

Co. went into Rehab 4/8/2010

Attachment #7



October 19, 2010

Commissioner Sean Dilweg
Office of the Commissioner of Insurance
State of Wisconsin
GEF-III, Second Floor
125 South Webster Street
Madison, WI 53703-3474

Re: Withdrawal of Coverage in the Individual market

Dear Commissioner Dilweg:

Please let this correspondence serve as notice that American Community Mutual Insurance Company (ACM) intends to withdraw from the Individual health insurance market in Wisconsin and terminate coverage as permitted by federal and state law. As you may know, an order of rehabilitation of ACM was entered on April 8, 2010. This action is necessary due to ACM's loss experience in its business.

ACM will be mailing notices to all policyholders and dependents on or about October 25, 2010 which will indicate that coverage will terminate in 180 days.

As of August 31, 2010, ACM had 623 Individual policies in Wisconsin. It is expected that the number of policyholders impacted by this action will be less than these amounts since ACM's enrollment has declined significantly in recent months and ACM expects this trend to continue before the mailing of notices is implemented.

ACM is currently in discussions with Golden Rule Insurance Company and expects that it will reiterate its previous offer to issue guaranteed coverage to Individual policyholders without underwriting, at the standard rate, and with no exclusion for pre-existing conditions. This offering would not be made to insureds who are age 65 or older (since offering coverage that would duplicate benefits under Medicare

39201 Seven Mile Road, Livonia, Michigan 48152-1094
(800) 991-2642 (734) 591-9000
www.american-community.com

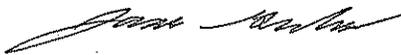
is illegal) or those insureds who reside in states where Golden Rule does not have any products available¹.

A sample copy of the letter to be sent out is enclosed with this correspondence. The letter to individual policyholders and dependents assumes that Golden Rule will make an offer of guaranteed coverage to covered individuals. If this does not occur, the reference to Golden Rule will be removed.

Please note that ACM will be withdrawing from the Individual and Small Group markets in the following states: Arkansas, Arizona, Illinois, Iowa, Missouri, Nebraska, Oklahoma, Ohio, South Carolina, Tennessee, Texas and Wisconsin. There is the possibility that some covered individuals with policies from those states may be residing in Wisconsin. We believe this would involve a small amount of covered individuals.

Should you have any questions or concerns do not hesitate to contact me at 734-591-8103.

Sincerely,



James Gerber
Special Deputy Rehabilitator

Enclosure

¹ Golden Rule does not offer insurance products in the following states: California, Hawaii, Idaho, Maine, Massachusetts, Minnesota, Montana, New Hampshire, New York, North Dakota, Oregon, Rhode Island, Utah, Vermont and Washington.


AMERICAN COMMUNITY
MUTUAL INSURANCE COMPANY®

«Primary Insured or Dependent Name»
«Address1»
«Address2»
«City», «State» «Zip»

WI IND HIPAA Letter
FINAL

October 2010

PLEASE READ: Important Information re: Your American Community Policy #«Policy»

Dear «Primary Insured or Dependent Name»:

This letter is to advise you of a change that affects your current health insurance policy with American Community Mutual Insurance Company (American Community). Due to its financial condition and current state of Rehabilitation, American Community is withdrawing from the Individual health insurance market in Wisconsin and cancelling all insurance coverages as permitted by federal and state law. As a result, **your policy will terminate on [insert WI termination date].**

The Company has reached an agreement with UnitedHealthcare's Golden Rule Insurance Company (Golden Rule) to provide a replacement option for health insurance coverage for you. Golden Rule will be sending you a letter in mid-December in which it will offer you coverage. As with their previous offers, you would be eligible for a Golden Rule policy without underwriting and with no exclusions for pre-existing conditions, meaning that you cannot be turned down because of your health. Golden Rule is a well-respected insurer that has offered health plans to individuals and families for more than 60 years. They offer the UnitedHealthcare Choice Plus network of doctors and hospitals, one of the nation's largest.

Golden Rule will contact you via postal mail regarding this option in mid-December; **please do not contact Golden Rule prior to receiving your offer in the mail.**

Until you obtain other health insurance coverage, you should continue to pay your premiums to keep your American Community policy in force. Once you have obtained other coverage, please be sure to notify American Community to terminate your policy. This is especially important if you pay by electronic funds transfer (EFT). Prompt notification will help ensure that we terminate your EFT prior to the next scheduled bank draft.

We regret the need to take this action; however, it is necessary given our current financial situation. We appreciate your loyalty as an American Community policyholder and encourage you to consider switching to Golden Rule or seek an alternate health insurance company in order to enjoy uninterrupted coverage.

More information about our rehabilitation is available on our website at www.american-community.com. If you have any questions, please contact an American Community Customer Service Representative at (800) 991-2642, Monday through Friday, 8:00 a.m. to 5:00 p.m. ET.

Sincerely,



James Gerber
Deputy Rehabilitator

WI IND TERM 10/10



MEDICAL MUTUAL OF OHIO®
AND ITS FAMILY OF COMPANIES

Medical Mutual of Ohio®
2060 East Ninth Street
Cleveland, OH 44115-1355
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Carolina Care Plan®
Visit CarolinaCarePlan.com

Consumers Life®
Visit ConsumersLife.com

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RECEIVED
WISCONSIN COMMISSIONER
OF INSURANCE

June 22, 2011

Honorable Ted Nickel
Office of the Commissioner of Insurance
125 South Webster Street
Madison, WI 53703-3474

RE: Consumers Life Insurance Company Exit from Individual Market in Wisconsin

Dear Commissioner Nickel:

Consumers Life Insurance Company (Consumers Life), an Ohio-domiciled insurance company, has made the difficult decision to exit the individual health and ancillary insurance market in the State of Wisconsin.

In accordance with Wisconsin Insurance Code Section 632.7495, this letter serves as our official 180-day advance written notice of our plan to exit the individual insurance market effective January 1, 2012. Coverage for our policyholders in Wisconsin will end at midnight on December 31, 2011. Consumers Life has 78 active policyholders and no employer group policyholders in the State of Wisconsin.

This was not an easy decision to make, and we realize that it will result in not being able to market health insurance products in Wisconsin's individual market for five years. However, we believe it is important that Consumers Life focus its attention on its core states that have strong networks and sales presence.

A copy of the letter we intend to send to our Wisconsin policyholders during the week of June 20th is attached.

Two of our attorneys, David Fogarty and Julie Chernitski, are traveling to your office on Thursday, June 23, to discuss this withdrawal plan and any concerns you may have.

It has been a pleasure providing insurance to consumers in your state.

If you have any questions in the meantime, please do not hesitate to call me at 800.700.2583, extension 76462, or email me at Donna.Piko@mmoh.com.

Sincerely,

Donna M. Piko
Director, Certificate Development, Contracts
& Benefit Compliance

/dp

Attachment