

## MGA Heads Up for May 1, 2010 Product Change Communication

Below is a summary of product enhancements, rate information, and updates for Individual Medical (IM), Assurant Affordable Health Access (AAHA) and Short Term Medical (STM) included in the Product Change Communication. Effective dates are May 1, 2010, and after unless otherwise indicated.

- Online Quoting and Submission (*EASE*) will be updated on March 22, 2010.
- IM Proposal Software will be available for download on the Assurant Health Sales Web site on Monday, March 22, 2010, as well as in Supply on Friday, March 26, 2010.
- On March 19, 2010, you will receive an HTML of the May 1, 2010, Product Change Communication. A PDF of the document will also be available on Find a Form.

### Individual Medical Sales News

#### Introducing Assurant Clarity<sup>SM</sup> Elite

Assurant Health is pleased to announce a new health insurance solution called Assurant Clarity Elite. Assurant Clarity Elite provides you and your clients with a whole new approach to health insurance, starting with a simple and affordable plan design. Clients can choose from:

- Deductible Plan - Assurant Health pays all covered charges after customers meet their deductible. All plan options are HSA compatible.
- Zero Deductible Plan - Assurant Health shares costs with customers right from the beginning.

When customers use their plan, they'll get just one consolidated monthly statement, called a Patient Health Care Statement. All the details are now in one place and customers won't become frustrated with multiple bills or EOBs--and they'll only need to write one check for their medical expenses. Plus, when customers use their plan and stay in the Averde Health<sup>SM</sup> network, they don't pay anything at the time of service. Instead, Assurant Health pays providers first and then later bills customers for their portion of the covered charges.

#### Personal service

When customers have questions about their plan, they'll get the benefit of personalized service, not an automated phone system, from their Front Desk team. Front Desk will answer all their questions, from billing to coverage.

Your customers will also have the added value of an independent advocacy service--Patient Care. These advocates help customers navigate the health care system and compare costs among providers, so they can save money.

#### Availability

Assurant Clarity Elite is being launched with a full-scale consumer advertising campaign - to drive customers right to you. Quoting begins March 22. Assurant Clarity Elite is available in Colorado and Texas for the first available effective date of April 1 in the following markets:

- Denver, CO ZIP codes 800-803, 80817, 80829, 80831, 80840, 80841, 809
- San Antonio, TX ZIP codes 781-782
- Corpus Christi, TX ZIP codes 783-784
- Beaumont, TX ZIP code 777

Expansion is planned in more markets soon. Colorado and Texas agents will receive materials in late March. Some materials can be downloaded from Find a Form at [assuranthealthsales.com](http://assuranthealthsales.com).

Note: For more information about the Averde Health network, go to [averdehealth.com](http://averdehealth.com).

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#### Heads Up - 1

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### [New lower rates in five states](#)

You'll see rate reductions worth checking out on Individual Medical plans in defined markets of the District of Columbia, Georgia, Maryland, South Carolina and Tennessee. For details, read the state news in the article titled [IM news in your state](#). Rate information is listed by ZIP code for these states.

Note: Rates do not include the 4.2% trend adjustment which will be made on April 1.

### [A new high deductible option for CoreMed<sup>SM</sup> Elite](#)

A \$7,500 deductible is being added to CoreMed Elite plans on new and existing business for all sales channels in the following states: AK, AL, AR, AZ, CA, DC, GA, IA, IL, LA, MD, MI, MO, NC, NE, OK, PA, SC, TN, TX, VA, WI, WY. This high deductible option can be a good choice for your clients who look for ways to save on premium, especially at renewal.

### [Discounted rates for clients with prior coverage](#)

Your clients with previous health insurance coverage can now qualify for better rates. We're introducing new discounted rates for applicants with prior coverage on all currently marketed Individual Medical plans.

To qualify for the discount, applicants will attest to having been covered by health insurance for the last six months without an interruption in coverage of more than 60 days. Prior coverage is any type of medical insurance but does not include accident, critical illness, disability or other types of supplemental plans.

Quoting systems have been modified to request this information at the beginning of the quote process. Just as applicants with prior coverage will receive discounted rates, applicants with no prior coverage history will see higher rates.

