



**Missouri Department of Insurance, Financial Institutions & Professional Registration  
Insurance Market Regulation Division  
Life & Health Section**

This document contains the standard “QUICK TEXT” statements used by the Life & Health Section in SERFF. For more information on SERFF please contact the NAIC or visit <http://www.serff.org> . If you need information about filing a form with the Life & Health Section please review our general filing guidelines at <http://www.insurance.mo.gov/industry/filings/lh/index.htm>

**These statements are in no way a limitation of all requirements made by the Life & Health Section in any SERFF or traditional paper filing.**

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## **All contracts**

### **Correspondence – Introduction**

I have reviewed the filing and accompanying forms and find that the forms cannot be approved as submitted. The following concerns may specifically discuss a provision in the Policy, though comments and corrections should be applied to the entire filing wherever found. Please address the following concerns.

### **Correspondence – Closing**

If you will resubmit the above forms in final print, incorporating these requirements, I will be pleased to reconsider your submission. When resubmitting, please provide only one final print copy and one red-lined copy of each form. The red-lined copy should reflect only the revisions that have been made to most current resubmission and not revisions that were made in previous filings. Please address each requirement in your cover letter in the same order that they appear in this letter. All of these will speed up the review of your resubmission. Please respond within 30 days of the date of this letter. On resubmission, please refer to the Missouri file number shown above.

*or*

When you resubmit the filing incorporating the required changes, I will be happy to consider it. Please respond within thirty (30) days from the date of this letter. On resubmission, please use the Missouri file number found above.

### **No Company Response – Follow Up Notice**

Your company has not responded to our last recorded Objection Letter. If we do not receive a response within fifteen (15) days from the date of this Objection Letter this filing will be deemed “Disapproved” due to no company response. If the filing is disapproved due to no response, you will need to re-file the entire filing for consideration which will include any new applicable filing fees.

Thank you for your cooperation. When you resubmit the filing incorporating the required changes, I will be happy to consider it. Please respond within fifteen (15) days from the date of this letter. Otherwise, the file will be destroyed 15 days from date of this letter.

### **AIDS Questions**

In order to comply with Mo. Reg. 20 CSR 400-2.120(2) (B) (1) and (2) (C) you must change your health questions pertaining to AIDS, ARC and HIV. When referring to these you must specifically say “Have you been positively diagnosed or treated .....?” **or** the questions must pertain to a finite period of time preceding completing of the application, not to exceed ten (10) years. <http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

### **Validity of arbitration agreement, exceptions**

Pursuant to Section 435.350 RSMo, arbitration is a written agreement to submit any existing controversy to arbitration or a provision in a written contract, except contracts of insurance and contracts of adhesion... <http://www.moga.mo.gov/statutes/C400-499/4350000350.HTM>

### **Blank Endorsements or Riders**

You have filed a "blank" or generic rider. You state in the uses for this rider that it may be used to add or remove benefits. Changing benefits in a plan would require specific language in and endorsement. It is the policy of this Department to disapprove all "blank" endorsement, unless the company can provide ALL variations of the language that might be used in this form in a statement of variability. I will hold this file open for 30 days for your response.

### **Company Name and Address**

Pursuant to Section 375.924 RSMo, you must have the name and address included somewhere in the policy. <http://www.moga.mo.gov/statutes/C300-399/3750000924.HTM>

### **Declined**

The application is not in compliance with §375.007 and §375.936(11)(f)RSMo. These Missouri Statues indicate that questions pursuant to an insured's history of being declined, cancelled or non-renewed by a previous insurer are not permissible. "Rejected" is taken to have the same reference as declined or refused to issue.

<http://www.moga.mo.gov/statutes/C300-399/3750000007.HTM>

<http://www.moga.mo.gov/statutes/C300-399/3750000936.HTM>

### **"Filed"**

This letter acknowledges receipt of this filing in our office. This material has been placed in your company's file for future reference and will be retained **for informational purposes only**. This letter does not constitute an approval of the material you have submitted, as we do not grant approval for submissions of this type.

