

original to file

In the Commonwealth Court
of Pennsylvania

James Lapinski, Intervenor
and Patricia Lapinski

versus

Case No. 1 SHP 2020

S.H. I.P. in Rehabilitation, Teachers Protective
Mutual Life Insurance Company, et al.

March 22, 2021

FIRST SUPPLEMENTAL PREHEARING MEMO
& PROPOSED AMENDMENTS TO REHABILITATION PLAN

1.) Please file the enclosed COVID 19

deaths data from three sources for the
four types of Long Term Care facilities.

Lapinskis were unable to receive
age 65 and older deaths in acute-care & long term
hospitals NOR in seniors own homes yet.
The enclosed Exhibits are for May 10, 17, 18 hearings.

2.) At the SHIP May 17, 18-2021 Hearing
Intervenor Lapinski will discuss enclosed
Exhibits A, B. By then roughly 700,000
Americans will have died from Covid 19
in Nursing Homes per Exhibits A, B
in acute-care hospitals, in seniors'
apartments, single family HOMES, etc.
Over 20% of seniors died in Nursing Homes
of Covid 19, and another 14% plus in
other LTC seniors facilities - Exh. B.

And add those who died in their own HOMES,
acute-care hospitals and almost 50%
of the 700,000 deaths are seniors age 65
and older! YET the actuaries for the
SHIP Rehabilitator LIE that this only
has a "slight" effect on claims being paid,
per testimony at SDR Camillo on March 19, 2021 / Jr

3.) Lapiuski's Motions the Court
to delete entirely page 86, section
H. "POLICY RESTRUCTURING",
enclosed as Exhibit C. Inclusion in SHIP Plan
IS ILLEGAL. It separates "Impaired
Policies" from the Plan -- see end of first
paragraph of section H, page 86, Exhibit B,
stealing their benefits after paying years of premiums.

Also section H bottom paragraph page 86
ILLEGALLY changes insurance liability
by State Guaranty Associations to "non-insurance
general creditor indebtedness." This is FRAUD
because "Impaired Policies" will never likely
collect their legal benefits of the PLAN.

4.) Policyholders also Motions the Court to Amend the final SHIP Amended Rehabilitation PLAN on May 17, 18-2015 as follows: DELETE 100% Options One, Four NOW

a.) Option One is a huge, ILLEGAL rate increase by unknown computer technicians, when the rate increases should be made by each of the 50 States per insurance LAW, Regulations.

For example Lapinski's LTC policies are regulated by Virginia, which has increased LTC insurance rates in the last 25 years BY ALMOST 300 percent, VERSUS ZERO % by Commonwealth of Penna.

b.) Option Four has an ILLEGAL DOUBLE RATE INCREASE See Exhibit D enclosed of the Rehabilitation Plan

James Lapinski Patricia Lapinski

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Certificate of Service, March 22, 2021
by James Zapriski

1.) Defendants on page 1 of this Complaint
and "Formal Comments Objecting ..."

2.) COZEN O'CONNOR, c/o James R. Potts, et al.
One Liberty Pl., 1650 Market #2800
Philadelphia, PA 19103

3.) Cantilo & Bennett, 11401 Century Oaks, Austin 78758

4.) Prothonotary, Commonwealth Court, re 1 SHP 2020
Penna. Judicial Ctr., 601 Commonwealth #2100
Harrisburg, PA 17106

5.) Consec Insurance Co. / SHIP
550 Congressional Blvd., Carmel, IN 46032
c/o PRESIDENT

6.) Teachers Protective Mutual Life Insurance Co.
c/o S.H.I.P., St. Paul, MN
and Lancaster, PA

7.) Steve Harvey Law, 1880 J.F.K. Blvd., Philadelphia
No. 1715 19103

8.) Rackemann, Sawyer & Brewster, J.D. Leslie Esq.
160 Federal St.
Boston, MA
02110-1700

Enclosures: Exhibits A, B, C, D

TOTAL RESIDENT COVID-19 CONFIRMED
CASES

640,271

TOTAL RESIDENT COVID-19 DEATHS

130,174

640,271

equals 20+ percent
deaths of NURSING HOME
RESIDENTS WITH COVID19

TOTAL STAFF COVID-19 CONFIRMED
CASES

552,660

TOTAL STAFF COVID-19 DEATHS

1,623

Source: U.S. Dept. of Health & Human
Services, Data.CMS.gov; Baltimore, MD
Search for a Nursing Home March 16, 2021

You can find a Nursing Home by using the Search box or by zooming in on the map. You can click one of the dots to show data about the Nursing Home.
Please note certain providers may not be displayed.

