

Consumers Mutual Insurance of Michigan (in Liquidation) **Notice of Court Order to Liquidate**

On February 10, 2016, the Honorable James S. Jamo, Ingham County Circuit Court Judge, entered an Order placing Consumers Mutual Insurance of Michigan (“Consumers Mutual”) into Liquidation (Case Number 15-948-CR; formerly Consumers Mutual Insurance of Michigan, in Rehabilitation). The Liquidation Order appointed Patrick M. McPharlin, Director of the Michigan Department of Insurance and Financial Services, as Liquidator (the “Liquidator”) and James E. Gerber and Julieanne Gulliver as Special Deputy Liquidators (the “Deputy Liquidators”) for Consumers Mutual. The Liquidation Order was entered because, among other reasons, Consumers Mutual could not be successfully rehabilitated due to its financial condition. The Liquidation Order requires the Liquidator to take immediate possession of all Consumers Mutual assets (wherever located) and to administer them in accordance with Chapter 81 of the Michigan Insurance Code under the supervision of the Ingham County Circuit Court.

As required by MCL 500.8122, the Liquidator must provide this Notice of Court Order to Liquidate to certain parties, including all persons or entities known or reasonably expected to have claims against Consumers Mutual that were incurred on or before February 10, 2016 and for which the Liquidation estate may be liable.

PROOF OF CLAIM AND CLAIM BAR DATE

IMPORTANT: If you have a claim against Consumers Mutual that you wish to be considered for payment in this Liquidation proceeding, and unless your claim is subject to an exception described below, **you must file the enclosed Proof of Claim form with Consumers Mutual that complies with the requirements of MCL 500.8136 and the enclosed Proof of Claim Instructions.**

IF YOU ARE REQUIRED TO FILE A PROOF OF CLAIM FORM (SEE EXCEPTIONS BELOW), THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS AUGUST 10, 2016 (the “CLAIM BAR DATE”).

No claim, suit, or other proceeding against Consumers Mutual or any of its assets may be made except through the filing of a Proof of Claim form (unless an exception applies below) or through a proper proceeding filed in the Liquidation court.

Contact information for Consumers Mutual:

Mailing address:	E-Mail: customerservice@consumersmutual.org
2601 Coolidge Rd., Ste 200 East Lansing, MI 48823	Customer Service (toll free): 1-855-492-9020
	Fax: 517-492-9042

HEALTHCARE PROVIDERS

Claims for healthcare services provided to Consumers Mutual insureds should be submitted to Consumers Mutual in the normal course of business as you have always done. Healthcare providers SHOULD NOT use the Proof of Claim form.

Claims for healthcare services provided to Consumers Mutual insureds that are submitted properly via currently established procedures (including all claims already filed) are sufficient to establish a claim with the Liquidator. No formal Proof of Claim is necessary. **All claims for healthcare services provided to Consumers Mutual insureds must be submitted by no later than one (1) year after the date on which the healthcare service was provided. Claims for healthcare services submitted after this one-year deadline will be denied.** Claims will be processed as they are submitted and providers are encouraged to file claims as soon as possible after the date of service to assure timely payment. **Do not submit duplicates of claims previously submitted.**

All eligible claims for healthcare services under the terms and conditions of Consumers Mutual insurance policies, including all eligible claims previously filed but not yet paid, will be covered by the Michigan Life

and Health Insurance Guaranty Association, subject to the Michigan Life and Health Insurance Guaranty Association's statutory limits, terms, and conditions of coverage. Policyholders and insureds remain responsible for payment of any non-covered healthcare goods and services, deductibles, and/or copayments.

The Michigan Life and Health Insurance Guaranty Association's aggregate coverage limit for eligible healthcare claims is \$500,000 per insured. Claims that are over the \$500,000 limit or are otherwise not covered claims will be forwarded to the Deputy Liquidators for processing as a claim against the assets of the Consumers Mutual Liquidation estate.

POLICYHOLDERS AND INSUREDS

The Michigan Life and Health Insurance Guaranty Association will be covering all eligible claims for healthcare services under the terms and conditions of Consumers Mutual insurance policies, subject to the Michigan Life and Health Insurance Guaranty Association's statutory limits, terms, and conditions of coverage.

Claims for healthcare services must be submitted by you or your healthcare provider to Consumers Mutual for processing in the normal course of business **by no later than one (1) year after the date on which the healthcare service was provided. Claims for healthcare services submitted after this one-year deadline will be denied.** Claims for healthcare services DO NOT require the filing of a Proof of Claim form. Policyholders and insureds remain responsible for payment of any non-covered healthcare goods and services, deductibles, and/or co-payments.

AGENTS AND BROKERS

Agents and brokers MUST file a Proof of Claim form on or before the Claim Bar Date of August 10, 2016 for any unpaid commission claim; otherwise, the claim will be denied. The Deputy Liquidators will provide agents and brokers notice of the amount of any unpaid commission claim they may have against Consumers Mutual as reflected on the company's books and records.

ADDITIONAL CLAIM PROCEDURES AND INFORMATION

In order to file a Proof of Claim against the Consumers Mutual Liquidation estate (if required), you must carefully complete the enclosed Proof of Claim form in accordance with the requirements of MCL 500.8136 and the enclosed Proof of Claim Instructions, then mail the form to the above address postmarked on or before the Claim Bar Date of **August 10, 2016**. Failure to file a completed Proof of Claim form complying with these requirements and/or filing a Proof of Claim form postmarked after the Claim Bar Date (August 10, 2016) will result in your claim being denied.

The Deputy Liquidators will review all timely filed Proofs of Claim pursuant to MCL 500.8143. Notices of the Liquidator's recommendation on timely filed Proofs of Claim will be provided to claimants and/or their specified counsel. Claims denied in whole or in part are subject to the objection procedures contained in MCL 500.8139.

Important: Early submission of your Proof of Claim form(s) will allow the Liquidator to resolve any eligibility or other issues in a timely manner. The Liquidation court ultimately decides the timing and final payment of approved claims. The Liquidation Order prohibits providers from balance billing Consumers Mutual insureds, providing that "all non-contracted and contracted health care providers are hereby specifically enjoined and restrained from pursuing collection against, obtaining judgments against, and/or balance billing of Consumers Mutual's policyholders, insureds, or members for covered health care goods provided or services rendered prior to the date of this Order." All Creditor claims against Consumers Mutual or its assets are within the exclusive jurisdiction of the Liquidation court and will be determined, resolved, paid, and/or discharged according to the terms and conditions approved by the Liquidation court.

Additional information is available at www.michigan.gov/difs, then click on the Quick Link "Who We Regulate," then "Receiverships," then "Consumers Mutual Ins. of Michigan."