



# 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

September 26, 2013

Mr. John M. Huff, Director  
Missouri Department of Insurance  
301 W. High Street, Room 530  
Post Office Box 690  
Jefferson City, Missouri 65102-0690

RE: Companion Life Insurance Company, NAIC # 77828  
Individual Major Medical Market Exit in Missouri

Dear Director Huff:

Pursuant to the revised Code of Missouri, we are writing to notify the Missouri Department of Insurance that Companion Life Insurance Company ("Companion Life") is exiting the individual major medical health insurance market in the State of Missouri effective December 31, 2013. 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 Missouri's individual major medical market after January 1, 2014.

Companion Life's market exit will affect our 25 currently in-force Missouri insureds, who are covered under form numbers CLI CH3030 PROCERT and CLI CH3010 CERT, issued on a direct basis in Missouri. 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 December 31, 2013, market exit.

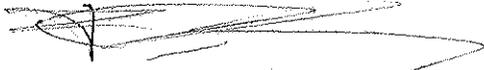
We enclose for the Department's review our draft letter to our Missouri insureds, informing them of the discontinuation of their coverage due to our individual major medical health insurance market exit. The notice will be mailed to our insureds by October 1, 2013, providing the requisite 180 days prior notice to their coverage non-renewal. Our letter indicates that our insureds coverage will terminate on the plan's premium due date following the 180 day notice.

Companion Life regrets its need to withdraw from Missouri'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, Companion Life's concentration will be on those states where we ascertained the value of us staying in the employer excess loss, short-term medical, limited medical, critical illness, disability, life, dental and vision, amongst others.

Within the next few days, Companion Life will be sending all Missouri and other State Insurance Departments a notice informing them in which states nationwide we will be exiting the individual 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



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7909 Parklane Road, Suite 200, Columbia, South Carolina 29223-5666  
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[Date]

Insured Name  
Address  
Address

**Re: Companion Life Insurance Company  
Discontinuance of Your Coverage on [insert date]  
Your Group or Case Number: ADD #**

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

Dear **Name**:

This notice is to inform you and any dependents that may be covered under your referenced major medical insurance coverage that Companion Life Insurance Company (“Companion Life”) will be exiting the individual major medical insurance market in Missouri effective December 31, 2013. 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 Missouri’s individual major medical market after January 1, 2014. As such, your referenced insurance coverage will terminate on **[your first premium due date on or after April 1, 2014, which is XX XX XXXX] [your first premium due date on or after December 1, 2014, which is XX XX XXXX]**, 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 January 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 a new mechanism 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 any one on the basis of their past or present medical conditions. Individuals like

yourself will be able to obtain coverage, on a guaranteed acceptance basis and without underwriting, from any insurance company offering individual medical insurance in your State either on or off the Exchange.

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

Missouri Department of Insurance  
301 W. High Street, Room 530  
Post Office Box 690  
Jefferson City, Missouri 65102-0690  
<http://insurance.mo.gov>

Please remember that your health insurance with Companion Life is effective to **[the first premium due date on or after April 1, 2014, which is XX XX XXXX] [the first premium due date on or after December 1, 2014, which is XX XX XXXX]**. 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,

COMPANION LIFE INSURANCE COMPANY