



STATE OF MICHIGAN  
LANSING

RICK SNYDER  
GOVERNOR

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PATRICK M. McPHARLIN  
DIRECTOR

### **Consumers Mutual Insurance of Michigan Liquidation Information**

On February 10, 2016, Ingham County Circuit Court Judge James S. Jamo issued a Liquidation Order placing Consumers Mutual Insurance of Michigan (“Consumers Mutual”) into Liquidation and naming the Director of the Michigan Department of Insurance and Financial Services (“DIFS”) as the company’s Liquidator. Liquidation is a proceeding under Chapter 81 of the Michigan Insurance Code that is conducted under the supervision of the Ingham County Circuit Court. The Liquidation Order requires the DIFS Director, as Liquidator (the “Liquidator”), to take immediate possession of all Consumers Mutual assets (wherever located) and to administer them in accordance with Chapter 81 under the court’s supervision. The Liquidator has appointed James Gerber and Julieanne Gulliver as Deputy Liquidators responsible for the day-to-day management of Consumers Mutual, in Liquidation.

Also on February 10, 2016, the Michigan Life and Health Insurance Guaranty Association (the “Michigan GA”), pursuant to Chapter 77 of the Michigan Insurance Code, became responsible for covering eligible healthcare claims under Consumers Mutual insurance policies, subject to the Michigan GA’s statutory limits, terms, and conditions of coverage.

If you are an insured of Consumers Mutual and need information, please call Consumers Mutual customer service toll free at 1-855-492-9020. If you are a provider and need to speak to the Deputy Liquidator on urgent matters, please call James Gerber at 1-517-918-6236.

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

**PLEASE READ THE ENCLOSED MATERIAL IN ITS ENTIRETY**

**AND KEEP FOR FUTURE REFERENCE**

#### **Group Policyholders and Insureds:**

Claim Payment and Coverage Limits: The Michigan GA will pay any unpaid claims for covered healthcare services you received prior to the date of the Liquidation Order that are “Covered Claims”. “Covered Claims” are valid claims per the terms of your Consumers Mutual insurance policy, subject to the Michigan GA’s statutory limits, terms, and conditions of coverage. Under MCL 500.7704(6)(b)(v), the coverage obligations of the Michigan GA 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 forwarded to the Deputy Liquidators for processing as a claim against the assets of the Consumers Mutual Liquidation estate.

The Liquidation Order prohibits healthcare providers from seeking payment from you for healthcare goods and services provided prior to the date of the Liquidation Order, as long as those healthcare goods and services are covered under your Consumers Mutual policy. Please remember that you will continue to be responsible for payment of any non-covered healthcare goods and services, deductibles, and/or copayments. If you believe that you have been improperly billed, please contact Consumers Mutual customer service toll free at 1-855-492-9020.

Submitting Claims: Claims for healthcare services must be submitted by you or your 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. PLEASE NOTE: A separate proof of claim as described in the attached Notice of Court Order to Liquidate does NOT need to be filed for claims for healthcare services.**

### **Individual Policyholders and Insureds:**

Claim Payment and Coverage Limits: The Michigan GA will pay any unpaid claims for covered healthcare services you received prior to the date of the Liquidation Order that are “Covered Claims”. “Covered Claims” are valid claims per the terms of your Consumers Mutual insurance policy, subject to the Michigan GA’s statutory limits, terms, and conditions of coverage. Under MCL 500.7704(6)(b)(v), the coverage obligations of the Michigan GA 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 forwarded to the Deputy Liquidators for processing as a claim against the assets of the Consumers Mutual Liquidation estate.

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### **Agents:**

Consumers Mutual is no longer making commission payments. 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. **A separate proof of claim as described in the attached Notice of Court Order to Liquidate MUST be filed for any unpaid commission claim.** The proof of claim form may dispute (with appropriate documentation) the amount of unpaid commissions reflected on the books and records of Consumers Mutual. Likewise, if an agent or broker did not receive notice from the Deputy Liquidators of an unpaid commission claim but believes it has such a claim, the agent or broker may file a proof of claim form (with appropriate documentation). **All claims for unpaid commissions must be submitted by the August 10, 2016 claim bar date established by the Liquidation Order; otherwise, they will be denied.**

**Additional information about the Consumers Mutual Liquidation is available on the DIFS website at [www.michigan.gov/difs](http://www.michigan.gov/difs), then click on the Quick Link “Who We Regulate,” then “Receiverships,” then “Consumers Mutual Ins. of Michigan.”**