated reinsurance program. It would be funded initially by an assessment of all health insurance companies operating in the state and, with the addition of federal dollars, could provide \$45 million to cover the cost of high-cost claims. This would enable companies offering plans on the individual market to lower their rates.

In order to receive the federal funding, the Department seeks to waive a very limited portion of the federal health care law in order to allow New Hampshire to receive what is known as “pass-through” funding from the U.S. government. This funding is the equivalent of what the federal government is estimated to save – because of the reinsurance program – in payments to insurance companies associated with the purchase of exchange plans for New Hampshire residents.

Actuarial analysis prepared for the Insurance Department estimates the reinsurance program will save the federal government \$9 million in Advance Premium Tax Credits for 2018. The federal funding, obtained through what is known as a Section 1332 waiver, would be effective January 1, 2018 for one year, with an option to renew for additional years with passage of state legislation. The state is also looking at whether it is possible to recover additional savings associated with the Premium Assistance Program that would arise from operation of the reinsurance mechanism.

Obtaining public input is an important part of the plan for stabilizing the market. The Insurance Department will hold two public hearings next month on the proposed reinsurance mechanism and application for federal funding. One will take place at 1 p.m. August 2 at the Walker Building in Concord (for more information and to register:

<http://events.constantcontact.com/register/event?llr=ygzv4fxab&oeidk=a07eedyp4t227a8a28c>); the

second will take place at 1 p.m. August 3 at the Kilton Library in West Lebanon (to register:

<http://events.constantcontact.com/register/event?llr=ygzv4fxab&oeidk=a07eedytep8dcbcb83e>).

Residents who are unable to attend a hearing in person may register to attend the August 2 hearing in Concord via webinar: <https://attendee.gotowebinar.com/register/8891679449688739842>.

Copies of the draft market stabilization plan are posted on the Department's website: [https://www.nh.gov/insurance/legal/nhid\\_proposed\\_waiver\\_app.htm](https://www.nh.gov/insurance/legal/nhid_proposed_waiver_app.htm). The Department plans to post additional information, including a detailed actuarial analysis, prior to the public hearing so members have the public have the opportunity to review and comment on it.

Residents may submit oral or written comments on the proposed waiver at the hearings or submit written comments to the Insurance Department, by mail to 21 South Fruit St., Suite 14, Concord, NH 03301, or by email to [Danielle.Barrick@ins.nh.gov](mailto:Danielle.Barrick@ins.nh.gov). All comments must be received no later than 4:30 p.m. August 17, 2017.

People with disabilities who require special accommodations, auxiliary aids or service, or alternative communication formats in order to participate in the process may contact Danielle Barrick at (603) 892-6777 or [Danielle.Barrick@ins.nh.gov](mailto:Danielle.Barrick@ins.nh.gov), or call TDD at 1 (800) 735-2964 no later than July 26, 2017 to ensure any necessary accommodations can be provided.

#### **About the New Hampshire Insurance Department**

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](http://www.nh.gov/insurance).