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MSB



The State of New Hampshire
Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301

David J. Bettencourt
Commissioner

Keith E. Nyhan
Deputy Commissioner

November 2, 2023

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire Insurance Department (NHID) to enter into a contract with Oliver Wyman Actuarial Consulting, Inc. (VC#257318) of Boston, Massachusetts in the amount of \$224,940 to provide the NHID with a comprehensive study of New Hampshire health coverage markets, statewide health care spending, health care cost drivers, and policy options to promote access of affordable comprehensive coverage in commercial health insurance markets, effective upon Governor and Council approval through September 14, 2024. 100% Federal Funds.

Funding is available in Fiscal Year 2024, in account State Flexibility-Cycle II Grant.

02-24-24-240010-32640000 - State Flexibility-Cycle II Grant

State FY	Class-Account	Class Title	Amount
2024	046-500464	Consultants	\$224,940

EXPLANATION

This contract requires the vendor to conduct a comprehensive study of New Hampshire's health coverage markets, statewide health care spending, causal factors driving cost increases, and policy options to promote access to more affordable comprehensive coverage. The Vendor is expected to execute the following project components:

Phase 1: Analysis of Horizontal Threats to the Regulated Health Coverage Markets: Perform an historical descriptive study of all coverage sources to measure health coverage market permeability, migration of insureds between markets, and differences in risk profile and cost sharing and the actuarial value of benefits offered in the various markets with an eye to identifying threats to New Hampshire's individual, small group, and large group markets (the regulated commercial markets).

Phase 2: Analysis of Vertical Threats to the Regulated Health Coverage Markets: Perform a descriptive study of statewide health care spending as it affects health coverage premiums and develop a model using accepted econometric and actuarial techniques to identify the underlying causal factors driving healthcare cost increases, the most determinative healthcare market dynamics, and the resulting impact on the regulated commercial coverage markets of changes in overall statewide health care spending, including changes in spending in the various healthcare sectors.

Phase 3: Analysis of Policy Options to promote access to affordable comprehensive coverage: Using outputs from the market migration study and the modeling of statewide healthcare spending and underlying cost drivers, the vendor will then provide an analysis and report of the major health coverage market migration trends, health system spending trends, and health insurance cost drivers and discuss the most viable policy options to stabilize the regulated commercial coverage markets and mitigate the factors that are diminishing access to affordable, comprehensive coverage and driving market instability in the regulated markets.

Phase 4: Public Presentation of Analysis and Policy Options with Public Input: The vendor will conduct a public presentation of the findings and draft report produced under this project and, together with the Insurance Department, host a forum to educate policymakers and receive input on the public policy options discussed in the draft report for strengthening and stabilizing the regulated commercial markets and preserving access to affordable comprehensive coverage. The vendor will then produce a final report with a summary of salient public input received regarding the report's recommendations.

The Request for Proposals for this project was posted on the NHID's website and sent to the Department's RFP distribution list on August 25, 2023. Four proposals were received. The proposals were evaluated on October 11, 2023 by NHID staff familiar with the project and its goals using a scoring system described in the RFP. Oliver Wyman was the highest scoring bidder on this project, with an almost perfect score.

The NHID respectfully requests that the Governor and Council authorize funding for this consulting work. Your consideration of the request is appreciated.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "D.J. Bettencourt". The signature is fluid and cursive, with a long horizontal stroke at the end.

David J. Bettencourt

Bid scoring meeting held on 10/11/2023.

NHID Reviewers: Alexander Feldvebel, Insurance Company Examiner IV
 Michelle Heaton, Health Policy and Law Legal Counsel
 Jason Dexter, Director of Life and Health
 Jason Aziz, Director of Health Economics

RFP/VENDOR	Technical Expertise (30 points)	Qualifications and Experience (30 points)	Proposed Approach to the Project (30 points)	Bid Price- BUDGET AMOUNT	Price Proposal (10 points)	TOTAL SCORE (100 Points)	NOTES
RFP 2023-4-NHID: Comprehensive Study of New Hampshire Health Coverage Markets, Statewide Health Care Spending, Health Care Cost Drivers, and Policy Options to Promote Access to Affordable Comprehensive Coverage							
HMA / Wakely	30	29	29	\$224,292	9	97	
BerryDunn	30	29	29	\$225,000	9	97	
Lewis & Ellis / PCG	30	27	27	\$201,275	10	94	
Oliver Wyman	30	30	30	\$224,940	9	99	

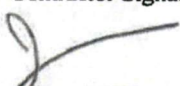

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.


AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name New Hampshire Insurance Department		1.2 State Agency Address 21 South Fruit Street, Suite 14 Concord, NH 03301	
1.3 Contractor Name Oliver Wyman Actuarial Consulting, Inc.		1.4 Contractor Address 99 High Street, Boston MA 02110	
1.5 Contractor Phone Number	1.6 Account Unit and Class 02-24-24-240010- 32640000-500464	1.7 Completion Date 9/14/2024	1.8 Price Limitation \$224,940
1.9 Contracting Officer for State Agency Alexander K. Feldvebel, Examiner IV		1.10 State Agency Telephone Number 603-271-2396	
1.11 Contractor Signature  Date: 11/1/2023		1.12 Name and Title of Contractor Signatory Jennifer Smagula, Principal	
1.13 State Agency Signature  Date: 11/2/23		1.14 Name and Title of State Agency Signatory David J. Bettencourt, Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)			
By:		Director, On:	
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable)			
By: Sheri Phillips, AAG		On: 11/3/2023	
1.17 Approval by the Governor and Executive Council (if applicable)			
G&C Item number:		G&C Meeting Date:	

Contractor Initials 
Date 11/1/2023

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of

whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7c or any other provision of law.

5.4 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files,

formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any Property which has been received from the State, or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91A and/or other applicable law. Disclosure requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved.

to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **WAIVER OF BREACH.** A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

17. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. **THIRD PARTIES.** This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

23. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. **FURTHER ASSURANCES.** The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

26. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

**Agreement with Oliver Wyman Actuarial Consulting, Inc.
Comprehensive Study of New Hampshire Health Coverage Markets,
Statewide Health Care**

**Exhibit A:
Special Provisions – Modifications, Additions,
and/or Deletions to Form P-37**

- I. *Ownership and Use of Documents.* All work product, reports, work papers, records, files, documents, schedules, computations, data, and correspondence created by or in the possession or control of Contractor or its sub-consultants created specifically and exclusively for the Department in connection with the Scope of Services to be provided, including those in electronic format, whether complete or incomplete, shall be the exclusive property of the Department. Contractor retains all rights in the intellectual capital (“Contractor IC”) developed and possessed by Contractor prior to or acquired by Contractor during the performance of the Services. Contractor IC is understood to include Contractor’s methodologies, ideas, know how, models, tools, skills, knowledge and experience, and any graphic or digitized representations of any of these. Contractor IC does not include any materials included as deliverables in Exhibit B Scope of Services. This paragraph shall survive the termination of this Agreement
- II. *Security and Confidentiality:* Contractor and its sub-consultants shall comply fully with all security procedures of the Department (or that bind the Department) in performance of this agreement. With respect to any information supplied in connection with this Agreement and designated as confidential, or which Contractor and its sub-consultants should reasonably believe is confidential based on its subject matter or the circumstances of its disclosure, Contractor and its sub-consultants agrees to protect the confidential information in a reasonable and appropriate manner, and use and reproduce the confidential information only as necessary to perform its obligations under this Agreement and for no other purpose. Without express written consent of the Department, Contractor and its sub-consultants shall not divulge to third parties any confidential information obtained by Contractor or its agents, sub-consultants, officers, or employees in the course of performing work under this Agreement and/or the Scope of Services, including but not limited to security procedures, business operations information, or commercial proprietary information in the possession of the Department. To ensure confidentiality, Contractor shall take appropriate steps as to its personnel, agents, peer reviewer(s), and sub-contractors. Contract shall comply with the terms of the Data Share Agreement in Exhibit D. The provisions of this paragraph shall survive this

Agreement. The Department shall not either during the term of this Agreement or at any time after the termination thereof, use or disclose to any person, firm or company any confidential or proprietary information of Contractor except as expressly permitted by this Agreement.

