

**IN THE MISSOURI DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION**

**In Re: FREEDOM LIFE INSURANCE)
COMPANY OF AMERICA)
SERFF TRACKING NUMBER) Case No. 131216665C
USHG-129299773)**

ORDER DISAPPROVING FORM FILING

Upon review and consideration of the filing of Freedom Life Insurance Company of America, SERFF Tracking Number USHG-129299773, specifically Form EHBC-2014-IP-MO-FLIC, the Director DISAPPROVES said form for the reasons stated below.

FINDINGS OF FACT

1. John M. Huff is the Director of the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri (“Director” of the “Department”).
2. Freedom Life Insurance Company of America (“Freedom Life”), NAIC Number 62324, is a foreign life and health insurance company organized pursuant to the laws of the state of Texas and transacting insurance business in the state of Missouri pursuant to a Certificate of Authority issued by the Director.
3. Pursuant to §376.777,¹ insurance companies licensed to transact business in this state may not deliver or issue for delivery in this state a policy of accident or health insurance unless the form has been approved.
4. The Division of Market Regulation (the “Division”) is designated pursuant to section 374.075 with the review of forms that are filed by insurance companies.
5. Freedom Life filed policy forms with the Director via the System for Electronic Rate and Form Filing (“SERFF”) on November 18, 2013. The SERFF Tracking Number is USHG-129299773 (“Filing”).
6. The Filing contains form EHBC-2014-IP-MO-FLIC, identified as an Essential Health Benefits Policy (“Policy”).
7. On December 10, 2013, Freedom Life amended the Filing and replaced the Policy with an amended form. The replacement form is the subject of this Order.

¹All statutory citations are to RSMo (Supp. 2013) unless otherwise noted.

8. On page 15 of the Policy under the section titled Definitions, Freedom Life states:

“Sickness and Injury Benefit(s)” mean only treatments, procedures, services, and supplies that are specifically enumerated in Section V.A. SICKNESS AND INJURY BENEFITS. If a treatment, procedure, service, or supply is not specifically enumerated in the SICKNESS AND INJURY BENEFITS Section, then fees charged or expenses associated with such items are not covered under this Policy as a **Sickness and Injury Benefit**. Payments by Us for **Sickness and Injury Benefits** are subject to all definitions, exclusions, limitations and provisions contained herein, including but not limited to the satisfaction and payability by You or the applicable **Minor Dependent Insured** of all applicable deductibles, as well as the limitation of the **Company Insurance Percentage**.

(Emphasis in original.)

9. On page 32 of the Policy under the section titled Sickness and Injury Benefits and the subsection Maternity and Newborn Care, Freedom Life states:

Services **Provided** by a **Hospital** or a **Provider** for (i) a **Minor Dependent Insured’s** routine pregnancy, including normal labor and delivery, (ii) cesarean section deliveries that are not performed on an **Emergency** basis, and (iii) **Complications of Pregnancy**.

(Emphasis in original.)

10. On pages 5 and 6 of the Policy under the section titled Definitions, Freedom Life states:

“Complications of Pregnancy” means:

1. Conditions (when the pregnancy is not terminated), which diagnoses are due to maternal risk, are distinct from pregnancy but are adversely affected by pregnancy, including but not limited to, acute nephritis, nephrosis, cardiac decompensation, missed abortion, and similar medical and surgical conditions of comparable severity; and

* * *

Complications of Pregnancy does not include false labor, occasional spotting, **Provider** prescribed rest during the period of pregnancy, morning sickness, and hyperemesis gravidarum. Nor does it include pre-eclampsia and similar conditions associated

with the management of a difficult pregnancy unless such condition constitutes a nosologically distinct complication.

(Emphasis in original.)