### **Form numbers are incorrect**

Pursuant to our General Instructions Document and Mo. Reg. 20 CSR 400-8.200, I am unable to approve the policy at this time. Please revise the document or SERFF so that the form number in the lower left hand corner of the face page matches exactly as listed in the SERFF Form Schedule.

### **"Out of State" filing (first form letter)– Additional Information Needed**

Your filing indicates that this group policy form will not be issued in Missouri. I must request additional information about the intended market for this filing in order to determine if it is subject to prior approval in Missouri, and, if so, which laws and regulations are to be applied in its review.

The policy will be issued to one or more of the group "types" described in section 376.421 RSMo (for accident and health insurance) or 376.691 and 376.693, RSMo, (for life insurance). Please disclose the intended market for this policy by stating which of these statutes, subsections and subdivisions describe the intended group policyholders and provide the appropriate affidavit prescribed by 20 CSR 400-2.130. <http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

When coverage described in sections 376.421.2 or 376.693 is to be offered to residents of this state under a policy issued in another state, the policy must be filed for formal approval in Missouri. This prior approval requirement does not apply if the policy has been approved in a state with laws that require the director of insurance to make a determination that:

1. The issuance of the policy is not contrary to the best interests of the public;
2. The issuance of the policy would result in economies of acquisition or administration; and
3. The benefits are reasonable in relation to the premiums charged.

If another state with laws substantially similar to this has made such a determination, please provide evidence of that state's approval and provide the statutory citation of that state's law. If this policy was approved in Missouri, please provide the MDI file number or a copy of the approval.

**“Out of State” filing (second form letter) – Filed for Informational Purposes Only**

Based upon the information you have provided, the above-referenced form filing is not required by Missouri law to be filed with and approved by the Missouri Department of Insurance. Accordingly, the form(s) will be retained in our files **for informational purposes only**. Such action constitutes neither approval nor disapproval of the form(s) or the provisions contained therein.

Please be aware, however, that coverage solicited and sold to Missouri citizens must still comply with certain provisions of Missouri law regardless of the state in which the policy is issued. Please consult the Missouri Statutes and Regulations to determine which laws apply to life policies and which laws apply to health policies. These include:

- Sections 375.930 to 948 RSMo, The Unfair Trade Practices Act;
- Sections 375.995 RSMo, Sex or Marital Status Discrimination Prohibited;
- Sections 375.1000 to 375.1048 RSMo, the Unfair Claims Settlement Practices Act;
- Sections 376.431 to 376.442 RSMo, relating to discontinuance and replacement of group policies (refer to Sections 376.431 and 376.432 for applicable groups);
- Section 376.782 RSMo, relating to Mammography
- Sections 376.891 RSMo, relating to extended continuation rights for certain divorced or widowed spouses.
- Section 376.1215 RSMo, relating to mandated immunization coverage for children;
- Section 376.1225 RSMo, relating to coverage for the administration of general anesthesia and hospital charges for dental care;
- Section 376.1250 RSMo, relating to cancer coverage.
- Sections 376.1350 to 376.1390 RSMo, relating to utilization review and grievance procedures for managed care plans;
- Sections 379.930 to 379.952 RSMo, the Small Employer Health Insurance Availability Act;
- Regulations 20 CSR 400-2.100 to 2.120 prohibiting limitations on coverage for AIDS and regulating HIV testing and underwriting practices.

Your company is responsible for assuring that coverage provided to Missouri citizens fully complies with these statutes and regulations. We thank you for your cooperation in this regard.

### **Variable Language**

It will be necessary for you to disclose the nature and scope of each of the variables. If it is your intention to simply include or omit the bracketed language then it will be necessary for you to disclose this. If it is your intention to otherwise vary the bracketed language, then it will be necessary for you to disclose how you intend to vary the language. When this form is approved, the approval will be only for the variables that you have provided. Any subsequent variations must be filed for approval before their use. Please acknowledge your understanding of this.

Pursuant to health contracts, it will be necessary for you to provide a detailed description of the nature and scope of the variables as required by 20 CSR 400-2.060 (4) (B).

