

**Brown & Brown of Texas, Inc.  
Fertility Insurance Program®**

**FREQUENTLY ASKED QUESTIONS:**

- 1. Does the Fertility Insurance Program® cover the actual costs of infertility pharmaceuticals and/or the infertility treatment (medical) costs?**

No, most health insurance does not cover the cost of the infertility treatment itself (such as in-vitro fertilization), pharmaceuticals or related medical treatment costs and **neither** does the Fertility Insurance Program®. Our program covers the serious financial risks of medical complications, disability and death potentially incurred by those who decide to pay for and undergo such infertility medical treatment themselves and for their donor(s) or surrogate(s).

- 1. Are the Fertility Insurance Program® Egg Donor / Recipient Complications Coverage and/or Surrogacy Complications Coverage policies only sold to “group” providers or can an individual purchase the coverage?**

The Fertility Insurance Program® Egg Donor / Recipient Complications Coverage and Surrogacy Complications Coverage policies are designed to be sold to industry “providers” (i.e., donor agencies, surrogate agencies, physicians or physician groups, law firms or other industry providers). These providers purchase our “group” policy and make the coverage available to their patients or clients as part of their services. It is important to note that each individual has their own coverage limits under the coverage which are not reduced by the claims of any other claimants. Individuals who have signed or are a party to a contract with an egg donor or surrogate and who are not using an industry “provider” may also be eligible for individual coverage through Conduit Insurance Managers, Inc., an affiliate of Brown & Brown of Texas, Inc. at a slightly higher cost than what the coverage would cost if they were buying the coverage through a “provider”. Individuals interested in buying the coverage directly should contact a Fertility Insurance Program® representative for more information.

- 2. Can payments be made by credit card?**

We anticipate having a credit card payment option available on our website by the end of the first quarter of 2009. Until then, payments must be made by check payable to Brown & Brown of Texas, Inc.

**3. Will you accept checks directly from our clients / patients?**

No, at this time we only accept checks from our Fertility Insurance Program® "group" provider policy holders on behalf of their patients / clients. We anticipate having a credit card payment option available on our website by the end of the first quarter of 2009. Until then, payments must be made by check payable to Brown & Brown of Texas, Inc. If an individual has been permitted to purchase coverage outside of a "group" provider through our Conduit Insurance Managers, Inc. affiliate, they may pay by credit card when that capability is offered sometime before the end of the first quarter of 2009. Until then, they must pay by money order or cashier's check.

**4. Can monthly reports, applications and claims be submitted on-line?**

We anticipate having improvements to our website completed by the end of the first quarter of 2009 that will permit on-line applications, submission of monthly reports and claim submission and tracking. Until then, these forms can be downloaded from our website but must be completed manually and returned to us either electronically, by fax or via U.S. mail.

**5. Can we report claims on-line? Can claim status be viewed on-line?**

Not at this time. Information on how to report a new claim or how to check the status of an existing claim is now available on our website. Claim notification report forms can be downloaded from our site now but must be completed manually and returned to us either electronically, by fax or via U.S. mail. We anticipate having on-line claim reporting and monitoring capabilities offered on our website sometime before the end of the first quarter of 2009.

**6. Does the Fertility Insurance Program® offer any coverage for the newborn baby (or babies)?**

No, once born, babies in almost all cases are immediately eligible for coverage under their intended parents' medical coverage and therefore, don't need coverage under the Fertility Insurance Program®. Our program covers the risks of medical complications, disability or death of egg donors, egg recipients or surrogates resulting from the infertility treatment.

**7. Do claimants under the Fertility Insurance Program® have to use certain "approved" providers or networks? Can claimants use physicians and medical providers / institutions of their choice?**

Unlike competing products to the Fertility Insurance Program®, claimants may use any licensed physician, medical provider or medical institution of their choice. **This is a key difference of the program from its competitors!** The Fertility Insurance Program® does not mandate the use

of a PPO or HMO network or have any restrictions on which medical providers may be used.