11. On pages 24 and 25 of the Policy under the section titled Sickness and Injury Benefits and the subsection titled Reconstructive Services, Freedom Life states:

Services **Provided** by a **Hospital** and/or a **Provider** received by a **Minor Dependent Insured** for certain reconstructive services required to correct a deformity caused by **Sickness, Injury**, congenital anomalies, or previous therapeutic process. Reconstructive services required due to a prior therapeutic process are payable only if the original procedure would have been a **Covered Expense** under this **Policy**. **Covered Expenses** are limited to the following:

- a. Necessary care and treatment of medically diagnosed congenital defects and birth abnormalities of a newborn child.
- b. **Breast Reconstruction** resulting from a **Mastectomy**. See "Breast Reconstruction Incident to Mastectomy" above for further coverage details.
- c. Hemangiomas, and port wine stains of the head and neck areas for children ages eighteen (18) years of age or younger;
- d. Limb deformities such as club hand, club foot, syndactyly (webbed digits), polydactyly (supernumerary digits), macrodactylia;
- e. Otoplasty when performed to improve hearing by directing sound in the ear canal, when ear or ears are absent or deformed from trauma, surgery, **Sickness**, or congenital defect;
- f. Tongue release for diagnosis of tongue-tied;
- g. Congenital disorders that cause skull deformity such as Crouzon's disease;
- h. Cleft lip; and
- i. Cleft palate.

This **Benefit** does not cover cosmetic surgery or reconstructive procedures except for **Medically Necessary** cosmetic surgery or reconstructive surgery as described above.

(Emphasis in original.)

12. On page 20 of the Policy under the section titled Termination of Coverage and the subsection Termination of the Policy by the Company Not Subject to Right of Conversion, Freedom Life states they may terminate coverage if:

e. **You** no longer reside in the service area of our **Participating Provider** network.

(Emphasis in original.)

13. On page 20 of the Policy under the section titled Termination of Coverage and the subsection Termination of a Minor Dependent Insured by the Company Not Subject to Right of Conversion, Freedom Life states:

As long as this **Policy** is in force for **You**, the coverage of **Your** child who is a **Minor Dependent Insured** will not end if he or she is dependent upon **You** for support and maintenance and incapable of self-support because of a mental handicap or physical disability. Such dependent **Minor Dependent Insured's** coverage under this **Policy** will continue regardless of the dependent **Insured's** age, as long as **Renewal Premium** is timely and properly paid for **You** and the dependent **Minor Dependent Insured** and such dependent **Minor Dependent Insured** remains dependent upon **You** and incapable of self-support because of such mental handicap or physical disability. Proof of such handicap or disability must be furnished to **Us** within thirty-one (31) days prior to the dependent **Minor Dependent Insured** reaching the limiting age, and thereafter upon **Our** request, but not more frequently than annually after the two (2) year period following the attainment of the limiting age.

(Emphasis in original.)

14. On page 1 of the Policy within the Important Notice about Statements in the Application, Freedom Life states:

Any incorrect or incomplete statements or answers, as well as any missing information could cause a claim to be denied or the coverage under this **Policy** to be reformed or voided.

(Emphasis in original.)

15. On pages 38 and 39 of the Policy under the section titled Claim Procedures, Investigation and Payment and the subsection titled Time of Payment of Claims, Freedom Life states:

We will make payments due promptly once a decision has been made on a claim and this decision has been processed.

Payment shall be treated as being made on the date a draft or valid instrument was placed in the United States mail to the last known address of the **Policyowner, Provider, or Beneficiary** in a properly addressed, postpaid envelope, or, if not so posted, on the date of delivery.

A **Benefit** payment owed by **Us** under this **Policy**, but not paid within thirty (30) days after the date of **Our** receipt of a proper proof of loss and the completion of **Our** investigation of the claim, will be considered past due. **We** will pay interest on any past due benefit payment amount at the rate of one and one-half percent per month commencing on the thirty first (31st) day after the completion and **Our** receipt of a proper proof of loss and the completion of **Our** investigation of the claim until the date such payment is tendered by **Us**.

(Emphasis in original.)

16. On pages 40 through 42 of the Policy under the section titled Exclusions, Freedom Life states:

Coverage under this **Policy** is limited as provided by the definitions, limitations, exclusions, and terms contained in each and every Section of this **Policy**. In addition, this **Policy** does not provide coverage for expenses charged to a **Minor Dependent Insured** or any payment obligation for **Us** under this **Policy** for any of the following, all of which are excluded from coverage:

17. eyeglasses, contact lenses, radial keratotomy, lasik surgery, hearing aids and exams for their prescription or fitting, except as **Provided** for in the SICKNESS AND INJURY BENEFITS and WELLNESS AND SCREENING BENEFITS sections of this **Policy**;

50. care **Provided** or billed by residential treatment centers or facilities, unless those centers are required to be covered by state law;

51. services or care **Provided** or billed by a school, **Custodial Care** center for the developmentally disabled, residential programs for drug and alcohol, or outward bound programs, if psychotherapy is included[.]

