

# New Hampshire

New Hampshire Insurance Commission  
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## Summary of Important Regulations

MEWA Regulations .....	Yes
TPA Regulations .....	Yes
Stop-Loss Regulations .....	No
UR Regulations .....	Yes

## NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Health Insurance Reserves Model Regulation	None	None
Comprehensive Health Ins. Cost Containment Model Act	None	None
Standardized Health Claims Form Model Regulation	None	N.H. Rev. Stat. Ann. § 400-A:15-a
Small Employer Health Insurance Availability Model Law	None	N.H. Rev. Stat. Ann. §§ 420-G: 1 to 420-G:11
Model Regulation To Eliminate Unfair Sex Discrimination	None	None
Health Information Privacy Model Law	None	None
Preferred Provider Arrangements Model Law	None	N.H. Rev. Stat. Ann. §§ 420-C:1 to 420-C:7
Utilization Review Model Law	None	N.H. Rev. Stat. Ann. §§ 420-E:1 to 420-E:9; N.H. Admin. Code Ins. 2001.01 to 2001.17
Managed Care Plan Network Adequacy Model Law	None	N.H. Rev. Stat. Ann. §§ 420-J:1 to 420-J:8
Third Party Administrator Law	N.H. Rev. Stat. Ann. §§ 420-H:1 to 402-H:16	N.H. Admin. Code Ins. 2301.01 to 2301.20



## NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Accident and Sickness Insurance Minimum Standards Model Law	N.H. Rev. Stat. Ann. §§ 415-A:1 to 415-A:6	None
Agents and Brokers Licensing Model Law	None	N.H. Rev. Stat. Ann. §§ 402:15 to 402:26
MEWA Licensing Model Law	None	None
Managing General Agents Law	N.H. Rev. Stat. Ann. §§ 402-E:1 to 402-E:7	None
Health Maintenance Organization Model Law	None	N.H. Rev. Stat. Ann. §§ 420-B:1 to 420-B:22
Insurance Information and Privacy Protection Law	None	None
Unfair Trade Practices Law	N.H. Rev. Stat. Ann. §§ 417:1 to 417:17	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Physical or Mental Impairment	None	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Total or Partial Blindness	None	None

## NAIC Model Laws or Regulations

<b><u>Name of Model Law/Regulation</u></b>	<b><u>Model/Similar</u></b>	<b><u>Related</u></b>
Unfair Discrimination against Subjects of Domestic Abuse in Health Benefit Plans Model Law	None	N.H. Rev. Stat. Ann. § 417:4
Unfair Claims Settlement Practices Law	N.H. Rev. Stat. Ann. § 417:4	None
Improper Termination Practices Law	None	None
Employee Leasing Registration Model Law	None	N.H. Rev. Stat. Ann. §§ 277-B:1 to 277-B:18
Private Employer Workers' Compensation Group Self- Insurance Model Law	None	None
Public Employee Workers' Compensation Group Self- Insurance Model Law	None	None
Twenty Four Hour Coverage Pilot Project Model Law	None	None

## State-Mandates

### **Benefits That Must Be Covered**

- Bone marrow transplants
- Breast reconstruction
- Clinical trials (for cancer or other life threatening illnesses)
- Contraceptives
- Dental anesthesia
- Diabetic supplies, education
- Drug abuse treatment
- Emergency services
- Formula for PKU
- Hair prostheses
- Mammography screening
- Mental health, general
- Mental health, parity
- Minimum maternity stays
- Off-label drug use

### **Benefits That Must Be Offered**

None

### **Persons Who Must Be Offered Coverage**

- Continuation/dependents
- Continuation/employees
- Handicapped dependents
- Newborns

### **Providers Who Must Be Covered**

- Chiropractors
- Dentists
- Nurse Practitioners
- Optometrists
- Osteopaths
- Podiatrist
- Professional Counselors
- Psychologists
- Social Workers

**Coordination of Benefits**

- Birthday Rule? Yes
- Divorced/Separated Rule? Yes
- Joint Custody Rule? No
- Active v. Inactive Rule? No
- Longer v. Shorter Rule? Yes
- Managed Care Rule? No
- COBRA Rule? No
- Preservation Rule? Yes

**Patient's Bill of Rights Legislation**

None

**High Risk Health Pool**

Yes—Capped at 150%

**External Grievance System**

Yes – all health care plans

**Basis of Filing Grievance**

Investigational and medical necessity

**Status of Decision of Grievance Panel**

Binding on both parties

**Prompt Payment of Health Claim Requirement**

Yes—30 days

**Commentary**

- Group policies must cover screening by low-dose mammography for all women 35 years of age or older for the presence of occult breast cancer, within the provisions of the policy. The coverage must include a baseline mammogram for women 35 to 39 years of age, a mammogram every one to two years even if no symptoms are present for women 40 to 49 years of age, and an annual mammogram for women 50 years of age or older. This benefit must be at least as favorable as for other radiological examinations and is subject to the same dollar limits, deductibles, and other coinsurance factors.
- New Hampshire requires that home health care providers give their clients a written copy of their rights and responsibilities before, or during, the initial evaluation visit and before initiation of care.
- All health insurance policies must contain a statement making available a maternity benefit rider, at the covered person's request, if maternity care is not otherwise covered under the policy or contract.

