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HON. CAROL R. EDMEAD
J.S.C.

At IAS Part 35 of the Supreme Court of the State of New York, County of New York, at the courthouse located at 60 Centre Street, New York City, New York, on the 15 day of September, 2016.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In the Matter of the Liquidation of HEALTH REPUBLIC INSURANCE OF NEW YORK, CORP.

Index No. 450500/2016

ORDER TO SHOW CAUSE

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Upon the Verified Petition of Scott D. Fischer, Special Deputy Superintendent and agent of Maria T. Vullo, Superintendent of Financial Services of the State of New York, as Liquidator (the "Liquidator") of Health Republic Insurance of New York, Corp. ("HRINY"), duly verified on the 9th day of September, 2016, for an order (the "Order") approving a proposal designed to facilitate the eventual distribution of any assets to HRINY's creditors with allowed claims for payment under insurance policies ("Policy Claims") pursuant to Article 74 of the New York Insurance Law (the "Claims Adjudication Procedure"), which authorizes: (i) the establishment of 60 days after mailing of an EOB as the deadline for any Provider or Member to file an appeal of the determination contained in the EOB; (ii) the establishment of 60 days after receipt by the Liquidator as the deadline for the Liquidator to accept or deny any such appeal; (iii) the establishment of 30 days after mailing of a notice denying an appeal as the deadline for any Provider or Member to file an objection to the denial of any appeal; (iv) the establishment of further deadlines for the Liquidator to determine whether to resolve objections to the denial of any appeal through mandatory mediation or referral to a referee or healthcare qualified claims examiner, as applicable; (v) the direction of objections to the denial of any appeal to mandatory

mediation, in the Liquidator's sole discretion; and (vi) the appointment of one or more referees and healthcare qualified claims examiners, pursuant to a future order of this Court, to hear and report on the validity of any unresolved dispute regarding the determinations set forth in any EOB following the denial of an appeal.

LET all of HRINY's creditors holding Policy Claims and all other interested parties or their attorneys appear and show cause before this Court at IAS Part 35, Room 438, 60 Centre Street, New York, New York, 10007, on the 11th day of October 2016 at 10:00 a.m. ~~a/p. m.~~ or as soon thereafter as counsel may be heard (the "Return Date"), why an Order approving the Claims Adjudication Procedure and granting the relief sought in the Verified Petition should not be granted;

AND, sufficient cause having been alleged therefore, let service of notice of this Order to Show Cause and Verified Petition in substantially the form annexed to the Verified Petition as Exhibit B (the "Notice") be mailed by email, where email addresses are known and, otherwise, by first class mail to HRINY's creditors holding Policy Claims; and let all other interested parties be notified by publication of the Notice on the website of HRINY, www.healthrepublicny.org with such mailing and publication to be made as soon as is practicable after issuance of this Order; and it is further

ORDERED, that the form and method specified herein are the best notice practicable, are hereby approved as in accordance with the law, and shall constitute due and sufficient notice of this Order to Show Cause to all parties entitled to receive such notice; and it is further

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HON. CAROL EDMEAD

ORDERED, that answering papers, either in support of or opposition to the relief sought herein (the "Answering Papers"), shall be served on the Superintendent at the following addresses:

New York Liquidation Bureau
110 William Street, 15th Floor
New York, New York 10038
Attention: John Pearson Kelly, Esq.
General Counsel

and

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attention: Gary T. Holtzer, Esq.
Joseph T. Verdesca, Esq.

at least seven (7) days before the Return Date, and that any Answering Papers, together with an affidavit of service, shall be filed with the Court on or before the Return Date; and it is further

ORDERED, unless the Court otherwise directs, no person or entity will be entitled to object to the Verified Petition or otherwise be heard, except by serving and filing Answering Papers as described above. Any person or entity that fails to object in the manner provided herein shall be deemed to have waived any objections to the relief sought in the Verified Petition and shall be barred from raising objections in this or any other proceeding.

HON. CAROL EDMEAD
ORAL ARGUMENT REQUIRED.
J.S.C.

ENTER

J.S.C.

HON. CAROL EDMEAD

HON. CAROL R. EDMEAD
J.S.C.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In the Matter of the Liquidation of HEALTH REPUBLIC INSURANCE OF NEW YORK, CORP.	: : : :	Index No. 450500/2016 VERIFIED PETITION

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Maria T. Vullo, Superintendent of Financial Services of the State of New York, as Liquidator (the "Liquidator") of Health Republic Insurance of New York, Corp. ("HRINY"), by Scott D. Fischer, Special Deputy Superintendent and agent of the Liquidator, hereby petitions this court for an order (the "Order") approving a proposal designed to facilitate the distribution of the assets of HRINY to HRINY's creditors holding claims for payment under insurance policies issued by HRINY (the "Policy Claims"), pursuant to Article 74 of the New York Insurance Law (the "Claims Adjudication Procedure").

1. By order entered on May 11, 2016 (the "Liquidation Order"), HRINY, a Consumer Operated and Oriented Plan licensed under Article 43 of the New York Insurance Law to offer health service indemnity coverage, was placed into voluntary liquidation.

2. The Liquidation Order appointed the Superintendent of Financial Services, Maria T. Vullo, and her successors in office, as Liquidator.

3. The Liquidation Order charged the Liquidator with, among other things, the responsibility of:

- Marshalling HRINY's assets;
- Adjudicating the claims presented by persons who were covered by an insurance policy issued by HRINY ("Members") and health care professionals, providers and facilities that provided health care services to Members ("Providers") prior to cessation of coverage on December 1, 2015, and determining the total liabilities of HRINY;

- Otherwise liquidating HRINY's business pursuant to Article 74 of the New York Insurance Law.

