

**IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA**

**FILED IN DISTRICT COURT  
OKLAHOMA COUNTY**

OCT - 2 2020

104 **RICK WARREN  
COURT CLERK**

STATE OF OKLAHOMA, ex rel., )  
 GLEN MULREADY, Insurance Commissioner for )  
 the State of Oklahoma, as Receiver for )  
 AmCare Health Plans of Oklahoma, Inc. )

Plaintiff, )

vs. )

AMCARE HEALTH PLANS OF OKLAHOMA, )  
 INC., )

Defendant. )

Case No. CJ-2003-5311  
*The Honorable Aletia Haynes Timmons*

**ORDER APPROVING RECEIVER’S FINAL REPORT, AUTHORIZING  
DISTRIBUTION OF ASSETS, CLOSING ESTATE AND DISCHARGING RECEIVER**

On the 11<sup>th</sup> day of September, 2020, the Receiver’s Amended Combined Final Report, Application to Distribute Assets, Application to Close Estate, and Request for Discharge (the “Receiver’s Application”) came on for hearing. AmCare Healthcare Plans of Oklahoma, Inc., in liquidation (“AmCare-OK), appeared at the hearing through Billy J. Bostick, the Assistant Receiver for AmCare-OK; Jon Payne and Isaac Helmerich, legal counsel for the Receiver; and Darren Ellingson, Litigation Manager for AmCare-OK. Donna Wilson also appeared on behalf of the Oklahoma Receivership Office (“ORO”). The Court, having reviewed the Receiver’s Application and the submissions during the hearing, finds and orders as follows:

1. On July 8, 2003, the Court entered an Agreed Order finding AmCare-OK to be financially impaired or insolvent, appointing the Insurance Commissioner to serve as Receiver for AmCare-OK, and directing the Receiver to take possession of the property of AmCare-OK and liquidate its business (the “AmCare-OK Estate”).

2. During the course of this liquidation proceeding, the Receiver has:

a. Taken possession of all assets of AmCare-OK;

- b. Conducted the business of AmCare-OK;
- c. Marshalled assets in excess of \$50 million for the benefit of the AmCare-OK Estate;
- d. Provided Court-approved notice to all known and potential creditors of the deadline to submit proofs of claim against the AmCare-OK Estate;
- e. Received and evaluated proofs of claim submitted on behalf of thousands individual claimants;
- f. Opposed claims in excess of \$18 million and recommended denial of said claims by the Court; the Court denied such claims;
- g. Presented recommendations to the Court and obtained an adjudication as to or otherwise resolved all proofs of claim submitted against the AmCare-OK Estate; and
- h. Distributed to creditors approximately \$32 million including: (i) the full principal amount of each allowed claim submitted against the AmCare-OK Estate in Classes 2 through 8; and (ii) the Court-approved Class 9 claims for interest to each of the allowed claims.

3. Claims which the Court has approved for distribution, but which payments were undeliverable or unclaimed have been escheated to the State of Oklahoma, pursuant to the Oklahoma Unclaimed Property Act, OKLA. STAT. tit. 60, §§ 651, *et seq.*

4. The AmCare-OK Estate has current net assets valued at approximately \$18.6 million.

5. The Receiver has entered a release agreement with the United States Department of Justice (“DOJ”) releasing the Receiver from liability under the Federal Priority Statute, 31 U.S.C. § 3713 (the “Federal Release”). The Court has approved the Federal Release.

6. On September 11, 2020, the Court authorized the Receiver to destroy documents and records of the AmCare-OK Estate in the manner as the Receiver deems, in his sole discretion, to be appropriate subject to the timing provisions of set forth in the Court’s Order.

7. On March 21, 2017, the Court entered an Order that denied the Class 10 claim of AmCareco, Inc. and found that “there is no eligible shareholder, member or other owner of AmCare-OK entitled to a Class 10 distribution from the AmCare-OK Estate.”