- III. *Public Records:* To the extent permitted by law, Contractor and its sub-consultants shall consult with the Department and obtain Department approval before disclosure of any records except as expressly provided for in this Agreement and the Scope of Services. If Contractor or its sub-consultants receives a request for records or a subpoena, Contractor shall furnish copies of the request and of any records in its possession and its sub-consultants possession that are responsive to the request to the Department. The Department will either defend the request or produce any public records or subpoenaed records to the requesting party, if any of the records are determined to be subject to disclosure. In the event that a judge in a court of competent jurisdiction orders Contractor or its sub-consultants to produce records in its possession directly to a court or other party, Contractor and its sub-consultants shall comply with the order and shall furnish a copy of any records produced to the Department.
- IV. Remove Paragraph 5.4 of the P-37 and replace it with the new Paragraph 5.4 as follows:
- 5.4 The Parties' aggregate liability for any and all claims, demands, costs, expenses, or other damages arising from or related to this Agreement shall be limited to an amount not to exceed the Price Limitation. The Parties agree that in no event will either Party be liable for any indirect, incidental, special, or consequential damages, including, without limitation, lost profits, even if the Party had been advised, knew, or should have known of the possibility of such damages. This paragraph shall survive the termination of this Agreement.
- V. *Services to be Performed.* Contractor is not acting as a fiduciary for the State in connection with the services it provides to the State and does not have a fiduciary or other enhanced duty to the State.
- VI. Section 9 of the P-37 is amended to add new Paragraph 9.3 as follows:
In the event that this Agreement is terminated for any reason, Contractor shall be entitled to payment for all services properly performed and all expenses properly incurred, in each case through the effective date of termination.

VII. *Conflict of Interest.* The Contractor representative signing this agreement affirms that to the best of its knowledge, no conflict of interest exists that must be disclosed in relation to this Agreement and the Scope of Services. In the event of a change in either the private interest or services under this Agreement, any questions regarding a possible conflict of interest that may arise as a result of a change in circumstances shall be promptly disclosed in writing to the Department. For purposes of this Agreement, promptly means within five (5) business days of the date Contractor becomes aware of the possible conflict of interest. Upon disclosure of a potential conflict of interest, the Department will determine whether the potential conflict may be waived if the Contractor agrees to maintain the confidentiality of each client's information and will abide by non-disclosure procedures (such as firewall protocols and other safeguards) to ensure that all confidences are protected.

VIII. Remove Paragraphs 14.1 through 14.3 of the P-37 and replace it with the new Paragraphs 14.1 through 14.3 as follows:

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of \$3,000,000 per occurrence and \$6,000,000 aggregate or excess.

14.2 The policies described in 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.



**Agreement with Oliver Wyman Actuarial Consulting, Inc.
Comprehensive Study of New Hampshire Health Coverage Markets,
Statewide Health Care**

**Exhibit B:
Scope of Services**

Phase I: Analysis of Horizontal Threats

Oliver Wyman Actuarial Consulting, Inc. (OWA) will analyse membership by coverage source over the past three to five years. This will include a broad analysis of movement of members and carriers into and out of markets. Our approach will utilize the NHID's Annual Report of Health Care Premium and Claim Cost Drivers (NH Annual Cost Trend Report) which is produced by OWA each year. ¹ The report will be summarized by coverage source.

After aggregating the information, OWA will overlay various policy changes to show how membership changes have been impacted by policies such as the New Hampshire Premium Assistance Program (NH PAP) program, introduction of the Section 1332 Individual Market Reinsurance Program, ARPA Subsidies, and Medicaid Redeterminations.

In addition to membership data, the NH Annual Cost Trend Report also includes enrollment data by age and for each of the individual, small group, and large group market segments, as well as plan design information and metal level information for the individual and small group segments.

Finally, OWA will conduct interviews with key market players and stakeholders such as brokers and insurers to understand the prevalence of emerging product offerings. In addition, OWA will interview the Massachusetts Division of Insurance who also investigated these product offerings for the Massachusetts Merged Market Advisory Council.

Deliverable: A summary PowerPoint slide deck that shows membership by coverage type for the past three to five years which will include a timeline that will highlight all the significant policy changes in NH and nationally over time and how membership has changed. The slide deck will also provide insight on the impact of these policy changes and a summary of potential risks involved to the insured markets as a result of the new product offerings in the market.

Estimated Timeline: December 2023 – January 2024

Phase II: Analysis of Vertical Threats to Regulated Markets

The focus on Phase II will be an analysis of total cost of care and health care cost trends. We will first measure New Hampshire's total cost of care for 2021 and 2022. Using the methodology employed by other states that perform this measurement each year, the OWA team will calculate the total cost of care for NH residents.