4. The Liquidator is seeking, through approval of the Claims Adjudication Procedure, to facilitate the administration of the liquidation proceeding. In developing the Claims Adjudication Procedure, the Liquidator sought to balance a number of important factors, including fair and equitable treatment of creditors, interests of due process and transparency, the large number of claims involved, and the need for efficiency in light of HRINY's limited resources. The Claims Adjudication Procedure is also designed to minimize burdens on claimants by incorporating to the greatest extent possible HRINY's existing processes for adjudication of Policy Claims already set forth in Providers' contracts and Members' insurance policies. The Liquidator wishes to minimize any changes to such existing processes while facilitating the orderly and efficient adjudication of Policy Claims during HRINY's liquidation. The Liquidator believes the proposed Claims Adjudication Procedure strikes the proper balance among the factors described above, and serves the best interests of HRINY's creditors.

5. As a first step in administering the claims, the Liquidator and her agents will engage a third party to audit the existing inventory of Policy Claims (which number in the hundreds of thousands). The audit will be designed to identify and eliminate duplicative and other inappropriate Policy Claims and to maximize the accuracy of the proposed Explanations of Benefits/Allowance ("EOBs") to be issued in respect of submitted Policy Claims. Each Policy Claim will be audited for financial and payment accuracy, and to determine that claims were not inappropriately denied based on medical necessity. The goals of the audit will be to ensure proper allocation of estate resources among claimants and to minimize the cost of defending appeals to benefit determinations.

6. Under the proposed Claims Adjudication Procedure, HRINY will issue to Providers and Members on a rolling basis EOBs reflecting results of the audit. Each such EOB will allocate among HRINY, the Provider, and the Member the charges for services rendered to the Member. It is hoped that the majority of Policy Claims will be resolved through this process, given the audit. If a Member or Provider disagrees with the EOB, however, each such Member or Provider will have the opportunity to appeal such determination by submitting a written appeal and all supporting documentation within sixty (60) days after the date of mailing of the EOB. The Liquidator and her agents, utilizing the appropriate resources to investigate the appeal, will either grant or deny the appeal within sixty (60) days after the date of receipt of an appeal of the EOB. All documents submitted or generated in connection with the appeal will form the basis of any further review of the EOB, including, as applicable, any review by a mediator, external review agency, or referee.

7. Objections to the denial of an appeal of an EOB may be settled or otherwise resolved through mutual agreement of the parties or by non-binding mediation, which the Liquidator, in her sole discretion, may require. Alternatively, unresolved objections to the denial of an appeal of an EOB will be referred to a referee or external review agency, as applicable, to hear and determine (on a final basis, if the parties consent, or as a recommendation to the Court if the parties do not consent) the validity of disputed EOBs. The Liquidator will make a determination within sixty (60) days after receipt of an objection to the denial of an appeal whether to direct a disputed Policy Claim to mediation as a first step, or whether to refer the claim to a referee. The Liquidator will submit, at a future date, a request for the appointment of a panel of referees or healthcare qualified claims examiners, as applicable, to hear and determine, or report on, objections of claimants to the denial of their appeal. To facilitate parties in

interests' understanding of the proposed process and procedures, claims process maps (the "Process Map") providing a visual representation of the Claims Adjudication Procedure for Providers and Members are attached to this Verified Petition as Exhibit C.

8. Through the foregoing process, on an ongoing basis, the Liquidator will seek allowance or disallowance of Policy Claims by the Court. An "allowed" Policy Claim is a Policy Claim that has been approved by the Liquidator and/or the Court, as applicable, pursuant to the Claims Adjudication Procedure and will therefore be allowed to share in a distribution of the assets, if any, of HRINY pursuant to the priorities to be set forth in a plan of liquidation, which will be filed at a future date. A "disallowed" Policy Claim is a Policy Claim that has been rejected by the Liquidator and/or the Court, as applicable, pursuant to the Claims Adjudication Procedure, and will not be allowed to share in a distribution of HRINY's assets. The final result of the Claims Adjudication Procedure will be the allowance or disallowance of every Policy Claim.

9. The Liquidator does not intend to seek court approval to pay distributions in respect of any Policy Claims until all Policy Claims have been fully adjudicated and determined, so as to ensure a fair and equitable allocation of such distributions.

10. As provided by the Liquidator Order, the Liquidator will continue to refrain from adjudicating claims other than Administrative Expenses and Policy Claims until such time, if ever, as circumstances indicate that any amount of estate resources could be paid under Article 74 in respect of such claims.

11. The Liquidator respectfully requests that the Court schedule a hearing on this Verified Petition in accordance with the accompanying Order to Show Cause. The Order to Show Cause provides for a hearing date on the Verified Petition and establishes a procedure for the provision of notice to former policyholders and other creditors.

12. Based on the foregoing, the Liquidator respectfully requests that the Court issue an order that:

a. Approves the Claims Adjudication Procedure, which:

i. Provides for the establishment of the following deadlines:

1. the establishment of 60 days after mailing of the EOB as the deadline for any Provider or Member to file an appeal of the determination contained in the EOB;

2. the establishment of 60 days after receipt by the Liquidator as the deadline for HRINY to accept or deny any such appeal;

3. the establishment of 30 days from the date of mailing of a notice of denial of an appeal as the deadline for any Provider or Member to file an objection to the denial of any appeal;

4. the establishment of 60 days after receipt by the Liquidator as the deadline for the Liquidator to direct an unresolved objection to the denial of an appeal to mediation; and

