

**HEALTHOHIO, INC., D.B.A. HEALTHFIRST  
NOTICE OF LIQUIDATION ORDER, DEADLINE FOR FILING  
PROOFS OF CLAIM, AND CONTINUOUS HEARINGS**

**LIQUIDATION ORDER**

On July 24, 2000, HealthOhio, Inc., d.b.a. HealthFirst ("HealthFirst") was determined to be insolvent and ordered liquidated by Judge McGrath of the Court of Common Pleas, Franklin County, Ohio, Case No. 99CVH09-8037. J. Lee Covington, II, Ohio Superintendent of Insurance, was appointed as Liquidator pursuant to Ohio Revised Code Chapter 3903 (the "Liquidator"). It is the Liquidator's responsibility to collect assets of HealthFirst and distribute them to policyholders and other creditors of HealthFirst according to priorities established under Ohio law. All commercial coverage by HealthFirst was cancelled effective August 31, 1999 and Medicare coverage was cancelled effective October 31, 1999.

The Liquidation Order enjoins all persons from (1) instituting or continuing to prosecute any civil action or claim against HealthFirst or the Liquidator, (2) in any way interfering with the possession, control, title, rights, and interests of the Liquidator as provided by Ohio Revised Code Sections 3903.01 to 3903.99, inclusive, or (3) taking any action which tends to give rise to a waste of assets, preference, judgment, attachment, lien or the making of a levy against HealthFirst or its property or assets subject to the possession or control of the Liquidator.

**HEALTHFIRST POLICYHOLDERS / MEMBERS / INSUREDS**

A Proof of Claim form must be used for making a claim for any amounts owed to members by HealthFirst. If you have paid a covered claim, out of your pocket, and have not been reimbursed by HealthFirst or if you have any other claims against HealthFirst, you may send a written request for a Proof of Claim form to the Office of the Deputy Liquidator, Suite B, Centre School, 1952 W. Broad Street, Columbus, OH 43223. The request for a Proof of Claim should contain your name, address, date of birth, & social security number.

**THE DEADLINE FOR FILING PROOFS OF CLAIM IS JANUARY 31, 2001.**

**HEALTHFIRST PROVIDERS, AGENTS, EMPLOYEES, AND OTHER CREDITORS KNOWN OR REASONABLY EXPECTED TO HAVE CLAIMS AGAINST HEALTHFIRST**

If the records of HealthFirst indicate you are a provider, agent, or other creditor of HealthFirst, it is anticipated that you will be mailed a Proof of Claim form within the next 120 days to be used in filing a claim in the liquidation proceedings. A Proof of Claim form must be used for making a claim for any amounts owed to you by HealthFirst.

Any claims for unearned premiums must be filed directly in the HEALTHFIRST liquidation proceedings on a Proof of Claim form.

Proof of Claim forms will be mailed to all providers, agents, and other creditors of HealthFirst known to have a claim within the next 120 days. If you have a claim against HealthFirst and you do not receive a Proof of Claim form by October 31, 2000, you should send a written request for a Proof of Claim form to the Office of the Deputy Liquidator, Suite B, Centre School, 1952 W. Broad Street, Columbus, OH 43223.

**THE DEADLINE FOR FILING PROOFS OF CLAIM IS JANUARY 31, 2001.**

**CLAIMS PROCESSING**

After all claims have been evaluated and the amount determined and approved by the Liquidation Court, covered claims that are allowed will be paid by priority level based on available funds. The amount paid will depend on the ratio of assets to total allowed claims by priority level. The Liquidator will not know the distribution percentage that can be paid on any individual claim until claims are evaluated and all assets converted to cash. This process will take a number of months after the January 31, 2001 deadline has passed for filing Proofs of Claim, and the Liquidator cannot state at this time if or when any distribution of assets will be made on allowed claims.

**CONTINUOUS HEARINGS**

Continuous hearings concerning matters related to the Liquidation will be held by the Court on August 18, 2000 and thereafter on the third (3<sup>rd</sup>) Friday of every month, at 8:30 a.m., and at other times pursuant to further orders of the Court. If there are no matters

scheduled, there will be no hearing. It is the obligation of each policyholder, creditor, or other claimant or party in interest having business with HealthFirst or the Liquidator to check the Court calendar prior to the hearing date. Information regarding each session of such hearing will be available by calling the Court at (614) 462-3777 prior to each such session. **NO FURTHER NOTICE OF THESE HEARINGS WILL BE GIVEN.** Copies of materials filed with the Court (which will include a status of the matters scheduled to be heard) will be available at the Court for inspection and copying, at their own expense, by persons having an interest in the HealthFirst liquidation.

**THIS NOTICE OF DEADLINE FOR FILING PROOFS OF CLAIM APPLIES TO ANY POTENTIAL CLAIMANT ASSERTING A CLAIM AGAINST HEALTHFIRST. THIS TIME LIMITATION APPLIES NOTWITHSTANDING ANY STATUTE OF LIMITATIONS OTHERWISE APPLICABLE TO SUCH CLAIMS.**

J. Lee Covington, II  
Superintendent of Insurance, State of Ohio  
Liquidator of HealthOhio, Inc., d.b.a. HealthFirst

**HEALTHOHIO, INC., D.B.A. HEALTHFIRST, IN LIQUIDATION**  
**CLAIM NOTICE AND CLAIM FILING PROCEDURES**

1. Proof of Claim forms are anticipated to be mailed within the next 120 days to all known claimants and creditors as reflected on the books and records of HealthFirst. The Proof of Claim should be completed in its entirety and all questions answered.
2. Proof of Claim forms and all supporting documentation **must be received by the Liquidator on or before January 31, 2001**, the claim filing deadline established by the Liquidation Court.
3. If your claim is for unearned premium, you must submit documentation evidencing proof of premium payment and certify that you have not received the return of premium from your agent or broker, and/or that it has not been applied/credited to premium due by you for your new/replacement coverage.
4. If you move prior to receiving your Proof of Claim or after filing your Proof of Claim, it is your responsibility to provide us with your new address. Failure to do so may result in your claim being barred from participating in any distribution of assets.
5. The Liquidator, in the normal course of the liquidation proceeding, will independently evaluate claims made against the assets of HealthFirst.
6. When your claim is evaluated by the Liquidator, you will be notified as to the Liquidator's determination for the allowance or disallowance of your claim, and you will have 60 days from the date of the notice in which to submit a written objection if you disagree.
7. After all claims have been evaluated and the amount determined and approved by the Liquidation Court, covered claims that are allowed will be paid by priority level based on available funds. The amount paid will depend on the ratio of assets to total allowed claims by priority level. The Liquidator will not know the distribution percentage that can be paid on any individual claim until claims are evaluated and all assets converted to cash. This process will take a number of months after the deadline of January 31, 2001, for filing Proofs of Claim has passed and the Liquidator cannot state at this time if or when any distribution of assets will be made on allowed claims.