Facility Types

- **Nursing Homes:** Includes both skilled nursing facilities and nursing facilities. Skilled nursing facilities are those that participate in both Medicare and Medicaid. Nursing facilities are those that participate in Medicaid only. Nursing homes primarily engage in providing residents skilled nursing care and related services for residents who require medical or nursing care and rehabilitation services for the rehabilitation of injured, disabled, or sick individuals.
- **Assisted Living Facilities:** A facility that provides housing and meals, personal care assistance and other supportive health services to promote resident independence. States generally regulate these facilities.
- **Uncategorized Long-Term Care Facilities:** This category represents data from states that combine both state and federally regulated facilities into one lump sum for cases, deaths or facilities. Due to some state's aggregated reporting, this category may contain nursing home and assisted living facilities along with chemical dependency residential treatment centers, behavioral health residential facilities, and intermediate care facilities for individuals with intellectual disabilities.
- **Other Care Facilities:** The Other category houses data from state-regulated long-term care facilities like personal care homes that are not Assisted Living Facilities. Federally-regulated facilities like Nursing Homes or Skilled Nursing Facilities are not included in this category.

Exhibit B
3-22-2021
page 1 of 3

AT

The Long-Term Care COVID Tracker

Facilities

Cumulative COVID-19 cases

As of **March 7, 2021** we are

Less than 1% of America's population lives in long-term-care facilities, but as of March 4, 2021, this tiny fraction of the country accounts for 34% of US COVID-19 deaths.

Cumulative

1,326,512

Total cases

174,474

Total deaths

in nursing homes,
assisted living and
other LTC facilities

33,639

Total number of facilities affected


SOURCE: "CovidTracking.com" by the
Atlantic Monthly Group & CDC.gov/covid-data-tracker

Cumulative COVID-19 totals represent total cases, deaths and facilities as reported by states and territories as of March 4, 2021. For states who report current outbreaks but not cumulative data, CTP carries the highest reported outbreak case or death total. Due to outbreak reporting, CTP's aggregated cumulative data for these states under-

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11,600,000 Results

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Coronavirus

Statistics

Vaccine

Prevention

Symptoms

Treatment

Testing

How to Help

More info

Coronavirus (COVID-19) statistics

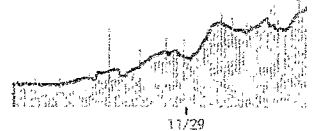
Daily new cases in Virginia

Click on the graph to see more

Data is collected from multiple sources that update at different times and may not always align. Some locations may not provide complete information.

United States cases

Updated Mar 15 at 4:21 PM local

Confirmed
29,676,645 +42,948Deaths
540,452 +1,534Recovered
-

See less

Data from: CDC · WHO · ECDC · Wikipedia · The New York Times · See full list

	CONFIRMED	DEATHS	RECOVERED
California	3,623,773	56,546	-
Texas	2,728,555	46,592	2,560,767
Florida	1,979,634	32,957	-
New York	1,748,739	48,537	-
Illinois	1,213,604	23,216	-
Georgia	1,034,763	18,262	-
Ohio	990,340	18,036	-
Pennsylvania	972,055	24,630	-
North Carolina	887,595	116,889	-
New Jersey	840,847	23,925	-
Arizona	833,381	16,553	-
Tennessee	789,652	11,639	765,441
Indiana	676,235	12,864	-
Michigan	673,916	16,779	-
Wisconsin	625,556	7,178	-
Massachusetts	602,308	16,645	-
Virginia	595,865	10,060	-
Missouri	574,857	8,770	-
South Carolina	534,188	8,878	-
Alabama	508,229	10,329	-
Minnesota	498,286	6,815	-
Colorado	445,953	6,118	-
Louisiana	437,565	9,903	-
Oklahoma	432,793	4,701	416,227
Kentucky	419,637	5,131	97,348
Maryland	394,240	8,055	9,765
Utah	378,600	2,027	-
Iowa	370,552	5,643	324,616
Washington	352,265	5,183	-
Arkansas	326,943	5,474	318,363
Kansas	301,078	4,835	-
Mississippi	300,881	6,903	-
Nevada	299,332	5,119	-
Connecticut	293,102	7,788	-
Nebraska	205,133	2,236	-

