



Oregon's Health CO-OP

January 31, 2017

RE: Claims payment information

Dear Oregon's Health CO-OP MEMBER or PROVIDER:

On July 11, 2016, Oregon's Health CO-OP (OHC) was determined to be insolvent and was ordered into receivership by the Marion County Circuit Court. The last day of coverage for all OHC members was July 31, 2016. OHC records show that you have one or more outstanding claims with the company that have yet to be paid. Payments for claims with service dates before the receivership date of July 11, 2016, will receive an initial payment of 10 percent of what records show is owed to you by OHC. There may be additional partial payments once the state processes all claims and accounts for all assets and liabilities. If you previously received payment through ACH, all payments will now be made by check, and your check is included in this mailing along with your Explanation of Payments. Please contact Customer Service at 1-844-509-4676 if you have any questions.

Why am I receiving only 10 percent of the amount owed to me?

At this time, the receiver can only provide sufficient funds to pay 10 percent of all consumer and provider claims with service dates before July 11, 2016. It is too early to determine if more payments will be possible. Consumer and provider claims are the first priority of the receiver.

Please note that paragraph 7 of the court's order of July 11, 2016, prohibits providers from billing members for payments that OHC is not able to pay due to being in receivership. Should you attempt to bill a member for any amount owed by OHC or balance bill, it is a violation of the court order, and providers will be referred to the Oregon Department of Justice for follow-up.

When can I expect more payments?

It is too early to determine when or if more payments will be possible. OHC will contact you as soon as more information about payments is available. More information may be available on the OHC website at: www.ohcoop.org

Why did the OHC close so suddenly?

As a startup insurer with limited access to capital, OHC (like other CO-OPs throughout the country) was particularly vulnerable to sudden losses. OHC expected to receive large payments from federal programs designed to offset insurer losses in the individual market. These programs either did not pay as expected, or the CO-OPs projections were inaccurate. During May and June of 2016 OHC's losses worsened, and the state, which had been closely monitoring OHC, stepped in to protect the interests of claimants.

For more information, visit:

www.ohcoop.org

<http://dfr.oregon.gov/business/resources/Pages/co-op.aspx>

Sincerely,

Jan Moenck

Special Deputy Receiver