

# Iowa and Nebraska Life and Health Insurance Guaranty Associations

## Notice of Liquidation CoOpportunity Health

February 28, 2015

On February 24, 2015, the Polk County, Iowa District Court ordered CoOpportunity Health (CoOpportunity) into liquidation effective February 28, 2015. The Liquidation Order appointed Nick Gerhart, Insurance Commissioner of the State of Iowa (Commissioner), as Liquidator of CoOpportunity and authorized him to take possession of CoOpportunity's assets and to liquidate its business. The Commissioner has delegated his authority as Liquidator to the Special Deputy Liquidator (Special Deputy), Dan Watkins. Also on February 28, 2015, the life and health insurance guaranty associations in Iowa and Nebraska, pursuant to state statutes, became responsible for covering eligible healthcare claims under CoOpportunity insurance policies, subject to guaranty association statutory limits, terms and conditions of coverage.

You are receiving this notice because the books and records of CoOpportunity reflect that you had health insurance coverage with CoOpportunity under a CoOpportunity health policy on February 28, 2015.

**The purpose of this Notice is to inform you of the liquidation, provide you with information about filing claims and paying premiums, and advise you about what you may expect in the future.**

### **PLEASE READ THIS MATERIAL IN ITS ENTIRETY AND KEEP FOR FUTURE REFERENCE**

For a limited period of time following the date of liquidation (30 to 45 days for group policies and 180 days for individual policies), either the Iowa or Nebraska life and health insurance state guaranty association will provide continuing coverage to you, subject to guaranty association statutory limits, terms and conditions of coverage. The Iowa and Nebraska guaranty associations have negotiated with CoOpportunity's third party administrator, HealthPartners Administrators, Inc. (HealthPartners), to handle all policy and claims administration on behalf of the Iowa and Nebraska guaranty associations.

**Claim Payment and Coverage Limits:** The Iowa and Nebraska guaranty associations will pay "Covered Claims." "Covered Claims" are valid claims per the terms of your CoOpportunity policy, subject to guaranty association statutory limits, terms and conditions of coverage. Under state law, the coverage obligations of the state guaranty associations are capped at \$500,000 per insured. Therefore, there will be an aggregate \$500,000 per insured limit on medical claims (which includes pharmacy claims). Claims that exceed the \$500,000 limit or are otherwise not Covered Claims, will be processed by the Special Deputy as a claim against the assets of the CoOpportunity estate. At this point the Special Deputy does not anticipate that there will be sufficient estate assets to pay policyholder claims against the estate at 100%.

**Submitting Claims:** Claims for healthcare services must be submitted to CoOpportunity Health for processing in the normal course of business.

**Premiums:** If you want your coverage to continue until it is cancelled by the applicable guaranty association (see enclosed Cancellation Notice), please continue to pay your premiums in full. **Your coverage will terminate if you do not pay your premiums.**

**Questions:** If you have questions about your policy, please call CoOpportunity Health at:

1-888-324-2064 (Monday-Friday, 7:00 a.m. to 6:00 p.m.)

**Cancellation of Policies:** A Cancellation Notice is enclosed in this packet detailing when your coverage will be terminated as permitted by the Iowa and Nebraska guaranty associations, the terms of your policy, and state and federal law. Please read the Cancellation Notice carefully.

Please see the back page.

## **ANSWERS TO FREQUENTLY ASKED QUESTIONS AND OTHER HELPFUL INFORMATION.**

### **Should I still pay my premiums?**

If you want your coverage to continue until cancelled in accordance with the enclosed Cancellation Notice, you must continue to pay your premiums. Once premium payments cease, only claims with a service date prior to the termination date will be provided coverage. If your payments are stopped, your coverage will end, subject to a 31 day grace period.

### **Are claims being paid?**

Yes. To the extent healthcare claims are covered by the applicable state guaranty association, claims incurred prior to the cancellation date of your policy will be processed and paid. You or your healthcare provider should continue to submit claims as usual.

### **Will there be delays in my claims being paid?**

We will make every effort to process claims as quickly as possible; however, there may be an initial delay in paying claims. You may experience delays in the processing of your claim if it is incomplete when filed, or if additional information is required.

### **What are state guaranty associations?**

State guaranty associations exist in each state. They are created by the state legislature, and their purpose is to provide benefits to policyholders (Covered Claims) when life and health insurance companies become insolvent.

### **When do state guaranty associations stop paying Covered Claims?**

The state guaranty associations will pay Covered Claims incurred while your policy is in force, and if your policy provides for claims incurred for on-going treatment after that time. The guaranty associations will stop paying claims if your claims exceed the statutory coverage limit of \$500,000 per insured or are otherwise not Covered Claims. Your policy will be continued by the applicable state guaranty association until the first of the following occurs: (1) you stop paying premiums; (2) you cancel the policy; or (3) the policy is cancelled by the applicable state guaranty association. **Please carefully review the enclosed Cancellation Notice for information about when your policy will be terminated.**

### **What is the Special Deputy Liquidator?**

The Special Deputy Liquidator is the person charged by the Court to sell CoOpportunity's assets and determine which creditors have valid claims against CoOpportunity. If you believe you have a claim that is not covered by the applicable state guaranty association, please visit <http://www.coopportunityhealth.com>, <http://www.doi.nebraska.gov/> or <http://www.iid.state.ia.us/> for information and instructions.

### **Who do I call if I have questions?**

If you have any questions about your policy, please contact CoOpportunity Health at:

1-888-324-2064 (Monday-Friday, 7:00 a.m. to 6:00 p.m.)

For additional information about the Iowa and Nebraska life and health insurance state guaranty associations please visit:

- The Nebraska Life and Health Insurance Guaranty Association website: <https://www.nelifega.org/>
- The Iowa Life and Health Insurance Guaranty Association website: <https://www.ialifega.org/>