

CANCELLATION NOTICE

To All CoOpportunity Health Contract Holders, Certificate Holders, Policy Holders and Members
From the Iowa and Nebraska Life and Health Insurance Guaranty Associations

CoOpportunity Health

You are receiving this Cancellation Notice because you or someone in your family has health insurance coverage through CoOpportunity Health (CoOpportunity). Your CoOpportunity health insurance coverage is terminating. Please read this Cancellation Notice carefully and find the section below that describes your existing coverage for important information about when that coverage will terminate.

BACKGROUND:

On February 24, 2015, the Polk County, Iowa District Court entered an order, effective February 28, 2015, that found CoOpportunity to be insolvent and ordered that it be liquidated. That Order of Liquidation triggered certain obligations of the Iowa and Nebraska Life and Health Insurance Guaranty Associations. The Iowa Life and Health Insurance Guaranty Association will provide Iowa residents and certain other covered persons with important, but limited, protection against CoOpportunity's failure to perform its contractual obligations. The Nebraska Life and Health Insurance Guaranty Association will provide Nebraska residents with important, but limited, protection against CoOpportunity's failure to perform its contractual obligations.

BENEFIT LIMITATIONS:

For a limited period of time following the date of liquidation, the applicable guaranty association will continue your coverage in accordance with the terms of your policy, certificate (if applicable), the guaranty association's governing statute, and federal and state law. However, under state law the coverage obligations of the applicable guaranty associations are capped at \$500,000 per member. Therefore, there will be a \$500,000 per member limit on covered medical claims (which includes covered pharmacy claims) regardless of the date the covered claims were incurred. Please see the Notice of Liquidation that accompanies this Cancellation Notice for more information on guaranty association limitations and other restrictions.

TERMINATION OF COVERAGE:

Please review the types of health insurance coverage listed below and carefully read the section that describes your existing coverage to find out when that coverage will terminate.

GROUP HEALTH INSURANCE COVERAGE – EMPLOYERS:

- (1) **If you are an employer that purchased CoOpportunity coverage that renews on April 1, 2015, your existing coverage will terminate as follows:**

Unless otherwise terminated sooner by you, **effective March 31, 2015, 11:59 p.m., your existing benefits will be terminated** pursuant to the applicable guaranty association's governing statute. We strongly encourage you to work with your agent or broker to explore your options for arranging replacement group coverage as soon as possible.

- (2) **If you are an employer that purchased CoOpportunity coverage that renews on any date other than April 1, 2015, your existing coverage will terminate as follows:**

Unless otherwise terminated sooner by you, **effective April 14, 2015, 11:59 p.m., your existing benefits will be terminated** pursuant to the applicable guaranty association's governing statute. We strongly encourage you to work with your agent or broker to explore your options for arranging replacement group coverage as soon as possible.

GROUP HEALTH INSURANCE COVERAGE – EMPLOYEES:

- (1) **If you are an employee that has CoOpportunity coverage through your employer and the coverage renews on April 1, 2015, your existing coverage will terminate as follows:**

Unless otherwise terminated sooner by you or your employer, **effective March 31, 2015, 11:59 p.m., your existing coverage and coverage for any enrolled dependents will be terminated** pursuant to the applicable guaranty association's governing statute. Your employer also received a copy of this Cancellation Notice and has been encouraged to work with its agent or broker to select replacement group coverage. Please contact your employer or human resources department if you have questions regarding the termination of your coverage and the availability of replacement coverage.

- (2) **If you are an employee that has CoOpportunity coverage through your employer and the coverage renews on any date other than April 1, 2015, your existing coverage will terminate as follows:**

Unless otherwise terminated sooner by you or your employer, **effective April 14, 2015, 11:59 p.m., your existing coverage and coverage for any enrolled dependents will be terminated** pursuant to the applicable guaranty association's governing statute. Your employer also received a copy of this Cancellation Notice and has been encouraged to work with its agent or broker to select replacement group coverage. Please contact your employer or human resources department if you have questions regarding the termination of your coverage and the availability of replacement coverage.

Please see the back page.