Children six months and older on child-only policies can also qualify for the discounted rates. Dependent children are not part of this rating process. Currently, discounted rates will be available in all states except CO, CT, DE, IA, ID, IN, KS, KY, LA, MN, MS, ND, NH, NM, NV, OH, OR, SD, UT and WV.

### [TelaDoc<sup>TM</sup> for kids of all ages](#)

When it's the middle of the night and your clients' child has an ear infection, they'll be happy to know they can call TelaDoc Medical Services and save the high cost of an emergency room. TelaDoc services have expanded with a national network of pediatric physicians, so your clients can call when their kids of any age are sick and let the doctor come to them.

This valuable feature is an Assurant Health exclusive, available with CoreMed Elite when the copay option is not selected, and with all Short Term Medical plans. Phone consultations with a board-certified physician for children or adults are a low \$35 per call, and CoreMed Elite includes three free phone consultations. Tell your clients about Assurant Health plans with TelaDoc – now with expanded services for children of all ages.

TelaDoc is also available on child-only policies and is now available in Kentucky on the CoreMed Elite non-copay plans listed above. Materials have been updated to include the pediatrics benefit.

Note: TelaDoc services are not covered on IM plans issued in CT, FL, GA, ID, MN, MT, NH, NV, OK or OR. TelaDoc services are not covered on STM plans issued in OK.

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### Policy delivery process improvement for LA, SD, WV

Effective March 20, all Individual Medical policies issued to residents of Louisiana, South Dakota and West Virginia will be mailed directly to the insured. This change meets the states requirements for policy delivery, eliminates the need for a signed delivery receipt and is good news for you:

- We'll no longer conditionally issue policies in these states, waiting for the insured's signature
- Agent commission payments can be released quicker
- Your placement rate improves because the risk of applicants reconsidering their purchase is reduced

Keep in mind that you can still set your policy packet delivery preference for all other states. For simplicity and convenience, you can view and print copies of your policies by visiting [assuranthealthsales.com](http://assuranthealthsales.com).

### Rewards for Smart Shoppers - IN and TN intro

Smart Shopper Advantage is a valuable, new feature - only from Assurant Health - available at no additional cost to new and existing CoreMed<sup>SM</sup> Elite customers and existing MaxPlan<sup>SM</sup> Elite customers in

- Indiana with the Sagamore and PHCS networks and
- Tennessee with the PHCS network

By making a simple phone call to Patient Care, customers can receive up to \$3,000 when they have eligible medical procedures or tests performed at selected network facilities. Smart Shopper Advantage covers many common tests such as MRIs and CT scans; outpatient surgeries such as a colonoscopy or hernia repair; and inpatient surgeries such as hip or knee replacement. Now, customers can receive cash in addition to savings on out-of-pocket expenses - at no additional cost.

There are four easy steps to become eligible for a cash payment:

1. Call Patient Care - customers call Patient Care to determine if their procedure or test is eligible
2. Request a list of facilities - if their procedure or test qualifies, they'll receive a list of select medical facilities
3. Have procedure or test performed - customers have 90 days to complete their procedure or test at a select facility. If this period passes, they can simply call Patient Care again
4. Receive a cash payment - they'll receive a cash payment after their procedure or test is complete and the provider submits the claim to Assurant Health

For more details, see the Smart Shopper Brochure insert (Form 30225) in Supply and on Find a Form. Starting May 1, it will be available automatically to your new customers (CoreMed Elite), and existing customers (CoreMed Elite and MaxPlan Elite) can activate Smart Shopper Advantage by calling Patient Care when they have an eligible procedure or test.

### Important changes to electronic submission tools

To ensure all Individual Medical applications are processed as efficiently as possible, please make sure your licensing and your resident and non-resident appointments are complete and up-to-date. As always, you are required to be licensed and appointed in the state in which your client resides.

To facilitate this requirement, we have updated software and our electronic submission system. The "State Solicited" field on the last screen is pre-filled with the state of residence. You are no longer able to edit this field.

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### Maternity discontinued

Except where coverage is state mandated, maternity coverage has been removed as an optional benefit on all Individual Medical plans. Maternity has been removed from quoting systems. There are no changes for customers who currently have maternity coverage. They will continue to receive benefits.

