

# NOTICE OF LIQUIDATION

## Consumers' Choice Health Insurance Company

**To: All Claimants of Consumers' Choice Health Insurance Company, a South Carolina Insurer**

**NOTICE IS HEREBY GIVEN** that on March 28, 2016 the Court of Common Pleas for the Fifth Judicial Circuit of Richland County, South Carolina (Court), entered an Order in Civil Action Number 2016-CP-40-00034 authorizing the liquidation of Consumers' Choice Health Insurance Company ("Consumers' Choice") and directing the Director of Insurance of the State of South Carolina, as Liquidator, to liquidate the assets of the Company (Order).

Under the Order, the Liquidator is authorized and directed to forthwith take possession and control of the assets of Consumers' Choice and administer them under the general supervision of the Court. Pursuant to Section 38-27-370 of the South Carolina Code of Laws, the Liquidator is directed to exercise any and all rights of Consumers' Choice in connection with any assets being held for the benefit of Consumers' Choice by any person or entity. The Liquidator is vested by operation of law with title to all of the property, contracts, and rights of action and all of the books and records of Consumers' Choice, wherever located, as of the entry of this Order of Liquidation and further succeeds to the title of all assets, claims and rights of the insurer.

The South Carolina Code of laws can be viewed at [www.scstatehouse.gov/code/t38c027.php](http://www.scstatehouse.gov/code/t38c027.php).

All persons who may have claims against Consumers' Choice must file a verified original Proof of Claim (POC) with:

Claimant Services  
Consumers' Choice Health Insurance Company in Liquidation  
9821 N. 95<sup>th</sup> St. Suite 105  
Scottsdale, AZ 85258

Healthcare providers **SHOULD NOT** use the Proof of Claim form (POC). Claims for healthcare services should be presented via Consumers' Choice currently established claims submission process. Providers need to file all claims in this established normal course of business by December 31, 2016.

The South Carolina Life and Accident and Health Insurance Guaranty Association (SC GA) is covering all eligible claims for healthcare services under the provisions of Consumers' Choice insurance policies, subject to SC GA's statutory limits, terms and conditions of coverage. The SC GA's aggregate coverage limit for eligible healthcare claims is \$300,000 per insured person. Claims that exceed the \$300,000 limit or are otherwise not covered claims, will be forwarded to Claimant Services for processing as a claim against the assets of the Consumers' Choice estate.

Policyholder/Members remain responsible for deductibles, uncovered services and co-pay amounts due under their policies.

Claimants may file a contingent claim for any specific loss or occurrence as to which the liability was not determined as of the liquidation date. The Policyholder/Member may file a claim on his or her own behalf in the liquidation. The Policyholder/Member's claim may be allowed after consideration of the probable outcome of any action against the Policyholder/Member on which the claim is based.

The rights of claimants to share in the distribution of assets, if any, of Consumers' Choice are fixed as of date of the entry of the Order, March 28, 2016, except as provided by Sections 38-27-380 and 38-27-560 of the South Carolina Code of Laws.

All persons or other legal entities shall pay all sums and premiums due Consumers' Choice in accordance with Section 38-27-520 of the South Carolina Code of Laws and deliver any and all property of Consumers' Choice, personal or real, of every kind or nature, to the Liquidator or his designated representatives.

Pursuant to Section 38-27-430 of the South Carolina Code of Laws, no action at law or equity, whether in this state or elsewhere, may be brought against Consumers' Choice, or its Liquidator, nor shall any existing actions be maintained or further presented after issuance of the Order. The Liquidator may intervene in any pending action in order to protect the estate of Consumers' Choice at the expense of Consumers' Choice.

Attached to this Notice is the POC for use by all persons who may have claims against Consumers' Choice, in accordance with South Carolina Code of Laws Section 38-27-620, along with necessary instructions found on the back of the POC. Additional POC forms may be obtained by written request to Claimant Services at the address set forth above or on our website, [www.cchpsc.com](http://www.cchpsc.com). As noted above, Providers are not required to file a POC.

Please be aware, South Carolina law requires that all POC's filed against Consumers' Choice shall be verified by a signed statement by the claimant, or someone authorized to act on the claimant's behalf. If the claimant is an individual, then the individual must sign. If the claimant is a corporation, then an officer must sign and identify his or her capacity. If the claimant is a partnership, then a partner must sign. In the event a POC is filed by one person on behalf of another, such as an attorney in fact, guardian or receiver, attach to the POC evidence or explanation indicating your authorization to act. The POC requires the claimant signature be notarized.

We will acknowledge, in writing, the receipt of your completed POC and provide you a POC claim number. You will be notified, sometime thereafter, of the Liquidator's decision regarding your claim. If your claim is denied in whole or in part by the Liquidator, and you dispute the Liquidator's findings, you will have the opportunity to present your dispute to the Court or in a forum designated by the Court.

**SEE REVERSE**

Finally, Consumers' Choice website ([www.cchpsc.com](http://www.cchpsc.com)) will be a source for news and information regarding the ongoing liquidation. Any inquiries may also be directed telephonically to 480.948.4351 or via email at [liquidationquestions@cchpsc.org](mailto:liquidationquestions@cchpsc.org).

No claim, suit or other proceeding against Consumers' Choice or against any of its assets may be made except through the filing of a POC with the Liquidator or in a proceeding brought in the liquidation court.

THE DEADLINE FOR FILING CLAIMS AGAINST **CONSUMERS' CHOICE HEALTH INSURANCE COMPANY** is 5:00 o'clock p.m., ET on December 31, 2016. Your Claim must be postmarked (not postage meter stamped) no later than 5:00 o'clock p.m., on this date, December 31, 2016.

**RAYMOND G. FARMER**, Director of Insurance of the State of South Carolina as Liquidator of **Consumers' Choice Health Insurance Company**.

Dated: March 29, 2016  
Knoxville, Tennessee

By: s/ Michael J. FitzGibbons, Special Deputy Liquidator