

JOSIAH BARTLETT HEALTH PLAN, INC.
Consumer Operated & Oriented Health Plan Program
Application Abstract

The Josiah Bartlett Health Plan, Inc. (JBHP) is a New Hampshire non-profit corporation applying for both Start-up and Solvency Loans under Funding Opportunity Announcement Number: OO-COO-11-001 and CFDA Number 93.545.

The applicant entity address is:
Josiah Bartlett Health Plan, Inc.
c/o The New Hampshire Medical Society
7 North State Street
Concord, New Hampshire 03301-4018

The telephone number is 603-580-6708 and the Internet address is JBHealthplan.org. The JBHP Project Officer is Glenn Klink. Glenn can be reached at the above address and his email address is GKlink@EHR.org.

JBHP intends to serve both New Hampshire Congressional Districts and projects accepting applications for enrollment effective January 1, 2014.

About the New Hampshire Health CO-OP, Inc.

JBHP is a non-profit corporation formed under the laws of the State of New Hampshire in 2012. The CO-OP program, which is defined by CMS as Consumer Operated and Oriented Plan, was formed expressly for the purpose of becoming a qualified nonprofit health insurance issuer defined under Section 1322 of the Accountable Care Act. This type of health plan is unique in NH because it will be required within one year of operation to have 100% of board members elected by the JBHP's members/subscribers and must use any surplus remaining, after paying expenses, repaying loans and building its reserves, for the benefit of its members/subscribers. As the only democratically run health plan in New Hampshire, JBHP will truly be the health plan of the people, by the people and for the people.

JBHP is being designed as an attractive alternative to the for-profit insurance companies that dominate NH's insurance market. Our business model will enable JBHP to offer health insurance at prices competitive with or lower than the current lowest cost insurer of individuals and small groups in the state. We can accomplish this in the following ways:

- The focus of JBHP will be the individual and small group markets, so the benefits will be designed for individuals who will be seeking insurance on the Health Exchange, often with the available federal assistance. While other insurers offer plans for this population, none specialize in this segment of the market.
- The JBHP statewide provider network will focus on primary care providers who will manage care locally refer to network specialists when necessary.
- The start-up and solvency loans that are the subject of this application will mean

access to low cost capital and freedom from investor returns thus allowing JBHP more flexibility in its pricing.

- JBHP is seeking an alternative to managing its operations in house, thereby lowering the cost of “back office activities.” This could include coordinating with the CO-OP insurance plans in our neighboring states, using a third party administrator or any other cost saving method.
- JBHP will explore alternative payment structures, including bundled payments and pay for performance as a means of increasing quality and reducing costs.

The lower cost, focus on quality and statewide network will be a boon to small business in NH. JBHP will offer an alternative that will ease the process of purchasing insurance and enable employers with fewer than 50 workers to comply with the ACA without facing financial hardship.

The value of private financial support raised by JBHP to date is \$77,500. The amount requested for the Start-Up Loan under the HHS funding opportunity is approximately \$9,000,000 and the amount requested for the Solvency Loan is approximately \$90,000,000.¹

JBHP anticipates the start date for accepting enrollment from individuals and small groups will be January 1, 2014. The CO-OP projects enrollment will reach 30,000 over the time period loans will be outstanding. It is likely that during the first 3 years of operation JBHP will create 50 to 70 new jobs.

¹ JBHP is currently working on the financial pro formas with Milliman Actuarial Group. The amounts presented are the upper limit of the request. The final request will be available 12/21/12.