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

## **HEALTH**

### **2 Year incontestability**

Validity of the policy shall not be contested after it has been in force for 2 years from the date of issue. **Section 376.426(2) RSMo**

<http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Accidental Means**

A policy shall not include any language which requires that accidental bodily injury be effected solely through external, violent and accidental means. **Mo. Reg. 20 CSR 400-2.060(3) (F)**

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

### **Act beyond the Company Control**

Please remove the \_\_\_\_\_ provisions from the Policy. A health carrier may request a waiver of the requirements of §376.383 RSMo and §376.384 RSMo if the basis for the request is an act of God or other good cause as determined by the Director. §376.383 and §376.384 outline the number of days by which a health carrier must pay claims. A company cannot contract out of this statutory requirement.

<http://www.moga.mo.gov/statutes/C300-399/3760000383.HTM>

<http://www.moga.mo.gov/statutes/C300-399/3760000384.HTM>

### **Agent's Authority**

Pursuant to Mo. Reg. 20 CSR 400-2.060(3)(C) the company may specifically disclaim any insurance producer's authority to waive a complete answer to any question in the application, pass on insurability, make or alter any contract or waive any of the company's other rights or requirements. <http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

### **Evidence of Individual Insurability**

Conditions, if any, for which the insurer reserves the right to require evidence of insurability, must be stated in a group contract. **Section 376.426 (4) RSMo**  
<http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Felony charges or conviction or Incarceration**

Pursuant to 376.821 RSMo, “No insurer shall cancel or deny coverage on a contract or policy of health insurance or dental insurance to any person solely on the grounds that the person is incarcerated under authority of law”.  
<http://www.moga.mo.gov/statutes/C300-399/3760000821.HTM>

### **General Anesthesia-Dental**

Pursuant to 376.1225 RSMo, all health insurance policies shall provide coverage for administration of general anesthesia and hospital charges for dental care provided to the following covered persons:

A child under the age of five;

A person who is severely disabled; or

A person who has a medical or behavioral condition which requires hospitalization or general anesthesia when dental care is provided.

Each plan as described in this section must provide coverage for administration of general anesthesia and hospital or office charges for treatment rendered by a dentist, regardless of whether the services are provided in a participating hospital or surgical center or office.  
<http://www.moga.mo.gov/statutes/C300-399/3760001225.HTM>

### **Grace Period**

Section 376.426 (1) RSMo states that “the policyholder is entitled to a grace period of thirty-one days for the payment of any premium due except the first, during which grace period the policy shall continue in force, unless the policyholder shall have given the insurer written notice of discontinuance in advance of the date of discontinuance and in accordance with the terms of the policy. The policy may provide that the policyholder shall be liable to the insurer for the payment of a pro rata premium for the time the policy was in force during such grace period”.  
<http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Grievance-1<sup>st</sup> Level; Section 376.1382 RSMo.**

Pursuant to Section 376.1382 RSMo, “a health carrier that offers managed care plans shall establish a first-level and second-level grievance review process for its managed care plans”. Upon receipt of a request for first-level grievance review, a health carrier shall:

Acknowledge receipt in writing of the grievance within ten working days;

Conduct a complete investigation of the grievance within twenty working days after receipt of a grievance, unless the investigation cannot be completed within this time. If the investigation cannot be completed within twenty working days after receipt of a grievance, the enrollee shall be notified in writing on or before the twentieth working day and the investigation shall be completed within thirty working days thereafter. The notice shall set forth with specificity the reasons for which additional time is needed for the investigation;

Within five working days after the investigation is completed, have someone not involved in the circumstances giving rise to the grievance or its investigation decide upon the appropriate resolution of the grievance and notify the enrollee in writing of the health carrier's decision regarding the grievance and of the right to file an appeal for a second-level review. The notice shall explain the resolution of the grievance and the right to appeal in terms which are clear and specific;

Within fifteen working days after the investigation is completed, notify the person who submitted the grievance of the carrier's resolution of said grievance.

