

Essential Information and Processes for Orderly Transition to Liquidation

- Overview of company's situation and options
 - A general description of the business written or assumed by the insurer
 - Information concerning licensure of the insurer
- Overview of company's corporate history
 - Any special handing issues
 - History of acquisitions and/or novation and assumption agreements
 - History of Insurance Business Transfer (IBTs) or Divisions
- Anticipated course of action (if known)
 - Estimated time frame for action
- Financial situation
 - Estimated assets/ liabilities
 - Cash flow/ current ability to fund claims
 - List of outstanding checks/ balance of outstanding checks
 - Status of banking relationship(s)
 - Reinsurance arrangements
 - Confidence level of asset books/accuracy of books
- Existence of any large deductible business?
 - How to identify
 - Collateral
- Policy Information
 - Any active policies? Describe
 - Sample policies and endorsements
 - Policy count by state and line of business
 - Policy termination date
 - GA coverage ends 30 days post liquidation date
- Claims files
 - Nature of current mix of business/ claim count
 - Open claim count by state and line of business
 - Summary of claims and reserves by state and line of business
 - Claim File Location
 - System Name
 - Number of Systems/ Locations
 - Paper/ electronic/ imaged files
 - Control of Data
 - In-house vs. third party administrator (TPA)
 - Condition of Claim Files
 - Legacy System vs. Updated Systems
 - Identification of primary reinsurance facilities
- TPAs? Names/contact information/ list of claims
 - Paper/ electronic/ imaged files
 - If paper, file shipping instructions

- UDS Data:
 - What kind of data can be expected?
 - How difficult will it be to retrieve data from the system(s)
 - Priority of Data to be sent to the Guaranty Associations
 - See [Priority of UDS Records for Guaranty Associations - Insolvency](#)
- Claim File/ Policy Conversion to UDS
 - NCIGF data mapper/ IT support available
 - Reach out to NCIGF/ GSI with any questions
 - Sample UDS data from company
 - What technology resources are needed
 - Data privacy/security - Secure UDS (SUDS)
 - See [UDS Manual \(Here\)](#)
- Estimated time needed for:
 - UDS conversion/transfer
 - Prepare/ship paper files
 - Triage files- covered vs non-covered claims
 - Start date/ logistics for conversion
- Establish contacts – claims/legal/IT
 - Receiver contact information
 - Guaranty fund contact information
 - Coordinating Committee/ NCIGF contacts
- Special handling issues
 - Process for handling emergency files or hardship cases
 - Listing of third-party administrators, description of contractual arrangements and copies of pertinent executed contracts
 - Listing of claims in litigation or dispute and assigned defense counsel
- Need for advance pay of WC claims?
 - Standard prepayment agreement
- Need for advance pay of Pharmacy Benefits?
 - Standard Pharmacy Benefit agreement
- Communications
 - Need for accurate and consistent information for public
 - What will be provided/ where/when

Documents needed

- Sample policy forms/ declaration pages
 - How/where/when available
- Most recent annual statement
- Summary of claims and reserves by state and line of business
- Sample UDS data
- Other matters
 - MUST have for specific language in liquidation order to trigger all affected states
 - “Finding of insolvency with order of liquidation”
 - No partial or ambiguous trigger language
 - Confirm D record for expense reporting
 - Person “on point” for receiver and GAs

- Medicare Secondary Payer
 - Receiver's pre-liquidation date payments reported by receiver
 - GA's post liquidation date payments reported by GA