Coronavirus



Coronaviruses are a group of related RNA viruses that cause diseases in mammals and birds. In humans and birds, they cause

respiratory tract infections that can range from mild to lethal. Mild illnesses in humans include some cases of the common cold.

Scientific name: Coronavirus

Family: Coronaviridae

Order: Nidovirales

Domain: Virus

Class: Pisoniviricetes

Kingdom: Orthornavirae

Novel Coronavirus cases

Places	Cases	Deaths	Reco
United States	29,676,645	540,452	-
Brazil	11,483,370	278,327	10,06
India	11,409,595	158,892	11,02
Russia	4,400,045	92,494	4,00
United Kingdom	4,263,527	125,580	-
France	4,078,133	90,788	245
Italy	3,238,394	102,499	2,58
Spain	3,183,704	72,258	-
Turkey	2,879,390	29,489	2,70

Coronavirus in the U.S.: Latest Map and Case Count - The ...

<https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html>

Feb 20, 2021 · At least 572 new coronavirus deaths and 38,034 new cases were reported in the **United States** on March 14. Over the past week, there has been an ...

Other articles from nytimes.com

Puerto Rico Coronavirus Map and Case Count

We're Sharing Coronavirus Case Data for Every ...

See How the Vaccine Rollout Is Going in Your S...

Florida Coronavirus Map and Case Count

Exhibit B
page 3 of 3
March 22, 2021

CDC COVID Data Tracker - COVID-19 Charts

<https://covid.cdc.gov/covid-data-tracker>

CDC's home for COVID-19 data. Visualizations, graphs, and data in one easy-to-use website.

Statistics of the COVID-19 pandemic in the United States ...

https://en.wikipedia.org/wiki/Statistics_of_the...

Overview

Measuring case and mortality r...

Progression charts

Deal >

This article presents official statistics gathered during the COVID-19 pandemic in the United States.

The CDC publishes official numbers, originally every Monday, Wednesday, and Friday and reports several categories of cases: individual travelers, people who contracted the disease from other people within the U.S., and repatriated citizens who returned to the U.S. from crisis locations, such as Wuhan, where the disease originated, and the cruise ship Diamond Princess.

Wikipedia · Text under CC-BY-SA license

United States COVID-19 Statistics: 29,343,532 Cases ...

<https://covidusa.net>

United States COVID-19 Statistics: **26,022,247 Cases / 438,452 Deaths / 303,906,455 Tests / Avg cases/day 155,160 declined 30.37% from 14 days ago Avg deaths/day 3,236 declined 3% from 14 days...**

Graphic: Coronavirus deaths in the U.S., per day

<https://www.nbcnews.com/health/health-news/corona...>

Feb 20, 2021 · One hundred thousand coronavirus deaths in the U.S. was the low estimate. That figure, the bottom end of the Trump White House's best-picture scenario of ...

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Exhibit C
3-22-2021

G. LTCG, INC.

In 2008 SHIP entered into a Master Services Agreement with Univita for a broad array of claims and administrative services, excluding complaints. Univita has since become the Long-Term Group, Inc., ("LTCG") and continues providing these services to SHIP.

H. POLICY RESTRUCTURING

Before the Effective Date and before policyholders have made their elections, the Rehabilitator will determine which of SHIP's policies are Impaired Policies in that the assets and premiums projected to be available will not suffice to pay the liabilities projected to arise under such policies. For purposes of implementing the Plan and to facilitate identification and implementation of key economic and tax components of the Rehabilitator's strategy, SHIP's LTC policy liabilities will be restructured to incorporate the terms of the Plan and permit Policyholder Elections. The restructuring must be approved by the Court as part of its approval of the Plan. The Rehabilitator will request that the Court deem SHIP's liabilities for Impaired Policies to have been restructured as of the Effective Date, and before giving effect to Policyholder Elections or modifications under the Plan. However, this restructuring will not affect the elections made by or available to the policyholders.

