

Edward P. Potanka  
Counsel & Assistant Secretary



November 12, 2013

The Honorable Ralph T. Hudgens  
Two Martin Luther King, Jr. Drive  
West Tower, Suite 704  
Atlanta, GA 30334

Routing B6LPA  
900 Cottage Grove Road  
Hartford, CT 06152  
Telephone: 860.226.6418  
Edward.Potanka@Cigna.com

Re: Cigna Healthcare of Georgia, Inc. ("CHC-GA")  
Notification of Intent to Withdraw From the HMO Medical Conversion  
Market

Dear Commissioner Hudgens:

This letter serves as notification of CHC-GA's intent to withdraw from the medical conversion market effective May 31, 2014, in accordance with Georgia Regulation 120-2-67-.10 (b)(5) and the applicable federal regulations under the Public Health Service Act (45 CFR §147.106(d)). The company will no longer issue any new medical conversion policies on or after that date, and the nine (9) existing conversion contract holders will receive 180 days prior notice of the termination of their medical conversion coverage.

The individuals being notified will be able to purchase replacement coverage through the new health insurance Marketplace for their state created by the Health Care Reform law, with coverage becoming effective as early as January 1, 2014.

CHC-GA group contract holders will be notified regarding the amendment of their group contracts to remove the medical conversion privilege and new group contracts issued by them will no longer include a medical conversion privilege.

Please refer to the enclosures for a copy of the customer notifications.

Thank you for your time and attention to this filing. Should you have questions or require additional information, please feel free to contact me at 860-226-6418.

Sincerely,

Edward P. Potanka, Esq.  
Counsel & Assistant Secretary

Enclosures: Customer Notifications

"Cigna" is a registered service mark, and the "Tree of Life" logo is a service mark, of Cigna Intellectual Property, Inc., licensed for use by Cigna Corporation and its operating subsidiaries. All products and services are provided by or through such operating subsidiaries and not by Cigna Corporation. Such operating subsidiaries include Connecticut General Life Insurance Company, Cigna Health and Life Insurance Company, and HMO or service company subsidiaries of Cigna Health Corporation and Cigna Dental Health, Inc.

## Tom Carswell

---

**From:** Tindall, Jeffrey E (Jeff) B6LPA <JEFFREY.TINDALL@Cigna.com>  
**Sent:** Wednesday, November 13, 2013 10:27 AM  
**To:** Tom Carswell  
**Subject:** Withdrawal of CHC-GA Medical Conversion  
**Attachments:** Signed Notification to Commissioner.11.12.13.pdf; HMO Customer Notice  
FINAL.REV.11.12.13.doc

Good morning, Tom: Attached is a letter notifying the department of Cigna's intention to withdraw from the conversion market, as well as a sample copy of the customer notification.

If you could let me any concerns, I would appreciate it.

Thanks to you and the entire Department on working through this issue with the carriers.

Jeff

-----  
CONFIDENTIALITY NOTICE: If you have received this email in error, please immediately notify the sender by e-mail at the address shown. This email transmission may contain confidential information. This information is intended only for the use of the individual(s) or entity to whom it is intended even if addressed incorrectly. Please delete it from your files if you are not the intended recipient. Thank you for your compliance. Copyright (c) 2013 Cigna  
=====



# Companion Life

COMPANION LIFE INSURANCE COMPANY  
7909 Parklane Road, Suite 200, Columbia, South Carolina 29223-5666  
P.O. Box 100102, Columbia, South Carolina 29202-3102  
(803) 735-1251

August 29, 2013

Mr. Ralph T. Hudgens, Commissioner  
Office of Insurance & Safety Fire Commissioner  
Two Martin Luther King, Jr., Drive  
West Tower, Suite 704  
Atlanta, Georgia 30334

RE: Companion Life Insurance Company, NAIC # 77828  
Small Group Major Medical Market Exit in Georgia

Dear Mr. Hudgens:

Pursuant to the revised Code of Georgia, we are writing to notify the Georgia Insurance Department that Companion Life Insurance Company ("Companion Life") is exiting the small group major medical health insurance market in the State of Georgia effective March 31, 2014. This decision was prompted by the federal government's passage of the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Companion Life to continue to operate and compete meaningfully in Georgia's small group major medical market beginning April 1, 2014.

Companion Life's market exit will affect our 14 currently in-force groups and 171 covered lives, who are covered under policy number CLIC-14MASGA-0503 in Georgia. The policy and all forms marketed and/or issued in connection with it, i.e., applications, riders will no longer be marketed or renewed as of our March 31, 2014, market exit.

We enclose for the Department's review our draft letter to our Georgia groups, informing them of the discontinuation of their coverage due to our small group major medical health insurance market exit. The notice will be mailed to our groups in early September, 2013, providing the requisite 180 days prior notice to their coverage non-renewal. Our letter indicates that the group's coverage will terminate on their plan's annual anniversary date in 2014.

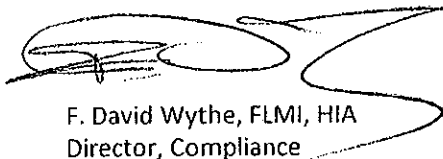
Companion Life regrets its need to withdraw from Georgia's small group major medical insurance market. We understand that market re-entry is prohibited for the five-year period commencing on our non-renewal date. Our intent is that we may re-enter the market someday, but, for now, Companion Life's concentration will be on our many other insurance offerings, including employer excess loss, short-term medical, limited medical, critical illness, disability, life, dental and vision, amongst others.

Mr. Ralph T. Hudgens, Commissioner  
Page Two  
August 29, 2013

Within the next few days, Companion Life will be sending all Georgia and other State Insurance Departments a notice informing them in which states nationwide we will be exiting the small group major medical health insurance market. This is being done across the board to satisfy the requirement of several states that every commissioner in each state in which the carrier is licensed and in each state in which a covered individual is known to reside be notified of our market exit.

If you have any questions or concerns about this submission, please feel free to contact me at (800) 753-0404 ext. 45008 or by email at [david.wythe@companiongroup.com](mailto:david.wythe@companiongroup.com).

Respectfully,



F. David Wythe, FLMI, HIA  
Director, Compliance



COMPANION LIFE INSURANCE COMPANY  
7909 Parklane Road, Suite 200, Columbia, South Carolina 29223-5666  
P.O. Box 100102, Columbia, South Carolina 29202-3102  
(803) 735-1251

[Date]

Group Policyholder  
Address  
Address

RE: Companion Life Insurance Company  
Discontinuance of Small Employer Group Coverage on  
[insert plan anniversary end date in 2014]  
Your Group Number: [ADD #]

**IMPORTANT: THIS NOTICE AFFECTS YOUR INSURANCE CONTRACT RIGHTS, PLEASE READ CAREFULLY**

Dear [Name]:

This notice is to inform you and your covered employees that may be covered under your referenced major medical insurance coverage that Companion Life Insurance Company ("Companion Life") will be exiting the small group major medical insurance market in Georgia effective March 31, 2014. This decision was prompted by the increased regulation since the federal government's passage of its recent federal health care reform, commonly referred to as the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Companion Life to continue to operate and compete meaningfully in Georgia's small group major medical market beginning April 1, 2014. As such, your referenced insurance coverage will terminate on [insert term date], or earlier if your premium is not received when due.

We are pleased to inform you that there are many options for you to secure health insurance coverage beginning on April 1, 2014. You may purchase insurance in the general marketplace or through the federal exchange. As brief background for you, PPACA mandates most residents of the United States to have health insurance beginning in 2014. PPACA created new mechanisms for purchasing insurance coverage called Exchanges, which are entities that have been or will be set up in states to create an organized and competitive market for health insurance to qualified individuals and employers. PPACA mandates the availability of medical insurance on a guaranteed issue basis beginning on January 1, 2014, for coverage purchased on or off an Exchange. This means federal law prohibits insurance companies from denying medical insurance to anyone on the basis of their past or present medical conditions. Group employers will be able to obtain coverage from other carriers who write small group coverage in their state.

Provided below is contact information for the Georgia Insurance Department for you to consider the option to purchase health insurance coverage on the Georgia Exchange. If you reside in a State other than Georgia, please refer to insurance companies offering coverage on or off the Exchange in your State.

Office of Insurance & Safety Fire Commissioner  
Two Martin Luther King, Jr., Drive  
West Tower, Suite 704  
Atlanta, Georgia 30334  
[www.oci.ga.gov](http://www.oci.ga.gov)

Please remember that your health insurance with Companion Life is effective through [insert plan anniversary end date in 2014]. It has been our pleasure to serve as your health insurer. If you have any questions or concerns, please feel free to contact us at 1-800-969-5238 or by email at [Carolyn@totalplan.com](mailto:Carolyn@totalplan.com).

Sincerely,

COMPANION LIFE INSURANCE COMPANY



# Independence American Insurance Company

Independence Holding Group

[www.independenceamerican.com](http://www.independenceamerican.com)

September 20, 2013

By SERFF

Office of Insurance and  
Safety Fire Commissioner  
Attention: Ralph T. Hudgens, Commissioner  
Two Martin Luther King, Jr. Dr.  
West Tower, Suite 704  
Atlanta, Georgia 30334

RE: Independence American Insurance Company; NAIC# 26581  
Individual Major Medical Market Exit in Georgia

Dear Commissioner Hudgens:

Pursuant to Georgia Statute 120-2-67.10(5), we are writing to notify the Department of Insurance that Independence American Insurance Company ("Independence American") is exiting the individual major medical health insurance market in the State of Georgia effective March 31, 2014 at midnight. This decision was prompted by the federal government's passage of the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Independence American to continue to operate and compete meaningfully in Georgia's individual major medical market after January 2014.