(Emphasis in original.)

17. Nowhere within the Policy does Freedom Life offer or provide coverage for dose-intensive chemotherapy and autologous bone marrow transplant for the treatment of breast cancer.

18. On page 36 of the Policy under the section titled Wellness and Screening Benefits and the subsection titled Immunizations, Freedom Life states:

Services for routine immunizations **Provided** to each **Minor Dependent Insured** as currently recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention (CDC) at the time services are **Provided**.

Immunizations **Provided** by a **Non-Participating Provider** are subject to the **Separate Deductible For Non-Participating Providers** and the **Non-Participating Provider Minor Dependent Insured Coinsurance Percentage**. If the immunizations are billed separately from an office visit, or if the primary purpose of the office visit was not for the delivery of such immunizations, then **We** may impose any applicable deductibles or coinsurance with respect to the office visit.

(Emphasis in original.)

19. On page 13 of the Policy under the section titled Definitions, Freedom Life states:

“Pre-Certification of Treatment” means the process of obtaining prior verbal or written authorization from **Us** for **Medically Necessary** or **Dentally Necessary Inpatient Confinement** or surgery. **Pre-Certification of Treatment** is not required for **Emergency Inpatient** admission.

20. On page 37 of the Policy under the section titled Pre-Certification of Treatment, Freedom Life states:

If **You** or a **Minor Dependent Insured** notifies and obtains from **Us** a certification that **Covered Expenses** are to be incurred due to a **Medically Necessary** or **Dentally Necessary Hospital Confinement** or surgery, **We** will provide the **Sickness and Injury Benefits** for **Covered Expenses** as specified under the terms and provisions of this **Policy** and any riders, amendments, or endorsements attached hereto.

Certification must be obtained prior to all **Inpatient** admissions, except in the case of an **Emergency** admission. In the event of an **Emergency Inpatient** admission **You**, the **Minor Dependent**

Insured or his or her **Provider** must notify **Us** within seventy-two (72) hours of **Confinement**, or as soon thereafter as reasonably possible.

At the time notification of surgery is made, **We** will inform the **Minor Dependent Insured** and his or her **Provider** if a second surgical opinion is required, at the expense of the **Company**, before certification will be given and will assign a length of stay if it is determined that **Inpatient Hospital** care is **Medically Necessary** or **Dentally Necessary**. **We** may extend the length of stay upon the request of **You**, the **Minor Dependent Insured** or **Provider** if **We** determine an extension is **Medically Necessary** or **Dentally Necessary**. No **Sickness and Injury Benefits** will be provided under this **Policy** for expenses that are determined not **Medically Necessary** or **Dentally Necessary**.

Treatment provided at any time after initial certification that differs from the specific plan of care and treatment previously authorized requires re-certification by **Us**.

Pre-Certification of Treatment, services, and/or a length of stay is not a guarantee of **Sickness and Injury Benefits** under this **Policy**. All claims for **Sickness and Injury Benefits** under this **Policy**, including claims for services and treatment that were pre-certified by **Us**, are subject to all terms, definitions, limitations, exclusions and restrictions contained in this **Policy** and any riders, endorsements, or amendments attached hereto.

(Emphasis in original.)

CONCLUSIONS OF LAW

21. The Director shall approve only those policy forms that are in compliance with Missouri insurance laws, and "which contain such words, phraseology, conditions, and provisions which are specific, certain and unambiguous and reasonably adequate to meet needed requirements for the protection of those insured," pursuant to §376.777.
22. The Director may disapprove a form filed with the Department, and in doing so must state the reasons for the disapproval in writing, pursuant to §376.777.

Freedom Life's Filing Qualifies as a Health Benefit Plan

23. Section 376.1350 defines the following terms and provides in relevant part:

(18) "Health benefit plan", a policy, contract, certificate or agreement entered into, offered or issued by a health carrier to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services....;

* * *

(21) "Health care service", a service for the diagnosis, prevention, treatment, cure or relief of a health condition, illness, injury or disease;

(22) "Health carrier", an entity subject to the insurance laws and regulations of this state that contracts or offers to contract to provide, deliver, arrange for, pay for or reimburse any of the costs of health care services, including a sickness and accident insurance company, a health maintenance organization, a nonprofit hospital and health service corporation, or any other entity providing a plan of health insurance, health benefits or health service[.]

