



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON

NOTICE TO SUBSCRIBERS --- FEBRUARY 8, 2000

REGARDING SUNSTAR HEALTH PLAN, INC.

We are sending you this letter because our records indicate that you are or were a subscriber of SunStar Health Plan, Inc., a health maintenance organization which provided health care coverage to approximately 80,000 subscribers. On February 1, 2000, SunStar Health Plan, Inc., (herein referred to as "SunStar") was declared insolvent and placed in receivership for purposes of liquidation by the Second Judicial Circuit Court (the "Court") in Tallahassee, Florida. The Florida Department of Insurance is the court appointed Receiver of SunStar. A copy of the liquidation order is available from the Receiver upon written request to the address provided at the end of this notice. Further information regarding the receivership is available through the Florida Department of Insurance website at www.doi.state.fl.us and also at www.sunstarhmo.com.

You will receive continued health care coverage through the Florida Health Maintenance Organization Consumer Assistance Plan (the "HMOCAP"). A letter from the HMOCAP is enclosed. PLEASE READ THE HMOCAP LETTER CAREFULLY, PARTICULARLY AS IT RELATES TO THE OPEN ENROLLMENT PERIOD OF FEBRUARY 16, 2000 TO MARCH 1, 2000. SUNSTAR SUBSCRIBERS WILL HAVE SOME IMPORTANT CHOICES WHICH NEED TO BE MADE DURING THIS PERIOD REGARDING THEIR HEALTH CARE COVERAGE!

Following are some questions which are commonly asked by all subscribers of an insolvent HMO such as SunStar. We hope the questions and answers will be helpful to you in providing information regarding the SunStar receivership proceeding.

HMOCAP COVERAGE: SunStar subscribers will receive continued health care coverage through the HMOCAP in accordance with the provisions of Part IV, Chapter 631, Florida Statutes. All claims for medical services provided to these subscribers on and after the insolvency date of February 1, 2000, are the responsibility of the HMOCAP. The primary goal of the HMOCAP is to secure replacement health care coverage for commercial subscribers of an insolvent health maintenance organization such as SunStar. The HMOCAP is undertaking efforts to facilitate such replacement coverage now in accordance with its statutory duties. **PLEASE READ THE ENCLOSED LETTER FROM THE HMOCAP.**

HMOCAP Coverage Limits: The HMOCAP basically continues health care coverage to each eligible subscriber for a maximum of 6 months or \$300,000 (per individual), whichever comes first. The HMOCAP is required to provide continued health care coverage to SunStar subscribers through July 31, 2000, and has chosen to do so through the Open Enrollment process described in the enclosed HMOCAP letter. Coverage through the HMOCAP may not be terminated prior to July 31, 2000, except for the following reasons: nonpayment of premiums, attainment of Medicare or Medicaid eligibility, nonresidency in the service area, abusive and disruptive behavior, fraud, or termination of eligibility.

Until further notice, subscribers should continue to use the existing SunStar medical provider network. The HMOCAP will use Administrative Services, Inc. ("ASI") to administer benefits. The Receiver understands that the HMOCAP will pay medical providers for services rendered to the SunStar subscribers on and after February 1, 2000, under the terms of the providers' contracts with SunStar. The HMOCAP has additionally informed us that all medical authorizations issued to or for these subscribers prior to February 1, 2000 will be honored.

The HMOCAP or its representatives may send additional information on these matters in the near future. Note: If you were enrolled in SunStar through the Community Health Purchasing Alliance ("CHPA"), you may have additional options available to you through your CHPA membership. Please contact your CHPA agent, local CHPA office, or (800) 4MY-CHPA about these options.

PAYMENT OF PREMIUMS: IMPORTANT – SUBSCRIBERS MUST CONTINUE TO PAY PREMIUMS IN ORDER TO REMAIN ELIGIBLE FOR COVERAGE. FEBRUARY PREMIUMS SHOULD BE PAID TO SUNSTAR, AS USUAL, AT SUNSTAR HEALTH PLAN, INC., P.O. BOX 862348, ORLANDO, FLORIDA 32886-2348. The HMOCAP will contact subscribers directly regarding the payment of March premiums. However, subscribers who were enrolled in SunStar through the Community Health Purchasing Alliance ("CHPA"), should request that their employer continue to send any premium due to CHPA as usual.