8. Because there is no eligible shareholder, member or other owner of AmCare-OK entitled to a Class 10 distribution from the AmCare-OK Estate, the excess funds in the estate are to be “distributed to a fund established and held in the name of and for the benefit of, the receiver, through the Oklahoma Receivership Office or any similar entity established by the receiver” as provided by OKLA. STAT. tit. 36, § 1927.1(B)(10)(a).

9. In anticipation of the distribution of approximately \$18.6 million to the ORO pursuant to OKLA. STAT. tit. 36, § 1927.1(B)(10)(a), the Receiver and the ORO have entered into an Asset Recall and Repayment Agreement, substantially in the form attached as Exhibit 3 to the Receiver’s Application (the “Recall Agreement”), that provides the return of certain amounts in the unlikely event additional claims are asserted against the AmCare-OK Estate, Receiver or Assistant Receiver.

10. The excess assets of the AmCare-OK Estate, approximately \$18.6 million, should be distributed to the ORO, subject to the terms and conditions of the Recall Agreement, to be managed and used for the benefit of Oklahoma receiverships as contemplated in OKLA. STAT. tit. 36, § 1927.1(B)(10)(a).

11. The Receiver has faithfully and diligently completed the liquidation of the AmCare-OK Estate and performed the duties assigned to him by the Court’s Orders and pursuant to the Oklahoma Uniform Insurers Liquidation Act, OKLA. STAT. tit. 36, §§ 1901, *et seq.*, with the exception of certain ministerial tasks described below which are most efficiently completed post-closing by the ORO.

12. Attached to this Order as **Exhibit 1** is a list of the remaining ministerial tasks to be completed with respect to the liquidation of the AmCare-OK Estate (the “Post-Closing Tasks”). There are tasks that cannot practically be completed prior to the closing of the AmCare-OK Estate. Such tasks include filing of final tax returns and related forms, storage and destruction of records in accordance with the Court’s Order Granting Receiver’s Application for Authority to Destroy Documents, and the processing and payment of invoices for professional services that were not filed with the Court for approval prior to the entry of this Order closing the AmCare-OK Estate.

13. The ORO is the appropriate entity to perform the Post-Closing Tasks, and the ORO’s performance of tasks set forth on **Exhibit 1** to this Order is in the best interest of the AmCare-OK Estate.

14. The Receiver is authorized to distribute from the AmCare-OK Estate to the ORO the amount of \$43,318.75 to establish and fund a closing account for post-closing Class 1 expenses to be administered by the ORO as identified and estimated on **Exhibit 1** to this Order (the “Closing Account”).

15. ORO is authorized and directed to perform the Post-Closing Tasks, and to use the Closing Account to pay as determined by the ORO, without further notice, hearing or order of this Court: (a) invoices for reasonable professional services that are not filed with the Court for approval as of the entry of this order closing the AmCare-OK Estate; and (b) those reasonable expenses incurred in connection with the ORO’s performance of Post-Closing Tasks.

16. In the event the funds in the Closing Account exceed the actual expenses incurred by the ORO with respect to the Post-Closing Tasks, such excess monies shall be paid to the ORO to be held in a separate ledger account and used for the same purposes as those monies separately distributed to ORO pursuant to OKLA. STAT. tit. 36, § 1927.1(B)(10)(a).

17. All injunctions and stays the Court previously entered in this proceeding should remain permanently in full force and effect and this Court should retain exclusive jurisdiction to enforce those injunctions and stays and to re-open these proceedings as may be necessary.

18. Having faithfully and diligently performed and completed his responsibilities as Receiver, the Receiver, Assistant Receiver, and all other agents of the Receiver, without further notice, hearing or order of this Court, should be discharged from any responsibilities and liabilities in relation to the AmCare-OK Estate effective upon the filing of a Post-Closing Statement certifying that the Post-Closing Tasks have been completed.