Independence American's market exit will affect our 158 currently in-force Georgia individual insureds. Our insureds are covered under policy form IAIC IP PPO GA 107, which will no longer be marketed or renewed in Georgia as of our market exit.

We enclose for the Department's review a draft of our notices of discontinuation of coverage and market exit to our insureds. The notices will be mailed to our insureds by October 1, 2013, providing at least the requisite 180 days prior notice to their coverage expiration. Please note, Exhibit A will be mailed to our insureds with annual anniversary dates from April 1 through December 31, 2013, and Exhibit B will be mailed to our insureds whose coverage is subject to annual renewal on anniversary dates between January 1 and our March 31, 2014 exit. Exhibit B explains to the individual that their current coverage will be extended at their current rate via the enclosed amendment and will terminate on their first policy premium due date on or after March 31, 2014. Exhibit B also informs them, as you will see, that they may elect to procure coverage in the general marketplace or on the Federal Exchange earlier and not extend their coverage with us if they so choose.

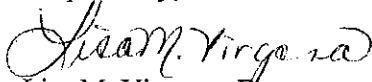
Independence American is seeking, as part of our market exit plan, the Department's permission that we extend the term of our insureds' coverage which would otherwise end on or after December 31, 2013 at their current rate up until our March 31, 2014 market exit date, rather than renewing their coverage on an EHB compliant plan until March 31, 2014. As we are exiting the

individual major medical market three short months into the 2014 calendar year and have not yet developed a 2014 EHB compliant product to file with the State to provide renewal coverage for that period, we would greatly appreciate the Department's accommodation in this process.

Independence American regrets its need to withdraw from Georgia's individual major medical insurance market. We understand that market re-entry is prohibited for the five-year period commencing on our non-renewal date. Our intent is that we may re-enter the market someday, but, for now, our concentration will be on those states where we have ascertained the value of us staying in the individual and small group major medical market and on our many other insurance offerings, including employer excess loss, short-term medical, limited medical, critical illness, disability, life, dental and vision, amongst others. We trust our exit from Georgia's individual major medical insurance market will not affect our license to market any other products we currently market in Georgia or any we may choose to market in the future.

If you have any questions or concerns about this submission, please feel free to contact me at (212) 355-4141 ext 3029 or by email at [lvirgona@sslicny.com](mailto:lvirgona@sslicny.com)

Respectfully,



Lisa M. Virgona, Esq.

First Vice President, Legal/Compliance

Encls.: Exhibits A & B, Form IAIC IMM AE 4-1-14



IHCHS Letterhead

**EXHIBIT A**  
**(for policies with anniversary dates from 4/1/14-12/31/14)**

September 19, 2013

By regular mail

Insured Name  
Address  
Address

**Re: Independence American Insurance Company**  
**Discontinuance of Your Coverage on [insert plan anniversary end date in 2014]**  
**Your Plan Number: ADD #**

**IMPORTANT NOTICE: THIS AFFECTS YOUR INSURANCE CONTRACT RIGHTS.**  
**PLEASE READ CAREFULLY.**

Dear Insured Name:

This notice is to inform you that Independence American Insurance Company ("Independence American") will be exiting the individual major medical insurance market in Georgia effective March 31, 2014 at midnight. This decision was prompted by the increased regulation since the federal government's passage of its recent federal health care reform, commonly referred to as the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Independence American to continue to operate and compete meaningfully in Georgia's individual major medical market. As such, your referenced insurance coverage will terminate on [insert plan anniversary end date in 2014], or earlier if your premium is not received when due. [This termination date acknowledges that you have accepted our offer to early renew your contract with us for one year on December 1, 2013.]

We are pleased to inform you that there are many options for you to secure health insurance coverage after our March 31, 2014 exit, or after your policy termination date, whichever is later. You may purchase insurance in the general marketplace or through the Federal Exchange. As brief background for you, PPACA created a new mechanism for purchasing insurance coverage called Exchanges or Marketplaces, which are entities that have been or will be set up in states or by the Federal Government to create an organized and competitive market for health insurance for qualified individuals and employers.

Please go to <https://www.healthcare.gov/marketplace/individual> for information concerning health insurance coverage on the Federal Exchange.

Please remember that your health insurance with Independence American is effective until ~~[insert plan anniversary end date in 2014]~~. It has been our pleasure to serve as your health insurer. If you have any questions or concerns, please feel free to contact us at 1-800-518-4510 or by email at [questions@ihcgroup.com](mailto:questions@ihcgroup.com).

Sincerely,

INDEPENDENCE AMERICAN INSURANCE COMPANY

IHC HS Letterhead

**EXHIBIT B**  
**(for policies with anniversaries Jan-March 2014)**

September 16, 2013

By regular mail

Individual Name

Address

Address

**Re: Independence American Insurance Company  
Discontinuance of Your Coverage**

Contract Amendment to extend coverage until [insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date should be 4/14/14].

Your Plan Number: Add #

**IMPORTANT NOTICE: THIS AFFECTS YOUR INSURANCE CONTRACT RIGHTS.  
PLEASE READ CAREFULLY.**

Dear Individual Name:

This notice is to inform you that Independence American Insurance Company ("Independence American") will be exiting the individual major medical insurance market in Georgia effective March 31, 2014 at midnight. This decision was prompted by the increased regulation since the federal government's passage of its recent federal health care reform, commonly referred to as the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Independence American to continue to operate and compete meaningfully in Georgia's individual major medical market. As such, your referenced insurance coverage will terminate on your first premium due date on or after our March 31, 2014 market exit (date reflected above), or earlier if your premium is not received when due.

Your current coverage with Independence American is up for its annual renewal on [insert plan anniversary date in 2014]. Typically, you would receive a renewal notice from us prior to this date with an offer to renew with new rates. However, since we are exiting the market, we cannot offer you a renewal on a PPACA compliant major medical product in calendar year 2014. Instead, we will extend your current coverage from your policy anniversary date through your premium date on or after our March 31, 2014. This coverage will be provided at your current rate. Please find enclosed an amendatory endorsement to include with your current insurance contract indicating your health insurance coverage's new termination date of [insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date should be 4/14/14].

We are pleased to inform you that there are many options for you to secure health insurance coverage after your coverage termination date with us or prior. You may purchase insurance in the general marketplace or through the Federal Exchange. As brief background for you, PPACA created a new mechanism for purchasing insurance coverage called Exchanges or Marketplaces, which are entities that have been or will be set up in states to create an organized and competitive market for health insurance for qualified individuals and employers. Please go to <https://www.healthcare.gov/marketplace/individual> for information concerning health insurance coverage on the Federal Exchange.

Please remember that your health insurance with Independence American is effective until **[insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date should be 4/14/14]**, as long your premiums are paid through that date. It has been our pleasure to serve as your health insurer. If you have any questions or concerns, please feel free to contact us at 1-800-518-4510 or by email at [questions@ihcgroup.com](mailto:questions@ihcgroup.com).

Sincerely,

INDEPENDENCE AMERICAN INSURANCE COMPANY

Encl: Form IAIC IMM AE 4-1-14

**INDEPENDENCE AMERICAN INSURANCE COMPANY**  
A Delaware Insurance Company

**AMENDATORY ENDORSEMENT**

It is understood and agreed that the Policy and Certificate to which this Amendatory Endorsement is attached is amended as follows with respect to Covered/Insured Persons residing in the state of Arizona when their Certificate of Coverage/Policy was issued to them evidencing their insurance coverage under the Policy:

Any **Renewability** or **Termination of Insurance** provisions of Your Certificate/Policy that indicates that insurance coverage will terminate following 180 days after Our decision to discontinue offering health insurance in the individual market in the state your coverage was issued is amended by adding the following:

The health insurance coverage for You and any Dependents covered under the Policy will terminate on [insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date would be 4/14/14]. Pursuant to the terms of the Policy, We will continue Your health insurance coverage at the current rates and benefits for Insured/Covered Persons up to this termination date, unless coverage terminates earlier in accordance with the Policy's provisions regarding termination due to the non-payment of required premiums when due.

This Amendatory Endorsement is endorsed and made part of the Policy and Certificate to which it is attached as of October 1, 2013.

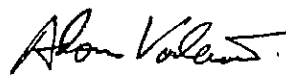
This Amendatory Endorsement is subject to all provisions of the Policy which are not in conflict with the provisions of this Amendatory Endorsement. Nothing in this Amendatory Endorsement will be held to vary, alter, waive, or extend any of the terms, conditions, provisions, agreements, or limitations of the Policy other than stated above.

IN WITNESS WHEREOF, the Insurance Company has caused this Amendatory Endorsement to be signed by its President.

