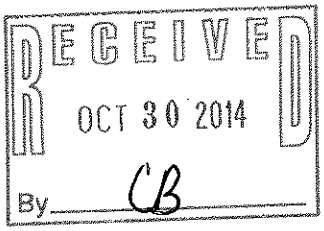
HealthTrust



October 29, 2014

Mr. Jason Tardiff
Town of Allenstown
16 School Street
Allenstown, NH 03275

Dear Mr. Tardiff:

Enclosed are the rates for the medical benefit renewal for the period of January 1, 2015 through December 31, 2015. Also included are the renewal rates for dental, life and short- and long-term disability coverage, if applicable. These rates were developed by HealthTrust's consulting actuaries and staff and were the subject of two member public hearings. They were approved by the HealthTrust Board of Directors (the "HealthTrust Board") on October 22, 2014.

Coming in 2015:
HealthTrust introduces SmartShopper, an exciting new product that helps your employees be savvy medical consumers and save on healthcare costs. Enrollees and their eligible family members can shop for cost-effective, high quality options in medical tests and procedures and earn cash rewards for making smart choices. Your employees will be notified of this new opportunity in early November and will receive more details at the beginning of 2015. (Please see the enclosed samples of the announcement postcard and the "Road Map" instructional brochure they will receive.) Enrollees and their eligible family members can begin using SmartShopper on January 1, 2015. Stay tuned for more information about this innovative new product offering!

Medical Rates:
The HealthTrust Board reviews the program rating methodology each year and approves program rates based on input from the actuaries, and staff. The overall average rate change for all Member Groups renewing medical coverage for January 2015 is -3.6%. Your specific plan rates will vary from this overall increase and are based in part on your Group's own claims experience. If you are a Group in the "50 and Under Pool," or part of a combined rating unit, your increase reflects the claims experience of that combined group.

Medical Plan Relativities:
HealthTrust continues to work with its actuary to review medical benefit plans and the relative contributions charged for each plan. As with past reviews, it is apparent that, at the overall pool level, the plan types (Indemnity, Health Maintenance Organization (HMO), and Point of Service (POS)) are performing differently. This is based, in large part, on the claim discounts realized by each plan option and the demographics of the enrollment in each plan option. Therefore, the attached rates have adjustments that vary among plan options. HealthTrust encourages you to

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Email: info@healthtrustnh.org • Website: *www.healthtrustnh.org*

review your current plan designs to determine if your current plan options are best meeting your needs.

Medical Rate Exhibit:
On the enclosed rate exhibit, we have included monthly rates for your current medical and prescription plan options as well as some additional options that you may be interested in considering. Cost-sharing schedules for these options can be provided upon request. This is not meant as an exhaustive list of the options available through HealthTrust, but instead as a guide to help you determine what may be available.

Return of Surplus (Medical and Dental):
In addition to taking action on the rates outlined above, the HealthTrust Board voted to return $19.5 million in surplus to Member Groups (January and July Pools combined for both medical and dental). The return of surplus will be in the form of a check in February 2015 unless a *Contribution Holiday* is requested in writing by February 5, 2015. As with previous returns, HealthTrust can provide reports to assist with understanding the enrollment detail that was utilized for the return. For your convenience, the amounts you will receive are outlined in an enclosure with this letter.

Per the HealthTrust Bylaws, in order to be eligible for a return of surplus for any coverage, a Member Group must be participating in that coverage as of the distribution date of the return of surplus.

Northeast Delta Dental Changes:
Some changes will be made at Northeast Delta Dental (NEDD) that will apply to the dental coverage offered by HealthTrust. These changes are being implemented on a system-wide basis at NEDD. NEDD is a member company of Delta Dental Plans Association (DDPA), where they strive to create administrative efficiencies and consistent policies both locally and nationally so all of their covered individuals can enjoy a seamless experience, regardless of where in the country they receive dental care. Please see the enclosed NEDD changes flyer for details on the changes and associated effective dates.

Flexible Spending Accounts (FSA):
For those Member Groups currently participating in HealthTrust's FSA administration, there is no change in the FSA administration fee for CY2015. The FSA administration fee will remain at $4.75 per employee per month (or $6.25 per employee per month if you have elected the debit card option).

Coverage Changes:
Your Benefits Advisor, Candace Schaefer, will be contacting you to discuss the renewal and work with you to review available options and assist with any changes you may be considering. Please note that requests for any coverage changes for January 1, 2015 must be communicated to us and completed prior to November 28, 2014. Changes in coverage completed after this date but prior to December 31, 2014 will have an effective date of March 1, 2015, depending on the ability to distribute Summary of Benefits and Coverage (SBC) documents within the new sixty

(60) day advance notice requirement under the Patient Protection and Affordable Care Act (PPACA).

Renewal Deadlines:
Signed renewal transmittal forms must be returned to HealthTrust by December 16, 2014 to renew coverage for January 1, 2015. If you have any questions or concerns, please do not hesitate to contact Candace at 800.527.5001.