Existing customers can add coverage for a limited time

Existing customers who wish to add maternity still have time to apply. If you have a client who would like to apply for maternity coverage, the application must be submitted on or before April 20, 2010 to ensure it is processed in time to meet the last available effective date. All applications will be subject to the underwriting guidelines for maternity coverage. Applications can be faxed to 414.299.8811.

Note: Maternity will continue to be sold with MN Qualified plans and will also still be available in MT and OR where it is required by the state.

### Student Select discontinued

We've made the decision to streamline offerings where there are multiple products that can satisfy the same target audience. Based on our review, we decided to discontinue sales of the Student Select product.

If you have a Sales link to Student Select, or you have Student Select on your Assurant Health Web Page, there is a new landing page to inform your clients that Student Select plans are no longer available. The message suggests other plans as alternatives with a link to quote Assurant Affordable Health Access. If you don't want your clients going to this landing page, please go to [assuranthealthsales.com](http://assuranthealthsales.com) and follow the instructions in the Help Me Sell section to update your Sales Link or Web Page to remove the link.

This change will impact all states where these products are currently marketed. The last effective date for new Student Select business is May 18, 2010. Paper applications must be signed and postmarked by May 17, 2010. Existing business will remain in force.

When you're identifying alternative options for your student clients, Assurant Affordable Health Access Plans are a great starting point.

### KeyMed discontinued

KeyMed limited-benefit plans have been discontinued. They have been removed from software and the online sales sites. This change impacts all states where the products are currently marketed. Applications with effective dates prior to May 1, 2010, are still being accepted. Existing business will remain in force.

### Quote IM supplemental dental online

The dental option has been removed from the desktop proposal software. Supplemental dental continues to be available for new business and as an add-on to existing business through the online quoting systems.

### Agent guide to be updated 4/1 with process changes

Recent product introductions and changes have also impacted how we process simplified internal replacements and other plan option changes for your clients. Please mark your calendars for April 1 when the newest version of the IM Agent Guide, on Find a Form, will be available.

### 2010 Cost of Living Adjustment (COLA) for MSA plans

The minimum family deductible and the individual and family maximum out-of-pocket amounts on MSA plans have been increased by \$50 to meet the government guidelines.

Note: COLA changes for HSA plans were announced at the end of 2009. They can be found in the January 1, 2010 Product Change Communications on Find a Form.

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### Reduced size software means quicker download

The file size of the Individual Medical proposal software has been reduced from 54 MB to 16 MB and that means a much shorter download time. Other software updates:

- The installation process includes a check of your system for the latest updates needed to run the Assurant Health Individual Medical proposal software. If it's not current, the system will download and install the updated files directly from Microsoft during the installation process. You will need to be connected to the Internet to complete this process.
- Software is supported on the following operating systems: XP, Vista and Windows 7. We have discontinued support of Windows 2000.
- Both 32-bit and 64-bit versions are now available for download. Not sure what version you need? A utility to help you find out will be available on the software download page on [assuranthealthsales.com](http://assuranthealthsales.com).

And remember – in addition to software, quick access to Individual Medical quoting and submission is available online anytime at the secured agent Web site, [assuranthealthsales.com](http://assuranthealthsales.com).

### Renewal option changes for HealthyDiscount customers

At renewal, customers who qualify may be eligible to receive a HealthyDiscount - a 10% discount on their renewal premium. In the past, renewing customers who qualified and who previously had a 24-month rate guarantee had a choice of the 10% discount or another 24-month rate guarantee. Most customers preferred the 10% HealthyDiscount so the 24-month rate guarantee at renewal has been removed as an option. Customers can still qualify to receive the 10% discount.

Note: HealthyDiscount is available in AL, AK, AZ, AR, CA, CT, DE, GA, ID, IL, IN, IA, KY, MD, MI, MO, MT, NE, NC, OH, OK, PA, SC, TN, TX, UT, WI and WY.