5. the establishment of the later of (i) 60 days after the Provider or Member has filed an objection to the denial of an appeal or (ii) 30 days after the completion of any unsuccessful mediation as the deadline for the Liquidator to refer an unresolved objection to the denial of an appeal to a referee or healthcare qualified claims examiner appointed by separate order of this Court.

ii. Authorizes the Liquidator, in her sole discretion, to direct any disputed Policy Claim following the denial of an appeal to mandatory non-binding mediation; and

iii. Provides for a referee or healthcare qualified claims examiner, to be appointed by a future order of this Court, to hear and determine or report to the Court on the validity of any unresolved disputed Policy Claims following the denial of an appeal;

b. Approves the form of the revised EOB to be sent to Members and Providers, which is designed to be consistent with the Claims Adjudication Procedure, substantially in the form attached as Exhibit "1" to the Claims Adjudication Procedure;

c. Approves the Process Map outlining the Claims Adjudication Procedure substantially in the form attached to the Verified Petition as Exhibit C;

d. Authorizes the Liquidator to compromise, settle, or adjust any Policy Claim by mutual consent of the parties at any time;

e. Authorizes the Liquidator to take further actions, which she, in her discretion, deems advisable for the protection of the assets in her possession; and

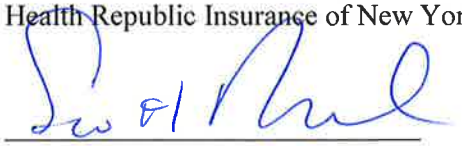
f. Provides for such other relief as is just.

13. No previous application for the relief sought herein has been made to this or any court or judge thereof.

WHEREFORE, Petitioner respectfully requests that the Order be granted and that a hearing be scheduled sufficiently far in the future for the provision of notice as provided for therein and that, upon the hearing, the Court issue an order granting the relief sought in this Verified Petition.

Dated: New York, New York
September 9, 2016

MARIA T. VULLO
Superintendent of Financial Services of the
State of New York as Liquidator of
Health Republic Insurance of New York, Corp.



Scott D. Fischer
Special Deputy Superintendent and agent
of the Superintendent of Financial Services of
the State of New York as Liquidator of
Health Republic Insurance of New York, Corp.

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Scott D. Fischer, being duly sworn, deposes and says:

That he has read the foregoing Verified Petition, and that the same is true to his knowledge except as to the matters therein stated to be alleged on information and belief and as to those matters he believes to be true; that deponent is the duly appointed Special Deputy Superintendent and agent of the Superintendent of Financial Services as Liquidator of Health Republic of New York, Corp., and as such is acquainted with the facts alleged therein.

Deponent further says that the sources of his information and the grounds of his belief as to the matters to be alleged on information and belief are from or were derived from the records, books and papers of said Health Republic of New York, Corp. in the possession of the Liquidator and communications made to deponent by employees and agents of the Liquidator.

Scott D. Fischer
Special Deputy Superintendent and agent
of the Superintendent of Financial Services of
the State of New York as Liquidator of Health
Republic Insurance of New York, Corp.

Sworn to before me this
9th day of September, 2016

Notary Public

MICHAEL J. CAMPANELLI
Notary Public, State of New York
No 02-4996425
Qualified in Suffolk County
Certificate Filed in New York County
Commission Expires May 18, 2018

WEIL:\95685080\20\51976.0003

Exhibit A

Proposed Order

At IAS Part 35 of the Supreme Court of the State of New York, County of New York, at the courthouse located at 60 Centre Street, New York City, New York, on the __ day of _____, 2016.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----------x	Index No. 450500/2016
In the Matter of the Liquidation of : HEALTH REPUBLIC INSURANCE OF : NEW YORK, CORP. : : ----------x	ORDER APPROVING THE PROCEDURE FOR THE LIQUIDATOR'S ADJUDICATION OF CLAIMS

Maria T. Vullo, Superintendent of Financial Services of the State of New York, as liquidator (the "Liquidator") of Health Republic Insurance of New York, Corp. ("HRINY"), by Scott D. Fischer, Special Deputy Superintendent and agent of the Liquidator, having moved this Court by verified petition dated September 9, 2016 (the "Verified Petition"), for an order approving a procedure (the "Claims Adjudication Procedure") for judicial review of the Liquidator's adjudication of claims for payment under insurance policies issued by HRINY (collectively, "Policy Claims") made in this proceeding, and it appearing from the Verified Petition that the Claims Adjudication Procedure will best serve the interests of HRINY, the holders of Policy Claims, and all other interested persons, and that it should be approved and implemented;

NOW, based upon the application of the Liquidator, it is hereby ordered that:

1. The Claims Adjudication Procedure is approved.

2. This Court finds that the Claims Adjudication Procedure is required for the orderly administration of the HRINY estate. The Claims Adjudication Procedure will enable the Liquidator to seek allowance or disallowance of Policy Claims on an ongoing basis while offering due process to claimants who object to her recommendations.