19. All claims of liability against AmCare-OK, its Receiver, Assistant Receiver or their former or present employees or counsel or ORO, arising in relation to AmCare-OK or the administration of the AmCare-OK Estate, should be deemed forever barred and completely extinguished including any liability with respect to any and all claims arising on or before the date of the filing of the Post-Closing Statement, whether such liability has been reduced to judgment, liquidated or unliquidated, contingent or non-contingent, asserted or unasserted, fixed or unfixed, matured or unmatured, disputed or undisputed, legal or equitable, known or unknown, and any such claims will be expunged and/or released by the holder thereof, and in no event should AmCare-OK, its Receiver, Assistant Receiver or their former or present employees or counsel or ORO have any liability for any of the claims so extinguished, or any other claim arising in relation to AmCare-OK or the administration of the AmCare-OK Estate.

20. The Receiver, Assistant Receiver and their former and present employees and counsel and all such persons' employees as well as all employees of ORO, are entitled to the full protection of OKLA. STAT. tit. 36, § 1937.

21. This is a final and appealable Order as to the matters addressed herein for purposes of OKLA. STAT. tit. 36, § 1902 (H), and OKLA. STAT. tit. 12, § 953.

**IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** that:

1. The Receiver has faithfully and diligently performed and completed his responsibilities as Receiver, and his Final Report filed on August 18, 2020 and the Closing Balance Sheet for AmCare-OK attached as Exhibit 1 thereto are hereby **APPROVED**.

2. Each of the Exhibits to the Receiver's Application is hereby **APPROVED**.

3. AmCare-OK be and hereby is **DISSOLVED** and shall continue as corporate body for a period of four (4) years for the limited purpose of completing the Post-Closing Tasks described in **Exhibit 1** to this Order and satisfying its indemnity obligations, if any, under OKLA. STAT. tit. 36, § 1937.

4. The ORO be and hereby is **AUTHORIZED** and **DIRECTED** to perform the Post-Closing Tasks identified on **Exhibit 1** to this Order.

5. The Receiver be and hereby is **AUTHORIZED** and **DIRECTED** to transfer to the ORO the sum of \$43,318.75 from the AmCare-OK Estate to establish and fund the Closing Account for post-closing Class 1 expenses to be administered by the ORO as identified and estimated on **Exhibit 1** to this Order.

6. The ORO be and hereby is **AUTHORIZED** and **DIRECTED** to perform the Post-Closing Tasks, and to use the Closing Account to pay, as determined by the ORO, without further notice, hearing or order of this Court: (a) invoices for reasonable professional services that are not filed with the Court for approval as of the entry of this order closing the AmCare-OK Estate; and (b) those reasonable expenses incurred in connection with the ORO's performance of Post-Closing Tasks.

7. The ORO be and hereby is **AUTHORIZED** and **DIRECTED** to transfer any amounts remaining in the Closing Account upon the completion of the Post-Closing Tasks to a

separate ledger account and used for the same purposes as those monies separately distributed to ORO pursuant to OKLA. STAT. tit. 36, § 1927.1(B)(10)(a).

8. That the Asset Recall and Repayment Agreement entered by the Receiver and the ORO, substantially in the form attached as Exhibit 3 to the Receiver's Application, is hereby **APPROVED**.

9. The Receiver be and hereby is **AUTHORIZED** and **DIRECTED** to transfer to the ORO, for the benefit of the receiver, as contemplated in OKLA. STAT. tit. 36, § 1927.1(B)(10)(a), an amount equal to the remaining assets in the AmCare-OK Estate totaling approximately \$18.6 million, subject to the terms and conditions of the Asset Recall and Repayment Agreement.

10. The Receiver and Assistant Receiver for AmCare-OK and all other agents of the Receiver, without further notice, hearing or order of this Court, be **RELEASED** and **DISCHARGED** from all responsibilities and liabilities in relation to the AmCare-OK Estate, effective immediately upon the filing of a Post-Closing Statement certifying that the appropriate Post-Closing Tasks related to the AmCare-OK Estate have been completed; provided, however, that nothing in this discharge shall be deemed in any way to affect or limit the right of the Receiver to reopen these proceedings and seek reappointment as Receiver pursuant to OKLA. STAT. tit. 36, § 1914.

