

Keep you and your family covered, without interruption.
Your coverage is guaranteed.

DATE

Dear <<NAME OF INSURED>>,

As you know, <<Company Name>> has chosen Celtic Insurance Company (Celtic) to help transition you to another high quality health insurance plan.

You are guaranteed uninterrupted health coverage with Celtic. All that's needed is your signature to keep you and your family insured. *We won't turn you down because of health issues. There are no health questionnaires to fill out.*

A personalized *Offer Acceptance Form* is enclosed that reflects the Celtic plan(s) we're offering you that most closely matches your current coverage as of October 14, 2011. *Please review our offer.* Accept this offer as soon as possible for your new insurance to be effective January 1, 2012. This is a one-time offer that cannot be extended past the deadline of December 31, 2011. After the deadline, you and your dependents are subject to underwriting.

Once you accept the offer from Celtic we will notify your current carrier who, in turn will terminate your old coverage.

To be eligible for your guaranteed coverage **you must SIGN and DATE the Offer Acceptance Form as soon as possible. There are two ways to accept your offer:**

1. Simply go to www.celtichealth.com/enroll. Log on using your current policy number to sign and date the Celtic Offer Acceptance Form online – quickly, and securely
2. Complete, sign and date the enclosed form and you can either:
 - a. Mail the form to Celtic Insurance Company, PO Box 06469, Chicago, IL 60606
 - b. Fax the form to 1-312-441-0822, or
 - c. Scan and email the form to enrollment@celtichealth.com

You can rest easy knowing that Celtic is a well-respected national health insurance company that has offered high-quality health plans to individuals and families for more than three decades. Celtic also has a positive reputation in the industry for financial stability. We're here to protect you against the rising cost of medical care. To create a smooth transition with uninterrupted coverage, continue to pay your current insurance premium until your new Celtic coverage becomes effective.

If you have any questions, please contact a Celtic Customer Service Representative toll-free at 1-800-766-6550, Monday through Friday, 7:00 a.m. to 7:00 p.m. Central Standard Time. We look forward to serving your health insurance needs for many years to come.

Richard Lynch
President and CEO
Celtic Insurance Company

P.S. Please logon and submit your *Offer Acceptance Form* today to assure uninterrupted health coverage for you and your family...guaranteed.



CELTIC INSURANCE COMPANY OFFER ACCEPTANCE FORM
FOR QUICK AND EASY ENROLLMENT LOG ONTO www.celtichealth.com/enroll

<<Name_First Name_Last>> <<Policy_No>>
<<Mail_Address_1>>
<<Mail_Address_2>>
<<Mail_City Mail_State Mail_Zip>>

Please provide all of the information listed below:
Email Address:
Phone Number:
Guardian Name:
(If primary applicant is under 18)

If your address has changed, please call 1-800-766-6550 to update your information.

OFFER:

Rate: <<Offer1_Rate>> <<Offer2_Rate>>
Product Name: <<Offer1_Product Name>> <<Offer2_Product Name>>
Annual Deductible: <<Offer1_Deductible>> <<Offer2_Deductible>>
Coinsurance Percentage: <<Offer1_Coinsurance>> <<Offer2_Coinsurance>>
Check here to accept this offer

MEMBERS:

Table with 6 columns: Name, Reference Number, Relationship, Date of Birth, Remove Dependent (please check if applicable), Please Indicate Social Security Number for Each Member

If you wish to remove a dependent from your policy, please check the "Remove" box on the appropriate line. Removing a dependent will change your total premium.*If you wish to remove the Primary please call Customer Service 1-800-766-6550.

RIDERS: If riders are listed, please logon to www.celtichealth.com/enroll to view details of the riders

Table with 4 columns: Name, Reference Number, Rider Description (Endorsements), Duration

BILLING INFORMATION:

__ Monthly Automatic Pay - No Bill Fee (Complete Monthly Automatic Pay information below)

MONTHLY AUTOMATIC PAY PLAN

Name of Financial Institution: Type of account: __ Checking or __ Savings

Checking/Savings Account Number: ABA 9 Digit Routing Number:

Celtic Insurance Company is hereby authorized to present checks drawn on my checking or savings account on the first business day of each month, until this authorization is terminated. I further authorize the bank named to pay and charge to my account those payments that are drawn on my account by Celtic Insurance Company, and I agree that the bank named shall be fully protected in honoring any such payments.