3. The Claims Adjudication Procedure is as follows:

a. The Claims Adjudication Procedure shall apply to Policy Claims of persons who were covered by an insurance policy issued by HRINY ("Members") and health care professionals, providers and facilities that provided health care services to Members ("Providers").

b. The Claims Adjudication Procedure shall not apply to any claims other than the Policy Claims referenced in paragraph 3(a) above, and the Liquidator is authorized in her discretion to continue to refrain from adjudicating claims other than claims for actual and necessary expenses and costs incurred by the Liquidator in the administration of this liquidation proceeding and Policy Claims.

c. To the extent anything contained herein is inconsistent with the contracts and policies governing Policy Claims, the Claims Adjudication Procedure shall govern.

d. The explanation of benefits/allowance ("EOB") for Members and Providers substantially in the form attached hereto as Exhibit "1" is approved;

e. The EOB shall serve as a "Notice of Determination" for each Policy Claim. The EOB shall be referred to below as the "Notice of Determination." Service shall be made by email or first class mail pursuant to paragraph "h" below. The Notice of Determination shall advise each claimant that:

i. The Liquidator has examined the claim and the amount, if any, which the Liquidator has recommended for allowance;

ii. In the event that the amount recommended for allowance is zero, that the Liquidator has recommended the claim for disallowance and the reason therefor.

f. The Liquidator shall send Notices of Determination on a rolling basis. The Notice of Determination will allocate charges for rendered services between HRINY, the Provider, and the Member, as applicable.

g. To the extent a Provider or Member disputes a determination contained in the Notice of Determination, the Provider or Member shall have 60 days from the date the Notice of Determination is sent to submit any appeal of a Notice of Determination via the online portal located at www.healthrepublicny.org or via hard copy to be submitted to Health Republic Insurance of New York Case Administration c/o GCG, P.O. Box 10266, Dublin, OH 43017-5766. Providers and Members will be directed to submit all relevant information supporting their appeal at that time. A Provider's or Member's appeal must include any and all determinations set forth in the Notice of Determination that such Member or Provider wishes to dispute by the deadline, or be forever barred from disputing those determinations. If a Provider or Member requires more time to submit their appeal, they may submit a written request to the Liquidator setting forth good cause to extend the deadline. If the Liquidator and the Provider or Member, as applicable, are unable to agree to an extension of time within 30 days of the Liquidator's receipt of such request, or such longer time as both the Liquidator and the Provider or Member agree, the Provider or Member may seek relief from the Court.

h. Notices of Determination and all other correspondence pursuant to this Order shall be made to the email address or physical address of each claimant as reflected in HRINY's records, unless superseded by a new email or physical address provided by a Member, Provider, or authorized representative via the online portal located at www.healthrepublicny.org. If any Notice of Determination or other mail is returned as undeliverable, the Liquidator shall use commercially reasonable efforts to determine the current address of the Provider or Member.

i. The Liquidator or her agents shall review each appeal and, within 60 days of receipt of the appeal, shall either grant the appeal and issue a revised Notice of Determination or deny the appeal, and provide the reasons for the denial.

j. In the event the Liquidator or her agents deny the appeal, the Provider and/or Member shall have 30 days from the date the notice of denial is sent to file an objection to the denial of the appeal. All such objections must be submitted via the online portal located at www.healthrepublicny.org or via hard copy to be submitted to Health Republic Insurance of New York Case Administration c/o GCG, P.O. Box 10266, Dublin, OH 43017-5766.

k. In the event an objection to the denial of an appeal of a Notice of Determination is filed, the Liquidator may, in her sole discretion, direct any such Policy Claims to mediation. Such direction must be made no more than 60 days after the Liquidator's receipt of the Provider's or Member's objection to the denial of an appeal; *provided*, that the Liquidator shall have the right, in her sole discretion, to extend said time period for an additional 15 days without approval of the Court, and *provided further*, that the Liquidator shall retain the right to apply to the Court at any subsequent time for further extensions. Upon the Liquidator's direction, the holders of such claims will be required to attend mediation with the Liquidator and her agents. The mediator will rely upon the documentation submitted in connection with the appeal, and will not review any additional materials.

l. Any unresolved objection to the denial of an appeal of a Notice of Determination will be referred to a referee or healthcare qualified claim examiner appointed by separate order of this Court. The Liquidator will have discretion to determine whether an unresolved objection is suitable for referral to a referee or healthcare qualified claim examiner. Such referral must be made within the later of (i) 60 days after the Liquidator's receipt of the Provider's or Member's objection to the denial of an appeal or (ii) 30 days after the completion of any unsuccessful mediation; *provided*, that the Liquidator shall have the right, in her sole discretion, to extend said time period for an additional 30 days without approval of the Court, and *provided further*, that the Liquidator shall retain the right to apply to the Court at any subsequent time for further extensions. A referee will review the objection on the disputed Notice of Determination for appeals that did not include a disputed determination of medical necessity and will issue a final determination upon consent of the parties or report to this Court his or her recommendation on the objection. To the extent an appeal implicates a medical necessity determination, those appeals will be determined by a healthcare qualified claims examiner, and will be submitted to the Court for approval unless the parties consent to a final determination. The referee or healthcare qualified claims examiner, as applicable, will base his or her review upon the materials submitted in connection with the appeal, and will not consider any additional documentation as part of the review.

m. Within 30 days of the referee's or healthcare qualified claims examiner's report and recommendation on a disputed Notice of Determination (a "Disputed Recommendation Claim"), a hearing shall be scheduled by the Liquidator, in her sole discretion, to finally determine the amount of the Disputed Resolution Claim.

n. The Liquidator shall, consistent with Insurance Law Section 7433, on a periodic basis, prepare for the Court a list of Policy Claims that have been examined or otherwise resolved by mutual consent of the parties in that period, and which sets forth the claimant's name, last known address, and the amount, if any, recommended for allowance (the "Policy Claim List"). The Policy Claim List will be filed under seal with the Court; however, those Members and Providers with Policy Claims that have been included on the Policy Claim List will be notified by email or first class mail and will be able to securely review the disposition of their Policy Claim on HRINY's website located at www.healthrepublicny.org.

o. The Policy Claim List shall reflect the disposition of (i) Policy Claims for which no appeal was initiated within the timeframe set forth in the Claims Adjudication Procedure; (ii) Policy Claims for which no objection was filed within the timeframe set forth in the Claims Adjudication Procedure disputing the Liquidator's determination of an appeal; (iii) Policy Claims as to which the Provider/Member and the Liquidator have reached a settlement or resolution; (iv) Policy Claims as to which a referee or healthcare qualified claims examiner has reached a final and binding recommendation with the consent of both the Provider/Member and the Liquidator; and (v) Disputed Recommendation Claims, once resolved by order of the Court.

