



IN THE DISTRICT COURT OF OKLAHOMA COUNTY OCT 26 2020  
STATE OF OKLAHOMA

RICK WARREN  
COURT CLERK

STATE OF OKLAHOMA, ex rel. )  
GLEN MULREADY, Insurance Commissioner, )

Plaintiff, )

v. )

SENIORSURE HEALTH PLANS, INC., )  
A licensed special purpose captive insurer in )  
the State of Oklahoma )

Defendant. )

34 \_\_\_\_\_

Case No. CJ-2017-3547

Judge: Aletia Haynes Timmons

**RECEIVER'S THIRD REPORT ON CLAIMS EVALUATION**

COMES NOW, the State of Oklahoma, ex. Rel., Glen Mulready, Insurance Commissioner, as Statutory Receiver for SeniorSure Health Plans, Inc. ("SeniorSure"), and submits this Third Report on Claims Evaluation:

**BACKGROUND**

1. On June 27, 2017, this Court placed SeniorSure in liquidation through its Order Placing Insurer into Receivership and Liquidation, Appointing Receiver, and for Permanent Injunction ("Liquidation Order").

2. Pursuant to the Oklahoma Uniform Insurers Liquidation Act, 36 O.S. §1930, the Receiver must notify all persons holding claims against SeniorSure to file proofs of claims.

3. On July 24, 2017, the Receiver filed the Receiver's Combined Application for Approval of (A) Notice of Liquidation, (B) Form of Proof of Claim and Instructions, (C) Form of Unconditional Assignment and Application for Approval of Receiver's Claims Reporting and Evaluation Plan.

4. On August 24, 2017, the Court entered an Order that approved the Receiver's proposed Proof of Claim Form and accompanying instructions and established a filing date of October 27, 2017, within which to submit proofs of claim.

5. The August 24, 2017, Order established the following deadlines:

<b><u>Deadline</u></b>	<b><u>Activity to Occur On or Before Deadline</u></b>
December 27, 2017	Receiver's Report on Timely-Filed Claims due.
April 27, 2018	Receiver's First Claims Evaluation and Request for Confirmation due (on claims due to be adjudicated). Receiver's Supplemental Claims Evaluations and Requests for Confirmation (on subsequently evaluated claims ready to be adjudicated) will be submitted within every six (6) months thereafter, beginning with 10/27/2018, or earlier, if practicable.

6. The Receiver took all reasonable efforts to identify all persons who may have claims against SeniorSure and to provide them with notice to allow the opportunity to submit a proof of claim prior to the October 27, 2017, claims deadline.

7. On December 27, 2017, the Receiver filed the Receiver's Report of Timely Filed Claims ("Receiver's Report"). The Receiver's Report noted that the Receiver distributed 135 proof of claim packets to potential claimants.

8. The Receiver received seven (7) timely filed claims totaling \$2,073,222.35 and four (4) untimely claims totaling \$1,433,089.98.

9. On April 27, 2018, the Receiver filed the Receiver's First Report of Claims Evaluation and Request for Confirmation of Receiver's Recommendations ("Receiver's First Report").

10. On October 25, 2018, the Receiver filed the Receiver's Second Report of Timely Filed Claims ("Receiver's Second Report").

11. As of this Report, five (5) timely filed Class 6 claims are ready for adjudication. Pursuant to 36 O.S. § 1927.1, Class 6 claims include “[c]laims of any person, including claims of state or local governments, except those specifically classified elsewhere in [36 O.S. §1927.1].” At this time, recommendations for adjudication have been made on all Class 6 claims. Claims which not been assigned a class or were untimely filed will be recommended for adjudication at a later date.

12. This Report does not address the actual distribution of assets that may ultimately be made to creditors and beneficiaries of SeniorSure. Neither the Receiver’s recommendation that a claim be allowed in a certain amount, nor the Court’s Order allowing a claim, ensure that the claim will be paid in whole, in part or at all. Payment of an allowed claim is contingent upon: (a) the assets available to the estate for payment of the claim; (b) the class of the claim allowed; and (c) whether the assets of the estate are sufficient to pay in full all allowed claims and all classes of claims.