Once total cost of care is calculated for 2021 and 2022 and a health care cost trend is calculated, the trend will be benchmarked against the total cost of care trends for the other eight states that focus on this metric, where publicly available.

OWA will also provide drill down analysis on TME PMPM trends over the past three to five years for the commercial markets. These trends will be benchmarked against regional and national trends using OWA's licensed Meritive MarketScan® Research Database (MarketScan®).

Deliverable: A summary PowerPoint slide deck that shows NH's total cost of care for 2021 and 2022 and how this compares to the total cost of care and benchmark trends of the eight other states (where available) that perform this measure. The slide deck will also provide a drill down analysis of the NH experience showing each market's contribution to the total cost of care trend. In addition, the slides will include historical trend analysis of commercial TME in NH, highlighting price and use trends by service category over time. The slides will quantify each service category's contribution to the trend. These trends will be benchmarked against regional and national trends from OWA's licensed MarketScan® Data. In addition, the slide deck will include suggestions for further future drill down analysis.

Estimated Timeline: December 2023 – February 2024

Phase III: Analysis of Policy Options to Promote Affordable Comprehensive Coverage

The work performed in Phase I and II will help direct the state towards policy options that would be the most impactful for promoting access to affordable health care in NH. OWA will work with the NHID to choose up to three policy options to consider and analyze further, including up to one complex policy and two less complex policies. Depending on the policy options chosen, OWA will utilize its various actuarial models, which may include its leading-edge Healthcare Reform Microsimulation (HRM) model, which can consider potential changes to the future environment such as the elimination of ARPA subsidies, the unwinding of Medicaid, and the economic landscape when modeling the impact of these policies. The output of the modeling exercise will include either directional estimates or more specific estimates of how the policy could impact health insurance premium rates and enrollment in the insured markets, along with morbidity impacts to the commercial insured markets. OWA and the NHID will mutually agree to the policy options chosen to analyze, and will agree to the general modeling approach such that the proposed budget is maintained. This decision will be completed prior to the start of the analysis as part of the Phase III work.

Deliverable: A summary PowerPoint slide deck outlining up to three health care policies analyzed and the actuarial and economic results from modeling the impact the policies, either directional or specific. The results will include potential impacts to enrollment in insured programs and the expected impact to health insurance premiums.

Estimated Timeline: February 2024 – April 2024

Phase IV: Public Presentation of Analysis and Policy Options: Working with Agency Staff

The summary slide decks from Phase I, Phase II and Phase III will be aggregated into one overall draft presentation. In collaboration with the NHID, OWA will include a summary of the work completed and will provide some suggested next steps as part of the draft slide deck. In addition, OWA will present findings in a forum hosted by the NHID. At the conclusion of the forum, OWA will incorporate public comments into the final slide deck which will then be provided to the NHID.

Deliverable: A draft slide deck incorporating each slide deck from Phases I to III, in addition to a summary and suggested next steps. OWA will present the information at a forum hosted by the NHID. The final slide deck will include public comments.

Estimated Timeline: May 2024 – June 2024



Estimated Hours by Staff Person

Staff Person	Expected Hours
Jenn Smagula, FSA, MAAA, FCA	93
Peter Kaczmarek, FSA, MAAA	183
Bela Gorman, FSA, MAAA	13
Tammy Tomczyk, FSA, MAAA, FCA	13
Ryan Schultz, FSA, MAAA	14
John Rienstra, FSA, MAAA	71
Michael Pedre	176
Shay Darga	24
Total	587

Depending on schedules at the time of project kick-off, OWA may substitute staff with equivalent experience for John, Michael, and Shay and would communicate this to the NHID. The senior team members- Jenn, Peter, Bela, Ryan, and Tammy- would not be substituted.

In carrying out this work, OWA shall substantially conform to the Proposed Approach to the Project as set out in section 3 of OWA's RFP Response dated September 28, 2023.

