



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243

DON SUNDQUIST
GOVERNOR

DOUGLAS M. SIZEMORE
COMMISSIONER

B U L L E T I N

TO: All Insurance Companies Doing Business in
Tennessee

FROM: Douglas M. Sizemore *DMS*
Commissioner

RE: Excess Stop-Loss Coverage

DATE: April 21, 1995

You received a Bulletin dated July 1, 1994 from then Commissioner Allan S. Curtis concerning the issue of Excess Stop-Loss Coverage. This Bulletin is written to update the previous bulletin.

The Department has reviewed its position regarding the offering of excess stop-loss coverage. It is presently the Department's position that it will not approve an excess stop-loss policy for an authorized carrier that is offering less than catastrophic coverage. The exception to the prohibition for catastrophic coverage will be \$10,000 specific and 120% of expected claims for the aggregate, for the entire plan for one contract year. Any policy issued to cover less than this catastrophic threshold will be considered a group health policy and must meet all standards set forth in Tennessee Law for such coverage.

The remaining aspects of the bulletin remain intact. We have enclosed a copy of the previous bulletin for your review.

If you have any questions or concerns regarding this bulletin, please do not hesitate to contact Sharon K. Roberson, Assistant Commissioner at 615-741-2176.

DMS/SKR/pjh

Attachment

Bulletin.1