

June 6, 2016

Dear Group Administrator:

On May 26, 2016 the Franklin County Court of Common Pleas issued an order placing InHealth Mutual into liquidation. Attached you will find the formal notice regarding the liquidation proceedings.

This action will have a direct impact on your insurance benefits. Over the next few weeks we will be providing additional information regarding your benefits and the steps that you may need to take to keep your coverage. Below we have put together some immediate information that may help inform your next steps.

- **Your insurance coverage is NOT cancelled immediately.** The law provides for the continuation of coverage if an insurance company goes out of business. However, any continued coverage would be subject to a \$500,000 maximum per person.
- **To avoid a gap in coverage, you must pay your monthly premiums when due.** Payment methods should continue as normal for as long as you choose to keep the plan or until you secure other coverage.
- **Groups will have no more than 45 days from May 26, 2016 to obtain other coverage.** You should contact an agent or broker to discuss obtaining other coverage or you may contact another insurance company directly.
- Providers (your doctors, hospitals, pharmacies, etc.) are required by their contracts to continue treating you. If a doctor in your network refuses to honor their network agreements, contact InHealth directly at 800-580-8502 or the Consumer Services Division of the Ohio Department of Insurance at 1-800-686-1526.

For additional information please contact info@inhealthohio.org or visit www.inhealthohio.org.

Sincerely,

InHealth Mutual

“We were built for you.”

**COORDINATED HEALTH MUTUAL, INC., IN LIQUIDATION
NOTICE TO POLICYHOLDERS / SUBSCRIBERS /
CERTIFICATE HOLDERS / ENROLLEES / MEMBERS / INSUREDS
(collectively “POLICYHOLDERS”)**

On May 26, 2016, Coordinated Health Mutual, Inc., dba InHealth Mutual (“InHealth”) was determined to be insolvent and ordered liquidated by Judge Kim J. Brown of the Court of Common Pleas, Franklin County, Ohio, Case No. 16 CV 005048. Mary Taylor, Ohio Superintendent of Insurance, was appointed as Liquidator pursuant to Ohio Revised Code Chapter 3903 (the “Liquidator”). It is the Liquidator’s responsibility to collect all of the assets of CHM and distribute them to policyholders and other creditors of CHM according to priorities established under Ohio law.

Information about the Guaranty Associations and Termination of Coverage

CHM was licensed to do business in the State of Ohio. The State of Ohio has a life and health insurance guaranty association to provide important, but limited protection to policyholders and beneficiaries of insolvent insurance companies like CHM, subject to statutory provisions in Ohio Revised Code Chapter 3956.

To the extent that a CHM policy is in effect as of the date of liquidation and is a policy that is covered by the guaranty association, then the policy will remain in force for such period and under such terms as is provided by the guaranty association’s enabling statute and other applicable laws. If the CHM group policy is covered by a guaranty association, such coverage will continue for not later than the earlier of the next renewal date under such policies or contracts or forty-five days, but in no event less than thirty days, after the date on which the association becomes obligated with respect to such policies. With respect to individual policies, the coverage will continue not later than the earlier of the next renewal date, if any, under such policies or one year, but in no event less than thirty days, from the date on which the association becomes obligated with respect to such policies. Most CHM individual policies will terminate on December 31, 2016. Moreover, during the time in which coverage is provided by the guaranty association, it will be subject to certain statutory caps and limitations that may be less than the benefits specified in the CHM policy. The minimum guaranty association limit is the lesser of (a) contracted obligations for which CHM is liable or would have been liable if it were not insolvent or (b), with respect to any one life, regardless of the number of policies or contracts, Five Hundred Thousand Dollars (\$500,000) in basic hospital, medical and surgical insurance or major medical insurance. If the CHM policy is not covered by the guaranty association, the policy will automatically terminate at the lesser of any of the following: (1) A period of thirty (30) days from the date of entry of this Liquidation Order; (2) The expiration of the policy coverage; (3) The date when the insured has replaced the insurance coverage with equivalent insurance in another insurer or otherwise terminated the policy; (4) The liquidator has effected a transfer of the policy obligation pursuant to division (A)(8) of Section 3903.21 of the Ohio Revised Code.

In order to assure the continuation of any coverage to be provided by the guaranty association (or for the coverage provided after the liquidation order if the policy is not covered by the guaranty association), the policyholder must continue to pay all premiums in the same manner as prior to the liquidation order for the period of such coverage.

The guaranty association will take responsibility for the processing and payment of any policyholders’ covered and unpaid health claim(s) up to its statutory cap and coverage limits. The guaranty association will also be responsible for handling claim appeals or claims in litigation. Some claim processing delays may occur, although every effort is being made to keep the process going forward in a timely manner.

Please do not resubmit claims you have already sent to CHM, as this will only delay the processing and payment of claims.

The guaranty association is ready to respond to policyholders' claim needs. If you have any questions or concerns about this, please call CHM's policyholder service number (866) 982-5644. Any changes in policyholder service phone numbers will be forwarded to you in the future.

Policyholders may apply for a special enrollment period through HealthCare.gov or with another insurer. Policyholders may contact their agent, broker or another insurer for assistance, or may contact the Exchange online at HealthCare.gov or call 1-800-318-2596, TTY 1-855-889-4325.

Information about Claims Procedure

As explained above, the claims covered by a guaranty association will be processed in accordance with the policy terms by the guaranty association subject to its statutory coverage limits.

Over the course of the next six (6) months, the guaranty association (with respect to claims covered by the guaranty association) will work to resolve all claims arising out of CHM policies. If these claims cannot be finally or fully resolved in that time period, or the policyholder's claim exceeds the statutory coverage limits of the guaranty association, the claimant will have the right to file a Proof of Claim and that claim will be, if necessary, adjudicated by the Liquidator.

Within the next eight (8) months, the Liquidator will mail to the attention of policyholders and other claimants with unresolved claims a proof of claim form, along with an explanation of how to submit a timely proof of claim form. At that time, claimants will also receive notice of the absolute final bar date (deadline) for submitting claims in order for the claim to be considered by the Liquidator as a possible claim against the CHM Liquidation Estate. To the extent you are a policyholder or health care provider whose claims have been paid by the guaranty association prior to your receipt of the proof of claim form, there will be no need for you to file a proof of claim form. However, if you are a policyholder, health care provider or other creditor of CHM and you believe upon receipt of the proof of claim form that you still have a claim against CHM, then you must timely file the proof of claim form in accordance with the instructions and procedure that will be set forth in the proof of claim form or your claim will be forever barred.

If you have any questions about this Notice or other matters related to CHM or the liquidation proceeding, please call (866) 982-5644 or write to liquidator@insurance.ohio.gov.

Chief Deputy Liquidator
Coordinated Health Mutual, in Liquidation