24. Pursuant to §376.1350, Freedom Life is a "health carrier" and Freedom Life's Filing is a "health benefit plan" for the following reasons:

- a. Freedom Life is an entity subject to the insurance laws of this state that contracts to pay for or reimburse any of the costs of services to treat, cure or relieve a health condition, illness, injury, or disease.
- b. The Filing is a policy to be entered into, offered, or issued by Freedom Life, as a "health carrier," to pay for or reimburse any of the costs of services to treat, cure or relieve a health condition, illness, injury, or disease.

**Freedom Life's Filing Treats Complications of Pregnancy
Differently than Other Illness or Sickness**

25. Section 375.995.4, RSMo 2000, provides in relevant part:

The availability of any insurance contract shall not be denied to any insured or prospective insured on the sole basis of the sex or marital status of such insured or prospective insured. *Neither the amount of benefits payable under a contract, nor any term, condition, or type of coverage within a contract, shall be restricted, modified, excluded, or reduced solely on the basis of the sex or marital status of the insured or prospective insured except to the extent such restriction, modification, exclusion, or reduction is a result of the application of rate differentials permitted under the insurance laws of this state.* Nothing in this section shall prohibit an insurer from taking the marital status of an

insured or prospective insured into account for the purpose of defining persons eligible for dependents' benefits. *Specific examples of practices prohibited by this section include, but are not limited to, the following:*

(6) Treating complications of pregnancy differently from any other illness or sickness under the contract[.]

(Emphasis added.)

26. Freedom Life's Policy is not compliant with Missouri laws. Under the section titled Sickness and Injury Benefits and the subsection Maternity and Newborn Care, the Policy provides benefits for pregnancy, including complications of pregnancy. However, under its Definitions section, the Policy explicitly excludes coverage for certain complications of pregnancy, including, but not limited to, false labor, occasional spotting, preeclampsia or hyperemesis gravidarum. Section 375.995 prohibits insurance policies from discriminating based on gender and specifically prohibits "treating complications of pregnancy differently from any other illness or sickness under the contract." Therefore, the Policy may not exclude coverage for certain complications of pregnancy, which it does. As such, the Policy does not comply with the laws of this state as required by §376.777.

Freedom Life's Filing Does Not Comply With Mandated Coverage of Newborns

27. Section 376.406 provides in relevant part:

1. All health benefit plans which provide coverage for a family member of an enrollee shall, as to such family member's coverage, also provide that the health benefits applicable for children shall be payable with respect to a newly born child of the enrollee from the moment of birth.

2. The coverage for newly born children shall consist of coverage of injury or sickness including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities.

(Emphasis added.)

28. Freedom Life's Policy does not comply with Missouri laws. The Policy does not provide coverage for the "treatment of medically diagnosed congenital defects and birth abnormalities," as required by §376.406.2. The only covered benefit for congenital defects or birth abnormalities is with respect to reconstructive services, which is located within the Policy under the section titled Sickness and Injury Benefits and the subsection Reconstructive

Services. Section 376.406.2 requires coverage of medically diagnosed congenital defects and birth abnormalities to include treatment and does not limit that coverage to reconstructive services. Therefore, the Policy does not meet the mandated requirements of §376.406. As such, the Policy does not comply with the laws of this state as required by §376.777.

Freedom Life's Filing Does Not Guarantee Renewable Individual Health Insurance

29. Section 376.454 provides in relevant part:

1. Except as provided in this section, a health insurance issuer that provides individual health insurance coverage to an individual shall renew or continue in force such coverage at the option of the individual.

2. *A health insurance issuer may nonrenew or discontinue health insurance coverage of an individual in the individual market based only on one or more of the following:*

(4) *In the case of a health insurance issuer that offers health insurance coverage in the market through a network plan, the individual no longer resides, lives, or works in the service area or in an area for which the issuer is authorized to do business but only if such coverage is terminated under this subdivision uniformly without regard to any health status-related factor of covered individuals;*

(Emphasis added.)