p. Policy Claims will be fully and finally determined by the Court in the amounts set forth on the Policy Claim List.

q. Nothing herein shall preclude the Liquidator or her agents from settling or otherwise resolving any Policy Claim by mutual consent of the parties at any time. The Liquidator shall have the right to amend or revise the Claims Adjudication Procedure at any time, in her sole discretion as necessary to promote the orderly and efficient administration of HRINY's estate; provided, however, that any material modifications to the Claims Adjudication Procedure shall be approved by the Court.

r. The claims process maps attached to the Verified Petition as Exhibit C provide an accurate description of the Claims Adjudication Procedure for Members and Providers and are hereby approved.

ENTER

_____

J.S.C.

Exhibit 1

Form of Explanation of Benefits/Allowance for Members and Providers

Health Republic Insurance of New York, Corp. in Liquidation
c/o Garden City Group
P.O. Box 10266
Dublin, OH 43017-5766
Website: www.healthrepublicny.org
Toll-Free: (866) 680-0893

HEALTH REPUBLIC INSURANCE

Dr. Allen Someone
Somewhere Hospital
Anywhere, New York 12345

Customer Service

Explanation of Benefits/Allowance

Voucher #: 123456789

www.healthrepublicny.org

(866) 680-0893

Claim Summary

Claim #	Patient	Amount Billed (A)	Ineligible Amount (B)	Negotiated Rate (A-B)=C	Deductible Amount (D)	Co-Pay Amount (E)	Balance C-(D+E)=F	Allowed Amount (G)
12345678-01	Jane Doe	$700.00	$161.39	$538.61	$0.00	$0.00	$538.61	$538.61
23456789-01	John Smith	$305.00	$193.93	$111.07	$0.00	$75.00	$36.07	$36.07
34567891-01	Harry Jones	$231.00	$155.20	$75.80	$75.80	$0.00	$0.00	$0.00
45678912-01	Ann McDonald	$1,210.00	$624.53	$585.47	$0.00	$0.00	$585.47	$468.37
	TOTALS	$2,446.00	$1,135.05	$1,310.95	$75.80	$75.00	$1,160.15	$1,043.05

Claim #: 12345678-01

Patient #: Doe0001
Patient: Jane Doe

Date(s) of Service	Service Code	CPT Code	Amount Billed (A)	Ineligible Amount (B)	Negotiated Rate (A-B)=C	Deductible Amount (D)	Co-Pay Amount (E)	Balance C-(D+E)=F	Allowed At (G)	Allowed Amount (F X G) =H
10/1/2015-10/1/2015	rs	45378	$700.00	$161.39	$538.61	$0.00	$0.00	$538.61	100%	$538.61
Reason Codes: mg										
		TOTALS	$700.00	$161.39	$538.61	$0.00	$0.00	$538.61		$538.61

Other Insurance Credits and Adjustments	$0.00
Total Recommended Allowance	$538.61
Total Patient Responsibility	$0.00

Claim #: 23456789-01

Patient #: Smith0001
Patient: John Smith

Date(s) of Service	Service Code	CPT Code	Amount Billed (A)	Ineligible Amount (B)	Negotiated Rate (A-B)=C	Deductible Amount (D)	Co-Pay Amount (E)	Balance C-(D+E)=F	Allowed At (G)	Allowed Amount (F X G) =H
10/08/2015-10/08/2015	l6	99214	$305.00	$193.93	$111.07	$0.00	$75.00	$36.07	100%	$36.07
Reason Codes: mg										
		TOTALS	$305.00	$193.93	$111.07	$0.00	$75.00	$36.07		$36.07

Other Insurance Credits and Adjustments	$0.00
Total Recommended Allowance	$36.07
Total Patient Responsibility	$75.00

Service Codes

rs Routine Services
l6 Provider visits

Reason Code Description

Please reference the Health Republic website (www.healthrepublicny.org) for an expanded description of the Reason Code, which explains why a claim or service line was processed differently than it was billed. If you are unable to access the Health Republic website, please call our call center for more information at (866) 680-0893.

Health Republic Insurance of New York, Corp. in Liquidation
c/o Garden City Group
PO Box 10266
Dublin, OH 43017-5766
Website: www.healthrepublicny.org
Toll-Free: (866) 680-0893

HEALTH REPUBLIC
INSURANCE OF NEW YORK

Understanding your Explanation of Benefits/Allowance

Date(s) of Service	This is the date(s) the provider rendered the service
Amount Billed	This is the full amount the health care provider billed Health Republic for the visit
Ineligible Amount	This is the portion of the bill that is not covered by Health Republic
Negotiated Provider Rate	This is the total amount that is covered by the health plan after subtracting the discount and ineligible charge amounts
Deductible	This is the amount the member needs to pay each year for covered services before the plan starts paying benefits
Copayment	This is the amount the member may pay for certain covered services (i.e. office visits or prescription drugs). Copayments are usually paid at the time of service
Balance	In the Health Republic Explanation of Benefits/Allowance, the "Balance" represents the negotiated provider rate less any copayments or deductible amounts
Coinsurance	This is a percentage of covered expenses that the member may owe after they have met their deductible. In the Health Republic Explanation of Benefits/Allowance, this amount is equal to "F" minus "H" (i.e., if the plan covers 80% of charges, the member may owe the remaining 20%).
Total Recommended Allowance	This is the amount of the provider's allowed claim to Health Republic as part of the liquidation proceeding
What the member may owe **(Total Patient Responsibility)**	This is the amount the member may owe to the provider. The member may have to pay a deductible, a copayment or a percentage of the covered amount (coinsurance). This line may also include the balance of any amount that is not allowed under the terms of the member's policy with Health Republic

