



DEPARTMENT OF

**Professional &
Financial Regulation**

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF PROF. AND OCC. REGULATION

The Centers for Medicare and Medicaid (CMS) Has Re-Certified Maine Community Health Options
(October 7, 2016)

The Centers for Medicare and Medicaid (CMS) has re-certified Community Health Options (CHO) as a Qualified Health Plan Issuer for 2017 and CHO will consequently be participating in the 2017 open enrollment period both on and off the federally facilitated exchange.

Earlier this year, CHO announced its withdrawal from New Hampshire as of January 1, 2017 in order to concentrate on the Maine market. Its participation in 2017 open enrollment for Maine residents is a reflection of that commitment to Maine.

Throughout 2016 CHO has operated pursuant to a monthly plan which was reviewed and found reasonable by the Maine Bureau of Insurance. Through August, CHO's results have been generally consistent with that plan. The BOI has been closely monitoring CHO's operations; this has involved, among many other things, review of loss reserve and rate adequacy.

Consistent with the BOI's on-going role, CHO recently submitted an initial 2017 plan which projects stable results throughout the year. The Company will be operating during 2017 pursuant to that plan which assumes a lower level of membership than at December 31, 2015. This membership level, which it is hoped will remain stable, improves CHO's operating leverage (a measure of protection) which has been an on-going BOI and Company goal. The objective is for CHO to begin to rebuild its capital during 2017 after its significant 2015 losses.

The Affordable Care Act environment within which CHO operates continues to present many difficult challenges. While the future cannot be predicted with full accuracy, CHO's ability to stabilize its operations in 2016 and achieve plan results up to this point is encouraging and merits its re-entry into the Maine individual health insurance market for 2017 in a measured way. The Bureau will continue its close monitoring of CHO in 2017.