<http://www.moga.mo.gov/statutes/C300-399/3760001382.HTM>

### **Grievance 2<sup>nd</sup> Level; Section 376.1385 RSMo.**

Pursuant to 376.1385 RSMo, upon receipt of a request for second-level review, a health carrier shall submit the grievance to a grievance advisory panel consisting of:

Other enrollees;

Representatives of the health carrier that were not involved in the circumstances giving rise to the grievance or in any subsequent investigation or determination of the grievance; and

Where the grievance involves an adverse determination, a majority of persons that are appropriate clinical peers in the same or similar specialty as would typically manage the case being reviewed that were not involved in the circumstances giving rise to the grievance or in any subsequent investigation or determination of the grievance.

2. Review by the grievance advisory panel shall follow the same time frames as a first level review, except as provided for in section 376.1389 if applicable. Any decision of the grievance advisory panel shall include notice of the enrollee's or the health carrier's or plan sponsor's rights to file an appeal with the director's office of the grievance advisory panel's decision. The notice shall contain the toll-free telephone number and address of the director's office.

<http://www.moga.mo.gov/statutes/C300-399/3760001385.HTM>

### **Grievances-General; Section 376.1378 RSMo.**

Pursuant to Section **376.1378 RSMo**, A description of the grievance procedure shall be set forth in or attached to the policy, certificate, membership booklet, outline of coverage or other evidence of coverage provided to enrollees.

The grievance procedure documents shall include a statement of an enrollee's right to contact the director's office for assistance at any time. The statement shall include the toll-free telephone number and address of the department of insurance.

No such grievance procedure shall act as a bar to any suit in a court of competent jurisdiction instituted by any such enrollee, or as a bar to any defense thereto by the health carrier.

In the event there is a conflict between the outcomes of the grievance procedure and any such suit, the outcome of the suit in a court of competent jurisdiction shall prevail.

<http://www.moga.mo.gov/statutes/C300-399/3760001378.HTM>

### **Handicapped Child**

This statement fails compliance with 376.426(16) RSMo which describes a disabled dependent as one who "continues to be both incapable of self-sustaining employment by reason of mental or physical handicap". Since mental retardation is only one of numerous mental handicaps listed in the International Classification of Diseases, please revise this Section for compliance.

The definition of "Dependent", specifically the handicapped dependent child paragraph, fails to state that proof of incapacity and dependency is required by not more frequently than annually following the child's attainment of the limiting age, pursuant to 20 CSR 400-7.030(15)(B).

Please modify this definition. <http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Immunizations**

Pursuant to Section 376.1215 RSMo, all health insurance policies shall provide coverage for immunizations of a child from birth to five years of age as provided by Missouri Department of Health and Senior Services regulations. Coverage shall not be subject to any deductible or co-payment limits. <http://www.moga.mo.gov/statutes/C300-399/3760001215.HTM>

### **Issue of Certificate**

Insurer shall deliver to policy holder, to give to insured persons, a certificate of coverage's.

**Section 376.426 (7) RSMo** <http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Lead Testing**

Pursuant to Section 376.1290 RSMo, health insurance policies shall offer coverage for testing pregnant women for lead poisoning and for all testing for lead poisoning authorized by sections 701.340 to 701.349, RSMo, or by rule of the department of health and senior services promulgated pursuant to sections 701.340 to 701.349, RSMo.

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

<http://www.moga.mo.gov/statutes/C300-399/3760001290.HTM>

### **Mastectomy**

Pursuant to Section 376.1209 RSMo, each health insurance policy shall provide coverage for prosthetic devices or reconstructive surgery necessary to restore symmetry as recommended by the oncologist or primary care physician for the patient incident to the mastectomy. Coverage for prosthetic devices and reconstructive surgery shall be subject to the same deductible and coinsurance conditions applied to the mastectomy and all other terms and conditions applicable to

other benefits with the exception that no time limit shall be imposed on an individual for the receipt of prosthetic devices or reconstructive surgery.

<http://www.moga.mo.gov/statutes/C300-399/3760001209.HTM>

### **Maternity/Newborn Benefits**

Pursuant to Section 376.1210 RSMo, each health insurance policy shall provide coverage for a minimum of forty-eight (48) hours of inpatient care following a vaginal delivery and a minimum of ninety-six (96) hours of inpatient care following a cesarean section for a mother and her newly born child in a hospital.