Other Billing Methods: (Select One)

__ Monthly Billing (Note: Not available for Celtic Basic) Up to \$10 Bill Fee per Month
__ Quarterly Billing - Up to \$10 Bill Fee per Quarter

Payor/Billing Name and Address if different from Primary (Please print):

First Middle Last
Street (or, P.O. Box) City State Zip

Please sign Acknowledged and Agreed Section

ACKNOWLEDGED AND AGREED:

Yes, I accept this exclusive, one-time only offer from Celtic Insurance Company (Celtic) for coverage, to replace the policy currently provided by <<Company>>.

With this acceptance:

I acknowledge that I have read and understand the Celtic offer; and
I understand that this offer is contingent on my <<Company Name>> policy remaining in effect until my new Celtic policy becomes effective, meaning my << Company Name >> policy has not lapsed due to nonpayment of premiums and the expiration of any applicable << Company Name >> grace period, or Celtic will not extend coverage pursuant to this offer; and

I agree that by accepting this offer I also authorize the termination of my << Company Name >> policy effective at the end of <<Date Specified>>; and this Celtic policy becomes effective 12:00 a.m. on <<Date Specified +1>>; and I understand that this acceptance represents my written acceptance of any attached Endorsement/Rider to the Policy Regarding Coverage Exclusions.

Name of Policyholder: _____

Signature of Policyholder _____ Date: _____

(or Parent/Guardian if Policyholder is a minor)

Please retain a copy of this Offer Acceptance Form for your records.

Mail this form to:

Celtic Insurance Company
PO Box 06469
Chicago IL 60606

Phone: 800-766-6550
Fax: 312-441-0822

SPECIMEN COPY

Features/Benefits	CeltiCare (3.1) PPO	CeltiCare (3.1) Indemnity
Plan Type	PPO (doctor and hospital)	Indemnity
Annual Deductible	See Your Offer Acceptance Form	See Your Offer Acceptance Form
Coinsurance	See Your Offer Acceptance Form	See Your Offer Acceptance Form
Deductibles in addition to Annual Deductible	\$50 Emergency Room deductible waived if admitted	\$50 Emergency Room deductible waived if admitted
Lifetime Maximum	No Maximum	No Maximum
Out-of-network services (in addition to annual deductible)	Eligible charges reduced additional 20% per occurrence	Not Applicable
Non-preventive Office Visits to Network Provider	Non-preventive: \$10 copay	Not Applicable
Labs and X-rays	Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance
Preventive Care	Covered on a first dollar basis	Covered on a first dollar basis
Ambulance	\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service
Outpatient Rx Drug Benefit	Subject to Deductible and Coinsurance	Subject to Deductible and Coinsurance
Supplemental Accident	Covered at 100% up to \$500 per person per occurrence	Covered at 100% up to \$500 per person per occurrence
Healthy Lifestyle Program	Not Applicable	Not Applicable
Psych Coverage	Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance

CeltiCare II (4.0) PPO	CeltiCare II (4.0) Indemnity	CeltiCare Preferred (5.0) PPO
PPO (doctor and hospital)	Indemnity	PPO (doctor and hospital)
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted
No Maximum	No Maximum	No Maximum
\$1,500 annual deductible; eligible charges reduced additional 20% per occurrence	Not Applicable	\$1,500 annual deductible; eligible charges reduced additional 20% per occurrence
Select: \$15 copay 6 visits per person, per calendar year, 7+ visits subject to deductible and coinsurance	Not Applicable	Select: \$15 copay 2 visits per person, per calendar year, 3+ visits subject to deductible and coinsurance
100% up to \$200 per person, per calendar year, then subject to annual deductible and coinsurance	100% up to \$200 per person, per calendar year, then subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance
Covered on a first dollar basis	Covered on a first dollar basis	Covered on a first dollar basis
\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$5,000 maximum per person, per calendar year for emergency air or ground ambulance service
\$500 Rx Deductible Generic = \$20 copay Preferred Brand = \$40 copay Nonpreferred/Specialty Brand = \$75 copay Brand with generic alternative = specified copay + 100% cost difference between Brand and Generic Mail Order 90 day supply = 3x retail cost	\$500 Rx Deductible Generic = \$20 copay Preferred Brand = \$40 copay Nonpreferred/Specialty Brand = \$75 copay Brand with generic alternative = specified copay + 100% cost difference between Brand and Generic Mail Order 90 day supply = 3x retail cost	Generic = \$20 copay (No Deductible) Brand (Preferred and Non Preferred/Specialty Drugs) have a \$500 Rx deductible After deductible: Preferred = \$40 copay NonPreferred/Specialty = \$75 copay Mail Order 90 day supply = 3x retail cost <i>Note: Drugs with a generic alternative require the specified copay plus 100% of the cost difference between the brand drug and the generic alternative.</i>
N/A	N/A	N/A
Pays 25% of fees for eligible physical health programs up to \$300 per person, per calendar year	Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year	Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year
Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance

CeltiCare Preferred (5.0) Indemnity	CeltiCare Preferred (5.1) PPO	CeltiCare Preferred (5.1) Indemnity
Managed Indemnity	PPO (doctor and hospital)	Managed Indemnity
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted
No Maximum	No Maximum	No Maximum
Not Applicable	\$1,500 annual deductible; eligible charges reduced additional 20% per occurrence	Not Applicable
Not Applicable	Select: \$15 copay 2 visits per person, per calendar year, 3+ visits subject to deductible and coinsurance	Not Applicable
Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance
Covered on a first dollar basis	Covered on a first dollar basis	Covered on a first dollar basis
\$5,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$5,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$5,000 maximum per person, per calendar year for emergency air or ground ambulance service
<p>Generic = \$20 copay (No Deductible) Brand (Preferred and Non Preferred/Specialty Drugs) have a \$500 Rx deductible After deductible: Preferred = \$40 copay NonPreferred/Specialty = \$75 copay Mail Order 90 day supply = 3x retail cost <i>Note: Drugs with a generic alternative require the specified copay plus 100% of the cost difference between the brand drug and the generic alternative.</i></p>	<p>Generic = \$10 copay (No Deductible) Brand (Preferred and Non Preferred/Specialty Drugs) have a \$500 Rx deductible After deductible: Preferred = \$40 copay Preferred/Specialty = 30% coinsurance Mail Order 90 day supply=2 1/2 x retail <i>Note: Drugs with a generic alternative require the specified copay plus 100% of the cost difference between the brand drug and the generic alternative.</i></p>	<p>Generic = \$10 copay (No Deductible) Brand (Preferred and Non Preferred/Specialty Drugs) have a \$500 Rx deductible After deductible: Preferred = \$40 copay Preferred/Specialty = 30% coinsurance Mail Order 90 day supply = 2 1/2 x retail <i>Note: Drugs with a generic alternative require the specified copay plus 100% of the cost difference between the brand drug and the generic alternative.</i></p>
N/A	N/A	N/A
Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year	Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year	Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year
Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance

Celtic Saver HSA (2.1) PPO	Celtic Saver HSA (2.1) Indemnity	Celtic Saver HSA (3.0) PPO
PPO (doctor and hospital)	Managed Indemnity	PPO (doctor and hospital)
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted
No Maximum	No Maximum	No Maximum
Eligible charges reduced additional 20% per occurrence	Not Applicable	Eligible charges reduced additional 20% per occurrence
Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance
Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance
Covered on a first dollar basis	Covered on a first dollar basis	Covered on a first dollar basis
\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$5,000 maximum per person, per calendar year for emergency air or ground ambulance service
Subject to Deductible and Coinsurance	Subject to Deductible and Coinsurance	Subject to Deductible and Coinsurance
N/A	N/A	N/A
N/A	N/A	Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year
Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance	Covered after deductible and subject to coinsurance

