

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

PATRICK MCPHARLIN, DIRECTOR
OF THE DEPARTMENT OF INSURANCE AND
FINANCIAL SERVICES,

Petitioner,

v

CONSUMERS MUTUAL INSURANCE OF
MICHIGAN,

Respondent.

Case No. 15-948-CR

HON. JAMES S. JAMO

[IN LIQUIDATION]

In Re: Consumers Mutual Insurance of Michigan
v William Beaumont Hospital

PROVIDER PETITION
NO. 1

Christopher L. Kerr (P57131)
Aaron W. Levin (P81310)
Assistant Attorneys General
Attorneys for Petitioner
Corporate Oversight Division
P. O. Box 30755
Lansing, MI 48909
(517) 373-1160

**PETITION FOR ESTABLISHMENT OF COURT PROCEDURES TO
ADJUDICATE LIQUIDATOR'S CLAIMS AGAINST
WILLIAM BEAUMONT HOSPITAL**

INTRODUCTION

Patrick M. McPharlin, Director of the Michigan Department of Insurance and
Financial Services ("DIFS"), as Liquidator of Consumers Mutual Insurance of

Michigan (the “Liquidator”), by and through his attorneys, Bill Schuette, Attorney General, and Christopher L. Kerr and Aaron W. Levin, Assistant Attorneys General, files this petition (“Petition”) pursuant to 500.8121(1)(f) for a Court Order establishing procedures for this Court’s adjudication of the Liquidator’s claims for refunds of Consumers Mutual Insurance of Michigan (“Consumers Mutual”) overpayments made to certain healthcare providers, including in this instance, William Beaumont Hospital (“Beaumont”).¹

In addition, the Liquidator files this Petition pursuant to MCL 500.8105(1) to prevent Beaumont’s interference in this liquidation by refusing to refund Consumers Mutual for overpayments made to Beaumont that the Court adjudicates as outstanding, due, and owing to Consumers Mutual and orders Beaumont to pay. These refunds represent assets of the Consumers Mutual liquidation estate that the Liquidator has requested Beaumont to repay, but to date Beaumont has refused, subjecting it to a claim of interference with the Liquidator’s duties and obligations in this proceeding. In support of this Petition, the Liquidator states as follows:

FACTS

1. On November 13, 2015, the Court entered an Order placing Consumers Mutual into rehabilitation and appointing the Director as the Rehabilitator of Consumers Mutual (the “Rehabilitator”).

¹ Several healthcare providers owe Consumers Mutual similar overpayment refunds. For purposes of identification as additional refund petitions are filed, this initial Petition is sub-captioned *In re: Consumers Mutual Insurance of Michigan v William Beaumont Hospital*, Provider Petition No. 1.

2. On February 3, 2016, the Rehabilitator filed with the Court a Petition for Order Converting Rehabilitation to Liquidation and for Judicial Declaration of Insolvency of Consumers Mutual Insurance of Michigan (“Liquidation Petition”), which sought: (a) an order converting the rehabilitation of Consumers Mutual to a liquidation proceeding; and (b) a judicial declaration of Consumers Mutual’s insolvency.

3. On February 10, 2016, the Court granted the Liquidation Petition and entered an Order of Liquidation and Declaration of Insolvency of Consumers Mutual (“Liquidation Order”). Pursuant to the Liquidation Order, the Court appointed the Director as the Liquidator of Consumers Mutual and affirmed the Liquidator’s appointment of James Gerber and Julieanne Gulliver as Special Deputy Liquidators (the “Special Deputy Liquidators”).

4. The Liquidation Order granted the Liquidator all the powers contained in MCL 500.8121, including the power to “collect all debts and money due and claims belonging to” Consumers Mutual, and to “do other acts as necessary or expedient to collect, conserve, or protect the assets or property” of Consumers Mutual. MCL 500.8121(1)(f).

5. MCL 500.8105(1) further authorizes the Liquidator to apply for any order that may be necessary and proper to prevent “[i]nterference with the receiver or with a proceeding under this chapter” and “[w]aste of the insurer’s assets.”

6. Paragraph 14 of the Liquidation Order provides that

Any person or entity with possession, custody, or control of assets . . .
of . . . Consumers Mutual shall immediately:

(b) Tender possession, custody, and control of such assets . . . to the
Liquidator/Special Deputy Liquidators.

7. Pursuant to MCL 500.8106 and paragraph 15 of the Liquidation Order,
any interference with the Liquidator in this liquidation proceeding may be punished
by a “fine not exceeding \$10,000.00, or imprisonment for a term of not more than 1
year, or both.”