**INDEPENDENCE AMERICAN INSURANCE COMPANY**



David Kettig  
President



Adam Vandervoort  
Secretary

[Home](#) | [About SERFF](#) | [Contact Us](#) | [naic.org](#)Welcome, Tom Carswell.  
GeorgiaH  
[Help](#) | [Logoff](#)

Tracking Number:

 [Search...](#)

<a href="#">Filings</a>	<a href="#">Plan Management</a>	<a href="#">Messages</a>	<a href="#">Settings</a>	<a href="#">Filing Rules</a>	<a href="#">Reports</a>
<a href="#">My Workfolder</a>	<a href="#">My Open Filings</a>	<a href="#">Intake Filings</a>	<a href="#">Search/Export</a>	<a href="#">Create Paper Filing</a>	<a href="#">EFT Report</a>
<a href="#">Assign Reviewers</a>	<a href="#">Update</a>	<a href="#">Set Public Access</a>	<a href="#">Create Objection</a>	<a href="#">Create Reminder</a>	
<a href="#">Move to Workfolder</a>	<a href="#">PDF Pipeline</a>				

**Georgia**[View Filing Log](#)

Filing Company Independence American Insurance Company

TOI: H16I Individual Health - Major Medical

Sub-TOI: H16I.005A Individual - Preferred Provider (PPO)

Filing Type: Form

Assigned To:

Date Submitted: 09/23/2013

State Filing Description:

SERFF Tr Num: ICCI-129215199

SERFF Status: Submitted to State

State Tr Num:







State Status:

Co Tr Num: INDIVIDUAL MARKET EXIT

Disposition Date:

General Information	Form Schedule	Rate/Rule Schedule	Supporting Documentation	Companies and Contact	Filing Fees
				Filing Correspondence	
<div><div>Expand All</div><div>Collapse All</div></div>					Schedule Item Status:
<div><div></div><div>Actuarial Memorandum</div></div>					
<div><div></div><div>Third Party Authorization</div></div>					
<div><div></div><div>PPACA Uniform Compliance Summary</div></div>					
<div><div></div><div>Compliance Checklist and Certification</div></div>					
<div><div></div><div>IAIC Individual market exit letter and Exhibit A</div></div>					
<div><div></div><div>IAIC IMM exit pkg for 4-1-14 in GA.pdf</div></div>					
Submitted					

Date Submitted: 09/23/2013  
By: Brenda Dawson

**Icon Legend:**  - No Action Taken  - Satisfied  - Bypassed  
 - User Added  - Draft Schedule Item  - Open Objection

Assign Reviewers

Update

Set Public Access

Create Objection

Create Reminder

Move to Workfolder

PDF Pipeline

SERFF Release 6.1.2 © Copyright 1997-2013, National Association of Insurance Commissioners. All Rights Reserved.

[Home](#) | [About SERFF](#) | [Contact Us](#) | [naic.org](#)

 Welcome, Tom Carswell.  
 GeorgiaH  
[Help](#) | [Logoff](#)

Tracking Number:

 [Search...](#)

<a href="#">Filings</a>	<a href="#">Plan Management</a>	<a href="#">Messages</a>	<a href="#">Settings</a>	<a href="#">Filing Rules</a>	<a href="#">Reports</a>										
<a href="#">My Workfolder</a>	<a href="#">My Open Filings</a>	<a href="#">Intake Filings</a>	<a href="#">Search/Export</a>	<a href="#">Create Paper Filing</a>	<a href="#">EFT Report</a>										
<table border="1"> <tr> <td><a href="#">Assign Reviewers</a></td> <td><a href="#">Update</a></td> <td><a href="#">Set Public Access</a></td> <td><a href="#">Create Objection</a></td> <td><a href="#">Create Reminder</a></td> </tr> <tr> <td><a href="#">Move to Workfolder</a></td> <td><a href="#">PDF Pipeline</a></td> <td colspan="3"></td> </tr> </table>						<a href="#">Assign Reviewers</a>	<a href="#">Update</a>	<a href="#">Set Public Access</a>	<a href="#">Create Objection</a>	<a href="#">Create Reminder</a>	<a href="#">Move to Workfolder</a>	<a href="#">PDF Pipeline</a>			
<a href="#">Assign Reviewers</a>	<a href="#">Update</a>	<a href="#">Set Public Access</a>	<a href="#">Create Objection</a>	<a href="#">Create Reminder</a>											
<a href="#">Move to Workfolder</a>	<a href="#">PDF Pipeline</a>														

**Georgia**[View Filing Log](#)**Filing Company** Madison National Life Insurance Company, Inc.**SERFF Tr Num:** ICCI-129215205**TOI:** H16I Individual Health - Major Medical**SERFF Status:** Submitted to State**Sub-TOI:** H16I.005A Individual - Preferred Provider (PPO)**State Tr Num:****Filing Type:** Form**State Status:****Assigned To:****Co Tr Num:** INDIVIDUAL MARKET EXIT**Date Submitted:** 09/23/2013**Disposition Date:****State Filing Description:**

General Information	Form Schedule	Rate/Rule Schedule	Supporting Documentation	Companies and Contact	Filing Fees
<b>Filing Correspondence</b>					
<a href="#">View/Edit State Narrative</a>					
<b>PPACA:</b>	Not PPACA-Related		<b>Healthcare.gov ID:</b>		
<input checked="" type="radio"/> <a href="#">What is PPACA?</a>					
<b>PPACA Notes:</b>					
<input checked="" type="radio"/> <b>Include</b>	No				
<b>Exchange Intentions?</b>					
<b>Product Name:</b>	MNL Individual Market exit		<b>Deemer Date:</b>		
<b>Project Name:</b>	Individual market exit		<b>Project Number:</b>		
<b>Implementation Date</b>	On Approval				
<b>Requested:</b>					
<b>Status of Filing in Domicile:</b>			<b>Date Approved in Domicile:</b>		



<b>Domicile Status</b>	
<b>Comments:</b>	
<b>Filing Status</b> 09/23/2013	<b>State Status</b>
<b>Changed:</b>	<b>Changed:</b>
<b>Requested</b> Review & Approval	
<b>Filing Mode:</b>	
<b>Submission</b> New Submission	
<b>Type:</b>	
<b>Overall Rate</b> %	
<b>Impact:</b>	
<b>Market Type:</b> Individual	
Individual Individual	
<b>Market Type:</b>	
<b>Authors:</b> Brenda Dawson	
<b>Created By:</b> Brenda Dawson	<b>Submitted</b> Brenda Dawson
	<b>By:</b>
<b>Corresponding</b>	
<b>Filing Tracking</b>	
<b>Number:</b>	
<b>Filing</b> See the Supporting Documents tab for Company letter and Exhibit A	
<b>Description:</b>	

[Assign Reviewers](#)[Update](#)[Set Public Access](#)[Create Objection](#)[Create Reminder](#)[Move to Workfolder](#)[PDF Pipeline](#)

SERFF Release 6.1.2 © Copyright 1997-2013, National Association of Insurance Commissioners. All Rights Reserved.



**Madison National  
Life Insurance Company**  
Independence Holding Group

[www.madisonlife.com](http://www.madisonlife.com)

September 20, 2013

By SERFF

Office of Insurance and  
Safety Fire Commissioner  
Attention: Ralph T. Hudgens, Commissioner  
Two Martin Luther King, Jr. Dr.  
West Tower, Suite 704  
Atlanta, Georgia 30334

RE: Madison National Life Insurance Company, Inc.; NAIC#65781  
Individual Major Medical Market Exit in Georgia

Dear Commissioner Hudgens:

Pursuant to Georgia Statute 120-2-67.10(5), we are writing to notify the Department of Insurance that Madison National Life Insurance Company, Inc. ("Madison National") is exiting the individual major medical health insurance market in the State of Georgia effective March 31, 2014 at midnight. This decision was prompted by the federal government's passage of the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Madison National to continue to operate and compete meaningfully in Georgia's individual major medical market after January 2014.

Madison National's market exit will affect our 147 currently in-force Georgia individual insureds. Our insureds are covered under policy form MNL IP PPO GA 107, which will no longer be marketed or renewed in Georgia as of our market exit.

We enclose for the Department's review a draft of our notices of discontinuation of coverage and market exit to our insureds. The notices will be mailed to our insureds by October 1, 2013, providing at least the requisite 180 days prior notice to their coverage expiration. Please note, Exhibit A will be mailed to our insureds with annual anniversary dates from April 1 through December 31, 2013, and Exhibit B will be mailed to our insureds whose coverage is subject to annual renewal on anniversary dates between January 1 and our March 31, 2014 exit. Exhibit B explains to the individual that their current coverage will be extended at their current rate via the enclosed amendment and will terminate on their first policy premium due date on or after March 31, 2014. Exhibit B also informs them, as you will see, that they may elect to procure coverage in the general marketplace or on the Federal Exchange earlier and not extend their coverage with us if they so choose.

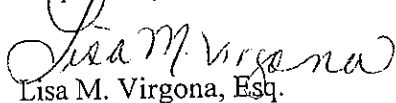
Madison National is seeking, as part of our market exit plan, the Department's permission that we extend the term of our insureds' coverage which would otherwise end on or after December 31, 2013 at their current rate up until our March 31, 2014 market exit date, rather than renewing their coverage on an EHB compliant plan until March 31, 2014. As we are exiting the individual

major medical market three short months into the 2014 calendar year and have not yet developed a 2014 EHB compliant product to file with the State to provide renewal coverage for that period, we would greatly appreciate the Department's accommodation in this process.

