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March 18, 2015

Mr. Jeffrey A. Meyers
Director, Intergovernmental Affairs
NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

Re: Premium Assistance Program – Plans and Benefits Template for 94% AV Silver Plan

Dear Jeff:

At your request, we are providing the New Hampshire Department of Health and Human Services (DHHS) with a “Plans and Benefits Template” (PBT) that defines the standard 94% actuarial value (AV) cost sharing design for the Premium Assistance Program adult population with incomes of 100% - 138% of the Federal Poverty Level (FPL). DHHS intends to provide this PBT to participating carriers so they can use it to develop and file rates for use on the Healthcare Marketplace in 2016.

The PBT is used in filing plans for use on the Healthcare Marketplace to outline in detail the benefits provided by the plans being filed. Note that the PBT provided with this letter only includes the 94% AV Level Silver Plan (the Silver 94 Cost Sharing Reduction (CSR) plan). The PBT filed by the carrier will include all plans the carrier is filing. The PBT included with this letter will provide the carriers with the necessary detail to ensure that cost sharing is administered the same way across all carriers, so Premium Assistance Plan enrollees will have the same cost sharing regardless of the carrier chosen.

We also attached Exhibit 1 in a more reader-friendly format than the PBT to show the cost sharing parameters. The exhibit breaks the parameters into two sections. The first section shows parameters that directly impact the AV calculator. The second section shows parameters that do not directly impact the AV calculator.

Note that cost sharing parameters for children are labeled “not applicable” because they apply to children under the age of 19 and these children are not part of the Premium Assistance Program.

CAVEATS AND LIMITATIONS ON USE

This letter is intended for the internal use of DHHS and it should not be distributed, in whole or in part, to any external party without the prior written permission of Milliman. We understand that you will provide the PBT to carriers filing in New Hampshire. We do not intend this information to benefit any third party, even if we permit the distribution of our work product to such third party. We also understand this letter will be shared with the New Hampshire Insurance Department, the New Hampshire Governor’s Office, CMS, and their advisors.

This letter is designed to provide a Plans and Benefits Template for the standard 94% AV cost sharing design chosen for the Premium Assistance Program in 2016. This information may not be appropriate, and should not be used, for other purposes.



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I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The terms of Milliman's Consulting Services Agreement with DHHS signed on November 16, 2012 apply to this letter and its use.



Please call me at (262) 784-2250 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Meerschaert".

John D. Meerschaert
Principal and Consulting Actuary, FSA, MAAA

JDM/kal

Attachment

Exhibit 1
State of New Hampshire - Premium Assistance Program
In-Network Cost Sharing Structure for 94% AV Plan Design
Plans and Benefits Template (PBT) Standard Benefit Categories

Actuarial Value Calculator Result	
Actuarial Value	94.96%
Global Cost Sharing	
Global Cost Sharing Feature	Cost Sharing
Deductible	\$325
Member Coinsurance	0%
Out-Of-Pocket Maximum (including deductible)	\$925
Benefits Affecting AV Calculator	
Benefit	Cost Sharing
Primary Care Visit to Treat an Injury or Illness	No Charge
Specialist Visit	\$8 Copay
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	No Charge after Deductible
Outpatient Surgery Physician/Surgical Services	No Charge after Deductible
Emergency Room Services	No Charge after Deductible
Inpatient Hospital Services (e.g., Hospital Stay)	\$125 Copay per Stay after Deductible
Skilled Nursing Facility	No Charge after Deductible
Mental/Behavioral Health Outpatient Services	No Charge
Mental/Behavioral Health Inpatient Services	\$125 Copay per Stay after Deductible
Substance Abuse Disorder Outpatient Services	No Charge
Substance Abuse Disorder Inpatient Services	\$125 Copay per Stay after Deductible
Imaging (CT/PET Scans, MRIs)	\$35 Copay
Preventive Care/Screening/Immunization	No Charge
Rehabilitative Speech Therapy	\$8 Copay
Rehabilitative Occupational and Rehabilitative Physical Therapy	\$8 Copay
X-rays and Diagnostic Imaging	No Charge
Generic Drugs	\$4 Copay
Preferred Brand Drugs	\$8 Copay
Non-Preferred Brand Drugs	\$8 Copay
Specialty Drugs	\$8 Copay
Benefits Not Affecting AV Calculator	
Benefit	Cost Sharing
Inpatient Physician and Surgical Services	No Charge after Deductible
Other Practitioner Office Visit (Nurse, Physician Assistant)	No Charge
Hospice Services	No Charge after Deductible
Urgent Care Centers or Facilities	No Charge after Deductible
Home Health Care Services	No Charge after Deductible
Emergency Transportation/Ambulance	No Charge after Deductible
Bariatric Surgery	\$125 Copay after Deductible
Prenatal and Postnatal Care	No Charge
Delivery and All Inpatient Services for Maternity Care	\$125 Copay after Deductible
Outpatient Rehabilitation Services	\$8 Copay
Habilitation Services	\$8 Copay
Chiropractic Care	\$8 Copay
Durable Medical Equipment	No Charge after Deductible
Hearing Aids	No Charge after Deductible
Routine Foot Care	\$8 Copay
Routine Eye Exam for Children	Not Applicable*
Eye Glasses for Children	Not Applicable*
Dental Check-Up for Children	Not Applicable*
Laboratory Outpatient and Professional Services	No Charge
Basic Dental Care – Child	Not Applicable*
Orthodontia – Child	Not Applicable*
Major Dental Care – Child	Not Applicable*
Transplant	\$125 Copay after Deductible
Accidental Dental	No Charge after Deductible
Diabetes Education	No Charge
Prosthetic Devices	No Charge after Deductible
Treatment for Temporomandibular Joint Disorders	\$125 Copay after Deductible
Reconstructive Surgery	\$125 Copay after Deductible
Diabetes Care Management	No Charge
Inherited Metabolic Disorder - PKU	No Charge after Deductible
Off Label Prescription Drugs	Not Applicable
Dental Anesthesia	No Charge after Deductible
Early Intervention Services	No Charge
Bone Marrow Transplant	\$125 Copay after Deductible

* Children under 19 are not part of the Premium Assistance Program.