

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FEB -5 2025

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

RICK WARREN
COURT CLERK

136 _____

Plaintiff,)

v.)

Case No. CJ-2017-3547

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

Judge Aletia Haynes Timmons

Defendant.)

**ORDER APPROVING RECEIVER'S FINAL RECOMMENDATION ON CLAIMS,
AUTHORIZING DISTRIBUTION OF ASSETS, CLOSING ESTATE AND
DISCHARGING RECEIVER**

On December 12, 2024, Glen Mulready, Insurance Commissioner, as Receiver (the "Receiver") for SeniorSure Health Plans, Inc. ("SeniorSure") submitted his Final Recommendation on Claims, Motion to Distribute Assets, Close Estate and Request for Discharge. The Court, having reviewed the Receiver's Application, finds and orders as follows:

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"). The Receiver is charged with liquidating the receivership estate, marshaling the assets and collecting all monies due SeniorSure for the benefit of SeniorSure and its creditors.

2. On July 17, 2017, this Court entered its Order directing that any direct write policies issued by SeniorSure were terminated and authorizing the Receiver to return the unearned portion of any premiums paid beyond June 30, 2017.

3. On August 24, 2017, this Court entered its Order Approving Receiver's Combined Application, therein approving the Receiver's proposed: (a) Notice of Liquidation of Insurer, Permanent Injunction and Deadline for Filing Proof of Claim; (b) Form of Proof of Claim and Instructions, and; (c) Form of Unconditional Assignment directing the Receiver to provide notice to potential claimants of record. The Court established October 27, 2017, as the claims filing deadline.

4. On December 27, 2017, the Receiver advised the court that the Notice of Liquidation of Insurer & Deadline to File Proof of Claim had been mailed to 135 current or potential claimants and 6 Proof of Claims had been timely filed.

5. On April 27, 2018, the Receiver filed the Report of Claims Evaluation and Request for Confirmation of Receiver's Recommendation. Since that time, two supplemental reports have been filed and all claims adjudicated except for 3.

6. Pursuant to 36 O.S. §1927.1, the Court has approved the Class 1 Administrative expenses of the receivership through June 30, 2024.

7. Pursuant to 36 O.S. §1927.1, the Court has previously approved the Assistant Receiver's recommendation for allowance of claims by class as follows:

Class 2: Administrative expenses of guaranty associations ("GA")	\$0.00
Class 3: Policy Claims including GA for payment of covered claims	\$0.00
Class 4: Claims of Federal Government not included in Class 3	\$0.00
Class 5: Debts due employees for work prior to liquidation order date	\$0.00
Class 6: Claims not specified elsewhere in the priority classes	\$118,025.00
Class 7: Claims for commissions and service fees	\$0.00
Class 8: Claims for surplus or contribution notes	\$0.00
Class 9: Claims of shareholders	\$0.00

8. Pursuant to 36 O.S. §1927.1, beginning with Class 1, the members of each class must be paid in full or adequate funds retained for such payment before any member of the

next class may receive payment.

9. The Receiver has submitted an affidavit for a federal release agreement with the United States Department of Justice releasing the Receiver from liability under the Federal Priority Statute, 31 U.S.C. §3713.

10. Except for a tax refund due from the Internal Revenue Service, the Assistant Receiver has marshaled and liquidated all assets and concluded all litigation.

11. The Receiver has borrowed \$85,000.00 from funds held by the Oklahoma Receivership Office, Inc. ("ORO") under 36 O.S. §1927.1 (c)(10) for the administration of liquidations of estates which do not have the financial capability to administer the liquidation.

12. The Receiver has faithfully and diligently completed the liquidation and performed the duties assigned to him by the Court's Orders and pursuant to the Oklahoma Uniform Insurers Liquidation Act, 36 O.S. §§1901 *et. seq.*, with the exception of certain ministerial tasks described below.

FINAL RECOMMENDATION ON CLAIMS

13. The Receiver requests the Court's approval and payment of: (a) Ellingson & Associates, L.L.C.'s fees incurred between October and November 2024 in the amount of \$215.00 (Application, Exhibit 1); (b) Leonard, Long & Cassil, PLLC's fees incurred in November 2024 in the amount of \$62.50 (Application, Exhibit 2); and (c) Class 1 expenditures that have been incurred after June 30, 2024, for Expenses Allocated by the ORO of \$130.65 for direct general expenses and \$3,826.97 in General Expenses Allocated to the Estate through October 31, 2024 (Application, Exhibit 3).

14. There are 3 proofs of claim for which the Receiver has not made a recommendation to the Court. As there are insufficient funds to repay the debt owed to the

ORO, the Receiver is not presenting a recommendation on these proofs of claim.

POC 1009	\$25,000.00
POC 1010	\$4,359.64
POC 1011	\$1,398,210.49

APPROVAL OF POST-CLOSING TASKS

15. The ORO is a not-for-profit Oklahoma corporation. Its purpose is to assist the Oklahoma Insurance Commissioner, as Receiver of insurance companies subject to delinquency proceedings in Oklahoma. The ORO is a perpetual corporation whose existence is expected to continue after the closure and termination of this estate.

16. The ORO is designed for and is uniquely qualified to perform the post-closing ministerial tasks on behalf of the SeniorSure receivership estate, and it is in the best interest of the SeniorSure estate that the ORO perform the post-closing tasks.

17. Attached as Exhibit 4 to the Application is a Closing Budget which details remaining administrative ministerial tasks necessary to conclude the SeniorSure receivership and an estimate of fees and expenses to be incurred post-closing. Included in this request are funds to be reserved pursuant to 36 O.S. §1937(B)(3) for future litigation, if any, of claims or lawsuits against the Receiver, Assistant Receiver, retained counsel or their employees. All reserved funds shall be held by the ORO and should any funds not be expended, the unused funds shall be distributed to the ORO in repayment of the loan.

