

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

<b>In Re: FREEDOM LIFE INSURANCE</b>	)	
<b>COMPANY OF AMERICA</b>	)	
<b>SERFF TRACKING NUMBER</b>	)	<b>Case No. 131216664C</b>
<b>USHG-129299456</b>	)	

**ORDER DISAPPROVING FORM FILING**

Upon review and consideration of the filing of Freedom Life Insurance Company of America, SERFF Tracking Number USHG-129299456, specifically Form 3453-P-FLIC-A, 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,<sup>1</sup> 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, 2014. The SERFF Tracking Number is USHG-129299456 ("Filing").
6. The Filing contains forms FIH1-GRI-24, identified as an Essential Health Benefits Policy ("Policy"); EHBAPP-2014-NOARB-FLIC, identified as the Essential Health Benefit Plan Application ("Application"); and 3453-P-FLIC-A, identified as Policy Amendment ("Amendment").

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<sup>1</sup>All statutory citations are to RSMo (Supp. 2013).

7. The Amendment is a blank form, in fact a substantially blank page, containing no language, other than brackets where policy language could be inserted, and which the company admits will be used with the Policy.
8. Brackets ( [ ... ] ) within a policy form reviewed by the Division indicate that the language within the brackets may be included or excluded from the policy form.
9. Brackets may also indicate that language that has not been included or approved may be inserted within the brackets.
10. When a form is submitted that only contains brackets but no policy language, it is presumed that the company would not issue such a form unless it intended to later insert policy language into the form.

### CONCLUSIONS OF LAW

11. 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.
12. 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.
13. Freedom Life's Amendment is not compliant with Missouri insurance laws. The Amendment was submitted as brackets with no language, which would later be filled in by the company. The Amendment is noncompliant for the following specific reasons:
  - a. Insurers are only allowed to provide policies of individual health insurance to insureds that have been approved by the Director. By submitting a blank form for approval and then later modifying that form Freedom Life is attempting to avoid the review process provided in §376.777 that protects insureds. Further, by later modifying a form that had been previously submitted, Freedom Life would be providing an unsubmitted and unapproved form to insureds in violation of §376.777.
  - b. Because this form contains no content as submitted, the provisions at the time of review are not specific, certain, or unambiguous.

- c. Because this form contains no language for the Director to review as submitted, it is per se noncompliant with Missouri law. Regardless of whatever language Freedom Life later places in the form, because it will not have received the Director's statutory review, the provisions are not reasonably adequate to meet the needed requirements of the insureds.

For these reasons the Amendment uses word, phraseology, conditions, and provisions which are not specific, certain and unambiguous and reasonably adequate to meet needed requirements for the protection of those insured as required by 376.777. As such, the Amendment does not comply with the laws of this state as required by §376.777.

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

**IT IS THEREFORE ORDERED** that Form 3453-P-FLIC-A 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 forms.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 3<sup>RD</sup> 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 3<sup>rd</sup> 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  
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