Health Republic Insurance of New York, Corp. in Liquidation
c/o Garden City Group
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HEALTH REPUBLIC
INSURANCE OF NEW YORK

APPEAL PROCEDURE – This claim was processed according to the terms of your health care plan. We have carefully considered the information provided and applied the terms of the plan that apply to your benefit request. The specific plan provisions related to the service or reason code set forth above is described in detail in your plan document. Clinical reasons that your benefit request was ineligible, either in full or in part, may include, but are not limited to, experimental, investigational, medical necessity or cosmetic reasons. Non-clinical reasons that your benefit request was ineligible, either in full or in part may include, but are not limited to, benefit limitations, exclusions or non-covered expenses. An explanation that applies the terms to the medical circumstances that led to the decision, as well as any internal rule, guideline, clinical judgment or protocol or copies of any other relevant documents that are needed to initiate an appeal will be provided to you upon request. If you decide to appeal this Explanation of Benefits/Allowance, your appeal should be submitted within 60 days of the date this Explanation of Benefits/ Allowance was mailed via the online portal located at www.healthrepublicny.org or by requesting a paper appeal form and submitting it with supporting papers by mail to Health Republic Insurance of New York Case Administration c/o GCG, P.O. Box 10266, Dublin, Ohio 43017-5766. You will be notified of the decision following review no later than 60 days after your appeal is received. If your appeal is denied following the review, you may file an objection. All objections must be submitted within 30 days of the mailing of the denial via the online portal located at www.healthrepublicny.org or by mail to the address listed above. The Liquidator may direct any such objection to mandatory mediation or seek to settle or otherwise resolve the objection. Any unresolved objections will be referred to a referee or healthcare qualified claims examiner, as applicable, to be appointed by the New York State Supreme Court overseeing Health Republic's liquidation. The referee or healthcare qualified claims examiner will be authorized to review and report on the validity of the objection or issue a final determination upon consent of the parties. For further assistance in understanding this notice, please visit www.healthrepublicny.org or call (866) 680-0893. Please be advised that no claim will be paid until all policy claims against Health Republic are adjudicated pursuant to the Claims Adjudication Procedure. Claims will be paid based on available general assets. The amount of payment will depend on the percentage of total assets to total claims in each particular claims class.

Health Republic Insurance of New York, Corp. in Liquidation
c/o Garden City Group
P.O. Box 10266
Dublin, OH 43017-5766
Website: www.healthrepublicny.org
Toll-Free: (866) 680-0893

HEALTH REPUBLIC INSURANCE

JANE DOE
123 Street Avenue
Anywhere, New York 12345

Customer Service

Enrollee: Jane Doe
Member ID: Y12345678
Group Name: Health Republic Insurance of NY
Group #: 114
Date: 12/01/2016

Voucher #: 123456789

THIS IS NOT A BILL

Explanation of Benefits/Allowance for Services Provided By:
SOMEWHERE HOSPITAL

Claim #: 12345678-01

Patient #: 1234567891ABCDE
Patient Name: JANE DOE

Date(s) of Service	Service Code	Amount Billed (A)	Ineligible Amount (B)	Negotiated Provider Rate (A-B)=C	Deductible Amount (D)	Co-Pay Amount (E)	Balance C-(D+E)=F	Allowed At (G)	Allowed Amount (F X G) =H
11/11-11/13/2015	a2	$114.72	$17.21	$97.51	$0.00	$0.00	$97.51	100%	$97.51
Reason Codes:	mg								
11/11-11/13/2015	a2	$49.97	$7.50	$42.47	$0.00	$0.00	$42.47	100%	$42.47
Reason Codes:	mg								
11/11-11/13/2015	a2	$188.35	$28.25	$160.10	$0.00	$0.00	$160.10	80%	$128.08
Reason Codes:	mg dc								
11/11-11/13/2015	a2	$71.54	$10.73	$60.81	$0.00	$0.00	$60.81	100%	$60.81
Reason Codes:	mg								
11/11-11/13/2015	a1	$14,000.00	$2,600.00	$11,400.00	$0.00	$500.00	$10,900.00	100%	$10,900.00
Reason Codes:	mg								
TOTALS		$14,424.58	$2,663.69	$11,760.89	$0.00	$500.00	$11,260.89		$11,228.87

Other Insurance Credits & Adjustments	$0.00
Total Recommended Allowance	$11,228.87
Total Patient Responsibility	$532.02

Service Codes

a1 Hospital Room and Board
a2 Hospital Miscellaneous

Reason Code Description

Please reference the Health Republic website (www.healthrepublicny.org) for an expanded description of the Reason Code, which explains why a claim or service line was processed differently than it was billed. If you are unable to access the Health Republic website, please call our call center for more information at (866) 680-0893.