11. All injunctions and stays previously entered by the Court be and hereby are **CONFIRMED** and shall remain permanently in full force and effect and that this Court should retain exclusive jurisdiction for the enforcement thereof and to re-open these proceedings as may be necessary.

12. All claims of liability against AmCare-OK, the AmCare-OK Estate, its Receiver, Assistant Receiver or their former or present employees or counsel or ORO arising in relation

AmCare-OK or to the administration of the AmCare-OK Estate, be and hereby are **DEEMED FOREVER BARRED** and completely extinguished including any liability with respect to any and all claims arising on or before the date of the filing of the Post-Closing Statement, whether such liability has been reduced to judgment, liquidated or unliquidated, contingent or non-contingent, asserted or unasserted, fixed or unfixed, matured or unmatured, disputed or undisputed, legal or equitable, known or unknown, and any such claims will be expunged and/or released by the holder thereof, and in no event should AmCare-OK, its Receiver, Assistant Receiver or their former or present employees or counsel or any employees of ORO have any liability for any of the claims so extinguished, or any other claim arising in relation to AmCare-OK or the administration of the AmCare-OK Estate.

13. The Receiver, Assistant Receiver and their former and present employees and counsel and all such persons' employees, are entitled to the full protection of OKLA. STAT. tit. 36, § 1937 and shall retain that protection up to and after closure of the AmCare-OK Estate.

14. Notwithstanding any of the forgoing that may appear to the contrary, the Court shall retain exclusive jurisdiction of the AmCare-OK Estate and these proceedings to enforce this Order, to resolve all disputes, if any, that may arise concerning the performance of this Order and all Orders, injunctions and stays entered in this proceeding, to hear all other proceedings necessary for the winding up of AmCare-OK's affairs and the termination of this proceeding, and to reappoint the Receiver as otherwise provided herein.

15. The AmCare-OK Estate should be and hereby is **CLOSED**, and these proceedings are hereby **TERMINATED** except as otherwise provided in this Order.



~~16. This Order is hereby CERTIFIED to be a final, appealable Order and, accordingly, the Court Clerk is hereby directed to file this instrument as a final, appealable order.~~ *ATT*

Dated this 24<sup>th</sup> day of September, 2020.

*Aletia Haynes Timmons*  
THE HONORABLE ALETIA HAYNES TIMMONS  
JUDGE OF THE DISTRICT COURT

Approved as to Form:

*John M. O'Connor*  
John M. O'Connor, OBA No. 6741  
Jon M. Payne, OBA No. 17910  
HALL, ESTILL, HARDWICK, GABLE, GOLDEN  
& NELSON, P.C.  
320 South Boston Avenue, Suite 200  
Tulsa, Oklahoma 74103  
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CERTIFIED COPY  
AS FILED OF RECORD  
IN DISTRICT COURT  
OCT -2 2020  
RICK WARREN COURT CLERK  
Oklahoma County  
*Rick Warren*

-AND-

Sara A. Worten, OBA No. 21532  
Antuanya "Bo" DeBose, OBA No. 32765  
3613 NW 56<sup>th</sup> Street, Ste. 330  
Oklahoma City, OK 73112  
(405) 947-0022 – telephone  
(405) 947-0046 – facsimile  
[Sara.worten@oid.ok.gov](mailto:Sara.worten@oid.ok.gov)

**ATTORNEYS FOR PLAINTIFF, STATE  
OF OKLAHOMA, ex rel., GLEN MULREADY,  
Insurance Commissioner for the State of  
Oklahoma, as Receiver for AmCare  
Health Plans of Oklahoma, Inc., in Liquidation**

**CERTIFICATE OF SERVICE**

I hereby certify that on the 2 day of <sup>October</sup>~~September~~, 2020, a true and correct copy of the above and foregoing instrument was sent via U.S. Mail, postage paid and/or electronic mail with written consent, to

AmCare Health Plans of Oklahoma, Inc.  
c/o Billy Bostick  
Bostick/Crawford Consulting Group  
130 County Road 1297  
Yantis, Texas 75497