Celtic Saver HSA (3.0) Indemnity	Celtic Basic (2.1) PPO	Celtic Basic (2.2) PPO
Managed Indemnity	PPO (doctor and hospital)	PPO (doctor and hospital)
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
See Your Offer Acceptance Form	See Your Offer Acceptance Form	See Your Offer Acceptance Form
\$250 Emergency Room deductible, waived if admitted	\$250 Emergency Room deductible, waived if admitted \$500 Inpatient Hospital \$250 Outpatient	\$250 Emergency Room deductible, waived if admitted \$500 Inpatient Hospital \$250 Outpatient
No Maximum	No Maximum	No Maximum
Not Applicable	\$1,500 annual deductible; eligible charges reduced additional 20% per occurrence	\$1,500 annual deductible; eligible charges reduced additional 20% per occurrence
Covered after deductible and subject to coinsurance	Select: \$30 copay 2 visits per person, per calendar year, 3+ visits subject to deductible and coinsurance	Select: \$30 copay 2 visits per person, per calendar year, 3+ visits subject to deductible and coinsurance
Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance	Subject to annual deductible and coinsurance
Covered on a first dollar basis	Covered on a first dollar basis	Covered on a first dollar basis
\$5,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service	\$3,000 maximum per person, per calendar year for emergency air or ground ambulance service
Subject to Deductible and Coinsurance	\$1,000 Rx Annual Deductible Generic = \$25 copay Preferred Brand = 35% coinsurance Non Preferred and Specialty Drugs = 50% coinsurance Brand with Generic alternative = Generic copay plus 100% cost difference between Brand and Generic Mail Order = 90 day supply 3x retail cost	Generic: \$15 copay (No Deductible) Preferred/Non Preferred or Specialty Drugs have a \$1,000 Annual Deductible Preferred Brand = 35% Coinsurance Non Preferred/Specialty Drugs = 50% coinsurance Brand with Generic alternative = Generic copay plus 100% cost difference between Brand and Generic Mail Order = 2 1/2 x retail cost
N/A	N/A	N/A
Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year	N/A	Pays 25% of fees for eligible physical health programs up to \$300 max. per person, per calendar year
Covered after deductible and subject to coinsurance	N/A	N/A



CELTIC®

Questions about your Celtic offer? We have the answers.

You're guaranteed coverage with Celtic Insurance Company (Celtic). *We will not turn you down. No long health questionnaires.* Just enroll by the deadline with Celtic and you're assured of uninterrupted, quality health insurance that's affordable.

Q. How strong and experienced is Celtic?

A. Since its start more than three decades ago, Celtic Insurance Company has grown to become one of the most respected, experienced and financially sound specialty health insurance companies in America. We're known for our financial stability, consistently strong operating results and quality A.M. Best rating.

Q. How can I accept the offer and choose Celtic as my insurer?

- A. We've made it easy for you to choose Celtic as your health insurer. You have two options:
1. Go to www.celtichealth.com/enroll. Log on using your current policy number to sign and date the Celtic Offer Acceptance Form online—quickly and securely.
 2. A Celtic Offer Acceptance Form is included in this mailer. Simply complete, sign and date the form and you can:
 - a. Mail the form to: Celtic Insurance Company, PO Box 06469, Chicago, IL 60606
 - b. Fax the form to: 1-312-441-0822, or
 - c. Scan and email the form to: enrollment@celtichealth.com.

Q. What if I am having trouble logging in to sign my Celtic Offer Acceptance Form?

A. If you are having trouble logging in to sign your Celtic Offer Acceptance Form, please call Celtic's toll-free number 1-800-766-6550 for assistance.

Q. Does the offer apply to all dependents covered under my current policy?

A. Yes. The offer applies to all covered dependents under age 64.5 on your current policy. If you wish to add dependents on the new policy, the guaranteed-issue offer would not apply. You and your dependents would need to apply for coverage and go through medical underwriting. However, you are allowed to drop dependents from your coverage. If you wish to drop the primary insured, please call Customer Service at 1-800-766-6550 for assistance.

Q. Will my rate remain the same?

A. The premium for the Celtic plan offered may differ somewhat from what you pay for your current coverage. The plan that is offered will be guaranteed issue, meaning you cannot be turned down because of your health.

Q. If I accept the Celtic offer, do I need to send any money now?

A. No. Choose the easy and quick Monthly Automatic Pay Plan option on the Celtic Offer Acceptance Form, and your payment will be deducted from your account on the first day of every month after your new policy becomes effective. Please reference the letter to find the policy effective date for your guaranteed-issue offer. If you choose another billing option, Celtic will send you a paper bill. Paper billing is associated with a billing fee.