### IM news in your state

*Note: Rates listed in this section do not include trend. Trend will be added on April 1.*

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|------------|---|
| Alabama    | <ul style="list-style-type: none"><li>▪ Rates for Alabama Premier Network (APN) in Huntsville are 7–8% lower.</li><li>▪ HealthChoice of Alabama/NAMCI is no longer an option for new business. Existing business will be rolled to APN effective April 1.</li></ul> |
| Alaska     | IM Traditional plans (form 225) have been discontinued. Plans have been removed from the quoting systems for effective dates of May 1, 2010, and later.   |
| Arkansas   | Plans now cover hearing aids in compliance with state requirements. Coverage is not subject to deductibles or copayment requirements but may be subject to coinsurance. Additional details can be found in the State Variations.                                    |
| California | California now has separate product brochures for IM plans to meet new compliance standards. Be sure to replace any current versions with new sales materials.  |

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*IM news in your state, cont'd*

- Colorado
- The 12-month rate guarantee option is available on all CoreMed Elite deductibles. It previously was not an option for deductibles of \$3,500 and higher.
  - CO Forms
    - Health Plan Description (HPD) forms are available on the quoting systems and will print variables according to plan design selected. In addition, the plan exclusions will be attached to the forms. HPD forms, including the HPD for Business Groups of One, have been removed from Find a Form since they are now customized based on the customer's quote.
    - Because of the plan-specific HPD forms, Outline of Coverage forms are no longer required and have been removed from Find a Form and the quoting systems.
  - Rates are 3–5% higher on CoreMed Elite with deductibles at or above \$3,500.
- District of Columbia
- Rates in ZIP codes 200, 202-205 are down: 11.5% lower on CoreMed Elite and RightStart Elite.
  - The HealthLink PPO network will no longer be an option in DC and is no longer available for new business.
- Georgia
- Rates in Atlanta ZIP codes 300-303 are down: 9.5–10.3% lower on CoreMed Elite and RightStart Elite.
  - Rates in rural GA ZIP codes 304-305, 311, 315-316, 398 are down: 8.5–9.5% on CoreMed Elite and RightStart Elite.
  - Rates in Savannah ZIP codes 313-314 are down: 7.6–8.5% on CoreMed Elite and RightStart Elite.
- Idaho
- The dependent definition is changing to include unmarried children under age 25 who receive more than half of their financial support from their parent, or an unmarried child of any age who is medically certified as disabled and dependent upon the parent.
- Illinois
- HealthLink Open Access II has expanded into the Central IL market, ZIP codes 614-616, 625-627.
- Indiana
- Your clients receive cash rewards with the new Smart Shopper Advantage program available to new and existing CoreMed<sup>SM</sup> Elite customers and existing MaxPlan<sup>SM</sup> Elite customers with the Sagamore and PHCS networks. See the article titled [Rewards for Smart Shoppers](#) for all the exciting details.
- Kansas
- We have negotiated lower costs with ProviDRs Care Network (formerly known as WPPA). Now the lowest priced network in Wichita, ProviDRs Care Network should be your network of choice.
- Kentucky
- As a result of network repricing, PHCS is the lowest priced network in Lexington.
- Maryland
- Rates in Baltimore ZIP codes 210-212, 214, 216 are about 22% lower on IM plans.
- Minnesota
- The RightStart Cancer Rider has been discontinued in MN. The option has been removed from all quoting systems for effective dates of June 1, 2010, and later. Customers who currently have the Cancer Rider will continue to receive benefits.
  - Rates on IM plans will increase, on average, 3.8%. In addition, there is a 3% increase for the MaxPlan unlimited copay plan, and a 1% increase for the CoreMed four-visit copay plan. New rates will be effective for new business on June 1, 2010.

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*IM news in your state, cont'd*