8. As the Liquidator worked to marshal all assets of the Consumers
Mutual liquidation estate, the Liquidator identified numerous healthcare providers,
including but not limited to Beaumont, that had received overpayments from
Consumers Mutual and, therefore, owed refunds to Consumers Mutual of the
overpayment amounts. These refunds are assets of the Consumers Mutual
liquidation estate.

9. In November 2016, the Liquidator mailed demand letters to Beaumont
and each other provider that owed a refund to Consumers Mutual. A sample of this
form letter is attached as Exhibit 1. The letters to the various providers identified
each overpayment and the total refund amount due to Consumers Mutual. The
letters informed each provider of the Liquidation Order entered by this Court and
that if payment was not provided within 30 days, the Liquidator would pursue
additional legal action in this Court. Some providers promptly refunded the
overpayments to Consumers Mutual. Beaumont, however, did not respond to the

November 2016 letter or to the follow-up demand letter that the Liquidator mailed to Beaumont in November 2017, a copy of which is attached as Exhibit 2.

Accordingly, Beaumont has refused to provide refunds of overpayments made by and owed to Consumers Mutual. The total amount of refunds due from Beaumont is \$84,287.38. Support for the amount of the refund the Liquidator has determined Beaumont owes is attached as Exhibit 3.

10. As of the date of this Petition, the Beaumont refunds are over 90 days past due. Beaumont's refusal to pay refunds has created additional burdens and costs for the Liquidator, which further reduces the assets of the liquidation estate.

11. Contemporaneously with the filing of this Petition, the Liquidator has served a copy of this Petition on Beaumont.

12. To allow Beaumont the opportunity to provide any information or argument it may have to show why this Court should not order prompt payment of the refunds totaling \$84,287.38, the Liquidator requests that the Court enter the proposed order attached as Exhibit 4, which grants this Petition and sets a schedule for Beaumont's response and oral argument.

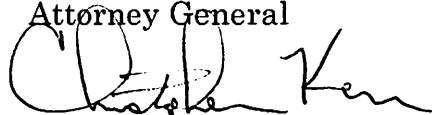
13. Upon the Court's entry of an order against Beaumont requiring prompt payment of all refunds due to Consumers Mutual, Beaumont's refusal to pay these refunds as ordered—which are assets of the Consumers Mutual liquidation estate—would constitute interference with the Liquidator's conduct of this proceeding, subjecting Beaumont to additional fines and penalties under MCL 500.8106 and paragraph 15 of the Liquidation Order.

RELIEF REQUESTED

WHEREFORE, for the reasons stated above, the Liquidator respectfully requests the Court to grant this Petition for Establishment of Court Procedures to Adjudicate Liquidator's Claims against William Beaumont Hospital and to enter the proposed order attached as Exhibit 4.

Respectfully submitted,

Bill Schuette
Attorney General



Christopher L. Kerr (P57131)
Aaron W. Levin (P81310)
Assistant Attorneys General
Attorneys for Petitioner
Corporate Oversight Division
P. O. Box 30755
Lansing, MI 48909
(517) 373-1160

Dated: November 7, 2018

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11/17/2016

[REDACTED]
[REDACTED]
[REDACTED]

Re: Overpayment of Claims

Dear Provider,

CMI has made multiple attempts to recover claims overpayments made to you. As of this date, payment has not been received for claim overpayment(s) listed on the attached sheet.

Total overpayment refund due CMI: \$ [REDACTED]

On February 10, 2016, the Honorable James S. Jamo, Ingham County Circuit Court Judge, entered an Order placing Consumers Mutual Insurance of Michigan into Liquidation (Case Number 15-948-CR). This debt is an asset of the Consumers Mutual Insurance of Michigan Liquidation Estate. If payment is not received within 30 days from the date of this letter, the Special Deputy Liquidator will be forced to proceed with legal action to collect this debt in Ingham County Circuit Court.

Please forward a check or money order in the amount listed above to:

**Consumers Mutual Insurance of Michigan
P.O. Box 1738
Fort Mill, SC 29716**

If you have questions in regards to this refund request, please contact our office at (877) 371-9112.
Thank you,

Yours truly,

A handwritten signature in black ink, appearing to read "James Gerber". The signature is written in a cursive, flowing style.

