



Illinois Department of Insurance

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Press Release
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Illinois Department of Insurance Seeks Rehabilitation Petition On Behalf of Land of Lincoln Mutual Health Insurance Company *CMS' decision to withhold federal payments spurs rehabilitation process to protect consumers*

CHICAGO – Anne Melissa Dowling, Acting Director of the Illinois Department of Insurance, has requested the Illinois Attorney General petition the Circuit Court of Cook County, Illinois, for an Order of Rehabilitation for Land of Lincoln Mutual Health Insurance Company (LLH).

The Director's decision is based on LLH's current financial position after the federal Centers for Medicare and Medicaid Services (CMS) did not allow the suspension of LLH's federal Risk Adjustment Program liability. This is despite LLH being owed an outstanding payment of approximately \$70M as part of the related federal Risk Corridor Program.

If the Cook County Circuit Court enters an Order of Rehabilitation, LLH will temporarily continue to operate under the Director's supervision. LLH will continue paying policyholder claims, while the Director works with CMS to establish a 60 day Special Enrollment Period for LLH's policyholders to obtain new health care policies, and prepares the company for liquidation. An Order of Rehabilitation neither cancels the policies issued by LLH nor its contracts with health care providers. In order to maintain their health coverage, LLH policyholders must continue to pay their premiums. Providers must continue to honor their contracts for service to LLH policyholders, and vendors must work with Director Dowling to continue to provide necessary services to LLH.

LLH policyholders that wish to keep their federal health care subsidies will need to visit the federal health insurance exchange at healthcare.gov or call 1-800-318-2596 as soon as possible, after CMS establishes a Special Enrollment Period for LLH customers, in order to replace their LLH policy with a policy offered by another insurance company on the exchange.

LLH is a start-up mutual health insurer organized as a Consumer Operated and Oriented Plan ("CO-OP") under the Affordable Care Act and was licensed under the Illinois Insurance Code by the IDOI in April 2013. CO-OPs were sponsored by CMS to increase competition among insurance companies and thereby lower prices for consumers. LLH currently provides health insurance to approximately 49,000 Illinois residents.

Consumers with questions may obtain additional information online at: www.GetCoveredIllinois.gov or www.healthcare.gov or by calling IDOI's Office of Consumer Health Insurance at 877-527-9431 or the federal marketplace at 1-800-318-2596.

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