- Mississippi
- CoreMed Elite plans in MS now have prescription drugs paid as any other covered charge with no separate prescription drug copay.
  - As a result of network repricing, Metro Community Provider Network (MCPN) is the lowest priced network in Jackson and PHCS is the lowest priced network in Southern MS.
  - Rates are 2.9% higher on CoreMed Elite and RightStart Elite.
- Montana
- Health InfoNet has expanded into ZIP code 592 providing better access to health care providers.
  - IM Traditional plans (form 236) have been discontinued. Plans have been removed from the quoting systems for effective dates of May 1, 2010, and later.
- Nevada
- 24- and 36-month rate guarantees are available on RightStart with \$2,000/\$3,000 deductibles.
  - \$35 copay is available on CoreMed Elite with \$10,000 deductible
  - Quoting systems have been updated to allow quoting of domestic partners
- Oklahoma
- Oklahoma now has separate product brochures for IM plans to meet new compliance standards. Be sure to replace any current versions with new sales materials.
- South Carolina
- Rates in Charleston ZIP code 294 are down: 5.6% on CoreMed Elite and RightStart Elite.
  - Rates in Columbia ZIP codes 290-292 are down: 7% on CoreMed Elite and RightStart Elite.
- Tennessee
- Rates in Nashville ZIP codes 370-372 are down: 15% on CoreMed Elite and RightStart Elite.
  - Your clients receive cash rewards with the new Smart Shopper Advantage program available with the PHCS network for new and existing CoreMed Elite customers and existing MaxPlan Elite customers. See the article titled [Rewards for Smart Shoppers](#) for all the exciting details.
- Texas
- GWH-CIGNA PPO network has expanded into the East TX and McAllen market, ZIP codes 755-759 and 785.
  - As a result of network repricing
    - Texas True Choice (TTC) is now the lowest priced network in Dallas
    - TeamChoice is now the lowest priced network in the TX panhandle
  - HealthLink PPO network will no longer be an option in Texas as of mid year and is no longer available for new business. This change affects the following markets: East TX (EXS), Houston (HNN), McAllen (MLL), San Antonio (SSA), West TX (WST).
- Wyoming
- IM Traditional plans (form 225) have been discontinued. Plans have been removed from the quoting systems for effective dates of May 1, 2010, and later.

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## Assurant Affordable Health Access Sales News

### Assurant Affordable Health Access network changes

Assurant Affordable Health Access plan provider networks have changed.

- Plan B and Plan C will now use the Private Healthcare Systems Limited Benefit Plan (PHCS LBP). Policyholders will be given a phone number to call to learn if a specific doctor or facility is covered by the network. Customers are not required to use a network provider, but when they do, they'll see savings.
- Plan A will continue to use the MultiPlan provider network. Policyholders will be directed to the MultiPlan Web site to learn if a specific doctor or facility is covered by the network.

All existing Assurant Affordable Health Access Plan B and C policyholders will receive a letter outlining their new network along with an updated member identification card. Materials will be distributed in late March.

### New rates

There are new rates for Plan B and Plan C with effective dates of May 1, 2010 and later in all states except CO, DE, IN, KS, MS, NC, NM, OH, SD and WV. In West Virginia and South Dakota, there are new rates for Plan A.

The application packet rate sheets and the online quoting and submission system have been updated. Be sure to get updated application packets for your state.

### Assurant Affordable Health Access news in your state

Delaware Plan A has been discontinued in Delaware. The last available effective date is April 15, 2010 for which the last available application signed date is March 31.

Oklahoma Oklahoma has a separate state brochure to meet new compliance standards. To order, please use form 29906-OK.

## Short Term Medical Sales News

### Short Term Medical brochures - redesigned to help you sell

Expect to see something different when you order Short Term Medical (STM) brochures. This newly redesigned brochure will be a great sales tool with its fresh look and easy-to-read format.

This new 3-part STM brochure can help you make the sale:

1. The pocket brochure provides a simple explanation about Short Term Medical insurance and just enough detail to help your clients make the decision to purchase, all in a more open, organized and readable format. The pocket at the back of the brochure is just the right size to hold the application and rate sheet.
2. Enrollment forms are state-specific, printed on a larger paper size - easier to read and easier to fill out. Because they're separate from the brochure, you can easily add your agent information.
3. Rate sheets are new, dual-function forms with state-specific rate information on one side and state-specific policy information on the other side. Your clients have the details they need to make an informed decision before purchasing their plan.

Order brochures the same as you do today. When you order, you'll automatically receive all three parts and an envelope so you'll always have everything you need for a sale. When any of the state-specific or rate information changes, you'll get the most updated inserts when you reorder.

Agents will receive a sample of the new brochure in the mail the week of March 22.