Policies providing for maternity benefits may authorize a shorter length of hospital stay for services related to maternity and newborn care. Post-discharge care shall consist of a minimum of two visits at least one of which shall be in the home, in accordance with accepted maternal and neonatal physical assessments, by a registered professional nurse with experience in maternal and child health nursing or a physician. The location and schedule of the post-discharge visits shall be determined by the attending physician. Services provided by the registered professional nurse or physician shall include, but not be limited to, physical assessment of the newborn and mother, parent education, assistance and training in breast or bottle feeding, education and services for complete childhood immunizations, the performance of any necessary and appropriate clinical tests and submission of a metabolic specimen satisfactory to the state laboratory.

<http://www.moga.mo.gov/statutes/C300-399/3760001210.HTM>

### **Misstatement of age**

Amount of coverage to equal amount that premium would have purchased at actual age at issue.

**Section 376.426 (6) RSMo** <http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Newborn Child**

Pursuant to Section RSMo 376.406, all health benefit plans shall 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.

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.

A health benefit plan may require that notification of birth of a newly born child and payment of the required premium or fees must be furnished to the health carrier within thirty-one days after the date of birth in order to have the coverage continue beyond such thirty-one-day period. If an application or other form of enrollment is required in order to continue coverage beyond the thirty-one-day period after the date of birth and the enrollee has notified the health carrier of the birth, either orally or in writing, the health carrier shall, upon notification, provide the enrollee with all forms and instructions necessary to enroll the newly born child and shall allow the enrollee an additional ten days from the date the forms and instructions are provided in which to enroll the newly born child. <http://www.moga.mo.gov/statutes/C300-399/3760000406.HTM>

### **Osteoporosis**

Pursuant to Section 376.1199.1(3) RSMo, health insurance plans shall include coverage for services related to diagnosis, treatment and appropriate management of osteoporosis. A policy, provision, contract, plan or agreement may apply to such services the same deductibles, coinsurance and other limitations as apply to other covered services.

<http://www.moga.mo.gov/statutes/C300-399/3760001199.HTM>

### **PKU Formulas**

Pursuant to Section 376.1219 RSMo, each policy shall provide coverage for formula and low protein modified food products recommended by a physician for the treatment of a patient with phenylketonuria or any inherited disease of amino and organic acids who is covered under the policy, contract, or plan and who is less than six years of age.

The coverage required by this section may be subject to the same deductible for similar health care services provided by the policy, contract, or plan as well as a reasonable coinsurance or co-payment on the part of the insured, which shall not be greater than fifty percent of the cost of the formula and food products, and may be subject to an annual benefit maximum of not less than five thousand dollars per covered child.

<http://www.moga.mo.gov/statutes/C300-399/3760001219.HTM>

### **Preexisting Conditions**

Exclusion or limitation may only apply to condition which medical advice or treatment was received during 12 months prior to the effective date

Section 376.426 (5) RSMo. <http://www.moga.mo.gov/statutes/C300-399/3760000426.HTM>

### **Preventive Care Services - Newborn Hearing Screenings**

Pursuant to Section 376.1220 RSMo, each policy shall provide coverage for newborn hearing screening, necessary rescreening, audiological assessment and follow-up, and initial amplification. 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. <http://www.moga.mo.gov/statutes/C300-399/3760001220.HTM>

### **Prior Authorization**

Pursuant to Section 376.1361.13 RSMo, 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

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

The health benefit plan terminates before the health care services are provided; or

The covered person's coverage under the health benefit plan terminates before the health care services are provided <http://www.moga.mo.gov/statutes/C300-399/3760001361.HTM>

### **Right to Recovery**

Section 376.384.1(3) RSMo limits the right of recovery of any claim submitted to 12 months from the date the health carrier paid the claim.