James Gerber
Special Deputy Liquidator
Consumers Mutual Insurance of Michigan



11/17/2016

[REDACTED]
[REDACTED]
[REDACTED]

Claims Detail

<u>Member ID</u>	<u>Last Name</u>	<u>First Name</u>	<u>Date of Service</u>	<u>Claim #</u>	<u>Refund Owed</u>
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	\$ [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	\$ [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	\$ [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	\$ [REDACTED]

Total Refund Owed to CMI: \$ [REDACTED]

If you have recently sent payment, please disregard. If you have question regarding refund amount, please contact CMI at 1-877-371-9112 for further assistance.

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11/8/2017

WILLIAM BEAUMONT HOSPITAL
PO BOX 5042
TROY, MI 48007-4052

Re: Overpayment of Claims

Dear Provider,

CMI had previously sent your office a letter in November 2016 to recover claims overpayments made to you. As of this date, payment has not been received for claim overpayment(s) listed on the attached sheet nor have we received a written objection from your office indicating reasons why these amounts are not owed to CMI.

Total overpayment refund due CMI: \$84,287.38

On February 10, 2016, the Honorable James S. Jamo, Ingham County Circuit Court Judge, entered an Order placing Consumers Mutual Insurance of Michigan into Liquidation (Case Number 15-948-CR). This debt is an asset of the Consumers Mutual Insurance of Michigan Liquidation Estate. If payment is not received within 30 days from the date of this letter, the Special Deputy Liquidator will be forced to proceed with legal action to collect this debt in Ingham County Circuit Court.

Please forward a check or money order in the amount listed above to:

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If you have questions in regards to this refund request, please contact our office at (877) 371-9112.

Thank you,

Yours truly,

A handwritten signature in cursive script, appearing to read 'James Gerber', is written in black ink.

James Gerber
Special Deputy Liquidator
Consumers Mutual Insurance of Michigan



11/8/2017

WILLIAM BEAUMONT HOSPITAL
PO BOX 5042
TROY, MI 48007-4052

Claims Detail

<u>Member ID</u>	<u>Last Name</u>	<u>First Name</u>	<u>Date of Service</u>	<u>Claim #</u>	<u>Refund Owed</u>
[REDACTED]	[REDACTED]	[REDACTED]	20150318	5011262902	\$53.35
[REDACTED]	[REDACTED]	[REDACTED]	20150126	5008682102	\$26.31
[REDACTED]	[REDACTED]	[REDACTED]	20150118	5007038704	\$13.82
[REDACTED]	[REDACTED]	[REDACTED]	20150115	5006812102	\$13.70
[REDACTED]	[REDACTED]	[REDACTED]	20150522	5017688503	\$47.04
[REDACTED]	[REDACTED]	[REDACTED]	20150706	5021058907	\$45.14
[REDACTED]	[REDACTED]	[REDACTED]	20150302	5004373205	\$31,310.15
[REDACTED]	[REDACTED]	[REDACTED]	20150903	5023263014	\$23,834.22
[REDACTED]	[REDACTED]	[REDACTED]	20150105	5006810302	\$16.70
[REDACTED]	[REDACTED]	[REDACTED]	20150107	5004357804	\$16.66
[REDACTED]	[REDACTED]	[REDACTED]	20150213	5008380402	\$5.03
[REDACTED]	[REDACTED]	[REDACTED]	20150202	5011790103	\$770.40
[REDACTED]	[REDACTED]	[REDACTED]	20150204	5011716703	\$736.61
[REDACTED]	[REDACTED]	[REDACTED]	20150303	5008214903	\$384.41
[REDACTED]	[REDACTED]	[REDACTED]	20150209	5005814203	\$197.18
[REDACTED]	[REDACTED]	[REDACTED]	20150515	5016576803	\$189.30
[REDACTED]	[REDACTED]	[REDACTED]	20150513	5016355402	\$69.19
[REDACTED]	[REDACTED]	[REDACTED]	20150323	5013544002	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150414	5015153402	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150423	5013040202	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150318	5013178702	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150310	5013092802	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150224	5009754502	\$69.01



CONSUMERS MUTUAL[®]

