

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Healthplans of America in Liquidation
Statement of Affairs
As of September 30, 2009

	<u>Estimated Realizable Value</u>
ASSETS	
Pooled Cash Due from the Admin Fund	\$4,422,701.97
Accrued Interest Receivable	9,201.60
Advance to Guaranty Associations	<u>1,000,000.00</u>
Total Assets	<u><u>\$5,431,903.57</u></u>

LIABILITIES	
Administrative Claims (Class 1)	
- Guaranty Associations	205,403.99
Loss Claims (Class 2)	
- Guaranty Associations	10,272.66
- Other	1,386,495.33
Unearned Premium Claims under Non-assessable Policies (Class 3)	
- Guaranty Associations	1,254.69
- Other	6,629.52
Federal Government Claims (Class 4)	8,732.51
Employee Claims (Class 5)	82,042.88
General Creditor Claims (Class 6)	
- Guaranty Associations	998,392.44
- Other	25,365,477.33
Late Filed Claims (Class 8)	<u>406,127.14</u>
Total Liabilities	<u>\$28,470,828.49</u>

EQUITY	
Contributed Equity - State of Florida	162,484.70
Estate Equity	<u>(23,201,409.62)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$23,038,924.92)</u>
Total Liabilities and Equity	<u><u>\$5,431,903.57</u></u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Healthplans of America in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through September 30, 2009

	<u>Fiscal Year to Date</u>	<u>Since Date of Liquidation</u>
CASH RECEIPTS		
Reinsurance Recoveries	\$0.00	\$890,000.00
Litigation Recoveries	0.00	5,000.00
Other Collections / Recoveries	6.49	522,690.81
Sale of Personal Property Inventory	0.00	1,600.00
Receipts Before Investment Activities	6.49	1,419,290.81
Interest and Dividend Receipts	30,134.93	1,722,459.19
Receipts From Investment Activities	30,134.93	1,722,459.19
Total Cash Receipts	<u>30,141.42</u>	<u>3,141,750.00</u>
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	61.60	390,214.36
Salaries and Fringe Benefits	60,362.96	1,334,312.54
Employee Welfare	35.65	5,008.04
Travel Expenses	5.73	63,232.93
Admin Expenses	169.98	135,826.06
Equipment and Furniture Expenses	191.04	31,198.31
Rent, Building and Equipment	1,249.31	132,163.52
Taxes	0.57	10,053.24
Disbursements	62,076.84	2,102,009.00
Distributions		
Secured Claims	0.00	933,038.90
Early Access-Guaranty Associations	0.00	1,000,000.00
Total Distributed	0.00	1,933,038.90
Disbursements & Distributions Before Investment Activities	62,076.84	4,035,047.90
Financial Expenses	1,585.00	39,429.51
Disbursements for Investment Activities	1,585.00	39,429.51
Total Cash Disbursements & Distributions	<u>63,661.84</u>	<u>4,074,477.41</u>
Net Increase (Decrease) in Cash	<u>(33,520.42)</u>	<u>(932,727.41)</u>
Beginning Cash Balance:		
Beginning Cash	4,456,222.39	5,355,429.38
Adjustments to Beginning Cash	0.00	0.00
Adjusted Beginning Cash Balance	<u>4,456,222.39</u>	<u>5,355,429.38</u>
Ending Cash Balance	<u>4,422,701.97</u>	<u>4,422,701.97</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Healthplans Of America in Liquidation
Schedule of Accrued Interest Receivable
For the Three Months Ended September 30, 2009

Accrued Interest Receivable

<u>Due from</u>	<u>Account</u>	<u>Balance 7/1/09</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance 9/30/09</u>
State Treasury	SPIA, 4-20-0-010000-00000	9,060.60	37,809.69	(37,668.69)	9,201.60

Totals:	9,060.60	37,809.69	(37,668.69)	9,201.60
----------------	----------	-----------	-------------	----------

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Healthplans Of America in Liquidation
Schedule of Advance to Guaranty Associations
For the Three Months Ended September 30, 2009

Advance To Guaranty Associations

Description	Balance 7/1/09	Advanced	Recovered	Balance 9/30/09
Florida Health Maintenance Organization Consumer Assistance Plan	1,000,000.00	0.00	0.00	1,000,000.00

Totals:	1,000,000.00	0.00	0.00	1,000,000.00
---------	--------------	------	------	--------------

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
Healthplans of America in Liquidation
Notes to Financial Statements

Dated September 30, 2009

1. **Estate Information.** Healthplans of America was a health maintenance organization domiciled in Florida and placed in liquidation on November 4, 1998.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2009 through June 30, 2010. The assets are stated at their estimated realizable values, while the liabilities are stated at their ultimate (gross filed) amounts and are periodically adjusted as evaluated, adjudicated and/or paid. In addition, the statements do not provide accruals for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.
3. **Unaudited.** The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with generally accepted accounting principles.
4. **Statement Format Changes.** On July 1, 2001, the Receiver converted accounting systems, which resulted in the historical accounting data being presented differently in this set of financial statements than the previously prepared statements for this estate. Because the new system uses a more detailed chart-of-accounts and summarizes data into categories different than previously used, the 'Since Date of Liquidation' column of historical data on the 'Statement of Cash Receipts and Disbursements' may not correspond directly to previous statement presentations. Users of this "Liquidation to-date" information should solicit additional information from the Receiver before making assumptions about the data.
5. **Pooled Investments.** The majority of the invested assets of the estates are combined into two main pooled accounts: the Receiver's operating account held at the Bank of America and the Special Purpose Investment Account held at the State of Florida Treasury. Each estate's share of the pooled investments is presented on the accompanying financial statements as "Pooled Cash Due from the Admin Fund".
6. **Advance to Guaranty Association(s).** Represents funds advanced to guaranty associations for the payment of covered claims, expenses and applicable premium due. The guaranty association is obligated to promptly return any or all of these funds if the Receiver determines that repayment of claims of equal or superior priority is necessary.
7. **Claims.** Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed, unadjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claims liability numbers are based upon information and documentation provided to the Receiver as of June 30, 2009.
 - HMOCAP claim filed as of 11/04/99 has been prioritized pursuant to the court order entered on 11/07/03.
8. **Contributed Equity – State of Florida.** The Receiver will, from time to time, expend public funds to carry out certain duties during the course of liquidating an insurance company. The Division accounts for these expenditures as a contribution of equity by the State.
9. **Excess (Deficiency) of Assets over Liabilities.** The excess or (deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess or (deficiency) does not take into consideration any estimates for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.