<http://www.moga.mo.gov/statutes/C300-399/3760000383.HTM>

### **Sole Discretion**

This plan contains language that the insurer has sole discretion to interpret, control, manage or administer the policy. Most policy holders would assume that a primary function of an insurance company issuing a policy is to interpret and administer the policy. This function is presumed to be the case in the absence of any specific disclosure of that fact. Thus, provisions that specifically state the company has sole discretionary power, or words to that effect, could be expected to give an ordinary person the impression that, because of this added language, the insurer cannot be questioned or challenged as it carries out these responsibilities. This could also be seen to contradict the policy-holder's rights under a required legal actions provision. For this reason, our Department will not allow any such "sole discretion" language in a policy. Please revise the appropriate sections.

### **Stop Loss**

Please review Bulletin 07-01. Please review and forward your answers to the five questions in that bulletin that relate to Stop Loss. <http://www.insurance.mo.gov/laws/bulletin/07-01.htm>

### **Subrogation & Third Party**

While companies are allowed rights to recover overpayments, subrogation in group contracts is prohibited by Missouri Regulation 20 CSR 400-2.030(6)(D)3, and use of third party liability is prohibited in individual contracts by Section 376.777.2(4), Revised Statutes of Missouri.

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

<http://www.moga.mo.gov/statutes/C300-399/3760000777.HTM>

### **Suicide Exclusion**

No policy may exclude coverage for self-inflicted injuries resulting from attempted suicide while insane. **20 CSR 400-2.060(4) (F)** <http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

### **Total Disability and Care of a Physician**

The definition of Total Disability is more restrictive than that which is contained in Mo. Reg. 20 CSR 400-2.060(4) (C). The definition restricts the qualifications of Total Disability so that a person must be "under the regular care of a Physician". You may require the continued review of a disabled person by a physician, but this requirement may not be part of the definition of total disability.

Additionally, the definition of "Total Disability" requires that the insured be under the regular care of a physician. This is more restrictive than what is outlined under 20 CSR 400-2.060(4)

(C). There are many disabilities that do not require the regular care of a physician.  
<http://sos.mo.gov/adrules/csr/current/20csr/20c400-2.pdf>

### **Waiting Period**

This form contains a waiting period after the effective date during which there no benefits payable for a covered loss. The Department feels this is in violation of §376.777.7(3), RSMo, for individual policies, and §376.405.3, RSMo, for group coverage. Policies or riders with a waiting period during which premiums are paid, but benefits for covered losses are excluded, fail to meet the expectations of the consumer, and the requirements of the cited statutes, that the coverage is not reasonably adequate to meet needed requirement for the protection of those insured. If the insured has paid premium, there must be some benefit. If the company insists on maintaining a waiting period in this form, there must be at least a lowered level of benefits during the waiting period, with full benefits payable after the waiting period is over.

<http://www.moga.mo.gov/statutes/C300-399/3760000777.HTM>

<http://www.moga.mo.gov/statutes/C300-399/3760000405.HTM>

## **LIFE**

### **2 year incontestability**

Pursuant to Mo. Reg. 20 CSR 400-1.010(2)(B), a policy shall be incontestable after it has been in force “for a period of two (2) years from the earlier of the policy date or the issue date.” Please revise the policy provision to reflect the language in this regulation.

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **5 Year Reinstatement**

This filing does not comply with Mo. Reg. 20 CSR 400-1.010(2) (F). Pursuant to this regulation, all life insurance policies must contain a 5 year reinstatement provision.

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Sixty Day Application Notice**

Pursuant to MO Reg. 20 CSR 400-1.010(6) each company, within sixty (60) days of the date of an application for a life insurance or annuity contract, shall notify a prospective insured as to whether or not the application has been accepted or else give the prospective insured the reason for any further delay. <http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Agent’s Authority**

Missouri Regulation 20 CSR 400-1.010 (1) (C) states that coverage issued in Missouri cannot include a provision that prevents a company from being bound by information conveyed to an insured by a representative of the company (i.e. producer). Also, it does not allow a statement that prevents an insurance company from being bound by information acquired by a representative of

a company (i.e. producer). Pursuant to Regulation 20 CSR 400-1.010(2)(A) for Life Insurance, "No insurance producer has authority to change this policy or to waive any of its provisions."  
<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Duplication of Coverage**

The "Duplication of Coverage" provision is not allowed. It is the responsibility of your company to not issue duplicate coverage. This provision would allow you to collect premiums on the duplicate coverage without the risk of paying a death benefit on both. Your company does not ask the applicant if they are already insured under a certificate on the application. Also, nothing is mentioned in the certificate therefore the certificate holder wouldn't know that there was a limitation on certificate duplication.

