



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON

NOTICE TO PROVIDERS -- FEBRUARY 8, 2000

REGARDING SUNSTAR HEALTH PLAN, INC.

SunStar Health Plan, Inc., was a health maintenance organization domiciled in Florida which provided health care coverage to approximately 80,000 subscribers. On February 1, 2000, SunStar Health Plan, Inc., (herein referred to as "SunStar") was adjudicated 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.

HMOCAP COVERAGE: SunStar subscribers will receive continued health care coverage through the Florida Health Maintenance Organization Consumer Assistance Plan (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 obtain replacement health care coverage for commercial subscribers of an insolvent health maintenance organization such as SunStar. The HMOCAP is undertaking efforts to secure such replacement coverage now in accordance with its statutory duties.

The HMOCAP will use Administrative Services, Inc., ("ASI") to administer benefits. Bills for services provided on and after February 1, 2000, should be submitted to the HMOCAP c/o Administrative Services, Inc., at Post Office Box 839000, Miami, Florida 33282-9000. The Receiver understands that the HMOCAP will pay you for services rendered to SunStar's subscribers on and after February 1, 2000, under the terms of your contract with SunStar. The HMOCAP has informed us that all medical authorizations issued for these subscribers prior to February 1, 2000, will be honored. **A letter from the HMOCAP is enclosed. You may receive additional information on these matters from the HMOCAP in the future.**

Please be advised that pursuant to the liquidation order, you are required to continue to provide services to the SunStar subscribers. Paragraph S of the liquidation order provides in relevant part:

In order to provide for the smooth transition in medical care which must be provided to Respondent's [SunStar's] subscribers by the HMOCAP pursuant to the provisions of Part IV, Chapter 631, Florida Statutes, the obligations of medical providers which have contractual arrangements with Respondent shall continue in full force with respect to Respondent's subscribers through the longer of: (a) the period for which premium has been paid by the subscriber; (b) a period of sixty (60) days from the date of this Order; or (c) such longer period as may be agreed upon between the medical provider and the HMOCAP. The HMOCAP will be responsible for the provision of and payment for medical services provided to Respondent's subscribers subsequent to the date of liquidation pursuant to Part IV, Chapter 631, Florida Statutes.

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 MEMBERS WITH QUESTIONS. WE APPRECIATE YOUR CONTINUED PATIENCE.

PRE-INSOLVENCY CLAIMS: Claims for services or goods provided to or on behalf of the SunStar subscribers prior to the February 1, 2000 liquidation date 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 your clients and/or you do not receive a Proof of Claim Form by July, 2000, please write to the Receiver and ask for one.

NOTE: ALL CLAIMS MUST BE SUBMITTED WITH A PROPERLY COMPLETED PROOF OF CLAIM FORM BEFORE THEY CAN BE EVALUATED FOR POSSIBLE PAYMENT. DO NOT SEND YOUR BILLINGS, INVOICES, OR OTHER INSURANCE CLAIM FORMS TO THE RECEIVER PRIOR TO RECEIVING THE PROOF OF CLAIM FORM. ANY SUCH INVOICES OR BILLS SUBMITTED TO THE RECEIVER WITHOUT A PROOF OF CLAIM FORM WILL NOT BE RETAINED IN SUPPORT OF YOUR CLAIM. IF YOU HAVE A BILLING SERVICE, YOU MUST ALSO ADVISE THEM OF THIS PROCEDURE.

A Proof of Claim Form will be mailed to you at the address indicated on the front of this envelope. If this address is incorrect, please provide your correct address, in writing, to the Receiver at the address listed at the end of this notice.

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.**

PLEASE NOTE: Under Section 641.315, Florida Statutes, subscribers of a health maintenance organization are not liable to any provider of health care services for any services covered by the health maintenance organization. Additionally, health care providers and their representatives are prohibited from attempting to collect payment from the health maintenance organization subscribers for such services. If you are currently billing, or in any other manner attempting to collect payment from SunStar subscribers for any medical services, you are advised to immediately cease such activity. You should also immediately inform any collection agency you might use of this law and require that it also cease any such collection activity.

We appreciate your assistance and continued cooperation in these matters.

SUNSTAR HEALTH PLAN, INC.
Florida Department of Insurance, Receiver
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email: claims@doi.state.fl.us

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