Madison National regrets its need to withdraw from Georgia's individual major medical insurance market. We understand that market re-entry is prohibited for the five-year period commencing on our non-renewal date. Our intent is that we may re-enter the market someday, but, for now, our concentration will be on those states where we have ascertained the value of us staying in the individual and small group major medical market and on our many other insurance offerings, including employer excess loss, short-term medical, limited medical, critical illness, disability, life, dental and vision, amongst others. We trust our exit from Georgia's individual major medical insurance market will not affect our license to market any other products we currently market in Georgia or any we may choose to market in the future.

If you have any questions or concerns about this submission, please feel free to contact me at (212) 355-4141 ext 3029 or by email at [lvirgona@sslicny.com](mailto:lvirgona@sslicny.com)

Respectfully,



Lisa M. Virgona, Esq.

First Vice President, Legal/Compliance

Encls.: Exhibits A & B, Form IAIC IMM AE 4-1-14

IHCHS Letterhead

**EXHIBIT A**  
**(for policies with anniversary dates from April – Dec 2014)**

September 19, 2013

Insured Name  
Address  
Address

By regular mail

**Re: Madison National Life Insurance Company, Inc.**  
**Discontinuance of Your Coverage on [insert plan anniversary end date in 2014]**  
**Your Plan Number: ADD #**

**IMPORTANT NOTICE: THIS AFFECTS YOUR INSURANCE CONTRACT RIGHTS.**  
**PLEASE READ CAREFULLY.**

Dear Insured Name:

This notice is to inform you that Madison National Life Insurance Company, Inc. ("Madison National") will be exiting the individual major medical insurance market in Georgia's effective March 31, 2014 at midnight. This decision was prompted by the increased regulation since the federal government's passage of its recent federal health care reform, commonly referred to as the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Madison National to continue to operate and compete meaningfully in Georgia's individual major medical market. As such, your referenced insurance coverage will terminate on [insert plan anniversary end date in 2014], or earlier if your premium is not received when due. [This termination date acknowledges that you have accepted our offer to early renew your contract with us for one year on December 1, 2013.]

We are pleased to inform you that there are many options for you to secure health insurance coverage after our March 31, 2014 exit, or after your policy termination date, whichever is later. You may purchase insurance in the general marketplace or through the Federal Exchange. As brief background for you, PPACA created a new mechanism for purchasing insurance coverage called Exchanges or Marketplaces, which are entities that have been or will be set up in states or by the Federal Government to create an organized and competitive market for health insurance for qualified individuals and employers.

Please go to <https://www.healthcare.gov/marketplace/individual> for information concerning health insurance coverage on the Federal Exchange.

Please remember that your health insurance with Madison National is effective until [insert plan anniversary end date in 2014]. It has been our pleasure to serve as your health insurer. If you have any questions or concerns, please feel free to contact us at 1-800-518-4510 or by email at [questions@ihcgroup.com](mailto:questions@ihcgroup.com).

Sincerely,

MADISON NATIONAL LIFE INSURANCE COMPANY, INC.

IHC HS Letterhead

**EXHIBIT B**  
**(for policies with anniversaries Jan-March 2014)**

September 16, 2013

By regular mail

Individual Name  
Address  
Address

**Re: Madison National Life Insurance Company, Inc.**  
**Discontinuance of Your Coverage**

Contract Amendment to extend coverage until [insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date should be 4/14/14].  
Your Plan Number: ADD #

**IMPORTANT NOTICE: THIS AFFECTS YOUR INSURANCE CONTRACT RIGHTS.**  
**PLEASE READ CAREFULLY.**

Dear Individual Name:

This notice is to inform you that Madison National Life Insurance Company, Inc. ("Madison National") will be exiting the individual major medical insurance market in Georgia effective March 31, 2014 at midnight. This decision was prompted by the increased regulation since the federal government's passage of its recent federal health care reform, commonly referred to as the Patient Protection Affordable Care Act ("PPACA"). The increased regulation will make it difficult for Madison National to continue to operate and compete meaningfully in Georgia's individual major medical market. As such, your referenced insurance coverage will terminate on your first premium due date on or after our March 31, 2014 market exit (date reflected above), or earlier if your premium is not received when due.

Your current coverage with Madison National is up for its annual renewal on [insert plan anniversary date in 2014]. Typically, you would receive a renewal notice from us prior to this date with an offer to renew with new rates. However, since we are exiting the market, we cannot offer you a renewal on a PPACA compliant major medical product in calendar year 2014. Instead, we will extend your current coverage from your policy anniversary date through your premium date on or after our March 31, 2014. This coverage will be provided at your current rate. Please find enclosed an amendatory endorsement to include with your current insurance contract indicating your health insurance coverage's new termination date of [insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date should be 4/14/14].

We are pleased to inform you that there are many options for you to secure health insurance coverage after your coverage termination date with us or prior. You may purchase insurance in the general marketplace or through the Federal Exchange. As brief background for you, PPACA created a new mechanism for purchasing insurance coverage called Exchanges or Marketplaces, which are entities that have been or will be set up in states to create an organized and competitive market for health insurance for qualified individuals and employers. Please go to <https://www.healthcare.gov/marketplace/individual> for information concerning health insurance coverage on the Federal Exchange.

Please remember that your health insurance with Madison National is effective until [insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date should be 4/14/14], as long your premiums are paid through that date. It has been our pleasure to serve as your health insurer. If you have any questions or concerns, please feel free to contact us at 1-800-518-4510 or by email at [questions@ihcgroup.com](mailto:questions@ihcgroup.com).

Sincerely,

MADISON NATIONAL LIFE INSURANCE COMPANY, INC.

Encl: Form MNL IMM AE 4-1-14

**MADISON NATIONAL LIFE INSURANCE COMPANY, INC.**  
A Wisconsin Insurance Company

**AMENDATORY ENDORSEMENT**

It is understood and agreed that the Policy and Certificate to which this Amendatory Endorsement is attached is amended as follows with respect to Covered/Insured Persons residing in the state of Arizona when their Certificate of Coverage/Policy was issued to them evidencing their insurance coverage under the Policy:

Any **Renewability or Termination of Insurance** provisions of Your Certificate/Policy that indicates that insurance coverage will terminate following 180 days after Our decision to discontinue offering health insurance in the individual market in the state your coverage was issued is amended by adding the following:

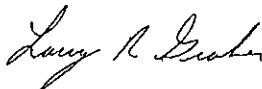
The health insurance coverage for You and any Dependents covered under the Policy will terminate on ~~insert premium due date on or after our 3/31/14 exit, e.g. if premium due 3/14/14, the date would be 4/14/14.~~ Pursuant to the terms of the Policy, We will continue Your health insurance coverage at the current rates and benefits for Insured/Covered Persons up to this termination date, unless coverage terminates earlier in accordance with the Policy's provisions regarding termination due to the non-payment of required premiums when due.

This Amendatory Endorsement is endorsed and made part of the Policy and Certificate to which it is attached as of October 1, 2013.

This Amendatory Endorsement is subject to all provisions of the Policy which are not in conflict with the provisions of this Amendatory Endorsement. Nothing in this Amendatory Endorsement will be held to vary, alter, waive, or extend any of the terms, conditions, provisions, agreements, or limitations of the Policy other than stated above.

IN WITNESS WHEREOF, the Insurance Company has caused this Amendatory Endorsement to be signed by its President.

**MADISON NATIONAL LIFE INSURANCE COMPANY, INC.**

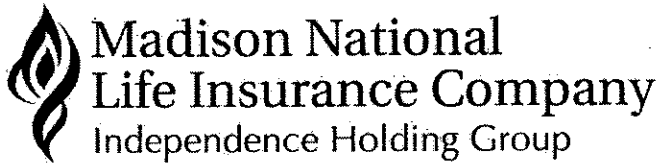


Larry R. Graber  
President



Adam C. Vandervoort  
Secretary





S.G.  
WITBORNWALC  
www.madisonlife.com

SENT VIA SERFF

September 27, 2013

Georgia Office of Insurance and Fire Safety Commissioner  
Attention: Commissioner Ralph T. Hudgens  
Two Martin Luther King, Jr. Drive  
West Tower, Suite 704  
Atlanta, Georgia 30334

**Re: Madison National Life Insurance Company; NAIC: #65781  
Georgia Notice of Plan Non-Renewal and Replacement**

Dear Commissioner Hudgens:

We are writing to notify the Georgia Office of Insurance that Madison National Life Insurance Company ("Madison National") will not renew policy form # MNL MMP 0205 (the "Policy"). Instead, Madison National will replace the Policy with a new Patient Protection and Affordable Care Act ("ACA") complaint policy.

The discontinuation of this Policy will affect our 25 currently in-force Georgia small employer group insureds, with at total number of 147 lives affected counting all employers and their employees.

We enclose for the Office's review a draft of our notices of non-renewal and replacement of the Policy that we will send to covered policyholders and certificate holders, pursuant to Ga. Comp. R. & Regs. 120-2-67-.09. The notices will be mailed to our insureds by October 1, 2013, providing the requisite 90 days prior notice of discontinuation of their policy. The notice letter explains to the employer groups that their current coverage will not renew. It also informs them that Madison National will be replacing their coverage with a new ACA compliant policy. Please note that the notice letter refers the groups to the exchange should they choose not to extend their coverage with us.