### **Entire contract provision**

The policy, including endorsements (riders, etc), and attached application if any constitute the entire contract. **Mo. Reg. 20 CSR 400-1.010(2) (A)**  
<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **GIC or GAC Contracts**

Please review Bulletin 07-01. Please review and forward your answers to the six questions in that bulletin that relate to GIC's or GAC's. <http://www.insurance.mo.gov/laws/bulletin/07-01.htm>

### **Grace Periods**

|  |                           |
|--|---------------------------|
| General Life contracts =30 days;           | 20 CSR 400-1.010(2) (C)   |
| Variable Life scheduled premium = 31 days; | 20 CSR 400-1.030(3) (c) 2 |
| Variable Life flexible premium = 61 days;  | 20 CSR 400-1.030(3) (c) 3 |
| Universal Life = 30 days;                  | 20 CSR 400-1.100(5) (F)   |

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Misstatement of Age**

If, at the time of application, the age or sex of the insured is misstated, the amount of coverage provided shall be such as the premium paid would have purchased at the correct age and sex according to the company's published rate at the date of issues of the policy. **Mo. Reg. 20 CSR 400-1.010.2(1) (D)** <http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Moody's**

Pursuant to MO Reg. 20 CSR 400-1.090 variable interest rate shall be based on the Moody's Corporate Bond Yield Average-Monthly Average Corporates. Loan or Discount interest rates based on the 90-day Treasury bill do not comply with the aforementioned regulation.  
<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Senate Bill 1188 (SNFL)**

<http://www.insurance.mo.gov/industry/filings/checklists/annuityContractsChk.pdf>

Senate Bill 1188 was signed into law in June of 2004. It will be necessary to provide the following information or certification to assure compliance with this law.

It will be necessary to send certification from your actuary that the contract complies with Section 376.669. 3 (1) (2) and (3). It will be necessary to send certification from your actuary that these endorsements comply with Section 376.669 4, 5, 6, 7, 9 and 10.

If the contract provides a substantive participation in an equity indexed benefit it will be necessary to comply with Section 376.669 3 (4). This will require sending a demonstration that the present value of the additional reduction does not exceed the market value of the benefit. If already included, please disclose the page number of the actuarial memorandum that illustrates compliance with this section.

It will be necessary to include policy provisions that comply with Section 376.669. 2 (1), (2), (3) (4). If you feel that these provisions are already contained within the policy send highlighted copies of the provisions you believe complies. Also, please write the Statute number that the highlighted provision complies with at the side of the provision.

If these contracts do not provide cash surrender benefits or do not provide death benefits at least equal to the minimum nonforfeiture amount prior to commencement of any annuity payments, the contract must include a statement in a prominent place that such benefits are not provided to comply with Section 376.669. 8.

### **Suicide**

Suicide may be excluded, while sane or insane, within one year from the date of issuance of life insurance coverage. Contract provisions should also indicate the refund of all premiums paid.

Section 376.620 (SB 66. Effective 8/28/07)

<http://www.moga.mo.gov/statutes/C300-399/3760000620.HTM>

### **Total Disability**

Insured is totally disabled if s/he is unable to perform the material and substantial duties of his/her regular occupation. After an initial benefit period of 12 months, insured is totally disabled if s/he is unable to perform the duties of any occupation... **Mo. Reg. 20 CSR 400-1.010(1) (G)**

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

### **Waiver of Premium**

Pursuant to MO Reg. 20 CSR 400-1.010(1)(F) the waiver of premium must be revised from stating 6 months to 180 days. There is a time difference between 6 months and 180 days, so please revise the provision to reflect the language contained in this regulation.  
<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

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### **War Risk & Aviation Exclusions**

Any policy containing any special war and aviation exclusion provisions must have printed or stamped across its face: "READ YOUR POLICY CAREFULLY" "CERTAIN (WAR, AVIATION) RISKS ARE NOT ASSUMED (state which or both) "IN CASE OF ANY DOUBT WRITE YOUR COMPANY FOR FURTHER EXPLANATION".