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### [TelaDoc™ for kids of all ages](#)

TelaDoc services have expanded with a national network of pediatric physicians, so your clients can call when their kids of any age are sick and let the doctor come to them. For the complete story, please see the [TelaDoc for kids of all ages](#) article in the Individual Medical section of these communications.

### [Rewriting STM plans](#)

We are implementing new Short Term Medical rewrite rules on the quoting systems that will impact the eligibility of applicants to apply for another STM plan.

In states where we currently do not have specific rules, we will begin administering the rule of no more than 730 days of STM coverage, unless there has been a 64-day gap in coverage. If the applicant exceeds the maximum, the system will display a message that the applicant is not eligible for another STM plan. In addition, insureds with current plans who have reached the maximum number of coverage days will not receive rewrite letters reminding them to apply for another plan.

### [Optional Benefits brochure revised](#)

The Optional Benefits brochure has been updated in all states.

### [Download STM Software 4.6 - CDs no longer available](#)

The number of agents who quote and issue Short Term Medical business continues to grow and many of you who use STM software download it from [assuranthealthsales.com](#). Because of this online trend, we have removed STM software CDs from Supply. Software 4.6 is still available for download from [assuranthealthsales.com](#).

### [Temporary health insurance news in your state](#)

- |           |  |
|-----------|--|
| Colorado  | <ul style="list-style-type: none"><li>Revised applications with simplified medical questions are available in CO for both Short Term Medical and HealthSaver® plans.</li><li>The contract, benefit summary and Health Plan Description Form were updated with required state-specific information.</li><li>There are new rates on Short Term Medical and HealthSaver plans with effective dates of May 1, 2010, and later. The online quoting systems and product brochures have been updated.</li></ul> |
| Kentucky  | Revised applications with simplified medical questions are available in KY for Short Term Medical plans.   |
| Minnesota | The MN contract now includes a form that explains complaint procedures.  |
| Missouri  | ID cards in MO now have the words “Fully Insured” on the front of the card to show that the plan is regulated by the Department of Insurance.  |
| Nevada    | There are new rates on Short Term Medical and HealthSaver plans with effective dates of May 1, 2010, and later. The online quoting systems and product brochures have been updated.  |

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*Temporary health insurance news in your state, cont'd*

New Mexico	<ul style="list-style-type: none"><li>▪ There are new rates on Short Term Medical and HealthSaver plans with effective dates of May 1, 2010, and later. The online quoting systems and product brochures have been updated.</li><li>▪ You'll see changes to the coinsurance out-of-pocket (OOP) maximum amounts on the 12-month plans in CO. These are the changes on individual (one person) plans:<ul style="list-style-type: none"><li>○ 12-month individual Short Term Medical plans: The coinsurance OOP maximum will go from \$5,000 to \$12,500 for 50% coinsurance plans and from \$2,000 to \$5,000 for 80% coinsurance plans</li><li>○ 12-month individual HealthSaver plans: The coinsurance OOP maximum will go from \$10,000 to \$15,000 for 50% coinsurance plans and from \$4,000 to \$6,000 for 80% coinsurance plans</li></ul></li></ul> <p>Changes have also been made to the coinsurance out-of-pocket (OOP) maximum amounts on the 12-month family plans. The product materials and the quoting systems have been updated.</p>
New Hampshire	<p>When a Short Term Medical plan expires, clients in NH may apply for another plan if they have not had in total more than 540 days of short-term coverage within the preceding 24-month period. This information is included in the new Short Term Medical Rating and Renewal Provisions form that must be given to all NH consumers who inquire about coverage.</p>
North Dakota	<p>An updated contract and outline of coverage are available for ND.</p>
Oklahoma	<p>In compliance with state regulations, if we cannot issue coverage, we will provide a denial notice in writing with the specific reason. The notification must also advise the applicant of the availability of the Oklahoma Health Insurance High Risk Pool and its toll free telephone number.</p>
Oregon	<p>Revised applications with simplified medical questions are available in OR for both Short Term Medical and HealthSaver® plans.</p>
West Virginia	<p>State regulations require an agent's signature on the application whenever an agent is advising a customer regarding a purchase. Because of this regulation, agents can no longer e-mail a quote link for their clients to apply for Short Term Medical online. Your clients may still apply for STM online by going to your Web site or to the consumer site.</p>