If you have any questions or concerns about this submission, please feel free to contact me at (602) 395-7060 or by e-mail at Lizette.rubio@ihcgroup.com.

Respectfully,

Lizette Rubio  
Manager of Legal and Compliance

[Date]

Employee Name  
Address  
Address]

**Re: Madison National Life Insurance Company  
New Policy and New Premium Rates  
[Your Group or Case Number: ADD # ]**

**IMPORTANT: THIS NOTICE AFFECTS YOUR INSURANCE CONTRACT RIGHTS.  
PLEASE READ CAREFULLY.**

Dear [Insured]:

This notice is to inform you about important changes to your current health insurance Policy. These changes are required as a result of Federal Healthcare Reform, commonly referred to as the Affordable Care Act ("ACA"). As outlined below, the new changes will include a core set of comprehensive benefits, more cost sharing choices, and new premiums. To ensure your health insurance coverage is compliant with these new requirements, your existing Policy will non-renew and will be replaced with a new Policy and new premium rates upon your renewal on [January 1], 2014.

Comprehensive Benefits

Your replacement Policy will include a core set of benefits, called the "Essential Health Benefits." Your current Policy may already include some or all of the Essential Health Benefits. For more information on the Essential Health Benefits, you can contact the government healthcare website, [www.hhs.gov/healthcare/](http://www.hhs.gov/healthcare/).

Cost Sharing Options

Your replacement Policy will include the Essential Health Benefits, but the amount paid out-of-pocket will be different depending on the cost sharing options chosen. ACA creates four uniform categories of cost sharing, called "metal" levels. These metal levels are based on the average percentage of medical costs the health insurance company is expected to pay, compared to the average percentage you will pay. Although there are four "metal" levels, your replacement Policy will fit into the Bronze level. The Bronze level coverage provides 60% of medical costs paid by the insurance company and an average of 40% paid by the member.

New Premium Rates

We are filing our new policies and premium rates with the State Department of Insurance. Once the new policies and rates are set, we will send your employer another letter with information about your replacement Policy along with the new premium rates.

State Benefit Exchange

In 2014, small businesses (50 or fewer employees) can buy coverage directly from their insurer or from their states' Health Benefit Exchange. The Exchange will help you shop for and enroll in health insurance. You will be able to use the Exchange to compare insurance options and prices offered through the Exchange. You can purchase insurance through the Health Benefit Exchange beginning in October 1, 2013 for coverage starting January 1, 2014.

As explained in this letter, your employer group's coverage with Madison National Life Insurance Company will not renew on your renewal date in 2014 and will be replaced with a new ACA Compliant policy. If you have any questions concerning health insurance coverage for you and your dependents please contact your employer.

Sincerely,

MADISON NATIONAL LIFE INSURANCE COMPANY

[Date]

[MASTER GROUP CONTRACT

Address

Address]

**Re: Madison National Life Insurance Company  
New Policy and New Premium Rates  
[Your Group or Case Number: ADD # ]**

**IMPORTANT: THIS NOTICE AFFECTS YOUR INSURANCE CONTRACT RIGHTS.  
PLEASE READ CAREFULLY.**

Dear [Group]:

This notice is to inform you about important changes to your current health insurance Policy. These changes are required as a result of Federal Healthcare Reform, commonly referred to as the Affordable Care Act ("ACA"). As outlined below, the new changes will include a core set of comprehensive benefits, more cost sharing choices, and new premiums. To ensure your health insurance coverage is compliant with these new requirements, your existing Policy will non-renew and will be replaced with a new Policy and new premium rates upon your renewal on [January 1], 2014.

Comprehensive Benefits

Your replacement Policy will include a core set of benefits, called the "Essential Health Benefits." Your current Policy may already include some or all of the Essential Health Benefits. For more information on the Essential Health Benefits, you can contact the government healthcare website, [www.hhs.gov/healthcare/](http://www.hhs.gov/healthcare/) or contact your broker or agent.

Cost Sharing Options

Your replacement Policy will include the Essential Health Benefits, but the amount paid out-of-pocket will be different depending on the cost sharing options chosen. ACA creates four uniform categories of cost sharing, called "metal" levels. These metal levels are based on the average percentage of medical costs the health insurance company is expected to pay, compared to the average percentage you will pay. Although there are four "metal" levels, your replacement Policy will fit into the Bronze level. The Bronze level coverage provides 60% of medical costs paid by the insurance company and an average of 40% paid by the member.

New Premium Rates

We are filing our new policies and premium rates with the State Department of Insurance. Once the new policies and rates are set, we will send you another letter with information about your replacement Policy along with the new premium rates.

State Benefit Exchange

In 2014, small businesses (50 or fewer employees) can buy coverage directly from their insurer or from their states' Health Benefit Exchange. The Exchange will help you shop for and enroll in health insurance. You will be able to use the Exchange to compare insurance options and prices offered through the Exchange. You can purchase insurance through the Health Benefit Exchange beginning in October 1, 2013 for coverage starting January 1, 2014.

Please remember that your current health insurance Policy with Madison National Life Insurance Company is effective until your renewal date in 2014. It is our pleasure to serve as your health insurer and we believe you will be satisfied with the replacement Policy that is enhanced due to the ACA requirements. If you have any questions or concerns, please feel free to contact Customer Service at 800-518-4510 or by email [questions@ihcgroup.com](mailto:questions@ihcgroup.com).

Sincerely,

MADISON NATIONAL LIFE INSURANCE COMPANY

cc: All Plan Participants



**MEDICAL MUTUAL®**  
CAROLINA CARE PLAN | CONSUMERS LIFE

Medical Mutual®  
2060 East Ninth Street  
Cleveland, Ohio 44115-1255

MedMutual.com

September 5, 2013

Commissioner Ralph Hudgens  
Office of Insurance and Safety Fire Commissioner  
2 Martin Luther King, Jr. Drive  
West Tower, Suite 920  
Atlanta, Georgia 30334

**RECEIVED**  
SEP 10 2013

LIFE & HEALTH DIVISION  
GEORGIA INSURANCE DEPT.

RE: Consumers Life Insurance Company: Exit from Medicare Supplement Market in Georgia

Dear Commissioner Hudgens:

Consumers Life Insurance Company ("Consumers Life"), an Ohio-domiciled insurance company, has decided to exit the Medicare Supplement market in Georgia effective April 1, 2014. Consumers Life is also exiting the individual and group health insurance markets at the end of 2013.

This letter serves as Consumers Life's official 180-day advance written notice of its plan to exit the Georgia Medicare Supplement market as of April 1, 2014. Coverage for Consumers Life policyholders will end at midnight on March 31, 2014.

Consumers Life has 21 policyholders in the Medicare Supplement market in Georgia. Policyholders and brokers will be notified of Consumers Life's exit beginning as early as October 1, 2013. For your review, attached is a copy of the letter we propose to send to policyholders. We would appreciate your feedback and will follow up with Tom Carswell on the content of the letter.

If you have any questions, please do not hesitate to call me at 216-687-7625, or by email at [David.Fogarty@medmutual.com](mailto:David.Fogarty@medmutual.com) or contact Julie Chernitski at 216-687-7769, or by email at [Julie.Chernitski@medmutual.com](mailto:Julie.Chernitski@medmutual.com).

Sincerely,

David Fogarty

Director, Regulatory Relations

Attachments

Cc: Tom Carswell

mailed  
9-23  
OK



**MEDICAL MUTUAL®**  
CAROLINA CARE PLAN | CONSUMERS LIFE

**Medical Mutual®**  
2060 East Ninth Street  
Cleveland, Ohio 44115-1355

MedMutual.com

September 2013

Dear Member:

After much consideration, Medical Mutual and its Family of Companies have made the difficult decision to exit the Medicare Supplement market in Georgia to focus on our core business in Ohio, effective April 1, 2014.

We anticipate your health coverage policy through Consumers Life Insurance Company will end at midnight on March 31, 2014.

We value our customers and want to ensure they continue to have access to quality healthcare coverage. Please visit Georgia's Office of Insurance and Safety Fire Commissioner's web site at <http://www.oci.ga.gov/> or call Consumer Services at 404-656-2070 to explore other options for Medicare Supplement coverage.

Unless you choose to purchase alternative coverage between now and the end of the coverage period, your coverage will continue unchanged according to the terms of your policy. If your coverage is still with Consumers Life Insurance Company on March 31, 2014, and you are hospitalized or have a procedure scheduled during that time period, please call our Customer Care department at the number listed on your ID card for more information.

If you registered for our secure website, *My Health Plan*, you will have access to your account for one year after your coverage ends. You will be able to review past Explanation of Benefits (EOB) documents, plus any other benefits and claims information in your account, until midnight on March 31, 2015.

It has been a pleasure serving your health coverage needs, and we wish you success in achieving your health goals. If you have any questions, please call our Customer Care department at the number listed on your ID card.

Sincerely,

## Tom Carswell

---

**From:** Luna, Susan <Susan.Luna@healthmarkets.com>  
**Sent:** Wednesday, April 03, 2013 12:20 PM  
**To:** Tom Carswell  
**Subject:** RE: HealthMarkets, Inc. Insurance Carriers (MEGA & Mid-West) - Proposal to Discontinue Non-Grandfathered Health Benefit Plans

Thanks so much for your response.