### **Mo. Reg. 20 CSR 400-1.080**

<http://sos.mo.gov/adrules/csr/current/20csr/20c400-1.pdf>

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## ***MEDICARE SUPPLEMENT***

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### **Annual rate filing**

MEDICARE SUPPLEMENT ANNUAL RATE FILING  
20 CSR 400-3.650(12)(C)

No Increase Requested

Thank you for providing the annual filing of rates for Medicare supplement policies as required by regulation 20 CSR 400-3.650.

Section (12)(C) of this regulation requires this annual filing to be approved "in accordance with the filing requirements and procedures prescribed by the director". The requirements and procedures for the filing and approval of Medicare supplement rates are set forth in 20 CSR 400-8.200. Your company followed these requirements and procedures when these current Medicare supplement rates were originally filed for approval. Additionally, the calculations in this filing for rates for persons under 65 [if applicable] are done correctly.

You advise that the rates charged by your company for the policy or policies forms listed above have not changed since the last time they were approved. Therefore, this annual filing of Medicare supplement rates is approved as satisfying the requirements of 20 CSR 400-3.650(12)(C). Thank you for this information.

### **Excessive increase**

We consider the rate increase you have requested to be excessive given the potential for adverse selection on this block of business, and the possibility of financial hardship for Missouri residents. This filing should be modified to request our approval of a smaller increase at this time with a statement of your intention to seek similar increases in future years. In this way, you can still

obtain the same total future premium or the same ultimate premium level via rate increases higher than claims trend in each of the next few years; this, in essence, spreads the high rate increase over a longer period of time.

To modify this filing, you will need to file revisions to the following items: Medicare Supplement Rate Filing Document [MO form 375-0065] stating the revised rate action, “with increase” projections [for both Missouri and nationally], and rate pages [and Rate Calculations for Medicare Supplement Disableds for applicable standard plans]. For your convenience, we will accept the projections using either future rate increases matching trend or increases higher than claims trend for the next few years.

### **“Filed”**

This report acknowledges receipt of this filing in our office. This material has been placed in your company’s file for future reference. This letter does not constitute an approval of the material you have submitted as the Department does not grant formal approval for submissions of this type. While Medicare supplement advertising and long-term care rates and advertising are not formally approved, they are reviewed for compliance. We have found this filing to be acceptable.

Thank you for providing this information.

### **Medicare Supplement annual rate filing**

Thank you for providing the annual filing of rates for Medicare supplement policies as required by regulation 20 CSR 400-3.650.

Section (12)(C) of this regulation requires this annual filing to be approved “in accordance with the filing requirements and procedures prescribed by the director”. The requirements and procedures for the filing and approval of Medicare supplement rates are set forth in 20 CSR 400-8.200. Your company followed these requirements and procedures when these current Medicare supplement rates were originally filed for approval. Additionally, the calculations in this filing for rates for persons under 65 [if applicable] are done correctly.

You advise that the rates charged by your company for the policy or policies forms listed above have not changed since the last time they were approved. Therefore, this annual filing of Medicare supplement rates is approved as satisfying the requirements of 20 CSR 400-3.650(12)(C). Thank you for this information.

### **Medicare Supplement Rate approval**

Thank you for your company’s submission received on

We have reviewed this request to revise Medicare supplement rates and found it to be acceptable under the assumptions you have provided. The approval date is:

The Missouri Department of Insurance, Financial Institutions, and Professional Registration, will

continue to monitor the loss ratios produced by these rates to assure that they remain consistent with the minimum standards required by statute.

## **Frequently Requested Information**

DIFP, Insurance home web page - <http://www.insurance.mo.gov/index.htm>

L&H Checklists - <http://www.insurance.mo.gov/industry/filings/checklists/index.htm>

L&H Filing Requirements - <http://www.insurance.mo.gov/industry/filings/lh/index.htm>

Missouri Laws - <http://www.insurance.mo.gov/laws/index.htm>

SERFF - <http://www.serff.org>