



September 19 / 23, 2022

Via U.S. Mail

John J. Sample
123 Main Street
Apt. B
Carmel, IN 46032

RE: Senior Health Insurance Company of Pennsylvania (In Rehabilitation) ("SHIP")
Policy Number: 8321

Dear Mr. Sample:

This Notice has been prepared to inform you that the Rehabilitation Plan Policy Modification Date will be delayed. A Notice was sent to you informing you of a delay in the Effective Date for your premium and/or policy benefits modification election. Due to recent developments in the rehabilitation, including court proceedings, a further delay in the Effective Date of your election has become necessary.

As you are aware, the Pennsylvania Commonwealth Court approved SHIP's Rehabilitation Plan in August 2021. Certain state insurance regulators appealed the Approved Rehabilitation Plan to the Supreme Court of Pennsylvania. The Commonwealth Court and the Pennsylvania Supreme Court both rejected requests by these appealing regulators to halt the Plan pending the appeal. Therefore, the Pennsylvania Insurance Commissioner, as the statutory rehabilitator of SHIP, has commenced implementing many aspects of the Plan. However, he has directed the Rehabilitation Team to delay implementation of policy modifications while he evaluates developments in the pending appeal.

On September 15, 2022, oral argument in the appeal was heard before the Supreme Court of Pennsylvania, however, there is no definitive timeline for when the Court may make its decision. As a result, the October 2022 policyholder Election Effective Date previously communicated to you will be further delayed until a later date when there is more certainty. This delay will apply to all states. In the meantime, the Rehabilitation Team continues to implement other aspects of the Plan.

You will be notified of the new Election Effective Date approximately 30 days before your election becomes effective. It is important for you to continue to pay your premium to maintain your coverage. Your current premium and policy benefits will remain unchanged until the new Election Effective Date is established and communicated to you.

Please note that the information included in this Notice is all the information available at this time about this matter. You are encouraged to visit SHIP's website regularly at shipltc.com for information about SHIP's rehabilitation. The website is updated with Court documents and related rehabilitation materials.

We continue to pursue a course of action we believe best protects policyholders and apologize for any inconvenience caused by the delay in your Election Effective Date. Your patience and understanding during this rehabilitation process is truly appreciated.

Sincerely,

A handwritten signature in black ink that reads "Patrick H. Cantilo". The signature is written in a cursive style with a large initial 'P'.

Patrick H. Cantilo
Special Deputy Rehabilitator