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HEALTH REPUBLIC
INSURANCE OF NEW YORK

Understanding your Explanation of Benefits/Allowance

Date(s) of Service	This is the date(s) you received your service
Amount Billed	This is the full amount the health care provider billed Health Republic for your visit
Ineligible Amount	This is the portion of your bill that is not covered by Health Republic
Negotiated Provider Rate	This is the total amount that is covered by your plan after subtracting the discount and ineligible charge amounts
Deductible	This is the amount you need to pay each year for covered services before your plan starts paying benefits
Copayment	This is the amount you may pay for certain covered services (i.e. office visits or prescription drugs). Copayments are usually paid at the time of service
Balance	In the Health Republic Explanation of Benefits/Allowance, the "Balance" represents the negotiated provider rate less any copayments or deductible amounts
Coinsurance	This is a percentage of covered expenses that you may owe after you have met your deductible. In the Health Republic Explanation of Benefits/Allowance, this amount is equal to "F" minus "H" (i.e., if the plan covers 80% of charges, the member may owe the remaining 20%).
Total Recommended Allowance	This is the amount of your provider's allowed claim to Health Republic as part of the liquidation proceeding
What you may owe **(Total Patient Responsibility)**	This is the amount you may owe to your provider. You may have to pay a deductible, a copayment or a percentage of the covered amount (coinsurance). This line may also include the balance of any amount that is not allowed under the terms of your policy with Health Republic

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Exhibit B

Notice

NOTICE OF ENTRY OF ORDER TO SHOW CAUSE REGARDING PROCEDURE FOR THE LIQUIDATOR'S ADJUDICATION OF POLICY CLAIMS AGAINST HEALTH REPUBLIC INSURANCE OF NEW YORK, CORP.

PLEASE BE ADVISED THAT THIS NOTICE CONCERNS THE LIQUIDATON OF HEALTH REPUBLIC INSURANCE OF NEW YORK, CORP. THIS IS **NOT** A NOTICE OF LAWSUIT OR CLAIM AGAINST YOU.

On [___, 2016], the Supreme Court for the State of New York, New York County (the "Court") entered an order (the "Order to Show Cause") setting [___, 2016] as the date for any interested parties or their attorneys to show cause why an order approving certain procedures (the "Claims Adjudication Procedure") for adjudicating claims for payment under Health Republic's insurance policies ("Policy Claims") should not be entered.

If you are a former member of Health Republic and have a Policy Claim against Health Republic, you should have submitted your Policy Claim in accordance with the deadlines and procedures set forth in your insurance policy. If you already properly submitted a Policy Claim in accordance with the requirements of your insurance policy, you do not need to re-submit it.

If you are a health care provider and have a Policy Claim against Health Republic, you should have submitted your Policy Claim in accordance with the deadlines and procedures set forth in the contract governing your provision of services to former members of Health Republic (your "Health Republic Contract"). If you already properly submitted a Policy Claim in accordance with the requirements of your Health Republic Contract, you do not need to re-submit it.

The Claims Adjudication Procedure is intended to provide an efficient and economic method for the Liquidator to seek the allowance or disallowance of Policy Claims on an ongoing basis, while offering due process to holders of Policy Claims who object to her recommendations. An "allowed" Policy Claim is a Policy Claim that has been approved by the Liquidator and/or the Court, as applicable, pursuant to the Claims Adjudication Procedure and will therefore be allowed to share in a distribution of the assets, if any, of HRINY. A "disallowed" Policy Claim is a Policy Claim that has been rejected by the Liquidator and/or the Court, as applicable, pursuant to the Claims Adjudication Procedure, and will not be allowed to share in a distribution of HRINY's assets. A Policy Claim may be disallowed in whole or in part, in which case only the allowed portion will be entitled to a distribution.

As a first step in the claims administration, the Liquidator will engage a third party to conduct an independent audit of the existing inventory of Policy Claims, and based on the audit results, Explanation of Benefits/Allowance ("EOBs") will be issued for each Policy Claim to Providers and Members. The EOBs will advise HRINY's Members and Providers of the amounts of their respective claims against the estate and their rights as to each other. It is anticipated that EOBs will begin to be mailed to Provider and Members in the first quarter of 2017.

If a Member or Provider accepts the EOB, they are not required to take any further action. If a Member or Provider disagrees with the EOB, they will have the opportunity to appeal any and all determinations set forth in the EOB through Health Republic's website at www.healthrepublicny.org or by paper copy to the address indicated in the Claims Adjudication Procedure. The written appeal and supporting documentation must be submitted within 60 days of the date of mailing of the EOB. The Liquidator and her agents, utilizing the appropriate resources to investigate the appeal, will review each appeal and, within 60 days, either grant the appeal and issue a revised EOB or deny the appeal and provide the reasons for the denial.

If a Member or Provider accepts the Liquidator's determination of the appeal, they are not required to take any further action. If a Member or Provide objects to the determination of the appeal, the Member or Provider will have 30 days from the date the notice of denial is sent to file an objection to the denial of the appeal.

The Liquidator may choose to resolve objections to the denial of an appeal of an EOB through mediation or through mutual agreement of the parties. Alternatively, unresolved objections to the denial of an appeal of an EOB will be referred to a referee or a healthcare qualified claims examiner, as applicable, to hear and determine (on a final basis, if the parties consent, or as a report and recommendation to the Court) on the validity of disputed EOBs. The Claims Adjudication Procedure contains deadlines by which the Liquidator will determine whether to direct an objection to mediation, or whether to refer an unresolved objection directly to a referee or healthcare qualified claims examiner.

Policy claims that have been adjudicated will appear on a list filed under seal with the Court. Members and Providers will be able to securely look up the disposition of their claim through the look-up tool available on Health Republic's website. The final result of the Claims Adjudication Procedure will be the allowance or disallowance of every Policy Claim.

The Liquidator anticipates that the total amount of allowed Policy Claims will not be known until at least mid-2017. Commencement of distributions on allowed Policy Claims would not begin before this date, and may be further delayed by other factors, including court proceedings and efforts to collect assets on behalf of Health Republic. The Liquidator intends to process Policy Claims as efficiently as possible and maximize the amount of assets available to pay allowed Policy Claims.