18. The Receiver requests that the Court expressly authorizes and approves the performance of the ORO of Post-Closing Tasks.

APPLICATION FOR FINAL DISTRIBUTION

19. The SeniorSure receivership estate as of October 31, 2024, has current cash and cash equivalent assets net of disbursements approved by this Court subsequent to October 31,

2024, of \$14,149.91.

20. In addition, SeniorSure has a tax refund that has not been received from the Internal Revenue Service in the amount of \$40,600.00.

21. The Receiver requests that the Court approve a Class 1 distribution of \$9,000.00 to the ORO for the administration of post-closing tasks as shown in Exhibit 4 to the Application.

22. As SeniorSure owes the ORO \$85,000 for funds borrowed under 36 O.S. §1927.1(c)(10), no distribution will be made for Classes 2-10.

APPLICATION TO CLOSE ESTATE AND DISCHARGE RECEIVER

23. Having performed and completed his responsibilities as Receiver, the Receiver further requests that the Court's closing order discharge and release the Receiver, Assistant Receiver and all other agents of the Receiver from any responsibilities and liabilities in relation to SeniorSure effective upon the filing of a Post-Closing Report certifying that the Post-Closing Tasks have been completed without further notice, hearing or order of this Court.

24. The Receiver further requests that the Court enter an Order that confirms all injunctions and stays entered by the Court, including those in the Liquidation Order, permanently remain in full force and effect and that this Court retains exclusive jurisdiction of the enforcement thereof.

25. The Receiver further requests that the Court enter an Order that bars all claims against SeniorSure, the Receiver, Assistant Receiver, retained counsel and any other employee or personnel of the Receiver or Assistant Receiver.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that:

a. the following are **APPROVED** as Class 1 expenses in the SeniorSure estate:

(a) Ellingson & Associates, L.L.C.'s fees incurred between October and November 2024 in the amount of \$215.00 as shown on Exhibit 1 to the Application; (b) Leonard, Long & Cassil, PLLC's fees incurred in November 2024 in the amount of \$62.50 as shown on Exhibit 2 to the Application; and (c) expenditures that have been incurred after June 30, 2024, for Expense Allocation by the ORO in the amount of \$130.65 for general expenses and \$3,826.97 in General Expenses Allocated to the estate through October 31, 2024 as shown on Exhibit 3 to the Application;

b. a Class 1 distribution to ORO in the amount of \$9,000.00 to fund the Closing Account for Post-Closing Tasks as shown on Exhibit 4 to the Application is hereby **APPROVED**;

c. ORO is **AUTHORIZED** and **DIRECTED** to perform Post-Closing Tasks, and to uses 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 the Order closing the SeniorSure Estate; and (b) reasonable expenses incurred in connection with the ORO's performance of Post-Closing Tasks;

d. Classes 2-10 Claims as defined in the Application are **DENIED** as SeniorSure owes the ORO \$85,000 for funds borrowed under 36 O.S. §1927.1 (c)(10);

e. the Receiver is **APPROVED** to not prepare recommendations for the 3 claims not previously reported;

f. the Receiver, Assistant Receiver and all other agents of the Receiver are hereby **DISCHARGED** and **RELEASED** from any claims, responsibilities and liabilities in relation to SeniorSure and the SeniorSure receivership estate effective, without further notice, hearing or

order of this Court, upon the filing of a Post-Closing Report certifying that the appropriate post-closing ministerial tasks related to the SeniorSure receivership estate have been completed;

g. all injunctions and stays entered by the Court, including those in the Liquidation Order, permanently remain in full force and effect and this Court retains exclusive jurisdiction to enforce all such injunctions and stays;

h. all claims against SeniorSure, the SeniorSure Estate, the Receiver, Assistant Receiver, retained counsel, and all other agents of the Receiver or Assistant Receiver are **BARRED**;

i. final distribution of the remaining assets of SeniorSure to the ORO in repayment of its loan are **APPROVED**;

j. the Assistant Receiver is **APPROVED** to sign the release agreement with the United States;

k. the destruction of records, physical and electronic, upon execution of the release agreement with the United States and properly advising the Department of Justice of the intent to destroy records is **APPROVED**;

l. SeniorSure Health Plans, Inc. is hereby **DISSOLVED** and shall continue as a corporate body for a period of four (4) years for purposes of completing Post-Closing Tasks as defined in the Application and satisfying its indemnity obligations, if any, under 36 O.S. §1937;

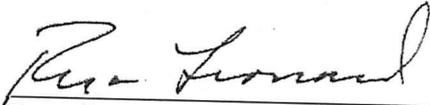
m. the SeniorSure Estate is **CLOSED** and these proceedings are hereby **TERMINATED** except as otherwise provided in this Order.

Dated this 31 day of ~~December~~ ^{January 2025} 2024.

ALETIA HAYNES TIMMONS

Aletia Haynes Timmons
Judge of the District Court

Approved:



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**ATTORNEYS FOR RECEIVER
STATE OF OKLAHOMA, ex rel.
GLEN MULREADY, INSURANCE
COMMISSIONER, AS RECEIVER FOR
SENIORSURE HEALTH PLANS, INC.**

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT

FEB -5 2025

RICK WARREN COURT CLERK
Oklahoma County



CERTIFICATE OF MAILING

I, hereby certify that on this 5 ^{February 2025} day of ~~December 2024~~, I caused to be mailed a true and correct copy of this document by U.S. Mail postage prepaid and/or sent this document by electronic mail with written consent to:

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