

SERFF Tracking Number: ERCB-126985009 State: Arkansas
Filing Company: Westport Insurance Corporation State Tracking Number: 47691
Company Tracking Number: WIC-ESL-AR-11-05594-1-F
TOI: H12 Health - Excess/Stop Loss Sub-TOI: H12.004 Self-Funded Health Plan
Product Name: Employers Excess Stop Loss
Project Name/Number: Endorsement filing for Employers Excess Stop Loss /WIC-ESL-AR-11-05594-1-F

Filing at a Glance

Company: Westport Insurance Corporation

Product Name: Employers Excess Stop Loss

TOI: H12 Health - Excess/Stop Loss

Sub-TOI: H12.004 Self-Funded Health Plan

Filing Type: Form

Implementation Date Requested: On Approval

State Filing Description:

SERFF Tr Num: ERCB-126985009 State: Arkansas

SERFF Status: Closed-Approved-
Closed State Tr Num: 47691

Co Tr Num: WIC-ESL-AR-11-
05594-1-F

Author: Theresa Cox

Date Submitted: 01/13/2011

State Status: Approved-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 01/14/2011

Disposition Status: Approved-
Closed

Implementation Date:

General Information

Project Name: Endorsement filing for Employers Excess Stop Loss

Project Number: WIC-ESL-AR-11-05594-1-F

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Group Market Type: Employer

Filing Status Changed: 01/14/2011

State Status Changed: 01/14/2011

Created By: Theresa Cox

Corresponding Filing Tracking Number: WIC-ESL-AR-11-05594-1-F

Filing Description:

Westport Insurance Corporation is filing the attached form for its Excess Stop Loss product for self-insured benefit plans.

The policy provides excess coverage at a specific retention level chosen by the self-insured employer. The maximum coverage is typically \$1 million per member per year, less the employer's specific retention. If requested by the insured,

Status of Filing in Domicile: Not Filed

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Group Market Size: Large

Overall Rate Impact:

Deemer Date:

Submitted By: Theresa Cox

There is no rate impact with these changes. These changes were negotiated with and agreed to by our prospective policyholders. Quick summary of the effect of this endorsement to our filed Employers Excess Stop Loss policy is as

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follows:

- 1) Amend definition of Administrator to not automatically terminate ESL policy if Insured terminates their contract with the named Administrator. Endorsement states that Insured will give 10 day notice of an Administrator change and give right to Westport to approve the change. [Reduces Westport ability to terminate policy]
- 2) Amend definition of Plan Change to limit its use to only material alterations or amendments to the Plan, not just any alteration or amendment as stated in the current ESL policy. This limits Westport's ability to modify the schedule based upon a change to the plan. [Reduces Westport ability to amend the schedule]
- 3) New definition of Annual Maximum which will be a new term used in the Schedule to define a limit of coverage for a specific excess loss. [New term]
- 4) Grace period for payment of premium increased from 31 days to 60 days. [Increases Insured's payment grace period]
- 5) Removal of a Late Reporting penalty on a claim. [Removes penalty against Insured for late notice of claims]
- 6) Amend Notice provision within the Aggregate Excess section for Admin to provide Westport a written report within 45 day after the end of each calendar month, instead of 20 days. Gives Insured/Admin more time to build and deliver notice to Westport. [Increase time period for Insured to deliver monthly report]
- 7) Increase the average amount of claims paid during the last two months of Policy Period from 10% to 15% over the average of all other months of Policy Period before Westport can trigger its right to amend a schedule term. [Reduces Westport's amendment trigger]
- 8) Westport foregoes its right to unilaterally non-renew the Insured's policy. [Reduces Westport's flexibility to non-renew.

Company and Contact

Filing Contact Information

Theresa Cox, Compliance Specialist theresa_cox@swissre.com
5200 Metcalf 800-255-6931 [Phone] 6181 [Ext]
Overland Park, KS 66201

Filing Company Information

Westport Insurance Corporation CoCode: 39845 State of Domicile: Missouri
5200 Metcalf Group Code: 181 Company Type:
Overland Park, KS 66201 Group Name: Swiss Re State ID Number:

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(800) 255-6931 ext. [Phone] FEIN Number: 48-0921045

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? Yes
Fee Explanation: Westport's domiciliary state of MO charges
\$50 for forms filing.
Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|--------------------------------|---------|----------------|---------------|
| Westport Insurance Corporation | \$50.00 | 01/13/2011 | 43746394 |

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Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|-----------------|-------------------|-------------------|-----------------------|
| Approved-Closed | Rosalind Minor | 01/14/2011 | 01/14/2011 |

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Disposition

Disposition Date: 01/14/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Form Schedule