30. Freedom Life's Policy is not compliant with Missouri insurance laws. The Policy provides that coverage can be terminated if the insured "no longer reside[s] in the service area of our Participating Provider network." Section 376.454 allows coverage to be terminated if the insured no longer resides, lives, or works in the network plan. Therefore, coverage may not be terminated consistent with §376.454 solely because the insured no longer lives within the service area as the Policy does. As such, the Policy does not comply with the laws of this state as required by §376.777.

Freedom Life's Policy Does Not Provide the Required Provision that Handicapped Dependent Children are Entitled to Remain Covered

31. Section 376.776 provides in relevant part:

1. This section applies to the hospital and medical expense provisions of an accident or sickness insurance policy.

2. If a policy provides that coverage of a dependent child terminates upon attainment of the limiting age for dependent children specified in the policy, such policy so long as it remains in force shall be deemed to provide that attainment of such limiting age does not operate to terminate the hospital and medical coverage of such child while the child is and continues to be both incapable of self-sustaining employment by reason of mental or physical handicap and chiefly dependent upon the policyholder for support and maintenance. **Proof of such incapacity and dependency must be furnished to the insurer by the policyholder at least thirty-one days after the child's attainment of the limiting age.** The insurer may require at reasonable intervals during the two years following the child's attainment of the limiting age subsequent proof of the child's disability and dependency. After such two-year period, the insurer may require subsequent proof not more than once each year.

32. Freedom Life's Policy is not compliant with Missouri insurance laws. Under the section titled "Termination of a Minor Dependent Insured by the Company Not Subject to Right of Conversion," Freedom Life states that notice must be given to the insurer 31 days *prior* to the dependent insured reaching the limiting age. Section 376.776 requires notice to be given within 31 days *after* the dependent reaches the limiting age. The Policy does not comply with §376.776 because the insured is required to give 31 days' notice before, not after, the dependent reaches the limiting age. As such, the Policy does not comply with the laws of this state as required by §376.777.

Freedom Life's Filing Does Not Comply Will All Provisions Required in a Policy Under Section 376.777

33. Section 376.777 provides in relevant part:

1. Required provisions. Except as provided in subsection 3 of this section *each such policy delivered or issued for delivery to any person in this state shall contain the provisions specified in this subsection* in the words in which the same appear in this section; provided, however, that the insurer may, at its option, substitute for one or more of such provisions corresponding provisions of different wording approved by the director of the department of insurance, financial institutions and professional registration which are in each instance not less favorable in any respect to the insured or the beneficiary....

(2) A provision as follows:

“TIME LIMIT ON CERTAIN DEFENSES:

(a) *After two years from the date of issue of this policy no misstatements, except fraudulent misstatements, made by the applicant in the application for such policy shall be used to void the policy or to deny a claim for loss incurred or disability (as defined in the policy) commencing after the expiration of such two-year period”.*

(8) A provision as follows:

“TIME OF PAYMENT OF CLAIMS:

Indemnities payable under this policy for any loss other than loss for which this policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnities for loss for which this policy provides periodic payment will be paid (insert period for payment which must not be less frequently than monthly) and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof”.

(Emphasis added.)

34. Freedom Life’s Policy is not compliant with Missouri insurance laws. Within the Important Notice about Statements in the Application, Freedom Life states that coverage may be reformed or voided if there are any incorrect or incomplete statements in the application. Section 376.777.1(2) prohibits coverage being cancelled for misstatements made by the applicant in the application after two years from the date of issue. Freedom Life does not provide such a notice. As such, the Policy does not comply with the laws of this state as required by §376.777.
35. Freedom Life’s Policy is not compliant with Missouri insurance laws. Under the section titled Claim Procedure, Investigation and Payment and the subsection Payment of Claims, Freedom Life states it will promptly pay claims once a decision has been made. Section 376.777.1(8) requires claims be paid immediately upon receipt of due written proof of such loss. Freedom Life’s claim payment provision does not provide the notice of payment required by §376.777.1(8). As such, the Policy does not comply with the laws of this state as required by §376.777.

**Freedom Life's Filing Does Not Provide the Mandated Offer of
Coverage for Chemical Dependency**

36. Section 376.811.1 states in relevant part:

Every insurance company and health services corporation doing business in this state shall offer in all health insurance policies benefits or coverage for chemical dependency meeting the following minimum standards:

* * *

(2) Coverage for residential treatment program of not less than twenty-one days per policy benefit period[.]