Sincerely,

Peter Bragdon
Executive Director

Enclosures

HealthTrust

Town of Allenstown
Combination of Entities

Current Benefit Renewal:

Coverage Type	Contract Type	Employee Counts	1/14 Rates	1/15 Rates	% Change
BC2T10+(01)-R$3/15M$1	1 Per	9	$779.46	$762.44	-2.2%
	2 Per	5	$1,558.93	$1,524.87	-2.2%
	Family	12	$2,104.55	$2,058.58	-2.2%
MC3(01)-R$100M$1	1 Per	5	$507.74	$479.99	-5.5%
MCNRX(01)	1 Per	0	$192.91	$182.35	-5.5%
Monthly Total		31	$42,603.09	$41,589.22	-2.4%

Benefit Options for Consideration:

We have reviewed your current plan offerings and enrollment. Below are some lower cost alternative options available for your consideration. If you are interested in learning more about these plans or other plans offered by HealthTrust, Inc., please contact your Benefits Advisor.

Coverage Type	Contract Type	1/15 Rates
BC2T10+(01)-RX10/20/45	1 Per	$724.33
	2 Per	$1,448.65
	Family	$1,955.68
BC2T20(01)-RX10/20/45	1 Per	$693.60
	2 Per	$1,387.21
	Family	$1,872.73
MTB20(01)-RX10/20/45	1 Per	$645.84
	2 Per	$1,291.69
	Family	$1,743.78
MC3(01)-RX10/20/45	1 Per	$455.97

HealthTrust

Town of Allenstown

Summary of HealthTrust FY2014 Return

Return of your Group's share of the FY2014 amount as approved by the HealthTrust Board:

Coverage	Amount
Medical	$22,060.53
Dental	$1,475.23
Total Return	**$23,535.76**

Detailed breakdown by medical billing group:

Medical Billing Group Name	Amount
ALLENSTOWN	$14,940.10
ALLENSTOWN NHRS	$1,814.24
ALLENSTOWN SEWER COMMISSION	$5,306.19
Medical Billing Group Total	**$22,060.53**

Detailed breakdown by dental billing group:

Dental Billing Group Name	Amount
ALLENSTOWN	$1,027.90
ALLENSTOWN NHRS	$79.25
ALLENSTOWN SEWER COMMISSION	$368.08
Dental Billing Group Total	**$1,475.23**

The Total Return amount will be distributed as a check on February 19, 2015 unless a *Contribution Holiday* is requested in writing by February 5, 2015.

Town of Allenstown

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Medical Coverage and Rates

Combination of Entities

January 2015 Medical Renewal

The following rates are guaranteed from January 1, 2015 to December 31, 2015

Anniversary Month	January	**Pool Placement**	Individual
Probationary Period	0M		

Coverage	Single	2-Person	Family
BC2T10+(01)-R$3/15M$1	$762.44	$1,524.87	$2,058.58
MC3(01)-R$100M$1	$479.99		
MCNRX(01)	$182.35		

Monthly rates are based on at least 75% participation of eligible employees.
HealthTrust, Inc. reserves the right to revisit these rates if there is a +- 10% change in enrollment.

*PROBATIONARY PERIOD EXCEPTIONS

None

SPECIAL NOTES

Member participates in a *Combination of Entities* agreement for medical coverage rating purposes. The *Combination of Entities* is comprised of: BCEP Solid Waste, Town of Allenstown, Town of Barnstead, Town of Chichester, Town of Epsom, Town of Pembroke, Town of Pittsfield, Town of Strafford.

Dental Coverage and Rates

January 2015 Dental Renewal

The following rates are guaranteed from January 1, 2015 to December 31, 2015

Anniversary Month January
Probationary Period 0M

Coverage	Single	2-Person	Family
OPTION 1	$40.37	$78.14	$142.16

Monthly rates are based on at least 75% participation of eligible employees.
If there is an employee contribution for dependents, 50% of subscribers with dependents must agree to enroll all of their eligible dependents and keep them enrolled for the term of the contract year.

BENEFIT SCHEDULE

Coverage	Cov A	Cov B	Cov C	Cov D	Ortho	Ded	BPM
OPTION 1	100%	80%	50%	50%	$1,000	$25/$75	$1,000

*PROBATIONARY PERIOD EXCEPTIONS

None

SPECIAL NOTES

None

INDIVIDUAL BILLING

Member Group enrolled in Individual Billing for:
[X] COBRA [X] Retirees

Employer hereby authorizes HealthTrust, Inc. to execute and deliver any and all documents necessary to effectuate the enrollment of the Employer and its Employees into the plan(s) listed on this transmittal.

SBC Compliance: HealthTrust, Inc. agrees to prepare and provide Employer with a Summary of Benefits and Coverage ("SBC") for each medical plan coverage option listed on this transmittal. Employer agrees to distribute the SBCs to applicable eligible individuals. These obligations will be performed in accordance with (i) the statutory and regulatory requirements for SBCs under the Patient Protection and Affordable Care Act, and (ii) related SBC compliance information provided to Employer by HealthTrust, Inc.

Maximum Probationary Period Compliance: Employer represents that the eligibility conditions and probationary period requirements for enrollment in each medical plan coverage option listed on this transmittal comply with the 90-Day Maximum Waiting Period rule of PPACA.