Susan

**Susan A. Luna**  
Sr. Director & Privacy Official  
Corporate Compliance

## HealthMarkets®

9151 Boulevard 26 • North Richland Hills • TX 76180  
P (817) 255-3188 • F (817) 255-5392  
[Susan.Johnson@HealthMarkets.com](mailto:Susan.Johnson@HealthMarkets.com) • [www.HealthMarkets.com](http://www.HealthMarkets.com)

**Confidentiality Notice:** This e-mail message may contain confidential or proprietary information. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message. HealthMarkets® is the brand name for products underwritten and issued by the insurance subsidiaries of HealthMarkets, Inc. –The Chesapeake Life Insurance Company®, Mid-West National Life Insurance Company of Tennessee<sup>SM</sup> and The MEGA Life and Health Insurance Company.<sup>SM</sup>

---

**From:** TCarswell@oci.ga.gov [mailto:TCarswell@oci.ga.gov]  
**Sent:** Wednesday, April 03, 2013 11:12 AM  
**To:** Luna, Susan  
**Subject:** RE: HealthMarkets, Inc. Insurance Carriers (MEGA & Mid-West) - Proposal to Discontinue Non-Grandfathered Health Benefit Plans

Ms. Luna:

We have received your message and believe you have a reasonable plan to withdraw from the Georgia individual market, giving proposed adequate notice for affected Georgia consumers to make replacement coverage choices. We will look for an official SERFF filing which is consistent with the understandings of these messages.

Thomas F. Carswell, FLMI  
Assistant Director  
Division of Insurance Product Review  
Office of Commissioner of Insurance,  
State of Georgia  
(404) 657-4193

**From:** Luna, Susan [mailto:Susan.Luna@healthmarkets.com]  
**Sent:** Wednesday, April 03, 2013 11:56 AM  
**To:** Tom Carswell  
**Cc:** Cordova, Dianna



**Subject:** FW: HealthMarkets, Inc. Insurance Carriers (MEGA & Mid-West) - Proposal to Discontinue Non-Grandfathered Health Benefit Plans

We recently submitted an e-mail that outlined our proposal to discontinue non-grandfathered health benefit plans effective midnight December 31, 2013 (as a particular type of health product) and retain our grandfathered health benefit plans in force. As mentioned below, the HealthMarkets insurance carriers (MEGA & Mid-West) have not issued new health benefit plans in Georgia since about August 2010, and we have a very small block of non-grandfathered health benefit plans in effect that would potentially require significant revision to meet the 2014 ACA reform requirements.

In the interest of time, we are proceeding with submitting our formal notification of this intended discontinuation of non-grandfathered health benefit plans to the GA Office of the Insurance & Safety Fire Commissioner through SERFF to allow your office time to provide comment while enabling us to complete the formal filing process in a timely manner (since notices to insureds are intended to be mailed by July 1, 2013).

We appreciate your consideration. I'll be out of the office beginning tomorrow until April 15<sup>th</sup>. If you have questions or comments during this time, please include Dianna Cordova on your response ([Dianna.Cordova@healthmarkets.com](mailto:Dianna.Cordova@healthmarkets.com)), and she'll be happy to assist.

Thanks,  
Susan

**Susan A. Luna**  
Sr. Director & Privacy Official  
Corporate Compliance

**HealthMarkets®**

9151 Boulevard 26 • North Richland Hills • TX 76180  
P (817) 255-3188 • F (817) 255-5392  
[Susan.Johnson@HealthMarkets.com](mailto:Susan.Johnson@HealthMarkets.com) • [www.HealthMarkets.com](http://www.HealthMarkets.com)

**Confidentiality Notice:** This e-mail message may contain confidential or proprietary information. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message. HealthMarkets® is the brand name for products underwritten and issued by the insurance subsidiaries of HealthMarkets, Inc. –The Chesapeake Life Insurance Company®, Mid-West National Life Insurance Company of Tennessee<sup>SM</sup> and The MEGA Life and Health Insurance Company.<sup>SM</sup>

**From:** Luna, Susan  
**Sent:** Friday, March 01, 2013 4:20 PM  
**To:** 'Life@oci.ga.gov'  
**Subject:** HealthMarkets, Inc. Insurance Carriers (MEGA & Mid-West) - Proposal to Discontinue Non-Grandfathered Health Benefit Plans

The MEGA Life and Health Insurance Company and Mid-West National Life Insurance Company of Tennessee (collectively "the Companies"), are proposing to discontinue a total of 35 non-grandfathered health benefit plans issued in the individual market in Georgia between the date the Affordable Care Act (ACA) was enacted and August 2010. We notified the Companies' domiciliary states, Oklahoma and Texas, of this proposed discontinuance in mid-February. We would appreciate your feedback and any guidance you may have as we prepare our formal submission of this proposed discontinuance to your Department.

By way of background, in late 2009, the Companies ceased issuing new health benefit plans and began to focus their efforts on the development and administration of new supplemental insurance products. We discontinued sales of all health benefit plans in Georgia by August 2010. Since then, we have continued to manage the closed blocks of grandfathered and non-grandfathered plans (as those terms are used in ACA). As of December 31, 2012, the carriers collectively had only 35 non-grandfathered plans in effect that were issued in Georgia. In view of the significant changes

that will apply to these non-grandfathered plans as of January 2014 (including but not limited to minimum essential health benefits requirements), and the infrastructure work that would be required to support such plans, we are proposing to discontinue these non-grandfathered plans as allowed under the new guaranteed renewability provisions of the final Health Insurance Market Rules that were published in the Federal Register on February 27, 2013.

We believe federal law supports that these non-grandfathered plans are separate health benefit plans and may be discontinued for the following reasons:

- The ACA clearly distinguishes plans in effect on or prior to 3/23/2010 (grandfathered plans) from plans in effect on and after 3/24/2010 (non-grandfathered plans) in part because there are significant benefit differences. Also, in accordance with Section 1251 of the ACA, individuals have the right to keep their existing grandfathered insurance plan in order to satisfy the individual requirement to have health insurance. Grandfathered plans are exempt from most of the 2010 and 2014 ACA Health Insurance Market Reforms (such as prohibitions on annual limits for essential health benefits, guaranteed availability, adjusted community rating, coverage for preventive services, and essential health benefit and minimum essential coverage requirements). As such, we believe that under federal law “grandfathered” and “non-grandfathered” plans are rightly viewed as and considered to be different plans or products.
- In the final Health Insurance Markets Rules published in the Federal Register on February 27, 2013, the guaranteed renewability requirements of 45 CFR 147.106 (PHS Act Section 2703) allow discontinuance of a particular product (non-grandfathered plans) in accordance with applicable state law in the applicable market if the carrier:
  - 1) provides notice in writing to each individual provided that particular product in that market (and to all participants and beneficiaries covered under such coverage) of the discontinuation at least 90 calendar days before the date the coverage will be discontinued;
  - 2) offers to each individual provided that particular product the option, on a guaranteed issue basis, to purchase all other health insurance coverage currently being offered by the issuer in that market; and
  - 3) acts uniformly without regard to the claims experience of those individuals, or any health status-related factor relating to any participants or beneficiaries covered or new participants or beneficiaries who may become eligible for such coverage.
- O.C.G.A. §33-29-21 follows federal law with respect to discontinuance of a particular policy form. Regulation 120-2-67-.10 sets forth provisions for discontinuance of a particular policy form in the individual market similar to the federal requirements described above.

We believe the following factors are relevant and also support our proposal:

- As mentioned above, the Companies have very small closed blocks of non-grandfathered health plans in Georgia as well as nationwide. In Georgia, our MEGA block has about 997 policies in force, of which only 20 are non-grandfathered; and our Mid-West block has about 770 policies in force, of which 15 are non-grandfathered.
- The Companies may be in a unique position compared to most other health carriers, as we had already slowed the marketing of our health benefit plans prior to enactment of ACA, and then discontinued new sales of such plans altogether almost three years ago, soon after ACA was enacted. The Companies do not anticipate re-entering the individual market for new health benefit plan sales in the future.
- In order to ensure that our affected insureds are able to obtain guaranteed issue coverage under the full protections of ACA, we propose giving these insureds notice on or before 7/1/2013 of our intent to discontinue the non-grandfathered plans as of midnight 12/31/2013. Thus, our insureds will have adequate time to arrange for replacement coverage and avoid any gap in coverage. The affected insureds will be able to freely choose among any available plans inside or outside of the Exchange (per the state’s mechanism) during the open enrollment period that begins in October 2013.

We are preparing our formal notice of this proposed discontinuance for submission via SERFF (unless you direct us otherwise). We will include a draft of the proposed discontinuance letter that will be sent to the affected insureds with our filing.

We welcome any feedback you may have and thank you in advance for your consideration of this matter.

