

September 17, 2018

Dear Sir or Madam;

This letter is to provide notice that the Maine Guaranteed Access Reinsurance Program ("MGARA" or the "Association") will be re-starting operations effective January 1, 2019. On July 30, 2018, the State of Maine received approval from the United States Department of Health & Human Services, Centers for Medicare & Medicaid Services of its Application for a State Innovation Waiver under Section 1332 of the Patient Protection and Affordable Care Act (the "Section 1332 Waiver"), and on August 21, 2018 the State of Maine accepted the Section 1332 Waiver and entered into the required Specific Terms and Conditions related thereto. MGARA is in the process of amending its Plan of Operation to conform to the requirements of the Section 1332 Waiver, with approval of its Amended and Restated Plan of Operation by Maine's Superintendent of Insurance expected within the next several weeks. My company has been retained to administer the program.

One of the funding sources that support MGARA's operations is a Quarterly Assessment. This Quarterly Assessment is due from (a) each <u>insurance company</u> or similar organization that writes or otherwise provides medical insurance in Maine and (b) each <u>TPA</u> that administers any medical claims in Maine. The amount of the Quarterly Assessment is based on the number of enrolled persons covered by a provider's insurance or health program, other than persons covered under policies or contracts insuring federal or state employees. MGARA has set its 2019 Quarterly Assessment at \$4 per month for each covered person enrolled under each such program. The first 2019 Quarterly Assessment will apply to policies and programs initiated or renewed on or after January 1, 2019 and will be due on April 15, 2019. No Quarterly Assessment will apply to policies or programs initiated or renewed prior to January 1, 2019, until their first renewal following such date.

The Quarterly Assessment Report Form, shown below, should be used to calculate and remit your Quarterly Assessment, which covers the first calendar quarter of 2019. The Form and accompanying assessment payment are due no later than 15 days following the end of the calendar quarter. Thereafter, each Quarterly Assessment Report Form and related Quarterly Assessment payment will be due on a quarterly basis, within 15 days after the close of each calendar quarter.

Should you have any questions regarding the Quarterly Assessment, please feel free to contact me. We have endeavored to make the Quarterly Assessment Report Form straightforward and user-friendly, but we welcome your suggestions for improvement. Please also note that on **October 3, 2019 at 3:00pm ET** we will be holding a conference call workshop to address any administrative questions you might have related to the assessment. This conference call can be accessed by dialing 1-415-594-5500 with a meeting code of 429-391-646.

The Quarterly Assessments provide a crucial component of the funding base for MGARA's important mission. Thank you very much in advance for your timely submission.

Very truly yours,

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