(Emphasis added.)

37. Freedom Life's Policy does not comply with Missouri laws. Under the section titled Exclusions, Freedom Life generally excludes coverage for residential treatment centers, unless coverage is required by state law, and Freedom Life specifically excludes coverage for drug and alcohol residential programs. These exclusions are noncompliant with state law for the following reasons:

- a. Freedom Life is required to offer to provide coverage for residential treatment programs to address chemical dependency. By generally stating that coverage for residential treatment plans is excluded unless required by law, Freedom Life fails to notify insureds of their rights and utilizes language that is not specific, certain and unambiguous in violation of §376.777.7.
- b. Freedom Life is required to offer to provide coverage for residential treatment programs to address chemical dependency. However, Freedom Life specifically excludes coverage for drug and alcohol treatment through residential programs. Because Freedom Life specifically excludes such coverage, the Policy does not provide the mandated offer of coverage and violates §376.811.1.

As such, the Policy does not comply with the laws of this state as required by §376.777.

**Freedom Life's Filing Does Not Provide the Mandated Coverage for
Treatment of Dose-Intensive Chemotherapy and Autologous Bone Marrow
Transplant of Breast Cancer**

38. Section 376.1200, RSMo 2000, states in relevant part:

1. *Each entity offering individual and group health insurance policies* providing coverage on an expense-incurred basis, individual and group service or indemnity type contracts issued by a health services corporation, individual and group service contracts issued by a health maintenance organization, all self-insured group arrangements to the extent not preempted by federal law and all managed health care delivery entities of any type or description, that are delivered, issued for delivery, continued or renewed in this state on or after January 1, 1996, ***shall offer coverage for the treatment of breast cancer by dose-intensive chemotherapy/autologous bone marrow transplants or stem cell transplants*** when performed pursuant to nationally accepted peer review protocols utilized by breast cancer treatment centers experienced in dose-intensive chemotherapy/autologous bone marrow transplants or stem cell transplants. The offer of benefits under this section shall be in writing and must be accepted in writing by the individual or group policyholder or contract holder.

(Emphasis added.)

39. Freedom Life's Policy is not compliant with Missouri insurance laws. Section 376.1200 requires all policies to "offer coverage for treatment of breast cancer by dose-intensive chemotherapy/autologous bone marrow transplant or stem cell transplants." The Policy neither makes the required offer nor mentions the coverage. As such, the Policy does not comply with the laws of this state as required by §376.777.

**Freedom Life's Policy Does Not Provide the
Mandated Coverage for Childhood Immunizations**

40. Section 376.1215, RSMo 2000, provides in relevant part:

1. *All individual and group health insurance policies* providing coverage on an expense-incurred basis, individual and group service or indemnity type contracts issued by a health services corporation, individual and group service contracts issued by a health maintenance organization and all self-insured group arrangements to the extent not preempted by federal law and all managed health care delivery entities of any type or description ***shall provide coverage for immunizations of a child from birth to five years of age as provided by department of health and senior services regulations.***

2. Such coverage shall not be subject to any deductible or co-payment limits.

(Emphasis added.)

41. Freedom Life's Policy is not compliant with Missouri insurance laws. Under the section titled Immunizations, the Policy provides coverage for routine immunizations that are recommended by the Advisory Committee on Immunization Practices of the Centers for Disease and Control Prevention (CDC). Section 376.1215 requires insurance policies to cover immunizations, as provided by the department of health and senior services through regulation. These groups' immunization lists may be the same or they may be different. Further, over time these groups' lists may independently change. As such, a citation to the proper authority's list, as required by §376.1215 is the only way to ensure that the appropriate immunizations are covered. Because Freedom Life does not cite to the required authority, the Policy does not comply with §376.1215. As such, the Policy does not comply with the laws of this state as required by §376.777.
42. Freedom Life's Policy is not compliant with Missouri insurance laws. Under the section titled Immunizations, Freedom Life states that immunizations provided by non-participating providers are subject to deductibles and coinsurance. Section 376.1215.2 does not permit deductibles or coinsurance with respect to childhood immunizations. Because Freedom Life requires such deductibles and coinsurance, the Policy does not comply with §376.1215.2. As such, the Policy does not comply with the laws of this state as required by §376.777.

