



The State of New Hampshire Insurance Department

21 South Fruit Street, Suite 14
Concord, NH 03301

David J. Bettencourt
Commissioner

Keith E. Nyhan
Deputy Commissioner

FOR IMMEDIATE RELEASE

Contact: Communications Unit
603-271-3781
communications@ins.nh.gov

New Hampshire Insurance Department Urges Consumers to Exercise Caution When Considering Limited Partnership Health Insurance Plans

CONCORD, NH (January 9, 2024) – The New Hampshire Insurance Department (NHID) is issuing a broad advisory, urging consumers to exercise caution when considering inexpensive health insurance plans associated with limited partnerships. This warning encompasses various limited partnerships, including those involved in multi-level-marketing schemes and proprietary web browsers.

The Enforcement Division of the NHID has observed an increasing number of consumer complaints related to the sale of health insurance plans through entities presenting themselves as limited partnerships. These entities claim that their policies, classified as employee welfare benefit plans under ERISA (Employee Retirement Income Security Act), are exempt from state insurance regulation. It is crucial for consumers to approach these offerings with caution and be aware of potential risks.

Overview:

Companies employing this strategy engage consumers as "limited partners" to enroll them in health insurance plans. In certain instances, consumers may be required to participate in multi-level-marketing partnerships or to download and utilize specific web browsers. The aim is to position consumers as "limited partners" eligible for ERISA insurance products.

Data Utilization:

Consumers involved limited partnerships using proprietary web browsers may unintentionally provide personal data and information. Companies often exploit this data for revenue generation by selling it to advertisers and other internet data firms. It is important to note that consumers typically do not receive compensation for sharing their data. In return, the companies offer group health insurance rates to the so-called limited partners.

Legal Considerations:

Although these plans may legally qualify as ERISA plans, consumers are encouraged to thoroughly assess the legitimacy and ethical practices of such offerings.

Consumer Protection Recommendations:

1. Thorough Research: Before enrolling in any health insurance plan, conduct comprehensive research on the company and its offerings. Verify legitimacy through reliable sources, including the New Hampshire Insurance Department.
2. Evaluate Limited Partnerships: Assess the structure and nature of any limited partnerships associated with health insurance plans, considering potential multi-level-marketing schemes.
3. Data Privacy Awareness: Be mindful when providing personal information online. Understand the terms of data usage and privacy policies associated with any software or service.
4. Consult Professionals: In cases of uncertainty, seek advice from insurance professionals, legal experts, or the New Hampshire Insurance Department before committing to any health insurance plan.

Vigilance is Key:

By exercising vigilance, insurance consumers can better protect themselves from potential risks associated with health insurance plans and various limited partnerships. Adopting a "buyer beware" approach ensures that individuals make informed decisions when navigating these offerings.

For further information or to report any related concerns, please contact the New Hampshire Insurance Department.

The New Hampshire Insurance Department Can Help

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. Contact us with any questions or concerns you may have regarding your insurance coverage at 1-800- 852-3416 or (603) 271-2261, or by email at consumerservices@ins.nh.gov. For more information, visit <https://www.nh.gov/insurance>.

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