INDIVIDUAL HEALTH INSURANCE COVERAGE:

(1) If you purchased individual or family coverage with CoOpportunity through the Health Insurance Marketplace, your existing coverage will terminate as follows:

Due to the Order of Liquidation, the Department of Health and Human Services determined that as of February 28, 2015 CoOpportunity no longer meets the requirements to be a Qualified Health Plan. As a result, any advance payments of premium tax credits or cost-sharing reductions that lower copayments, coinsurance, deductibles and out of pocket limits you may have received will end effective March 1, 2015. Therefore, if you received advanced payments of premium tax credits, you will be responsible for the entire premium amount, and if you received cost-sharing reductions, you will be subject to significantly higher copayments, coinsurance, deductible and maximum out of pocket amounts, starting March 1, 2015.

The CoOpportunity policy terms permit termination of existing policies if CoOpportunity no longer offers coverage in the individual market, subject to 180 days advance notice of termination. In accordance with the terms of your policy and state/federal law, unless otherwise terminated sooner by you, **your existing coverage and coverage for any enrolled dependents will be terminated on August 31, 2015, 11:59 p.m.**

Special Enrollment Period: You are eligible for a Special Enrollment Period to purchase new health insurance coverage. **From now until April 29, 2015, you and any of your enrolled dependents may choose a health plan offered by a different health insurance company.** We strongly encourage you to purchase new coverage as soon as possible. You may shop for replacement coverage by:

- Working with an agent, broker, navigator or certified application counselor to explore your options;
- Calling the Health Insurance Marketplace at 1-800-318-2596 (TTY: 1-855-889-4325), phone support is available 24 hours a day, 7 days a week; or
- Visiting LocalHelp.HealthCare.gov to find personal help in your area.

If you want to receive advanced payments of premium tax credits and cost-sharing reductions, you must enroll in a new health plan through the Health Insurance Marketplace.

If you do not select new coverage before April 29, 2015, you and your enrolled dependents may not be able to purchase new health insurance until the 2016 Open Enrollment Period begins and, as a result, may experience a gap in health insurance coverage from September 1, 2015 through December 31, 2015.

(2) If you purchased individual or family coverage with CoOpportunity outside of the Health Insurance Marketplace, your existing coverage will terminate as follows:

The CoOpportunity policy terms permit termination of existing policies if CoOpportunity no longer offers coverage in the individual market, subject to 180 days advance notice of termination. In accordance with the terms of your policy and state/federal law, unless otherwise terminated sooner by you, **your existing coverage and coverage for any enrolled dependents will be terminated on August 31, 2015, 11:59 p.m.**

Special Enrollment Period: You are eligible for a Special Enrollment Period to purchase new health insurance coverage. **From now until April 29, 2015, you and any of your enrolled dependents may choose a health plan offered by a different health insurance company.** We strongly encourage you to purchase new coverage as soon as possible. You may shop for replacement coverage by:

- Working with an agent, broker, navigator or certified application counselor to explore your options;
- Calling the Health Insurance Marketplace at 1-800-318-2596 (TTY: 1-855.889-4325), phone support is available 24 hours a day, 7 days a week; or
- Visiting LocalHelp.HealthCare.gov to find personal help in your area.

If you do not select new coverage before April 29, 2015, you and your enrolled dependents may not be able to purchase new health insurance until the 2016 Open Enrollment Period begins and, as a result, may experience a gap in health insurance coverage from September 1, 2015 through December 31, 2015.

ADDITIONAL INFORMATION:

Please review the Notice of Liquidation that accompanies this cancellation notice for additional information about the liquidation of CoOpportunity, the process for filing claims and paying premiums while the Iowa or Nebraska Life and Health Insurance Guaranty Associations continues your coverage, and what to expect in the future. Please also read the enclosed Notice of Guaranty Association Privacy Procedures for information about the joint privacy procedures of the Iowa and Nebraska Life and Health Insurance Guaranty Associations, including how your protected health information may be used and how you can get access to it.

If you have any questions, please contact the Iowa Life and Health Insurance Guaranty Association at info@ialifeqa.org or call 515-248-5712 or the Nebraska Life and Health Insurance Guaranty Association at info@nelifeqa.org or call 402-474-6900.

Sincerely,

The Iowa Life and Health Insurance Guaranty Association and the
Nebraska Life and Health Insurance Guaranty Association