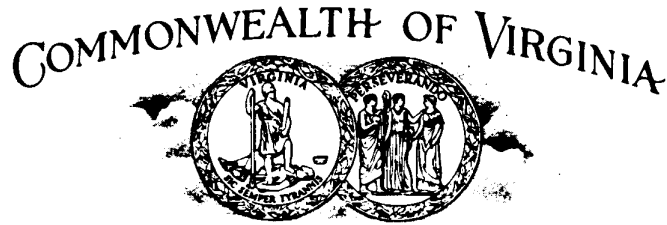


STEVEN T. FOSTER
COMMISSIONER OF INSURANCE



BOX 1157
RICHMOND, VIRGINIA 23209
TELEPHONE: (804) 371-9741
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STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

March 24, 1995

ADMINISTRATIVE LETTER 1995-7

TO: All Insurers, Health Services Plans, and Health Maintenance Organizations Licensed to write Accident and Sickness Insurance in Virginia

RE: Standard and Essential Benefit Plans - Small Employer Market

The Virginia State Corporation Commission adopted Regulation No. 46 on March 16, 1995. This Regulation approves Essential and Standard Benefit Plans for the Small Employer Market in Virginia and is effective on May 1, 1995. A copy of the order adopting this Regulation as well as the Regulation itself is enclosed with this letter.

Section 38.2-3431.D. of the Code of Virginia provides, in subpart 3, that a Small Employer carrier shall offer primary small employers an essential and standard plan within 180 days of the approval of these plans by the Commission. Therefore, policy forms and premiums must be approved prior to October 28, 1995.

No insurer will be permitted to write in the small employer market after October 28, 1995, unless the insurer has registered with the Commission as a Small Employer Carrier. In order to assist insurers wishing to remain in or enter the small employer market, the Bureau of Insurance is requesting that any insurer so interested complete the attached form and return it to us promptly. As soon as possible, we will send such insurers additional material regarding the small employer market. Returning the form is not registration as a Small Employer Carrier; it is simply a means for us to know which insurers want more information and who we should contact.

Please direct any questions in connection with this letter or our Small Employer Market requirements to Robert L. Wright, III, CLU, CIE; Principal Insurance Analyst; Virginia State Corporation Commission; Bureau of Insurance - 5th Floor; Post Office Box 1157; Richmond, VA 23209.

Thank you for your prompt attention to this matter.

Yours truly,

Steven T. Foster
Commissioner of Insurance

STF:tlf
Enclosure

Expression of Interest
Virginia Small Employer Market

We are interested in becoming a Small Employer Carrier in Virginia. Please send further information to:

Company Name: _____

Company NAIC No.: _____

Company Address: _____

Name of Contact Person: _____

Title: _____

Direct Telephone No.: () _____

Please Return This Form To:

Robert L. Wright, CLU, CIE
Principal Insurance Analyst
Virginia State Corporation Commission
Bureau of Insurance - 5th Floor
Post Office Box 1157
Richmond, VA 23209

(804) 371-9586