

NEW JERSEY MEDICARE SUPPLEMENT UNDER 50 PLAN
NOTICE OF ANNUAL MARKET SHARE FILING REQUIREMENTS

The New Jersey Legislature enacted P.L. 1995, c. 229 (C.17B:26A-12 et.seq.) to make Medicare supplement coverage available in New Jersey to residents under 65 years of age who are eligible for Medicare. Certain provisions in this law authorized a mechanism for providing Medicare supplement coverage to the under age 50 market by creating a plan which by regulation (N.J.A.C. 11:4-23A.3 et. seq.) became known as the Medicare Supplement Under 50 Plan. The Medicare Supplement Under 50 Plan is administered by the Medicare Supplement Under 50 Plan Board. In accordance with N.J.S.A. 17B:26A-15, the Medicare Supplement Under 50 Plan Board is authorized to assess carriers issuing health benefits plans for their proportionate share of organizational, operating and net losses of the Under 50 Plan unless the carrier has received an exemption or deferment from the Commissioner of Banking and Insurance (see also N.J.A.C.11:4-23A.9 through 12 et seq.). The assessment of each carrier is in the proportion that its net earned premium bears to the net earned premium of all carriers (except that no carrier shall be liable for an assessment amount greater than 35% of the total net losses of the Medicare Supplement Under 50 Plan in any calendar year). In order to calculate the assessment shares, each carrier is required to file the attached market share report on or before April 1 of each calendar year.

For this program, the market share of each carrier is to be in the proportion that its net earned premium on health benefit plans bears to the net earned premium on health benefit plans of all carriers.

NOTE: A CARRIER IS NOT REQUIRED TO SUBMIT THE REPORT IF THE "DIRECT PREMIUM EARNED" REPORTED ON THE ANNUAL STATEMENT AND SECTION 1 OF THE CARRIER MARKET SHARE REPORT EQUALS ZERO.