#### **EXPLANATION OF RECEIVER’S RECOMMENDATION**

13. Attached as **Exhibit 1** is a report detailing the Receiver’s recommendations as to the Class 6 claims that are ready for adjudication and recommended for approval at this time. The Receiver has analyzed the claims reflected on **Exhibit 1** and recommends that the claims be classified as Class 6 claims for purposes of 36 O.S. §1927.1.

14. Attached as **Exhibit 2** is a report detailing the Receiver’s recommendations as to the Class 6 claims that are ready for adjudication and recommended for denial at this time. The Receiver has analyzed the claims reflected on **Exhibit 2** and recommends that the claims be classified as Class 6 claims for purposes of 36 O.S. §1927.1.

15. The table below is a summary of the Receiver's recommendations with respect to the claims, by class, that are ready for adjudication:

<b>Class</b>	<b>Claimed</b>	<b>Recommended Allowance</b>	<b>Recommended Denial</b>
<b>6</b>	<b>\$570,435.35</b>	<b>\$118,025.00</b>	<b>\$452,410.35</b>

16. The "Amount Claimed" columns on **Exhibits 1 and 2** reflect the amount that the claimant has sought through an individual claim. The "Amount Allowed" columns set forth the amount the Receiver recommends that the Court allow for each individual claim.

17. The Proof of Claim form filed by each claimant contains the following language in bold type: **"If you have a change of address, you are required to inform the receiver of the new address in order to receive any payment that might be due."** To the extent that any Notice of this proceeding is returned as undeliverable, the Receiver asks the Court to find that the due process rights of the claimant have not been impaired and to order the denial of their claim, if such were the recommended adjudication, without requiring further attempts to provide notice to any claimant.

18. Pursuant to 36 O.S. §1918, the Receiver requests that the Court set a hearing on the claims recommended for adjudication herein and to establish a date certain for the filing of any objections to the Receiver's recommendations. Attached hereto as **Exhibit 3** is the Receiver's proposed form of Notice of Hearing to be provided to claimants whose claims are included in this Report.

19. The denial of any timely-filed proof of claim included in the Receiver's Report does not alter the statutory obligation, if any, of the Oklahoma Property and Casualty Insurance Guaranty Association or other applicable state guaranty fund to provide indemnity and defense

of a covered claim as defined by the Oklahoma Property & Casualty Insurance Guaranty Association Act, 36 O.S. §2004(7), or other applicable statute.

20. The Receiver's characterization of a claim or recommended allowance does not constitute an admission of liability by SeniorSure for purposes of litigation.

**WHEREFORE**, the Receiver requests that this Court:

- a. order that the Receiver provide notice and an opportunity to object and be heard to each of the claimants making a claim reflected on the Exhibits attached to this Report and find that the proposed form of notice attached hereto as **Exhibit 3** is proper;
- b. establish a date for filing an objection, if any, to the recommendations of the Receiver;
- c. establish a date for hearing the Receiver's recommendations to the Court and any objections thereto;
- d. upon hearing any objections thereto, enter an Order approving the Receiver's Report, and confirm the Receiver's recommendations as to each of the claims recommended for adjudication herein, and;
- e. grant the Receiver such other and further relief as the Court deems proper.

Respectfully submitted,



---

Ryan Leonard, OBA No. 19155  
Jason Reese, OBA No. 20813  
Edinger, Leonard & Blakley, PLLC  
6301 Western Avenue, Suite 250  
Oklahoma City, OK 73118  
(405) 702-9900  
(405) 605-8381 facsimile  
[rleonard@leonard-law.net](mailto:rleonard@leonard-law.net)

-and-

Sara A. Worten, OBA No. 21532  
Antuanya "Bo" DeBose, OBA No. 32765  
3613 NW 56<sup>th</sup>, Suite 330  
Oklahoma City, OK 73112

**ATTORNEYS FOR RECEIVER  
STATE OF OKLAHOMA, EX REL., GLEN  
MULREADY, INSURANCE COMMISSIONER  
FOR THE STATE OF OKLAHOMA, AS  
RECEIVER FOR SENIORSURE HEALTH  
PLANS, INC. IN LIQUIDATION**

## CERTIFICATE OF MAILING

I, hereby certify that on this 26<sup>th</sup> day of October, 2020, I caused to be mailed a true and correct copy of the within and foregoing instrument by U.S. Mail postage prepare and/or electronic mail with written consent to:

George Gibbs, OBA No. 11843  
601 S. Boulder, Suite 500  
Tulsa, OK 74119

Dominick L. Lanzito  
Peterson, Johnson & Murray Chicago, LLC  
200 West Adams Street, Suite 2125  
Chicago, IL 60606

PrimeSource Healthcare Systems, Inc.  
Attn: David Fleming  
2100 E. Lake Cook Road, Suite 1100  
Buffalo Grove, IL 60089

Mucklough, LLC  
c/o Tralee Portfolio Management, LLC  
135 LaSalle Street, Suite 3914  
Chicago, IL 60603

Oklahoma Insurance Department  
Five Corporate Plaza  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, OK 73112

Oklahoma Property & Casualty  
Insurance Guaranty Association  
2601 NW Expressway, Suite 330E  
Oklahoma City, OK 73112



Ryan Leonard

## Claims Allowed By Class

Claim Class: 6

POC #	Amount Claimed	Amount Allowed		
1001	\$200,000.00	\$48,000.00	Timely Filed?	Yes
1003	\$3,725.00	\$3,725.00	Timely Filed?	Yes
1004	\$55,955.62	\$25,500.00	Timely Filed?	Yes
1007	\$60,000.00	\$40,800.00	Timely Filed?	Yes
<b>Class 6 Totals:</b>	\$319,680.62	\$118,025.00		

**Total Claims:**            \$319,680.62            \$118,025.00





## Claims Allowed By Class

**Claim Class: 6**

POC #	Amount Claimed	Amount Allowed	Timely Filed?	
1005	\$250,754.73	\$0.00	Yes	
<b>Class 6 Totals:</b>	\$250,754.73	\$0.00		
<b>Total Claims:</b>	\$250,754.73	\$0.00		



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

**STATE OF OKLAHOMA, ex rel.** )  
**GLEN MULREADY, Insurance Commissioner,** )  
 )  
**Plaintiff,** )  
 )  
**v.** )  
 )  
**SENIORSURE HEALTH PLANS, INC.,** )  
**A licensed special purpose captive insurer in** )  
**the State of Oklahoma** )  
 )  
**Defendant.** )

**Case No. CJ-2017-3547**

***Judge: Aletia Haynes Timmons***

**NOTICE OF HEARING ON THE RECEIVER'S  
THIRD REPORT ON CLAIMS EVALUATION AND  
REQUEST FOR CONFIRMATION OF RECEIVER'S RECOMMENDATIONS**

You are hereby notified that on \_\_\_\_\_, 2021, at \_\_\_\_\_, a hearing will be held before the Honorable Aletia Haynes Timmons, District Court Judge of Oklahoma County, Oklahoma, at which time the Receiver's Third Report on Claims Evaluation and Request for Confirmation of Receiver's Recommendations ("Receiver's Third Report") shall be heard. **The hearing will be conducted at the Oklahoma County Courthouse, 321 Park Avenue, Room 811, Oklahoma City, Oklahoma.**

You are receiving this Notice because the Receiver has evaluated your claim and such claim is ready for adjudication. The Exhibit attached to this Notice sets forth the Receiver's recommendations to the Court in relation to your claim. The Receiver's recommendations to the Court regarding your claim and other claims set for hearing on the cited hearing date are set forth in the Receiver's Third Report, which was filed on October 26, 2020. A copy of the Receiver's Third Report is available on the website of the Oklahoma Receivership Office at [www.okaro.org](http://www.okaro.org). Your claim has been assigned the Proof of Claim number ("POC#") indicated on the attached



Exhibit. The attached Exhibit also provides information specific to your claim including the amount of your claim, the Receiver's recommendation as to the amount of your claim to be allowed, if any, and the Receiver's recommendation regarding the classification of your claim, which classification reflects the nature of your claim and the priority the Receiver recommends be given to your claim under 36 O.S. §1927.1.

