

AMY L. PARKS
Receiver

CANTILO & BENNETT, L.L.P.
Special Deputy Receiver

November 9, 2015

**IMPORTANT LEGAL NOTICE
TO PROVIDERS OF HEALTH CARE SERVICES TO THE
MEMBERS, ENROLLEES, AND POLICYHOLDERS OF
THE NEVADA HEALTH CO-OP**

Dear Provider of Health Care Services:

Our records indicate that you are or have been a provider of health care services (“Provider”) to members, enrollees, or policyholders (collectively “Enrollees”) of Nevada Health CO-OP (“NHC,” “CO-OP,” or the “Company”). The CO-OP is now in receivership for conservation. On October 14, 2015, the Eighth Judicial District Court of Clark County, Nevada, entered its *Permanent Injunction and Order Appointing Commissioner as Permanent Receiver of Nevada Health CO-OP* (“Permanent Receivership Order”) in case number A-15-725244-C pursuant to Nevada Revised Statutes chapter 696B. A copy of that order is enclosed for your convenience and is also available on the CO-OP’s web site, www.nevadahealthcoop.org. The Nevada Insurance Commissioner (“Commissioner”) appointed CANTILO & BENNETT, L.L.P. Special Deputy Receiver (“SDR”) of the CO-OP.

YOU ARE HEREBY PLACED ON ACTUAL NOTICE OF THE PROVISIONS OF THE PERMANENT RECEIVERSHIP ORDER. Under the Permanent Receivership Order and applicable Nevada law, the Commissioner was empowered to immediately seize control of and oversee the operation and conservation of the CO-OP as of October 1, 2015. The CO-OP and the SDR are focusing their efforts on protecting CO-OP Enrollees and their health care coverage, as well as Providers and other creditors.

The SDR will focus initial efforts on two parallel goals: (1) avoiding disruption in the delivery of health care to the Enrollees for the period that they are entitled to receive such care from the CO-OP (ending no later than December 31, 2015), and (2) maximizing payment to Providers and creditors for services rendered initially during the receivership period (which commenced on October 1, 2015) and thereafter for amounts owed for services rendered before that date.

IT IS IMPERATIVE THAT YOU CONTINUE PROVIDING HEALTH CARE SERVICES TO ENROLLEES ON THE SAME BASIS AS BEFORE, WITHOUT CHARGING ADDITIONAL AMOUNTS OR REJECTING REQUESTS FOR APPOINTMENTS OR HEALTH CARE SERVICES THROUGH THE END OF THE 2015 CALENDAR YEAR. The CO-OP will not provide health coverage after December 31, 2015. Enrollees must arrange for new coverage effective January 1, 2016, or upon completion of the current benefit year. Enrollees with CO-OP insurance plans

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In Receivership

have been advised that the CO-OP will not provide health insurance plans in 2016 and have been directed to seek new insurance coverage effective January 1, 2016, or upon completion of the current benefit year. Specifically, the Permanent Receivership Order provides at pages 4 and 5:

All providers of health care services, including but not limited to physicians hospitals, other licensed medical practitioners, patient care facilities, diagnostic and therapeutic facilities, pharmaceutical companies or managers, and any other entity which has provided or agreed to provide health care services to members or enrollees of CO-OP, directly or indirectly, pursuant to any contract, agreement or arrangement to do so directly with CO-OP or with any other organization that had entered into a contract, agreement, or arrangement for that purpose with CO-OP are hereby permanently enjoined and restrained from:

- a. Seeking payment from any such member or enrollee for amount owed by CO-OP;
- b. Interrupting or discontinuing the delivery of health care services to such members or enrollees during the period for which they have paid . . . the required premium to CO-OP except as authorized by the Receiver or as expressly provided in any such contract or agreement with CO-OP that does not violate applicable law;
- c. Seeking additional or unauthorized payment from such CO-OP members or enrollees for health care services required to be provided by such agreements, arrangements, or contracts beyond the payments authorized by the agreements, arrangements, or contracts to be collected from such members or enrollees; and
- d. Interfering in any manner with the efforts of the Receiver to assure that CO-OP's members and enrollees in good standing receive the health care services to which they are contractually entitled.

Failure to abide by the terms of the Permanent Receivership Order and existing agreements or arrangements with the CO-OP may result in waiver of the right to collect payments and may also result in enforcement action by the SDR.

In the near future, the SDR will put into place a process whereby Providers and other CO-OP creditors can file claims, with adequate supporting documentation, against the estate of the CO-OP for amounts they believe the CO-OP owes them. At that time, a deadline will be set for filing claims. **NO SUCH DEADLINE HAS YET BEEN SET.** In due course, the Receiver will evaluate claims in accordance with Nevada law and, depending upon the sufficiency of receivership assets, determine and report as to the amount allowed to be paid on each. Although it is not yet necessary to do so, any party that believes it has a claim against the estate of the CO-OP may, if it so wishes, submit its claim with adequate supporting documentation to the address below.

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Nevada Health CO-OP, in Receivership
ATTN: Special Deputy Receiver
840 S. Rancho Drive #4-321
Las Vegas, Nevada 89106
(702) 823-2667 Telephone
(855) 606-2667 Toll Free
info@nevadahealthcoop.org

We are unable to advise you at this time how soon such claims will be evaluated and paid. Any questions regarding this receivership or the affairs of the CO-OP may be directed to the above address, telephone, or e-mail address. For additional information regarding the receivership of the CO-OP, please visit our web site, www.nevadahealthcoop.org or contact us at the above addresses and telephone number.

Thank you sincerely for your assistance in providing uninterrupted access to care to Enrollees. The SDR will make every effort, subject to the availability of funds, to pay Providers promptly for services rendered on and after October 1, 2015, and to retire earlier Provider debt in full as soon as the availability of assets permits such payment. We regret that this action has become necessary and will strive to minimize adverse consequences to Providers resulting from the receivership.

Very truly yours,



Patrick H. Cantilo
CANTILO & BENNETT, L.L.P.,
Special Deputy Receiver of Nevada Health CO-OP

PHC:jmw
Enclosure: Permanent Receivership Order