Contractor will use all information and data supplied by the Department without having independently verified the same and assumes no responsibility for the accuracy or completeness of such information or data. If any data or information supplied to Contractor by the Department is incomplete, inaccurate, not up-to-date or not provided when needed, or if adequate access to appropriate individuals is not provided, then Contractor will not be responsible for liability or delays arising therefrom and shall be entitled to charge the Department in respect of the work actually carried out to correct the deficiency; provided, however, that Contractor's total charges to the Department may not exceed the Not to Exceed amount.

Contractor may from time to time comment on legal issues or draft documents that codify or create legal rights. When doing so, Contractor's comments and drafts will be based on its understanding of relevant law and industry best practice. However, this advice should not be construed as legal advice, which can only be provided by legal counsel and for which the State must seek advice of counsel.

**Agreement with Oliver Wyman Actuarial Consulting, Inc.
Comprehensive Study of New Hampshire Health Coverage Markets,
Statewide Health Care**

**Exhibit C:
Payment Terms**

Services will be billed at the rates set forth in the below table, not to exceed the total contract price of \$224,940.

Contractor will submit invoices to the New Hampshire Insurance Department (NHID) on a monthly basis. Invoices will contain the total number of hours and corresponding labor charges for each member of Contractor's team and subcontractors for the preceding calendar month. Invoices will be submitted electronically. NHID will make best efforts to pay all approved invoices within 30 days of receipt.

Staff Person	Hourly Rate
Jenn Smagula, FSA, MAAA, FCA	\$510
Peter Kaczmarek, FSA, MAAA	\$440
Bela Gorman, FSA, MAAA	\$560
Tammy Tomczyk, FSA, MAAA, FCA	\$560
Ryan Schultz, FSA, MAAA	\$510
John Rienstra, FSA, MAAA	\$310
Michael Pedre	\$270
Shay Darga	\$240

Depending on employee availability at the time of project kick-off, Contractor may substitute staff with equivalent experience at the same or lower respective hourly rate for John Rienstra, Michael Pedre, and Shay Darga and would communicate this to the NHID. The senior team members – Jenn Smagula, Peter Kaczmarek, Bela Gorman, Ryan Schultz, and Tammy Tomczyk – would not be substituted.

Exhibit D:
Data Sharing Agreement


To complete the scope of services as outline in Exhibit B of the Agreement, New Hampshire Insurance Department (NHID) will provide Contractor with confidential data obtained from the New Hampshire Comprehensive Health Care Information System (CHIS). This Data Sharing Agreement (DSA) establishes the terms, conditions, safeguards, and procedures under which the NHID agrees to provide the CHIS data.

1. Contractor understands that the CHIS data may include confidential information that is protected from disclosure by state and federal laws.
2. Contractor shall not use, disclose, maintain or transmit data except as reasonably necessary to provide the services outlined under Exhibit B of the Agreement.
3. Contractor shall make reasonable efforts in accordance with industry-accepted standards to protect the confidential nature of all data provided.
4. Contractor shall ensure all employees and subcontractors that have access to the confidential data have been trained in safeguarding the confidentiality and security of the confidential data.
5. Contractor shall require any employees or subcontractors that receive, use, or have access to the data under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use of the data as contained herein, including the duty to return or destroy the data.
6. Contractor shall not disclose or make use of the identity, financial or health information of any person or establishment discovered inadvertently.
7. Contractor shall take reasonable steps to monitor the security of the confidential data and shall report any breached in confidentiality *immediately* to NHID.
8. Contractor agrees that it has the duty to protect and maintain the privacy and security of confidential data and information, and that duty must continue in full force and effect until such data is returned and/or destroyed. For any such data that return/destruction is not feasible, the privacy and security requirements of this DSA must survive the termination or expiration of this DSA or term of continued use.
9. Contractor shall only retain the CHIS data and any derivative of the data for the duration of this Agreement. After such time, Contractor shall have 30 days to return or destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Agreement. If return or destruction is not feasible, or the disposition of the data has been otherwise agreed to in the Agreement,

Contractor Initials: 
Date: 10/31/2023

Contractor shall continue to protect such information in accordance with the Agreement for so long as Contractor maintains such data.

10. Contractor shall document in writing the date and time of the data destruction. The written certification shall document the destruction of both electronic and hard copy of the data and shall be provided to NHID upon request and at the termination of this agreement.