Susan

**Susan A. Luna**  
**Sr. Director & Privacy Official**  
**Corporate Compliance**

**HealthMarkets®**

9151 Boulevard 26 • North Richland Hills • TX 76180

P (817) 255-3188 • F (817) 255-5392

[Susan.Johnson@HealthMarkets.com](mailto:Susan.Johnson@HealthMarkets.com) • [www.HealthMarkets.com](http://www.HealthMarkets.com)

**Confidentiality Notice:** This e-mail message may contain confidential or proprietary information. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message. HealthMarkets® is the brand name for products underwritten and issued by the insurance subsidiaries of HealthMarkets, Inc. --The Chesapeake Life Insurance Company®, Mid-West National Life Insurance Company of Tennessee<sup>SM</sup> and The MEGA Life and Health Insurance Company.<sup>SM</sup>



Physicians  
Mutual®

Insurance for all of us.™

2600 Dodge Street  
Omaha, NE 68131-2671  
Home Office: 402.633.1000  
Customer Service: 800.228.9100

February 8, 2013

Georgia Department of Insurance  
2 Martin Luther King, Jr. Drive  
West Tower, Suite 920  
Atlanta, GA 30334

RE: NAIC 80578 FEIN 47-0270450  
Physicians Mutual Insurance Company  
Hospital-Medical-Surgical Expense Incurred Policies  
Nonrenewal of Policies under forms P231, P232  
Hospital-Medical-Surgical Indemnity Policy P196  
Informational Filing

Dear Sir/Madam:

Physicians Mutual Insurance Company is withdrawing from the major medical health insurance market and will be nonrenewing all of the above captioned policy forms effective December 31, 2013. These forms are part of a closed block of business. There are currently four policies in force that were issued in your state.

Physicians Mutual Insurance Company will be nonrenewing the Hospital-Medical-Surgical Indemnity Policy Form P196 effective December 31, 2013. This is a very small closed block which consists of two policies which were issued in your state.

All policyholders will be notified at least 180 days prior to the effective date of the nonrenewal.

If you have any questions, please contact me at the phone number or e-mail listed below.

Sincerely,

Deb Knowlton  
Product Approval and Compliance Coordinator  
Government and Industry  
Voice: (402) 633-1115  
Fax: (402) 633-1096  
E-mail: deb.knowlton@physiciansmutual.com

## Tom Carswell

---

**From:** Don Roof  
**Sent:** Tuesday, February 12, 2013 10:29 AM  
**To:** Tom Carswell; Greg Hawkins  
**Cc:** Debra Peirce; Scott Sanders  
**Subject:** FW: Physicians Mutual Insurance Company (NAIC # 80578) - Withdrawing from Major Medical Health Insurance Market  
**Attachments:** 172.16.1.82\_Exchange\_02-12-2013\_09-39-52.pdf

.FYI

-----Original Message-----

**From:** Debra Peirce  
**Sent:** Tuesday, February 12, 2013 10:11 AM  
**To:** Scott Sanders; Don Roof  
**Subject:** FW: Physicians Mutual Insurance Company (NAIC # 80578) - Withdrawing from Major Medical Health Insurance Market

FYI -

-----Original Message-----

**From:** Cris Campos  
**Sent:** Tuesday, February 12, 2013 9:44 AM  
**To:** Tom Carswell; Debra Peirce; Mark Ossi  
**Cc:** Greg Hawkins; Amy Jones  
**Subject:** Physicians Mutual Insurance Company (NAIC # 80578) - Withdrawing from Major Medical Health Insurance Market

Attached please find written notice from Physicians Mutual Insurance Company. They are withdrawing from the major medical health insurance market and will be non-renewing several policy forms effective 12/31/2013.

Please let me know who get the original document, and I will forward it to you for your records.

Thanks,  
Cris



Reserve National Insurance Company  
601 East Britton Road  
Oklahoma City, OK 73114-7710  
reservenational.com

September 25, 2013

Ralph T. Hudgens  
Insurance and Safety Fire Commissioner  
Two Martin Luther King, Jr. Drive  
West Tower, Suite 704  
Atlanta, Georgia 30334

Re: Notice Pursuant to Ga. Comp. R. & regs. r. 120-2-67-.10 (b) (4) – Nonrenewal of a  
Particular Type of Individual Policy  
Sent via Certified Mail; Article No. 7005 0390 0000 7718 5642

Dear Commissioner Hudgens:

The purpose of this letter is to notify you that Reserve National Insurance Company has decided not to renew the coverage of individuals covered under our Individual Scheduled Benefit Hospital, Medical and Surgical Expense Policy Form PS-1 that are of the type considered to be “non-grandfathered plans” under the Patient Protection and Affordable Care Act (“PPACA”) (collectively, the “PS-1 Policies” and individually, a “PS-1 Policy”). In connection with the non-renewal of this particular type of individual policy, we provide the following information:

1. The PS-1 Policy is an individual “mini-med” policy form that is subject to a waiver, granted by the federal Centers for Medicare & Medicaid Services, Department of Health & Human Services, from PPACA’s annual limits requirements. For affected policies, that waiver will expire on anniversary dates that occur on or after December 31, 2013. Upon the expiration of the waiver with respect to each such policy, each policy will not provide the considered “minimum essential coverage” required under PPACA and will be subject to PPACA’s annual limits prohibition that goes into effect January 1, 2014. Therefore, the effective date for the nonrenewal of each affected PS-1 policy is its anniversary date that occurs on or after December 31, 2013.

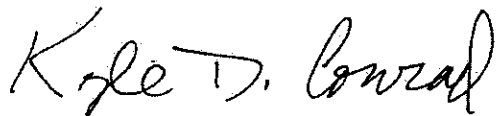
2. Our records show that we have 177 affected PS-1 Policies in Georgia. This action is being taken without regard to any health-status-related factor.

3. We will provide at least 90 days prior written notice of nonrenewal to each affected policyholder.

4. We will offer each affected insured the option to purchase any of the other individual policies that we offer for sale which are not subject to the market reform or other requirements of PPACA (i.e., “excepted benefits” types of policies). Reserve National does not offer for sale any individual policies providing the “minimum essential coverage” required under PPACA and we do not currently have any plans to develop and market such products.

If there are any questions concerning this matter, you may contact me at (800) 874-1431 or at [kconrad@kemper.com](mailto:kconrad@kemper.com).

Sincerely,

A handwritten signature in black ink that reads "Kyle D. Conrad". The signature is written in a cursive, flowing style.

Kyle D. Conrad  
Senior Vice President  
and Corporate Counsel



**RESERVE  
NATIONAL**

*RAM*  
*JKD*

Reserve National Insurance Company  
601 East Britton Road  
Oklahoma City, OK 73114-7710  
reservenational.com

September 25, 2013

**RECEIVED**

Ralph T. Hudgens  
Insurance and Safety Fire Commissioner  
Two Martin Luther King, Jr. Drive  
West Tower, Suite 704  
Atlanta, Georgia 30334

10-02-2013

**OFFICE OF COMMISSIONER  
OF INSURANCE  
EXECUTIVE DIVISION**

Re: Notice Pursuant to Ga. Comp. R. & regs. r. 120-2-67-.10 (b) (4) – Nonrenewal of a  
Particular Type of Individual Policy  
Sent via Certified Mail; Article No. 7005 0390 0000 7718 5642

Dear Commissioner Hudgens:

The purpose of this letter is to notify you that Reserve National Insurance Company has decided not to renew the coverage of individuals covered under our Individual Scheduled Benefit Hospital, Medical and Surgical Expense Policy Form PS-1 that are of the type considered to be “non-grandfathered plans” under the Patient Protection and Affordable Care Act (“PPACA”) (collectively, the “PS-1 Policies” and individually, a “PS-1 Policy”). In connection with the non-renewal of this particular type of individual policy, we provide the following information:

1. The PS-1 Policy is an individual “mini-med” policy form that is subject to a waiver, granted by the federal Centers for Medicare & Medicaid Services, Department of Health & Human Services, from PPACA’s annual limits requirements. For affected policies, that waiver will expire on anniversary dates that occur on or after December 31, 2013. Upon the expiration of the waiver with respect to each such policy, each policy will not provide the considered “minimum essential coverage” required under PPACA and will be subject to PPACA’s annual limits prohibition that goes into effect January 1, 2014. Therefore, the effective date for the nonrenewal of each affected PS-1 policy is its anniversary date that occurs on or after December 31, 2013.

2. Our records show that we have 177 affected PS-1 Policies in Georgia. This action is being taken without regard to any health-status-related factor.

3. We will provide at least 90 days prior written notice of nonrenewal to each affected policyholder.

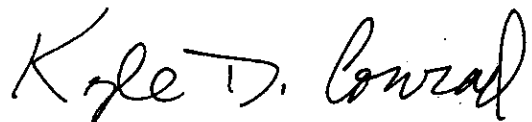
4. We will offer each affected insured the option to purchase any of the other individual policies that we offer for sale which are not subject to the market reform or other requirements of PPACA (i.e., “excepted benefits” types of policies). Reserve National does not offer for sale any individual policies providing the “minimum essential coverage” required under PPACA and we do not currently have any plans to develop and market such products.



September 25, 2013

If there are any questions concerning this matter, you may contact me at (800) 874-1431 or at [kconrad@kemper.com](mailto:kconrad@kemper.com).

Sincerely,

A handwritten signature in black ink that reads "Kyle D. Conrad". The signature is written in a cursive style with a large, stylized "K" and "C".