INSURANCE *of* MICHIGAN

11/8/2017

WILLIAM BEAUMONT HOSPITAL

PO BOX 5042

TROY, MI 48007-4052

[REDACTED]	[REDACTED]	[REDACTED]	20150320	5012312202	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150407	5013764602	\$69.01
[REDACTED]	[REDACTED]	[REDACTED]	20150213	5010406206	\$2,791.86
[REDACTED]	[REDACTED]	[REDACTED]	20150301	5009049206	\$1,531.48
[REDACTED]	[REDACTED]	[REDACTED]	20150504	5015485202	\$1,474.70
[REDACTED]	[REDACTED]	[REDACTED]	20150419	5015394803	\$1,281.99
[REDACTED]	[REDACTED]	[REDACTED]	20140804	5001936802	\$1,221.75
[REDACTED]	[REDACTED]	[REDACTED]	20150112	5004357602	\$1,192.63
[REDACTED]	[REDACTED]	[REDACTED]	20150319	5014332103	\$1,174.92
[REDACTED]	[REDACTED]	[REDACTED]	20150824	5023715103	\$234.72
[REDACTED]	[REDACTED]	[REDACTED]	20150227	5008051203	\$234.41
[REDACTED]	[REDACTED]	[REDACTED]	20150501	5013121303	\$307.49
[REDACTED]	[REDACTED]	[REDACTED]	20150119	5009040402	\$287.48
[REDACTED]	[REDACTED]	[REDACTED]	20140812	5001641602	\$151.35
[REDACTED]	[REDACTED]	[REDACTED]	20150430	5016942302	\$3.07
[REDACTED]	[REDACTED]	[REDACTED]	20150105	5008916803	\$664.61
[REDACTED]	[REDACTED]	[REDACTED]	20150420	5011836506	\$654.17
[REDACTED]	[REDACTED]	[REDACTED]	20150130	5008910707	\$3,861.66
[REDACTED]	[REDACTED]	[REDACTED]	20150113	5004372411	\$4,936.71
[REDACTED]	[REDACTED]	[REDACTED]	20150601	5013130005	\$3,966.95
[REDACTED]	[REDACTED]	[REDACTED]	20150710	5018411409	\$11.30
[REDACTED]	[REDACTED]	[REDACTED]	20150513	5020820702	\$9.95
[REDACTED]	[REDACTED]	[REDACTED]	20150113	5005950102	\$8.79
[REDACTED]	[REDACTED]	[REDACTED]	20150108	5006274902	\$4.10

Total Refund Owed to CMI: \$84,287.38



11/8/2017

WILLIAM BEAUMONT HOSPITAL
PO BOX 5042
TROY, MI 48007-4052

If you have recently sent payment, please disregard. If you have question regarding refund amount, please contact CMI at 1-877-371-9112 for further assistance.

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Claim #	Incurred From	Incurred To	Amount	Service Provider	Service Provider TIN	Payment Provider	Payment Provider TIN	REFUND REASON
5013544002	20150323	20150323	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5008682102	20150126	20150126	\$26.31	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5004373205	20150302	20150302	\$31,310.15	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5015153402	20150414	20150414	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5004372411	20150113	20150116	\$4,936.71	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5016355402	20150513	20150513	\$69.19	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5011262902	20150318	20150318	\$53.35	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5023263014	20150903	20150906	\$23,834.22	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5004357804	20150107	20150107	\$16.66	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5020820702	20150513	20150529	\$9.95	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	PROVIDER SUBMITTED CORRECTED CLAIM
5011836506	20150420	20150420	\$654.17	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5013040202	20150423	20150423	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5009049206	20150301	20150301	\$1,531.48	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5015394803	20150419	20150419	\$1,281.99	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5011716703	20150204	20150204	\$736.61	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5017688503	20150522	20150522	\$47.04	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5008051203	20150227	20150227	\$234.41	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5008910707	20150130	20150131	\$3,861.66	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5013178702	20150318	20150318	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING

5007038704	20150118	20150118	\$13.82	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5013092802	20150310	20150310	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5009754502	20150224	20150224	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5010406206	20150213	20150214	\$2,791.86	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5011790103	20150202	20150223	\$770.40	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5008916803	20150105	20150126	\$664.61	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5015485202	20150504	20150504	\$1,474.70	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5016942302	20150430	20150430	\$3.07	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5013121303	20150501	20150501	\$307.49	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5023715103	20150824	20150824	\$234.72	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5004357602	20150112	20150112	\$1,192.63	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5008214903	20150303	20150303	\$384.41	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5005814203	20150209	20150209	\$197.18	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5006274902	20150108	20150108	\$4.10	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5016576803	20150515	20150515	\$189.30	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5018411409	20150710	20150714	\$11.30	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5012312202	20150320	20150320	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5001936802	20140804	20140829	\$1,221.75	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	INCORRECT BENEFIT APPLIED
5021058907	20150706	20150706	\$45.14	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING

5005950102	20150113	20150113	\$8.79	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5013130005	20150601	20150601	\$3,966.95	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5008380402	20150213	20150213	\$5.03	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5006810302	20150105	20150105	\$16.70	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5006812102	20150115	20150115	\$13.70	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5009040402	20150119	20150119	\$287.48	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5001641602	20140812	20140812	\$151.35	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	INCORRECT BENEFIT APPLIED
5014332103	20150319	20150319	\$1,174.92	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING
5013764602	20150407	20150407	\$69.01	WILLIAM BEAUMONT HOSPITAL	381459362	WILLIAM BEAUMONT HOSPITAL	381459362	CORRECTED REPRICING

\$84,287.38

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STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
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PATRICK MCPHARLIN, DIRECTOR
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Petitioner,

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CONSUMERS MUTUAL INSURANCE OF
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Case No. 15-948-CR

HON. JAMES S. JAMO

[IN LIQUIDATION]

In Re: Consumers Mutual Insurance of Michigan
v William Beaumont Hospital

PROVIDER PETITION
No. 1

Christopher L. Kerr (P57131)
Aaron W. Levin (P81310)
Assistant Attorneys General
Attorneys for Petitioner
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P. O. Box 30755
Lansing, MI 48909
(517) 373-1160

**ORDER GRANTING PETITION FOR ESTABLISHMENT OF
COURT PROCEDURES TO ADJUDICATE LIQUIDATOR'S CLAIMS
AGAINST WILLIAM BEAUMONT HOSPITAL**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
____ day of _____, 2018.

PRESENT: HONORABLE JAMES S. JAMO, CIRCUIT COURT JUDGE

WHEREAS, Patrick M. McPharlin, Director of the Michigan Department of Insurance and Financial Services and duly appointed Liquidator of Consumers Mutual Insurance of Michigan (the “Liquidator”), has filed a Petition for Establishment of Court Procedures to Adjudicate Liquidator’s Claims against William Beaumont Hospital (the “Petition”); and

WHEREAS, as described in the Petition, there is an unresolved dispute requiring this Court’s review and adjudication that has been raised by the Liquidator regarding refunds of overpayments made to William Beaumont Hospital (“Beaumont”) and the determinations on those claims made by the Liquidator and his appointed Special Deputy Liquidator James Gerber (the “Special Deputy Liquidator”); and

WHEREAS, the Court therefore finds it appropriate for the Court’s orderly, thorough, and fair adjudication of this dispute, as well as in the interest of judicial economy, to set a schedule for Beaumont’s response and oral argument and to establish certain other procedures governing the Court’s adjudication of this dispute;

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court GRANTS the Liquidator’s Petition, and the Court will adjudicate the Liquidator’s unresolved claims regarding refunds of overpayments made to Beaumont, as described more fully in the Petition and the Exhibits attached thereto.

IT IS FURTHER ORDERED that the Court’s adjudication of the Liquidator’s claims against Beaumont is governed by the following procedures:

- 1) Beaumont will file a response to the Petition with the Court and serve its response on the Liquidator's counsel within 30 days of the date of this Order.
- 2) The Court will schedule oral argument to adjudicate the Liquidator's claims against Beaumont at an available date and time not earlier than 45 days after Beaumont files its response.
- 3) At least 7 days before the oral argument, the Liquidator may file a reply.

IT IS SO ORDERED.

Honorable James S. Jamo
Circuit Court Judge

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

PATRICK MCPHARLIN, DIRECTOR
OF THE DEPARTMENT OF INSURANCE AND
FINANCIAL SERVICES,

Petitioner,

v

CONSUMERS MUTUAL INSURANCE OF
MICHIGAN,

Respondent.

Case No. 15-948-CR

HON. JAMES S. JAMO

[IN LIQUIDATION]

In Re: Consumers Mutual Insurance of Michigan
v William Beaumont Hospital

PROVIDER PETITION
NO. 1

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P. O. Box 30755
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PROOF OF SERVICE

The undersigned certifies that a copy of the **Petition for Establishment of Court Procedures to Adjudicate Liquidator's Claims against William Beaumont Hospital**, together with this Proof of Service, was served upon the party listed below by mailing the same to the address indicated with first class postage fully prepaid thereon, on the 7th day of November, 2018:

William Beaumont Hospital

P.O. Box 5042

Troy, MI 48007-4052

In addition, electronic copies of the foregoing documents will be provided to the Department of Insurance and Financial Services, which will provide courtesy notice to other potentially interested individuals/entities by posting the documents on its website, www.michigan.gov/difs, under the section "Who We Regulate," the subsection "Receiverships," and the sub-subsection "Consumers Mutual Ins. of Michigan."



Linda S. Miers

Legal Secretary