Contractor Initials: 

Date: 10/31/2023

State of New Hampshire

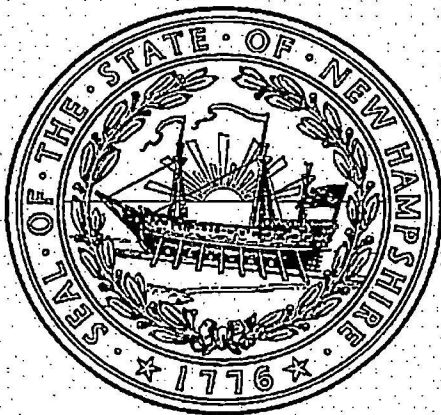
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that OLIVER WYMAN ACTUARIAL CONSULTING, INC. is a Delaware Profit Corporation registered to transact business in New Hampshire on April 28, 2023. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned; and the attached is a true copy of the list of documents on file in this office.

Business ID: 930686

Certificate Number: 0006337843

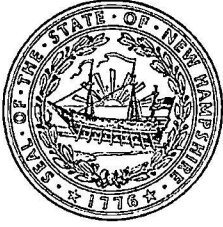


IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 24th day of October A.D. 2023.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan,
Secretary of State



State of New Hampshire

Department of State



Business Name : **OLIVER WYMAN ACTUARIAL CONSULTING, INC.**

Business ID : **930686**

Filing History

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0006219975	04/28/2023	04/28/2023	Business Formation	N/A

Trade Name Information

Business Name	Business ID	Business Status
No Trade Name(s) associated to this business.		

Name History

Name	Name Type
No Name Changes found for this business.	

Principal Information

Name	Title
Nicolas Studer	Director
Matthew Cunningham	Director
Matthew Cunningham	Chief Financial Officer
Paula McGlarry	Secretary

**OLIVER WYMAN ACTUARIAL CONSULTING, INC.
CERTIFICATE OF SIGNATURE AUTHORITY**

I, Paula McGlarry, Secretary of Oliver Wyman Actuarial Consulting, Inc., a Delaware limited liability company (hereinafter "the Company"), do hereby certify that Jennifer Smagula, a Principal of the Company, is authorized to execute on behalf of the Company the contract awarded from RFP 2023-4-NHID, Comprehensive Study of New Hampshire Health Coverage Markets, Statewide Health Care Spending, Health Care Cost Drivers, and Policy Options to Promote Access to Affordable Comprehensive Coverage, and all other required associated documents, pursuant to authority confirmed by the Chief Financial Officer, Matthew Cunningham, dated March 27, 2023, and that such authority has not subsequently been amended or modified, and continues to be in full force and effect as of this date.

IN WITNESS WHEREOF, the undersigned officer has executed this Certificate on this 31st day of October 2023.

A handwritten signature in black ink, appearing to read "Paula McGlarry", written over a horizontal line.

Name: Paula McGlarry
Title: Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/02/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH USA, LLC. 1166 Avenue of the Americas New York, NY 10036 Attn: NewYork.Certs@marsh.com Fax: 212-948-0500	CONTACT NAME: _____	
	PHONE (A/C, No., Ext): _____	FAX (A/C, No.): _____
E-MAIL ADDRESS: _____		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: National Union Fire Insurance Co. of Pittsburgh, PA		19445
INSURER B: Allu Insurance Co.		19399
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** NYC-011844239-01 **REVISION NUMBER:** 2

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: _____			GL 9941246	09/30/2023	09/30/2024	EACH OCCURRENCE	\$ 3,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 3,000,000
							MED EXP (Any one person)	\$ 25,000
							PERSONAL & ADV INJURY	\$ 3,000,000
							GENERAL AGGREGATE	\$ 6,000,000
							PRODUCTS - COMP/OP AGG	\$ 6,000,000
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ _____						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below			WC 049154393 (AOS)	09/30/2023	09/30/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
B				WC 049154394 (CA)	09/30/2023	09/30/2024	E.L. EACH ACCIDENT	\$ 2,000,000
B				WC 049154395 (WI)	09/30/2023	09/30/2024	E.L. DISEASE - EA EMPLOYEE	\$ 2,000,000
B				WC 049154396 (NY)	09/30/2023	09/30/2024	E.L. DISEASE - POLICY LIMIT	\$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER New Hampshire Insurance Department Attn: Alex Feldvebel 21 South Fruit Street Suite 14 Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Marsh USA LLC</i>
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