**Freedom Life's Policy Does Not Provide the Mandated Coverage for
Newborn Hearing Screening and Initial Amplification**

43. Section 376.1220, RSMo 2000, provides in relevant part:

1. Each policy issued by an entity offering individual and group health insurance which provides coverage on an expense-incurred basis, individual or group health service, or indemnity contracts issued by a nonprofit corporation, individual and group service contracts issued by a health maintenance organization, all self-insured group health arrangements to the extent not preempted by federal law, and all health care plans provided by managed health care delivery entities of any type or description that are delivered, issued for delivery, continued or renewed in this state ***shall provide coverage for newborn hearing screening, necessary rescreening, audiological assessment and follow-up, and initial amplification.***

2. The health care service required by this section shall not be subject to any greater deductible or co-payment than other similar health care services provided by the policy, contract or plan.

(Emphasis added.)

44. Freedom Life's Policy is not compliant with Missouri insurance laws. Section 376.1220 requires insurers to provide coverage for "newborn hearing screening, necessary rescreening, audiological assessment and follow-up, and initial amplification." Freedom Life does not provide such coverage within the Policy and, additionally, generally excludes coverage of hearing aids and exams for their fitting. The Policy fails to meet the requirements of §376.1220 because it fails to provide the necessary coverage for newborn screening and initial amplification. As such, the Policy does not comply with the laws of this state as required by §376.777.

**Freedom Life's Filing Does Not Comply with
Pre-Authorization for Healthcare Services**

45. Section 376.1361.13 states:

If an authorized representative of a health carrier authorizes the provision of health care services, the health carrier shall not subsequently retract its authorization after the health care services have been provided, or reduce payment for an item or service furnished in reliance on approval, unless

- (1) Such authorization is based on a material misrepresentation or omission about the treated person's health condition or the cause of the health condition; or
- (2) The health benefit plan terminates before the health care services are provided; or
- (3) The covered person's coverage under the health benefit plan terminates before the health care services are provided.

(Emphasis added.)

46. Freedom Life's Policy is not compliant with Missouri insurance laws. Section 376.1361 prevents health carriers from preauthorizing a health care service and then retracting that authorization after the services have been provided. Under the section titled "Pre-Certification of Treatment," Freedom Life states pre-certification is not a guarantee of benefits. Freedom Life cannot authorize pre-certification of a treatment and then not provide benefits except as specified under §376.1361. The Policy's limitations on the provision of benefits following preauthorization is broader than the statute allows. As such, the Policy does not comply with the laws of this state as required by §376.777.

47. After review and consideration of the policy form included in Freedom Life's Filing, the company has failed to demonstrate its compliance with Missouri law as enumerated herein.
48. While there may be additional reasons as to why this policy form does not comply with Missouri's insurance laws, the reasons stated herein are sufficient to disapprove the forms.
49. Each reason stated herein for disapproval of a policy form is a separate and sufficient cause to disapprove such form.
50. Freedom Life's Policy does not comply with Missouri law. As such, said form is not in the public interest.
51. This Order is in the public interest.

IT IS THEREFORE ORDERED that Form EHBC-2014-IP-MO-FLIC is hereby **DISAPPROVED**. Freedom Life Insurance Company of America is hereby prohibited from delivering or issuing for delivery any policies of group health insurance utilizing said form.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 17th day of January, 2014.



JOHN M. HUFF
DIRECTOR



NOTICE

TO: Freedom Life Insurance Company of America and any unnamed persons aggrieved by this Order:

You may request a hearing on the disapproval of these forms. You may do so by filing a pleading with the Director of the Department of Insurance, Financial Institutions and Professional Registration, P.O. Box 690, Jefferson City, MO 65102, within 30 days after the mailing of this notice pursuant to 20 CSR 800-1.030.

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of January, 2014, a copy of the foregoing Order and Notice was

Served via certified mail addressed to:

Benjamin Cutler
President
Freedom Life Insurance Company of America
801 Cherry Street, Unit 33
Fort Worth, TX 76102

Erica Gibbs
Product Analyst
Freedom Life Insurance Company of America
801 Cherry Street, Unit 33
Fort Worth, TX 76102

Amy Feeler