**MEWA Regulation**

New Hampshire began regulating MEWAs in 1992.<sup>1</sup> A MEWA is defined as an employee welfare benefit plan established for the purpose of offering or providing health benefits to the employees of 2 or more employers, or to their beneficiaries, including plans established by any political subdivision of the state or religious organization. It does not include any plan or arrangement established or maintained under one or more agreements which are collective bargaining agreements under Section 3(40) of ERISA. Two or more trades or businesses, whether or not incorporated, are deemed to be single employer if such trades or businesses are under common ownership or within the same control group as defined by ERISA.

The new legislation does not apply to fully-insured.

Fees and bonding requirements apply for registration. A fidelity bond in an amount equal to 10% of the funds handled annually which is not less than \$1,000, or more than \$500,000, is required. Also, a deposit shall be filed within 30 days of the close of the fiscal year in an amount equal to 25% of the preceding 12 months health care claims expenditures or 5% of gross annual premiums for the succeeding year, whichever is greater, not to exceed \$100,000. In lieu of the deposit, a surety bond in that amount may be taken. The MEWA must maintain a fund balance in excess of, or equal to, zero.

Other reporting requirements include copies of trust documents; copies of policies, contract certificates, summary plan descriptions; a copy of the stop-loss agreement, and other documents as may be required by the Commissioner.

Annual audits of such MEWAs must be provided to the Insurance Department with an actuarial certification every three years.

## **TPA Regulations**

New Hampshire adopted its TPA statute in 1994.<sup>2</sup>

Fee is \$300 for initial application. An Annual Report Filing is due on March 1 of each year, accompanied by a \$100 filing fee. An Annual Renewal Fee is due on June 14 of each year, accompanied by a \$100 fee.

A bond is required in the minimum amount of \$100,000.00.

Documents and financial reports required include:

- Federal tax returns for the last three previous years.
- Audited financial statements for the two most recent years.
- A surety bond or statutory deposit.
- Biographical information on principals.
- Certified copies of all organizational documents, copy of by-laws, business plan statement, etc.
- Summary of insurance policies.
- Notarized duplicate application form.

TPA's administering only self-funded workers' compensation policies are required to obtain a Certificate of Authority from the New Hampshire Department of Labor. TPA's administering self-funded workers' compensation and other lines of insurance are to obtain Certificate of Authority from both the New Hampshire Insurance Department and the New Hampshire Labor Department.

The statute exempts TPAs which administer only ERISA self-funded plans.

## **Stop-Loss Regulation**

Stop-loss may only be written if the mandated mental and nervous benefits are conversion privilege are  
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included in the plan document. This appears to be extraterritorial. In a major medical plan, benefits must be provided on the same basis as other illnesses, subject to limits of \$3,000 per year and \$10,000 lifetime.<sup>3</sup>

## Utilization Firm Regulations

Agency Responsible <sup>4</sup>	Dept. of Insurance
Requirements	Licensing; UARC standards are acceptable standards for licensing
Exemptions	Insurers, Blue Cross, and HMOs are free from licensing, but must register
Waivers	None

## Miscellaneous

### State Premium Taxes

Commercial insurers and HMOs pay 2%; Blue-Cross is not taxed.

### Small Group Reform

None

### MSA Legislation

No action.

### Managed Care

Any health care practitioner who has an ownership interest in, or receives compensation for, referring patients to an entity must disclose the interest to patients before referring them to the entity.

New Hampshire allows any pharmacy willing to accept the terms and condition of participation set forth by an HMO network to participate.

New Hampshire establishes a system of comprehensive regulation of the utilization review, including state certification requirements. Such state also stipulates that the standards may be considered met if the utilization review agent receives approval or accreditation by a private utilization review accreditation organization.

### Continuation of Coverage and Conversion of Benefits

New Hampshire law requires group policies to allow continuation coverage for 39 weeks for employees' spouses, dependents, and children who are members of a group insurance plan upon termination of coverage for any reason. The law requires those electing continued coverage to have been covered by the group policy for at least 60 days before termination. Individuals must apply for coverage and pay the first premium within 30 days of the loss of coverage. Employers must notify eligible members in writing of their right to continue coverage within 30 days of the loss of coverage. Employers are permitted to charge a \$3 administrative fee plus the actual cost of the coverage. Coverage ends if the beneficiaries become covered by other insurance, including Medicare.<sup>5</sup>

New Hampshire also requires employers to allow two years of continued coverage for divorced spouses who are under 55 (unlimited coverage if they are over 55) unless they remarry or become eligible for Medicare.

Coverage also terminates if the covered employee remarries. Those who elect such coverage must apply for it and pay the premium within 30 days of the divorce decree.

Covered group members are entitled to convert from group coverage to individual policies after the period of continuation coverage or after a loss of coverage. An individual over the age of 55 who receives continuation coverage because of divorce is entitled to convert from group coverage to individual coverage if the ex-spouse remarries.

## Endnotes

<sup>1</sup> N.H. Rev. Stat. Ann. Ch. 415-E.

<sup>2</sup> N.H. Rev. Stat. Ann. Ch. 402-H.

<sup>3</sup> N.H. Rev. Stat. Ann. § 45-18a.

<sup>4</sup> N.H. Rev. Stat. Ann. §§ 420-E:2, *et. seq.*

<sup>5</sup> N.H. Rev. Stat. Ann. § 415:18 VI.