



**NEW HAMPSHIRE  
HEALTH PLAN**

**Chairperson's Report for 2002**

During 2002 the New Hampshire Health Plan (NHHP) Board continued successful operation of the New Hampshire individual market subsidy mechanism. NHHP was able to pay all member subsidy submissions received in 2002 (for experience year 2001 and 2000 true up) prior to the close of the calendar year.

NHHP's primary attention in 2002 was focused on implementation of New Hampshire's high risk pool, the first such facility in northern New England. NHHP's Board, all serving on a volunteer basis, worked together extraordinarily well to guide the combined efforts of CML Administrators ("CML") our executive director & subsidy administrator and CBA/EBPA of Exeter, New Hampshire (our high risk pool administrator, which is responsible for insurance premium collections and claims payment) throughout this process. We were very pleased (i) to open the pool for new applications effective July 1, 2002, the first date permitted under the New Hampshire statute, and (ii) to complete successfully remaining start up tasks over the balance of the year.

Pool enrollments approached the 100 mark by the end of the year. We anticipate an enhanced public information function in 2003 to improve awareness of the program among New Hampshire residents eligible for pool coverage. We are pleased to note that the other benefit intended by the legislature also has been realized. Revised individual market rules went into effect in New Hampshire on July 1, 2002 when the pool was opened. Already the market has seen an increase in the number of product offerings, improved consumer benefits and tempered premium increases in response to these changes.

An unexpected byproduct of the engagement of CML has been the identification of significant under reporting of past assessments. CML's financial reporting and assessment monitoring protocols identified significant arrearages which had arisen despite the good faith compliance efforts of our members. Working with the New Hampshire Insurance Department, NHHP developed an amnesty program which CML has now communicated to all members. Over \$1.7 million has been collected under the amnesty program to date. Those collections contributed to the strong financial performance which enabled NHHP to close its fiscal year fully reserved for expected liabilities and with remaining net assets of more than \$7.8 million. This favorable financial performance enabled NHHP to reduce 2003 assessments from the prior combined levels of \$.96 per covered life per month to \$.80. The complete financial report for NHHP for the year ending December 31, 2002, including the independent auditors' report, is available on the "Members" page of NHHP's website: [www.nhhealthplan.org](http://www.nhhealthplan.org).

Once again, I want to express my appreciation for the excellent cooperation of our members throughout the year. We particularly appreciate those companies who supplied volunteer members for service on the Board of Directors. 2002, with the start up of the high risk pool, involved an exceptionally heavy work load for those industry representatives as well as for public board members appointed by Commissioner Rogers. In addition to the cooperation of NHHP members, our success is due, in large part, to the hard work of these volunteers and the ongoing support of Commissioner Rogers and her staff at the New Hampshire Insurance Department.



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Rod Turner, FSA, MAA  
NHHP Chairperson