**If you do not wish to object to the Receiver's recommendation, you are not required to take any action at this time.** If you wish to object to the Receiver's recommendation, you must file a proper, written objection with the Court no later than January 15, 2021. To be a proper, written objection:

1. The objection must contain the case information located at the top of this Notice (State of Oklahoma, ex. rel. Glen Mulready, Insurance Commissioner v. SeniorSure Health Plans, Inc. Case No. CJ-2017-3547, Judge Aletia Haynes Timmons);
2. The objection must be filed with the Clerk of the Oklahoma County District Court, 320 Robert S. Kerr Avenue, Oklahoma City, Oklahoma 73102, and a copy mailed to the Receiver's counsel at the address shown below;
3. The objection must be signed by the claimant or the claimant's representative;
4. The objection must be typewritten on a good grade of white paper size 8.5 x 11 inches, provide the name, current address and telephone number of the claimant making the objection, and provide the name and title of the person signing the objection if the claimant is a business, and;
5. The objection must state the exact grounds on which the objection is based and be accompanied by a concise statement that contains (a) a written statement of material facts contained in the proof of claim as to which the objecting party contends no genuine issue exists verified by a person with knowledge of the facts; (b) references to supporting documentation submitted with the proof of claim; and (c) citation to applicable authority supporting the objection;
6. If you wish to present oral argument to the Court on your objection at the hearing, the objection must indicate your intention to appear at the hearing and present oral argument. Failure to expressly state an intention to make oral argument in your objection may be deemed by the Court to be a waiver of the right to oral argument.

*Failure to file a timely and proper written objection as described above may result in your objection being denied.* If the Court approves your claim in whole or in part, it does not mean that you will actually receive the allowed amount as ordered by the Court. The amount of payment on your claim, if any, is dependent upon the class or priority that the Court assigns to your claim based upon Oklahoma law, and the assets in the estate available for payment. Certain legal matters still pending before the Court may prevent the payment of claims for some time. Any questions regarding this Notice, the Receiver's Recommendations as to your claim or any of the other claims to be heard during the hearing on the date referenced above should be directed to the Assistant Receiver's Office. Contact information for the Assistant Receiver's Office is set forth below:

**Assistant Receiver's Office**

Donna L. Wilson, CIR-ML  
3613 NW 56th Street, Suite 330  
Oklahoma City, OK 73112  
Telephone: (405) 947-0022  
Facsimile: (405) 947-0046

**Receiver's Counsel Address:**

Ryan Leonard  
Edinger, Leonard & Blakley, PLLC  
6301 N. Western Ave., Suite 250  
Oklahoma City, OK 73118  
Telephone: (405) 702-9900  
Facsimile: (405) 605-8381

Respectfully,

---

Ryan Leonard, OBA #19155  
Jason A. Reese, OBA #20813  
Edinger, Leonard & Blakley, PLLC  
6301 N. Western Ave., Suite 250  
Oklahoma City, OK 73118  
Telephone: (405) 702-9900  
Facsimile: (405) 605-8381

**ATTORNEYS FOR RECEIVER STATE  
OF OKLAHOMA, ex rel. GLEN  
MULREADY, INSURANCE  
COMMISSIONER**

-AND-

Sara A. Worten, OBA No. 21532  
Antuanya "Bo" DeBose, OBA No. 32765  
3613 NW 56<sup>th</sup>, Suite 330  
Oklahoma City, OK 73112  
(405) 947-0022 phone  
(405) 947-0046 facsimile

**CERTIFICATE OF MAILING**

I, hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_, 2020, I caused to be mailed a true and correct copy of the within and foregoing instrument by U.S. Mail postage prepare and/or electronic mail with written consent to:

George Gibbs, OBA No. 11843  
601 S. Boulder, Suite 500  
Tulsa, OK 74119

Dominick L. Lanzito  
Peterson, Johnson & Murray Chicago, LLC  
200 West Adams Street, Suite 2125  
Chicago, IL 60606

PrimeSource Healthcare Systems, Inc.  
Attn: David Fleming  
2100 E. Lake Cook Road, Suite 1100  
Buffalo Grove, IL 60089

Mucklough, LLC  
c/o Tralee Portfolio Management, LLC  
135 LaSalle Street, Suite 3914  
Chicago, IL 60603

Oklahoma Insurance Department  
Five Corporate Plaza  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, OK 73112

Oklahoma Property & Casualty  
Insurance Guaranty Association  
2601 NW Expressway, Suite 330E  
Oklahoma City, OK 73112

---

Ryan Leonard