[DATE]

Contact Name

Address

Address2

City,

State/Province

Zip/Postal Code

**RE: EXPLANATION OF MEDICAL AID INCREASE**

Dear [CONTACT NAME],

We are *in re*ceipt of a directive from [NAME OF MEDICAL AID COMPANY] concerning the above captioned Regulation. This new regulation went into effect on [DATE] and requires that complications of pregnancy be covered in the same manner as any other injury or disease.

"Complications" is defined as anything other than a normal delivery. This is applicable to any employee, dependent spouse or dependent child.

Due to the potential increase in claims, it has become necessary to increase our quoted rates to comply with this regulation. The new employee rate will be [AMOUNT] and the new spouse rates will be [AMOUNT]; the new spouse and children rate will be [AMOUNT] and the new children only rate will be [AMOUNT].

If you have any questions regarding these rate increases due to the change *in re*gulations, please feel free to call.

Kind Regards,

[YOUR NAME]

[YOUR TITLE]

[YOUR PHONE NUMBER]

[YOUREMAIL@YOURCOMPANY.COM]