



**State of New Jersey**  
DEPARTMENT OF BANKING AND INSURANCE  
INDIVIDUAL HEALTH COVERAGE PROGRAM  
PO BOX 325  
TRENTON, NJ 08625-0325

TEL (609) 633-1882  
FAX (609) 633-2030

**ADVISORY BULLETIN**  
**07-IHC-01**

March 15, 2007

To: IHC Program Member Carriers

From: Ellen DeRosa  
Executive Director

**Re: Exhibit K Assessment Report**  
**Filing Due April 1, 2007**

The Exhibit K Assessment Report which is due April 1, 2007 includes a section that requires carriers to report premium information, called the "Exhibit K Part C Premium Data Worksheet for the Two-Year Calculation Period." We have been asked how carriers should report premium from Medicare Part D on this Worksheet.

Net earned premium includes premium for Medicare coverage as well as premium for prescription drug coverage and thus includes premium from Medicare Part D coverage. However, as is the case with Medicare + Choice coverage, the portion of the premium paid by the Federal government is not included as net earned premium on the Exhibit K Assessment Report. The total Medicare Part D premium should be included under "Total A&H Premium" in Section 1 of the Premium Data Worksheet and the portion of the Medicare Part D premium paid by the Federal Government should be subtracted from that Total A&H premium in Section 2 of the Premium Data Worksheet. Until the Part C Premium Data Worksheet is revised, carriers may report the excepted premium from Medicare Part D on the same line as the excepted premium for Medicare + Choice. The result is that carriers will be assessed only for Medicare Part D premium that is paid by the consumer.

The Exhibit K Assessment Report may be found at [www.state.nj.us/dobi/checlist.htm](http://www.state.nj.us/dobi/checlist.htm)

If you have any questions, please contact me by email at [ederosa@dobi.state.nj.us](mailto:ederosa@dobi.state.nj.us) or by phone at 609-633-1882 ext. 50302.