There is no procedure for submission and adjudication of claims other than Policy Claims at this time. While not anticipated, should Health Republic ultimately be determined to have sufficient assets to fully pay the expenses of administering the Liquidation Proceeding and all Policy Claims, the Liquidator would seek relief from the Court to establish a deadline and procedures for the submission of claims other than Policy Claims.

PLEASE BE ADVISED THAT THE TERMS OF THE ORDER TO SHOW CAUSE AND THE CLAIMS ADJUDICATION PROCEDURE ARE DESCRIBED IN THIS NOTICE IN SUMMARY FORM ONLY. PLEASE READ THE CLAIMS ADJUDICATION PROCEDURE FOR A COMPLETE DESCRIPTION OF ITS TERMS. YOU MAY ACCESS A COPY OF THE CLAIMS ADJUDICATION PROCEDURE ON THE WEBSITE MAINTAINED BY HEALTH REPUBLIC, WWW.HEALTHREPUBLICNY.ORG, OR ON THE WEBSITE MAINTAINED BY THE NYLB, WWW.NYLB.ORG. ONCE APPROVED BY THE COURT, THE CLAIMS ADJUDICATION PROCEDURE WILL BE POSTED ON THE WEBSITES OF HEALTH REPUBLIC AND THE NYLB. MEMBERS AND PROVIDERS WHO WOULD LIKE TO RECEIVE A HARD COPY OF THE CLAIMS ADJUDICATION PROCEDURE SHOULD CONTACT THE GARDEN CITY GROUP AT (866) 680-0893.

Requests for further information or questions may be directed to (866) 680-0893 or www.healthrepublicny.org.

MARIA T. VULLO
Liquidator of Health Republic
Insurance of New York, Corp.

Exhibit C

Process Maps for Members and Providers

Exhibit C – Member Claim Resolution

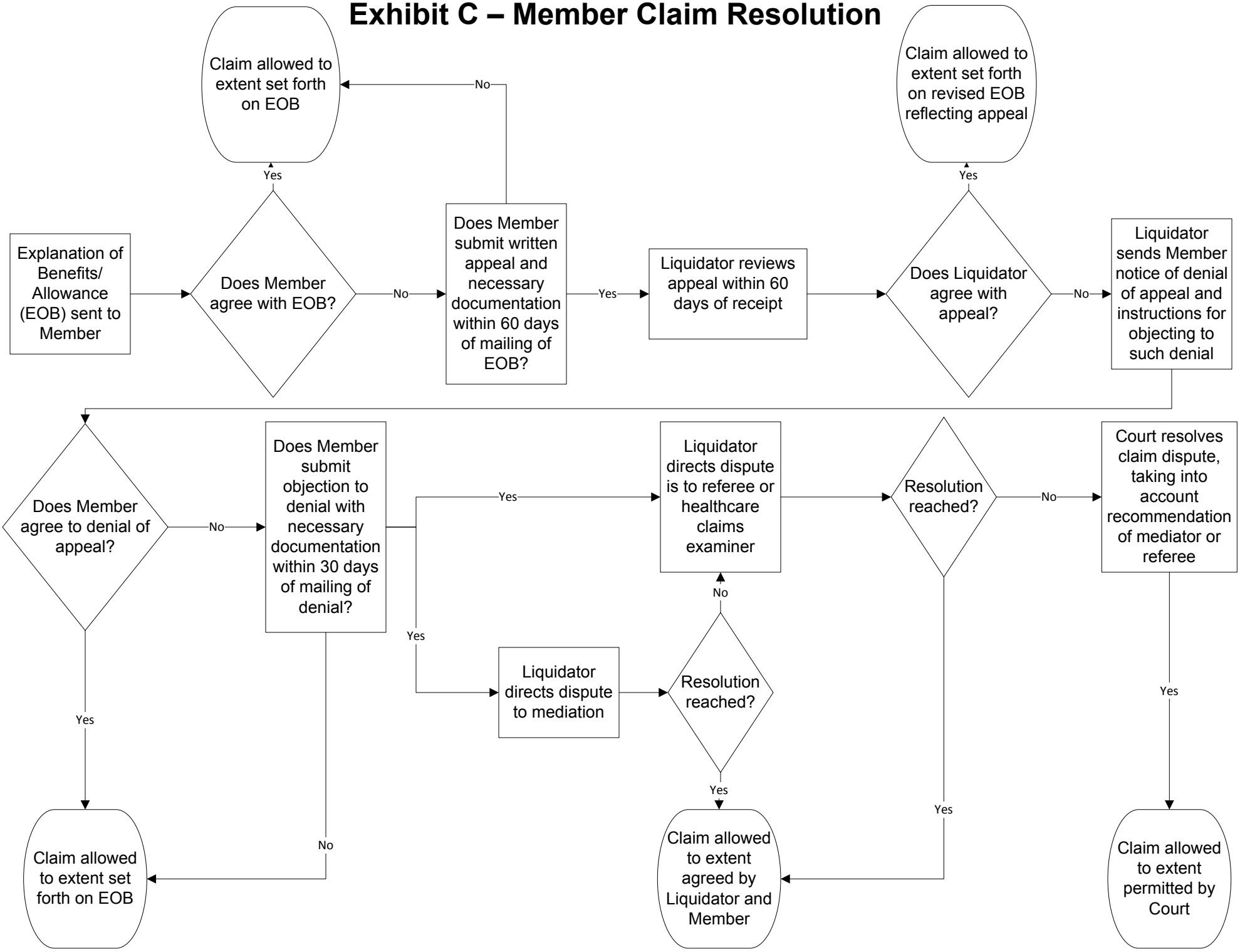

Exhibit C – Provider Claim Resolution