Kyle D. Conrad  
Senior Vice President  
and Corporate Counsel

**Tom Carswell**

**From:** Crampton, Kaylee <kcrampton@kemper.com>  
**Sent:** Monday, September 30, 2013 5:09 PM  
**To:** Tom Carswell  
**Cc:** Conrad, Kyle  
**Subject:** RE: Notice Pursuant to Ga. Comp. R. & regs. r. 120-2-67-.10 (b)(4) – Nonrenewal of a Particular Type of Individual Policy  
**Attachments:** NGF-NR-1-GA - Georgia.pdf

*Remove  
x  
w/p*

Mr. Carswell,

As you requested, attached is a copy of the notice we will send to the 177 affected PS-1 policyholders in Georgia. If there are any questions, please contact Kyle Conrad at [kconrad@kemper.com](mailto:kconrad@kemper.com) or 800.874.1431.

Thank you.

---

**From:** TCarswell@oci.ga.gov [mailto:TCarswell@oci.ga.gov]  
**Sent:** Thursday, September 26, 2013 11:05 AM  
**To:** Crampton, Kaylee  
**Cc:** SManders@oci.ga.gov  
**Subject:** RE: Notice Pursuant to Ga. Comp. R. & regs. r. 120-2-67-.10 (b)(4) – Nonrenewal of a Particular Type of Individual Policy

Ms. Crampton:

Thank you for this information. If you would also send us an advance copy of the specific notice you intend to send policyholders affected by this action, it would help us complete our file, and we would be able to share this information with our Consumer Services Division, where affected Georgia consumers might contact us in response to such notice. If it is more convenient, we can accept a SERFF filing of the specific consumer notice, but return email would satisfy us just as well.

Sincerely

Thomas F. Carswell, FLMI  
Assistant Director  
Division of Insurance Product Review  
Office of Commissioner of Insurance,  
State of Georgia  
(404) 657-4193

---

**From:** Steve Manders  
**Sent:** Thursday, September 26, 2013 8:38 AM  
**To:** Tom Carswell  
**Subject:** Fwd: Notice Pursuant to Ga. Comp. R. & regs. r. 120-2-67-.10 (b)(4) – Nonrenewal of a Particular Type of Individual Policy

Sent from my iPhone

Begin forwarded message:

**From:** "Crampton, Kaylee" <[kcrampton@kemper.com](mailto:kcrampton@kemper.com)>  
**To:** "Steve Manders" <[SManders@oci.ga.gov](mailto:SManders@oci.ga.gov)>  
**Cc:** "Conrad, Kyle" <[kconrad@kemper.com](mailto:kconrad@kemper.com)>  
**Subject:** Notice Pursuant to Ga. Comp. R. & regs. r. 120-2-67-.10 (b) (4) – Nonrenewal of a Particular Type of Individual Policy

Dear Mr. Manders:

I am attaching a courtesy copy of a letter we are sending today via certified mail to Commissioner Hudgens concerning the above-referenced matter.

If there is any other manner in which this should be submitted to your office (e.g. via SERFF) or if there are any questions, please contact Kyle Conrad at [kconrad@kemper.com](mailto:kconrad@kemper.com) <<mailto:kconrad@kemper.com>> or 800.874.1431.

Thank you for your consideration.

Kaylee Crampton  
Compliance and Media Analyst

Reserve National Insurance Company  
601 East Britton Road, Oklahoma City, OK 73114-7710  
405.848.7931  
[kcrampton@kemper.com](mailto:kcrampton@kemper.com)  
<<http://>>

CONFIDENTIALITY NOTICE: This communication may contain confidential information intended only for the addressee(s). If you received this communication in error, please notify the sender and delete it from your system.



**KEMPER**

**RESERVE NATIONAL**

Reserve National Insurance Company  
601 East Britton Road  
Oklahoma City, OK 73114  
reservenational.com

Month X, XXXX

Person's Name  
123 Address  
Address Line 2  
City, ST 12345

Anniversary Date: mm/dd/yyyy  
RE: Policy No.

Dear Name:

As you probably know, the federal health care reform law was enacted in March of 2010. This law, called the Patient Protection and Affordable Care Act or "PPACA," made significant changes that will impact all Americans' health insurance coverage. Many of this law's provisions will go into effect on January 1, 2014.

**As of January 1, 2014, PPACA requires all U.S. residents to maintain health insurance that provides "Minimum Essential Coverage" unless they fall into one of the exemptions listed in PPACA. For more information about this "individual mandate" and the exemptions that are available, see [www.healthcare.gov/exemptions](http://www.healthcare.gov/exemptions). Effective on and after your anniversary date shown above, your Reserve National hospitalization policy will not be considered "Minimum Essential Coverage" without annual limits and will not satisfy PPACA's individual mandate** requiring you to have a certain minimum level of health insurance coverage.

Therefore, **we are unable to renew your hospitalization policy beyond the anniversary date shown above.** Coverage under your Reserve National hospitalization policy will end on the anniversary date shown above. **You do not need to obtain a health insurance policy that provides "Minimum Essential Coverage" under PPACA until your current hospitalization policy expires,** which is the anniversary date shown above unless you terminate coverage or the policy lapses before the anniversary date.

If you currently have additional health insurance coverage under one of Reserve National's other available health insurance products, including our Hospital Indemnity, Accident, or Cancer products, PPACA will not prohibit you from keeping that coverage in place. **Those Reserve National policies will continue to provide the same valuable benefits they always have and can supplement a policy that provides "Minimum Essential Coverage."**

If you are interested in obtaining one or more of these additional types of Reserve National policies in place of your expiring hospitalization policy, we are happy to offer you such a policy and put you in touch with one of our agents for purposes of discussing these coverages. In addition to the types of policies mentioned above, you may find that our "Affordable Cost Solution" Hospital Fixed Indemnity Policy ACS-1 and our Specified Disease Limited Benefit Policy SD-1 may be desirable supplements to a policy that provides "Minimum Essential Coverage."

A Kemper Life & Health Company

**However, note that the alternative Reserve National coverages discussed above are not considered "Minimum Essential Coverage" under PPACA. If you maintain or purchase these Reserve National coverages alone, you will not satisfy the federal statutory requirement that you have health insurance meeting the standards set forth in PPACA.**

You may want to consider looking into other options for healthcare coverage. You and your family may soon have new options for healthcare coverage. Starting on October 1, 2013, the Health Insurance Marketplace (also called the "Exchange" and established in each state by either your state's government or the federal government) will offer a new alternative for purchasing health insurance plans. You can preview your premium, deductibles, and co-payment costs before you make a decision to enroll in a plan, and determine whether you qualify for assistance to reduce these costs.

If you purchase coverage in the Marketplace, you may find assistance with premiums due to a new kind of tax credit in the Marketplace. You might also qualify for plans with reduced deductibles and co-payments. Even though help with premiums, deductibles, and co-payments isn't available outside the Marketplace, the healthcare law also guarantees that you can choose a new plan outside the Marketplace even if you have a preexisting condition.

Find out more about the Marketplace at [www.healthcare.gov](http://www.healthcare.gov).

Reserve National is not offering "Minimum Essential Coverage" either inside or outside the Health Insurance Marketplace, and we are not currently planning to offer such coverage in the future. We can furnish you a Certificate of Creditable Coverage with respect to your Reserve National hospitalization policy, which may facilitate your obtaining "Minimum Essential Coverage."

We regret we will be unable to renew your hospitalization coverage. This step would not have been necessary under ordinary circumstances. Again, one of our agents will be happy to review with you your options for coverage with Reserve National. Please call our Customer Service Department at 1-800-654-9106 if you have any questions.

Sincerely,

Orin L. Crossley  
President

The Reserve National coverages referred to in this letter are individually underwritten by Reserve National Insurance Company. Availability and policy provisions may vary by state. A Company agent can provide details about benefits, costs, limitations, exclusions, and renewability.

NGF-NR-1-GA



August 23, 2013

Georgia Department of Insurance  
Attention: Tom Carswell  
Director of Product and Rate Filings Division  
2 Martin Luther King Jr. Drive  
West Tower, Suite 608  
Atlanta, GA 30334

RECEIVED

AUG 27 2013

PROPERTY & CASUALTY DIVISION

Re: **UnitedHealthcare Insurance Company  
Discontinuance of Conversion Product**

Dear Mr. Carswell:

On behalf of UnitedHealthcare I am submitting this notification of Conversion discontinuance as allowed by Georgia O.C.G.A. 33-24.21.1 (n).

We are discontinuing all the Conversion products available in the state with the appropriate 90-day notice per Georgia O.C.G.A. 33-24.21.1 (n)(1). United HealthCare is acting uniformly without regard to any health status related factor in determining this discontinuance. This notice is being sent to the Georgia Department of Insurance at least 5 business days prior to the individual members receiving their 90-day notice of discontinuance.

There are currently 137 members who are on a Conversion product that will discontinue. As described above, each member will receive the required 90-day notice of such product discontinuance. Members will have access to individual health coverage via the federal Health Insurance Marketplace.

Sincerely,

Keisha Lewis  
Regulatory Affairs Director  
UnitedHealthcare of Georgia Inc.  
3720 Davinci Court, Suite 300 GA020-1000  
Norcross, Georgia 30092  
Phone: 770-417-5637  
Fax: 770-300-4362  
Keisha\_L\_Lewis@uhc.com