For the Employer | Title | Date

For HealthTrust, Inc. | Title | Date

HealthTrust

Upcoming Northeast Delta Dental Changes

Some changes will be made at Northeast Delta Dental (NEDD) that will apply to the dental coverage offered by HealthTrust. These changes are being implemented on a system-wide basis at NEDD. NEDD is a member company of Delta Dental Plans Association (DDPA), where they strive to create administrative efficiencies and consistent policies both locally and nationally so all of their covered individuals can enjoy a seamless experience, regardless of where in the country they receive dental care. **Outlined below are the changes and associated effective dates:**

Effective January 1, 2015 for all Member Groups regardless of anniversary date:

NEDD is transitioning to a **Maximum Allowable Charge** (MAC) reimbursement methodology for participating and non-participating dentists. NEDD will establish a MAC fee schedule versus the current filed fee system whereby each provider submits their fees to NEDD for approval. There will be separate MAC fee schedules for the Premier network and for the Preferred Provider Organization (PPO) network, as well as different schedules for generalists versus specialists. Network dentists will still agree not to charge any difference to their Delta Dental patients, thereby preserving the same valuable balance billing protection they enjoy today.

Effective for July Groups on July 1, 2015 and January Groups on January 1, 2016:

Panoramic X-rays or a complete series of X-rays: Will be covered every five years versus the current policy of every three years. The American Dental Association recommends this change in order to limit an individual's exposure to radiation, and NEDD has embraced this change. Individual x-rays of teeth will continue to be covered as needed for a specific problem.

Non-Participating Dentists Outside of NEDD: Currently, fees for services from a non-participating provider outside of the NEDD tri-state area of Maine, New Hampshire and Vermont are reimbursed at 90% of what is reasonable and customary in the area where the services are being rendered. Moving forward, payment for services obtained from these providers will be transitioned to the standard non-participating provider reimbursement which is based upon the amount the local Delta plan pays their non-participating providers (varies by Delta plan).

Processing Policy Changes: DDPA utilizes a standard of processing policies (how claims are processed for payment consideration) that are routinely updated and based on generally accepted standards of dentistry and dental science. These processing policies are used throughout the Delta Dental System nationwide and are already in place with many NEDD groups in the Tri-State region of Maine, New Hampshire and Vermont. Efforts are now focused on bringing all NEDD members under this uniform standard, thereby making claims processing consistent for all members and all dental offices. This implementation will result in some modification to certain dental procedures and procedure combinations for which a dentist cannot bill or cannot bill a separate fee (unbundling of services). Participating dentists will comply with these changes, thus there is minimal affect to HealthTrust enrollees. Some examples are listed below:

1. General Provision: The date of incurred liability for multiple visit procedures will be the date the services are completed. (As an example, currently the plan's liability for crowns is incurred on the date that the tooth is prepared. Moving forward, HealthTrust's liability is incurred on the date the crown is placed.)

2. Covered Services: The adoption of the DDPA national processing policies will exclude from coverage the CDT codes listed below and affect certain time and frequency limitations:

Excluded Services:
D0431 – Adjunctive pre-diagnostic test (Velscope) – While participating dentists will be sent communications regarding the removal of this code, the expectation is that providers will most likely include the fee for this test in their biopsy fee.

D9440 – Office visit after hours – Considered part of treatment; if a separate fee is charged the patient will be responsible.

D9910-D9911 – Desensitizing medicament – Considered part of treatment; if a separate fee is charged the patient will be responsible.

D7953 – Bone replacement graft for ridge preservation – Dental science indicates that there is no evidence that bone replacement grafts for ridge preservation improve the outcome of an implant. Therefore DDPA recommends not covering the graft. If performed, the patient will be responsible.

Frequency/Time limits: The following changes will be made relative to the frequency and/or time limits for certain services:

Procedure Description	Current	New
A limited oral evaluation or re-evaluation with definitive treatment.	Does not count toward evaluation time limits.	Will count toward evaluation time limits.
A second comprehensive oral evaluation for "no care" patients.	Allowed once per lifetime per provider with "no care" for a period of 2 years.	Allowed once per lifetime per provider with "no care" for a period of 3 years.
Space maintainers.	No limit.	Once per lifetime per tooth space.
Amalgam restorations.	Once every 12 months per surface, per tooth.	Once every 2 years per surface, per tooth.
Recementation – inlays, onlays, prefab post and cores, crowns fixed partial dentures.	Once in a period of 12 consecutive months.	Once per lifetime.
Prefab stainless steel crowns.	Once in any period of 5 consecutive years.	Once every 2 years per tooth.
Pin retention.	No limit.	Once every 2 years with basic restorations.
Periodontal scaling and root planning.	Once in any period of 12 consecutive months, per quadrant.	Once every 2 years per quadrant.
Denture adjustments, repairs, replacement of teeth, relines.	Once in any period of 3 consecutive years.	Twice per denture in a 12 month period.

If you have any questions relative to these changes, please feel free to contact your HealthTrust Benefits Advisor.