



c/o CML Administrators, LLC ♦ 6 Dixon Avenue ♦ P.O. Box 1885 ♦ Concord, NH 03302-1885
TEL: 603-227-7CML (7265) ♦ FAX: (603) 226-9696 ♦ www.nhhealthplan.org

October 31, 2005

To: All NHHP Member Companies

I am writing to advise you that New Hampshire Health Plan (“NHHP”) assessments for calendar year 2006 will be as follows (please note that all assessments are per covered life per month):

	2006 Assessment	<u>(prior 2005 Assessment)</u>
1. Subsidy Mechanism	\$.01	\$.08
2. High Risk Pool	\$.00	<u>\$.70</u>
Total	\$.01	\$.78

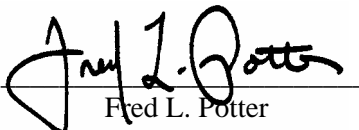
If your assessment for any quarter is less than \$10.00, then the assessment is waived for that period. This decrease only affects assessments for periods on or after the first quarter of 2006 (that report is due, with payment, on or before May 15, 2006). This does not affect the amounts due on November 15, 2005 or February 15, 2006 (for the third and fourth quarters of 2005, respectively).

This 2006 assessment reflects non-recurring financially favorable factors, including lower than anticipated operating costs, more favorable loss ratios than projected, and a more gradual enrollment growth than anticipated in last year’s planning. These factors, together with successful collection of federal grant monies, have positioned NHHP in a position of excess carry-forward reserves. As you know, the core task of our high risk pool in the market is to provide a facility offering insurance to New Hampshire residents who are rejected for coverage by private market carriers. We have completed an actuarial analysis which suggests that the operational results we should consider in our planning to meet statutory requirements are highly volatile. Bottom line experience of programs in other states generally has not resulted in the low assessment experience New Hampshire has enjoyed in recent years. NHHP’s Board continues to work diligently both to serve the public and to operate the facility efficiently so as to mitigate assessment increases. Nevertheless, and despite the nominal assessment for 2006, for planning purposes, the data suggests that carriers should anticipate increases, perhaps substantial increases, in assessment levels in future years.

CML Administrators responded to the interest in having available an internet-based assessment reporting tool. CML developed such a tool which has now been in effect for filings reported since the first quarter of 2004. This has eliminated both the need for members to inventory and file paper assessment forms and certain errors which had occurred in prior years’ filings. CML’s on-line assessment filing service is available through the NHHP website, www.nhhealthplan.org. The on-line service will automatically compute amounts due for the respective time periods at the levels set forth above.

Your assistance in updating your company’s mailing and contact information is greatly appreciated. As always, should you need any assistance with the website, please do not hesitate to contact CML Administrators via email at assessments@cml-1885.com or by calling 1-866-NHHP-CML (866-644-7265). We will welcome at any time any comments you may wish to offer on how we can better serve you through this assessment tool or in any other way. Thank you, once again, for your cooperation.

Very truly yours,
New Hampshire Health Plan
By CML Administrators, LLC
Its Executive Director

By: 
Fred L. Potter