The restructuring will be for the purpose of separating the liabilities arising under SHIP's LTC policies that it is projected to have sufficient assets to fund (the **Initial Funded Restructured Policy Value - "IFRPV"**), from those that it is projected to be unable to fund (the Unfunded Benefit Liability - UBL). This restructuring will consist of notionally allocating the liability arising under each such policy (equal to its GPR) to its IFRPV and its UBL, with the UBL for each policy being the difference between its original GPR and its IFRPV. Premiums paid as to each policy and Allocated Assets determined under the Plan as described in Section II.E.4.e, page 23, are projected to suffice to enable the Company to fund its IFRPV. As a result, after the Effective Date, SHIP will have assets and expected premiums at least equal to the aggregate funded liabilities (IFRPV) remaining under the Restructured Policies.

The Company will retain non-insurance indebtedness to the policyholders on account of the amount by which the liabilities have been reduced, *i.e.*, the UBL. However, this liability will not be an insurance obligation arising under SHIP's policies and would not constitute a contractual obligation covered by the Guaranty Associations if SHIP were liquidated. Under the Plan, this liability will be converted to non-insurance general creditor indebtedness. It is possible that realization by SHIP of additional assets will enable it to make at least partial payments of the UBL in Phase Three. In any case, as explained below, the Rehabilitator will request that the portion of SHIP's UBL that it will not be able to fund be discharged by the Commonwealth Court as part of the Plan.

Exhibit D
3-22-2021

2. POLICYHOLDER ELECTIONS

This section describes the key elements of these policyholder options. They are described in full detail beginning on page 12. In Phase One every policyholder whose Current Premium is below the If Knew Premium for the policy's benefits will be required to elect one of four options. Those whose Current Premium is at or above the If Knew Premium may keep their current policies without premium increases or may elect Option Two or Option Three, described below.

- delete
- a. Option One will be to continue paying the Current Premium but (if it is less than the If Knew Premium) have benefits reduced so that the premium for the reduced benefits on an If Knew Premium basis is equal to the Current Premium. The benefit reductions will be selected automatically by the Plan.
 - b. Option Two will be to select certain policy endorsements that in most cases provide greater benefits than Option One but at a lower premium than Option Four. This Option, of which an enhanced version will also be available, will not be subject to further rate increases or benefit reductions in Phase Two of the Plan. This Option is designed to provide reasonable coverage at reasonable premium rates.
 - c. Option Three will be a ***Non-forfeiture Option*** through which the policyholder will receive a Reduced Paid-up (RPU) policy providing limited benefits but for which no future premiums will be charged. Under the Plan, this Option will include more generous benefits than the typical industry non-forfeiture option or reduced paid-up policy, most notably in that it will offer as much as a 30 month benefit period unless the current policy has a shorter benefit period. Moreover, policyholders who select this option will never have to pay additional premiums and this policy will never lapse.
 - d. Option Four will be to retain the current policy benefits and pay the corresponding If Knew Premium (unless equal to or lower than the Current Premium that the policyholder is paying). For many policyholders this may require a very large increase in premiums.
- NOW
DELETE
- ☆

Policyholders paying premium at or above the If Knew Premium may elect to make no changes (or make no election at all and leave their policies unchanged) or may elect Option Two or Three if preferable for their individual circumstances. Options One and Four would not result in any changes for such policyholders.

Before being required to make an election, each policyholder will receive information detailing the premiums and benefits of each option. Special rules apply to policyholders who are not currently paying premium due to a Premium Waiver provision in their or their spouses' policies. These are explained fully beginning at page 19. Generally, such policyholders who elect Option Two or Option Four and whose Current Premium (the premium they would be paying but for the waiver) is lower than the If Knew Premium, will be required to pay a Differential Premium. The Differential Premium consists of the difference between (1) the premium they would be paying if there were not a waiver in effect (the Current Premium), and (2) the If Knew Premium

3-20-2021

To Clerk of Court ^{Commonwealth} PA

Please file this original
James Zupinski
phone 1-703-362-7795

Thank you

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