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June 26, 2013

VIA SERFF

John M. Huff, Director
301 W. High St., Room 530
Jefferson City, MO 65101

RE: Withdrawal of Individual Non-Grandfathered Plans

Dear Director Huff:

Aetna Non-Grandfathered Individual Health Plans

In accordance with V.A.M.S. 376.454, this letter is notice of Aetna Life Insurance Company's ("Aetna") intent to withdraw individual non-grandfathered products beginning December 31, 2013. We will continue to underwrite existing grandfathered individual products. New individual plans sold between August 1, 2013 and December 31, 2013 will be withdrawn as the policy year ends.

As of the date of this letter we have in total 2449 subscribers and their dependents on Missouri individual health plans. Of that total, approximately 1800 are on non-grandfathered plans. Per our discussion with the Missouri Department of Insurance rather than the ninety days' notice required by Missouri law, Aetna will provide an extended notice to existing non-grandfathered subscribers by August 1, 2013. Our withdrawal of non-grandfathered individual plans does not include conversion policies and does not include association group coverage of grandfathered individual association members such as AARP.

In our notices to existing Aetna non-grandfathered subscribers, we will inform them that Coventry's individual health insurance products will be available and that we will be providing additional information at a later date.

As noted during our discussion, there are three geographic areas where Aetna currently sells individual products that will not have a Coventry individual product available in 2014. These areas are:

Area	Non-Grandfathered Aetna Membership
Buchanan County	40
Saint Louis City	39
Clinton County	07

Subject to your approval, we intend to proceed in the following manner:

Timeline for Withdrawal

- A. June 26, 2013: Notice to the Department that Aetna intends to withdraw non-grandfathered individual health insurance products in Missouri.
- B. July 2013: Notices to producers of our withdrawal of non-grandfathered individual products.
- C. August 1, 2013: Notice to current individual non-grandfathered subscribers that Aetna Life Insurance Company will no longer underwrite their non-grandfathered individual health benefit plans in Missouri as of December 31, 2013.
- D. Ongoing: For new subscribers with effective dates between August 1, 2013 and December 31, 2013, Aetna will provide ninety days' notice prior to the end of the policy year.

Plans Underwritten by Coventry are not Affected

This product withdrawal only applies to non-grandfathered individual plans underwritten by Aetna Life Insurance Company. There is no impact to business underwritten by Coventry.

Conclusion

With the Coventry acquisition, we looked at a number of before making this decision:

- Are we able to provide affordable plans?
- Are we providing plans that give consumers the choices they need?
- Are we able to compete with other insurers?

After answering these questions, we believe the decision to stop offering non-grandfathered individual health benefit plans in Missouri is in keeping with the best interests of potential customers, as we believe there are insurers who can better meet their needs.

We are continually assessing our ability to compete across the country and will look at opportunities to re-enter the non-grandfathered market with ACA compliant plans in the future if we believe we can provide affordable and competitive products that provide more options to consumers.

Please call or e-mail me (StefanB@aetna.com) with any questions or if you wish to discuss this product withdrawal plan. We look forward to continuing to work with you both on this product withdrawal plan and our intent to maintain a presence in the Missouri group market.

Very truly yours,

A handwritten signature in black ink that reads "Bobbie Stefan". The signature is written in a cursive, flowing style.

Bobbie Stefan
Regional Counsel

CC: Frank D'antonio, Market Head – Kansas
Elena Butkus, Government Relations



[INSERT DATE, 2013?]

<<Type Addressee Name>>

<<Type Addressee Street Address>>

<<Type Addressee City, State, Zip+4>>

<Dear Name of Policyholder :>

We are withdrawing non-grandfathered products from the individual health insurance market in Missouri

We have determined we can no longer meet the needs of our members in the individual health insurance market who are not already on grandfathered plans. As a result, we are notifying you that Aetna Life Insurance Company will withdraw all non-grandfathered products from the individual insurance market in Missouri.

Timing of our withdrawal

Our records indicate that your non-grandfathered coverage is set to renew on January 1, 2014. As of midnight December 31, 2013 we will no longer underwrite any non-grandfathered individual health insurance policies in Missouri.

If you recently purchased an individual policy

We will not be underwriting any non-grandfathered individual coverage as midnight December 31, 2013. In addition, we will not have a Health Care Reform compliant product available. We understand that having to find other coverage can take time that is why we are providing a longer notice than is required by Missouri law.

Action on your part

You will need to find insurance coverage through another health insurance carrier before December 31, 2013.

Obtaining Other Coverage

As you may have heard, Aetna recently purchased Coventry Health Care Inc., which offers individual health insurance in Missouri. We are pleased that we will be able to offer you a Coventry individual product later this year. Additional information about Coventry's individual health plans will be sent at a later date.

In addition, your broker can assist you in finding new coverage from other insurers. We encourage you to begin reviewing your options now so that you can secure coverage from another insurer before the Aetna plan ends.

For a list of HMOs and insurance companies that sell individual health coverage in Missouri, please visit the Missouri Department of Insurance at:

<http://insurance.mo.gov/CompanyAgentSearch/search/search-companies.php>

How we came to this decision

The decision to stop offering plans is never easy. We look at a number of factors before making such an important decision:

- § Are we able to provide affordable plans?
- § Are we providing plans that give consumers the choices they need?
- § Are we able to compete with other insurers?

After answering these questions, we believe the decision to stop offering non-grandfathered individual plans in Missouri is in keeping with the best interests of our customers, as we believe there are other HMOs and insurers who can better meet your needs.

We apologize for any inconvenience our withdrawal of this coverage may cause you. Our decision to not offer non-grandfathered products in Missouri was not easy, and we are disappointed we will no longer be able to serve you.

If you have questions, please contact [INSERT CONTACT INFO].

Sincerely,

Frank D'antonio
Market Head, Missouri

Aetna is the brand name used for products and services provided by one or more of the Aetna group of subsidiary companies. The Aetna companies that offer, underwrite or administer benefits coverage include Aetna Dental Inc., Aetna Health Inc., Aetna Health Insurance Company, Aetna Life Insurance Company and Aetna Health Management, LLC.