**8. Does the Fertility Insurance Program® have deductibles, coinsurance or co-payments and require the payment in advance of these?**

No. The Fertility Insurance Program® has no co-payment, coinsurance or deductible(s) except that there is a \$1,000 deductible for treatment for post-partum depression and a \$4,500 deductible for non-elective (emergency) cesarean section. If one of these two deductibles is applied, they need not be paid in advance.

**9. Is the coverage offered by the Fertility Insurance Program® “primary” (meaning it pays without or before any other applicable coverage pays) or “excess” (meaning it pays only after other applicable coverage pays)?**

The Fertility Insurance Program®’s Egg Donor / Recipient Complications Coverage and Surrogacy Complications Coverage both pay on a primary basis (meaning it pays first before any other applicable coverage pays or even if no other coverage is applicable). Unlike our competitors, there is no “Other Insurance” clause in these policies that reduces the amount the policy will pay when there is other applicable insurance.

**10. When does the coverage begin under the Egg Donor / Recipient Complications Coverage policy and how long is the coverage in place?**

Coverage is triggered immediately when medication is started and subsequently reported to us by a “provider” policy holder on the subsequent month’s report. Reports are due the 10<sup>th</sup> of each month for the preceding month. For example, anyone starting their medication in July should be reported on the “provider’s” report due to us on August 10<sup>th</sup>. The policy will cover any medical expense incurred as a complication from an infertility treatment procedure (including reactions to any prescribed infertility treatment pharmaceuticals) within 90 days of the start of the cycle or if complications or disability result thereafter, up to 52 weeks.

**11. When does the coverage begin under the Surrogacy Complications Coverage policy and how long is coverage in place?**

Coverage begins when the surrogate is confirmed pregnant by ultrasound and remains in place through delivery and indefinitely afterward for any complications, disability or death that directly results from the surrogate pregnancy or delivery subject to the terms, conditions and limits of coverage specified in the policy.

**12. What taxes, fees or hidden costs in addition to the premium are we liable for?**

This is another key difference and competitive advantage of the Fertility Insurance Program®. The are **NO TAXES, FEES OR HIDDEN COSTS** of our products in states where our Egg Donor / Recipient Complications policy and Surrogacy Complications policy are admitted and approved by that state's insurance department. Our policies are admitted and approved in most states.

Most of our program's competitors are selling products that are called "non-admitted" excess & surplus lines policies (not regulated or approved) by a state's insurance department and these excess & surplus lines policies are legally subject to each state insurance department's excess & surplus lines policy regulation and tax laws. These laws usually require an agent or broker to also have an excess & surplus lines license, which is issued by that state, and requires that the agent / broker make a legal advisory filing with that state's insurance department when they remit the taxes due under each policy sold. Additionally, many states have laws that prohibit the sale of "non-admitted" policies when "admitted" coverage is available.

Here are some very important questions to ask if you are considering other coverage offered by a competitor to our Fertility Insurance Program®:

1. Is the policy offered an "admitted" policy or a "non-admitted" excess & surplus lines policy in your state?
2. Does your state's law permit the sale of "non-admitted" excess & surplus lines coverage when "admitted" coverage is available?
3. Does the agent or broker offering you coverage properly hold a license to sell that coverage in your state? If they are offering you "non-admitted" excess & surplus lines coverage in your state, are they additionally licensed to sell these products in that state? In most states, a resident's (or non-resident's) license is required to sell "admitted" coverage in a state **and an excess & surplus lines license is additionally required to sell "non-admitted" coverage in a state.** You can usually check your state insurance department's website to determine the licensure status of any licensed agent or broker in that state. Brown & Brown is licensed in all 50 states.
4. If you are being offered "non-admitted" coverage what are the applicable taxes and fees that are due in your state for that policy?
5. Who is legally responsible for paying the "non-admitted" excess & surplus lines taxes that are due (usually the policy holder) and when will they be paid to the state? Who will make any filings required by the state and remit the taxes due and when will this be done?