Amcareco, Inc.  
c/o Thomas S. Lucksinger, President  
10200 Old Katy Road  
Houston, TX 77043


Amcareco, Inc.  
c/o Kelly Cavazos  
Jackson Walker L.L.P  
2323 Ross Avenue, Suite 600  
Dallas, TX 75201

Amcareco, Inc.  
Corporation Service Company  
2711 Centerville Rd, Suite 400  
Wilmington, DE 19808

Oklahoma Insurance Department  
400 N.E. 50<sup>th</sup> Street  
Oklahoma City, OK 73105

Oklahoma Receivership Office  
Donna Wilson / Debra Crowe  
3613 NW 56<sup>th</sup> Street, Ste. 330  
Oklahoma City, OK 73112

Sharon C. Williams  
Trial Attorney  
United States Department of Justice  
P.O. Box 875  
Ben Franklin Station Room 10016  
Washington, D.C. 20002

  
\_\_\_\_\_  
Jon M. Payne  
Debra Crowe

**EXHIBIT 1**

**General Statement of Post-Closing  
Ministerial Tasks and Estimated Expenses**

<b><u>No.</u></b>	<b><u>Task</u></b>	<b><u>Amount</u></b>
1.	ORO Administrative Fees	\$0.00 <sup>1</sup>
2.	Preparation and filing of tax returns and related documents	5,600.00
3.	Estimated Federal Income Tax Liability	0.00 <sup>2</sup>
4.	Long Term Record Retention	
	Long-Term Storage Box Retention	46.10
	Future, Long-Term Storage Box Destruction	102.00
5.	Immediate Destruction by Order	
	Armstrong Relocation Storage	660.00
	Armstrong Relocation Shredding by MidCon	1,218.00
	County Line Storage	280.00
	County Line Shredding by MidCon	396.00
	MidCon – Edmond Storage	272.85
	MidCon – Edmond Shredding	2,743.80
6.	Legal fees and expenses incurred pre-closing - August 2020	8,500.00
7.	Legal fees and expenses incurred pre-closing - September 2020	8,500.00
8.	Legal fees and expenses incurred post-closing related to oversight and completion of post-closing tasks and procedures.	5,000.00
9.	Litigation Manager Fees	5,000.00
10.	Miscellaneous	5,000.00
	<b>TOTAL</b>	<b>\$43,318.75</b>

<sup>1</sup> ORO expenses for the referenced post-closing tasks are accounted for through separately filed applications for approval of Class 1 expenses that are set for hearing on September 11, 2020.

<sup>2</sup> Receiver has deposited funds with the IRS to account for estimated federal tax liability.

**EXHIBIT 1**

**General Statement of Post-Closing  
Ministerial Tasks and Estimated Expenses**

<b><u>No.</u></b>	<b><u>Task</u></b>	<b><u>Amount</u></b>
1.	ORO Administrative Fees	\$0.00 <sup>1</sup>
2.	Preparation and filing of tax returns and related documents	5,600.00
3.	Estimated Federal Income Tax Liability	0.00 <sup>2</sup>
4.	Long Term Record Retention Long-Term Storage Box Retention Future, Long-Term Storage Box Destruction	46.10 102.00
5.	Immediate Destruction by Order Armstrong Relocation Storage Armstrong Relocation Shredding by MidCon County Line Storage County Line Shredding by MidCon MidCon – Edmond Storage MidCon – Edmond Shredding	660.00 1,218.00 280.00 396.00 272.85 2,743.80
6.	Legal fees and expenses incurred pre-closing - August 2020	8,500.00
7.	Legal fees and expenses incurred pre-closing - September 2020	8,500.00
8.	Legal fees and expenses incurred post-closing related to oversight and completion of post-closing tasks and procedures.	5,000.00
9.	Litigation Manager Fees	5,000.00
10.	Miscellaneous	5,000.00
<b>TOTAL</b>		<b>\$43,318.75</b>

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