Q. Do I have to accept the offer from Celtic Insurance Company?

A. No. However, your current carrier believes it is in the best interest of its policyholders to have the opportunity to transfer to a Celtic Insurance Company plan on a guaranteed-issue basis. If you do not wish to accept Celtic's offer, you may shop for your own coverage or contact your agent for assistance.

Q. Should I continue to pay for my current coverage while I wait for an offer?

A. Yes. In order to keep your current policy in force, you need to continue to pay your premium. Once you have secured other coverage with Celtic Insurance Company, your current carrier will cancel your coverage. However, if you choose other coverage outside of the Celtic offer, we recommend that you notify your current carrier well in advance of your requested cancellation date. This is especially important if you pay your premium by EFT (electronic funds transfer). Prompt notification will help ensure that they stop any bank draft that is scheduled to occur. Any refund due on your previous plan will be processed by the current carrier.

Q. Will I have to change my doctor?

A. Celtic is affiliated with quality provider networks across the nation. To find out if your current doctor is part of our network, you can visit www.celtichealth.com/enroll... or call toll-free 1-800-766-6550. To maximize the benefits provided under your new Celtic health insurance plan, you need to select a network doctor and hospital in your area to receive treatment.

Q. Do I need a referral to see a specialist?

A. No. To find a specialist who is part of the network, visit www.celtichealth.com/enroll or call toll-free 1-800-766-6550.

Q. I have claims pending under my old insurance plan. Will the new plan pay for these claims?

A. Payment of claims is always based on the date of service. If your claims were incurred prior to the effective date of your new Celtic plan, they will be processed by the previous carrier. For dates of service after the effective date of your new policy, claims will be processed under your new Celtic plan. More information will be provided on your new Celtic ID Card once your policy is issued.

Q. I have pre-existing conditions. Will I have to provide medical information in order to get an offer?

A. Individual policyholders will receive an offer from Celtic for a guaranteed-issue plan. No underwriting will be required. Any condition or exclusion endorsements/riders attached to your current plan will be transferred to the new Celtic plan.

Q. Do I need to pre-certify hospital stays and outpatient surgery?

A. Yes. When you are planning a hospital stay or outpatient surgery, call Celtic's Health Care Certification Program at 1-800-477-7870 to certify that the procedure and hospital stay comply with standard certification guideline procedures. If you are certified for a hospital stay on or after the effective date of your new Celtic policy and your doctor is not part of the Celtic network, Celtic may make an exception and allow you to continue with your current provider. Please note, if an exception is made, it does not include any other medical or surgical service rendered for any other conditions other than the ones directly associated with this hospital stay.

Q. What happens if I'm currently in a course of treatment for an illness?

A. To assure that continuity of care during your active course of medical treatment (such as chemotherapy, radiation therapy or pregnancy) is not disrupted: If your current treatment will last beyond the effective date of your new policy, and your doctor is not part of the Celtic-affiliated network, Celtic may make an exception and allow you to complete your treatment with your current provider. Please note, if an exception is made, it does not include any other medical or surgical service rendered for any other conditions other than the ones directly associated with this current course of treatment.

Q. How can I cancel my current coverage?

A. When you accept Celtic's guaranteed-issue offer, Celtic will notify your current carrier of your acceptance. Your carrier will cancel your current coverage upon notification.

Q. I've already terminated my coverage with my current carrier. Will I get an offer from Celtic Insurance Company?

A. No. Subject to state regulation and approval, the offer will be made only to those individual policyholders who have an active policy at the time of this mailing. However, it is possible that because of the timing of the mailing, some policyholders who recently terminated their current coverage may mistakenly receive an offer. These policyholders will not be eligible for the Celtic offer.

Q. Will the offer to transfer coverage to Celtic Insurance Company apply to individual policyholders in all states where the current carrier has business?

A. Subject to state regulation and approval, Celtic will make an offer of coverage to individual policyholders in all states where Celtic does business, except to:

1. Policyholders who are 64.5 years of age and older, and
2. Policyholders in the 13 states where Celtic does not offer health insurance products (Hawaii, Idaho, Kentucky, Maine, Massachusetts, Minnesota, New Jersey, New York, Oregon, Rhode Island, Utah, Vermont, Virginia and Washington State). Policyholders living in these states will not receive an offer.

Q. Whom do I contact if I have other questions or would like more information about Celtic?

A. Call Celtic toll-free at 1-800-766-6550.