



STATE OF NEW HAMPSHIRE
OFFICE OF THE GOVERNOR

CHRISTOPHER T. SUNUNU
Governor

Joint Health Care Reform Oversight Committee
New Hampshire State House
107 N Main Street
Concord, NH 03303

Dear Chairman Hunt,

At your last meeting, the committee decided to defer action on the request of the Department of Insurance for a federal waiver until you could ascertain my view on the Department's proposal.

Today New Hampshire's individual health insurance market, which serves nearly 50,000 people in New Hampshire, is in jeopardy. Consumers are faced with rate-increases in excess of 40% for 2018, and insurance carriers are still in the process of deciding whether to remain in the individual market.

Last week Commissioner Sevigny said that New Hampshire "could end up with a market failure, with no individual coverage available in the state." I see no solution in sight from Washington, as hyper-partisan gridlock and impractical plans are holding meaningful reform captive for the sake of political expediency. While New Hampshire's marketplace is collapsing, our delegation is attacking every effort to limit the damage that Obamacare is doing to tens of thousands of New Hampshire citizens. The Democrats have been in denial on the shortcomings of Obamacare, ignoring the reality that America's healthcare system has failed. We know real health care reform can only happen when both sides come together and provide meaningful ideas.

While New Hampshire alone cannot fix Obamacare, I believe we have a supreme responsibility to our citizens to do what we can on the state level to exhaust every federal option. Our delegation must become part of the solution.

Since becoming governor just six months ago, my administration has put forward many ideas including using federal waivers as a tool to bring flexibility, innovation and stability to our insurance markets. Given the drastic rate increases New Hampshire is facing, a federal waiver could prove to be an important tool to protect the 50,000 Granite Staters in the individual market. What our citizens don't want, and what I strongly oppose, is a tax increase. **It is wrong to create an additional assessment on the backs of Granite Staters who are already struggling to pay exorbitant health care costs.**

New Hampshire has one of the highest costs of healthcare in the nation, and adding additional costs on top of that takes us in the wrong direction. In particular, New Hampshire has the largest percentage in the country of those that pay the full cost of healthcare in the individual marketplace.

I renew my call to the Trump Administration to fund cost-sharing reduction (CSR) payments until a sufficient replacement for Obamacare is in place. Withholding CSRs at this late date as carriers are facing looming deadlines to set their rates for 2018 is compounding this problem. Further, while Congress has thus far failed to deliver critical reform of our health care system, now is not the time for them to throw up their hands and give up. Failure is not an option.

I would encourage your committee to authorize the Department of Insurance, in conjunction with HHS, to explore all options to stabilize the market via a federal waiver in a manner that does not raise taxes on our citizens. I have asked the Department to explore other waiver options or find opportunities that allow us to apply for additional federal dollars to help ensure cost effective options for New Hampshire and promote cost-transparency. New Hampshire will not move forward with a waiver that increases healthcare costs, or makes it harder to attract or retain workers. Further, I am asking carriers to immediately disclose if they are in or out of the individual market and what a plan would look like.

I also ask carriers to immediately disclose if they are in or out of the individual market and what a plan would look like. I encourage the Insurance Department to continue to work with insurance carriers as the federal deadlines for 2018 exchange participation approach. Further, measures that provide additional regulatory certainty and advance the goal of marketplace stability should be expeditiously considered, and where appropriate, implemented. I am committed to working with you and state agencies throughout this waiver process so that we can create an individual market that is stable in 2018. For the individuals that were unwillingly thrown into this market the status-quo is unfair and unacceptable.

Sincerely,



Christopher T. Sununu
Governor

CC: Senator Chuck Morse
Speaker Shawn Jasper
Senator Jeb Bradley
Senator Kevin Avard
Representative Frank Kotowski
Senator Martha Fuller-Clark
Representative Ed Butler