Until further notice, any additional questions regarding medical services provided to SunStar's subscribers on and after February 1, 2000 should be directed to the following address and phone numbers:

**SunStar Health Plan, Inc. - in Receivership
Claims Department
300 International Parkway, Suite 230
Heathrow, Florida 32746**

**For Pre-authorization & Utilization Review – call (888) 339-4997
For Customer Service – call (888) 339-4997 or (800) 375-0755**

YOU MAY HAVE EXPERIENCED DIFFICULTY IN REACHING SUNSTAR THE FIRST FEW DAYS FOLLOWING THE LIQUIDATION. ALTHOUGH WE BELIEVE WE HAVE CORRECTED THESE PROBLEMS, SOME BRIEF DELAYS MAY STILL OCCUR WHILE WE STRIVE TO ASSIST SUNSTAR SUBSCRIBERS WITH QUESTIONS. WE APPRECIATE YOUR CONTINUED PATIENCE.

COMMONLY ASKED QUESTIONS:

1. How do I contact the Receiver?

Call our Consumer Assistance unit at (800) 882-3054 or write to the Receiver of SunStar Health Plan, Inc., at P.O. Box 10280, Tallahassee, Florida 32302.

2. Do I have health care coverage now?

YES. Please refer to the section above regarding HMOCAP coverage and the enclosed letter from the HMOCAP.

3. If I need to go to the hospital or receive other emergency care, who will authorize the medical treatment?

All subscribers should continue to call the SunStar authorization line at (888) 339-4997 until further notice. The HMOCAP will honor all authorizations issued this way and has representatives available to assist with the authorizations as necessary.

4. My doctor is refusing to treat me. What should I do?

Please call the SunStar authorization line at (888) 339-4997 until further notice.

5. I need to fill a prescription. Which pharmacy should I use?

Continue to use the pharmacy you used as a subscriber of SunStar until further notice from the HMOCAP.

6. Can Providers seek payment from former subscribers for debt owed by SunStar for medical services received?

No. Under Section 641.315, Florida Statutes, HMO subscribers are not liable to any provider of health care services for any services covered by the HMO. Additionally, health care providers and their representatives are prohibited from attempting to collect payment from the HMO subscribers for such services. If you are contacted by a health care provider for such payment, you should inform the provider of this law. You may also want to send a letter regarding this problem, with a copy of any bills you receive from such providers, to the Receiver of SunStar Health Plan, Inc., at P.O. Box 10280, Tallahassee, Florida 32302. If the provider or his representative continues to pressure you for payment, please contact the Receiver at (800) 882-3054. Although the Receiver cannot represent you against the provider, we can assist you in informing the provider of the relevant laws.

7. My doctor and/or I are owed money for services provided before SunStar was declared insolvent on February 1, 2000. What is the procedure for payment of these claims?

Claims such as these are referred to as pre-insolvency claims. Claims for services or goods provided prior to the February 1, 2000, liquidation of SunStar must be filed with the Receiver on the Receiver's Proof of Claim Form in order to be considered for payment. The Receiver will send out Proof of Claim Forms to all known subscribers, medical providers, and other creditors of SunStar. The deadline for filing claims in the SunStar receivership proceeding is 11:59 p.m. on Friday, February 2, 2001. If you do not receive a Proof of Claim Form by July, 2000, please write to the Receiver and ask for one.

The procedure for the filing and evaluation of claims in a receivership is set out in Part I, Chapter 631, Florida Statutes. Assuming there are sufficient assets in the receivership, the Receiver will evaluate claims in order of their priority as set out in Section 631.271, Florida Statutes. This statute establishes a system of priorities in paying claims. When the evaluation process has been completed, the Receiver will file a report with the Court setting out our recommendations as to the amounts, if any, which should be allowed on each of the claims evaluated. Notice of the Receiver's recommendations and the deadline for filing any objections to the recommendations will then be provided to the claimants. It is unlikely that claimants will receive any correspondence or other communication from the Receiver until that time unless the Receiver has

questions regarding the claim which has been filed. This is because the Receiver is trying to minimize the claims' processing costs in order to maximize potential distribution to the claimants.

During the claims evaluation period, the Receiver also commences litigation and/or takes whatever other action is necessary to collect and maximize the assets of the receivership estate. Please note: it may be several years before distributions, if any, are made in this receivership. Distributions of assets are made on a pro rata basis in accordance with the priority of claims which is set out in Section 631.271, Florida Statutes. Those whose claims fall into lower priorities are paid only if there is money left after paying the higher priority claims. **It is too early in the receivership process for the Receiver to provide any estimate as to the timing and/or the pro rata percentage of the distributions, if any, which may be made in this receivership.**

We appreciate your continued cooperation in these matters.

**The Florida Department of Insurance as
Receiver of SunStar Health Plan, Inc.
Post Office Box 10280
Tallahassee, Florida 32302**

**phone:(800) 882-3054
fax: (850) 922-9115
email: claims@doi.state.fl.us**

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