Lead Form Number: SP 5 058 0111

| Schedule Item | Form Number | Form Type | Form Name | Action | Action Specific Data | Readability | Attachment |
|-----------------------------------|------------------|---|--|---------|----------------------|-------------|----------------------|
| Approved- Closed 01/14/2011 | SP 5 058 0111 | Certificate Amendmen t, Insert Page, Endorseme nt or Rider | Excess Stop Loss Program Endorsement | Initial | | 0.000 | SP 5 058 0111.pdf |

Westport Insurance Corporation

EXCESS STOP LOSS PROGRAM ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SECTION ONE: DEFINITIONS, subsection 1, first paragraph is deleted and replaced with the following:

1. **ADMINISTRATOR** means the organization named in Schedule Item 8 and which you selected to pay **Benefits** under the **Plan**. The **Administrator** is your contractual agent and does not represent us in any way. If you change **Administrator's** during the term of this **Policy**, you will provide us with ten (10) days prior notice of such change of **Administrators** and the right to approve the replacement **Administrator**. You agree to:

SECTION ONE: DEFINITIONS, subsection 12 is deleted and replaced with the following:

12. **PLAN CHANGE** means any material alteration or amendment to the **Plan**. Material alteration or amendment to the **Plan** shall mean any change that has a direct and material effect on the underwriting and pricing of this **Policy** as determined by us. We reserve the right to unilaterally revise any Schedule Item herein as of the effective date we accept the **Plan Change**. You agree to furnish a copy of any **Plan Change** to us at least thirty (30) days before it becomes effective.

SECTION ONE: DEFINITIONS, subsection 16 is added as follows:

16. **ANNUAL MAXIMUM** as used in Schedule Item 6(d) shall represent the maximum limit of **Loss** for which we will reimburse you with respect to each **Person** during the **Policy Period**. The **Annual Maximum** is calculated from dollar one of the incurred **Loss**, including amounts comprising the specific Retention as stated in Schedule Item 6(b), even though we are not obligated to pay **Loss** under the specific Retention.

SECTION TWO: PREMIUM, subsection 3, is deleted and replaced with the following:

2. **GRACE PERIOD**. A **Grace Period** of sixty (60) days following the **Premium** due date will be granted for the payment of each monthly **Premium**. Coverage under this **Policy** shall continue in full force and effect during the **Grace Period**.

SECTION THREE: SPECIFIC EXCESS, subsection 5 LATE REPORTING is deleted in its entirety.

SECTION FOUR: AGGREGATE EXCESS, subsection 5 is deleted and replaced with the following:

5. **NOTICE**. You will require the **Administrator** to send us a written report (in a form satisfactory to us) within forty-five (45) days after the end of each calendar month during the **Policy Period** showing: (a) the number of **Employees** in each **Covered Unit** who are covered by the **Plan** on the first day of the month; and (b) the total amount of **Losses** for all covered **Persons Paid** by you or the **Administrator** during the same reported month. These reported **Losses** must be within the **Loss Limit Per Person** shown in Schedule Item 7(b). This report will identify and segregate **Losses** by each **Covered Unit**.

SECTION FIVE: AMENDMENTS, subsection 1(g) is deleted and replaced with the following:

- g. the average monthly claims **Paid** by you or the **Administrator** during the last two (2) months of the **Policy Period** exceeds by more than fifteen percent (15%) the average monthly claims **Paid** during all other months of the **Policy Period**.

SECTION SEVEN: RENEWAL AND CANCELLATION, subsection 2 NONRENEWAL is deleted in its entirety.

All other terms and conditions of this policy shall remain unchanged.
This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.
(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

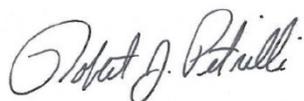
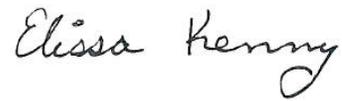
Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

Authorized Representative

President

Secretary

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Supporting Document Schedules

| | | Item Status: | Status Date: |
|-------------------------|--|---------------------|-------------------------|
| Bypassed - Item: | Application | Approved-Closed | 01/14/2011 |
| Bypass Reason: | We are not filing the policy in this filing. The policy SP 001 236 1100 has been approved. | | |
| Comments: | | | |

| | | Item Status: | Status Date: |
|---------------------------------------|----------------------|---------------------|-------------------------|
| Satisfied - Item: | Flesch Certification | Approved-Closed | 01/14/2011 |
| Comments: | | | |
| Attachment: | | | |
| Flesch Reading Ease Certification.pdf | | | |

FLESCH SCORE CERTIFICATION

I, David Newkirk, Vice President of Westport Insurance Corporation do certify that the Endorsement form SP 5 058 0111 has a Flesch score of at least 40.

A handwritten signature in black ink, appearing to read "David Newkirk". The signature is written in a cursive style with a large initial "D".

David Newkirk, Vice President
Westport Insurance Corporation
5200 Metcalf
Overland Park, KS 66201