

IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT,  
IN AND FOR LEON COUNTY, FLORIDA

In Re: Receivership of  
FLORIDA HEALTHCARE PLUS, INC.

Case No.: 2014 CA 2762

**DEPARTMENT'S MOTION FOR ORDER APPROVING DISCHARGE ACCOUNTING  
STATEMENT, DIRECTING FINAL DISCHARGE OF THE DEPARTMENT AS  
RECEIVER, AUTHORIZING DESTRUCTION OF OBSOLETE RECORDS, AND  
CLOSING THE ESTATE**

**COMES NOW**, the Florida Department of Financial Services, Division of Rehabilitation and Liquidation as Receiver of Florida Healthcare Plus, Inc. (hereinafter "Department"), by and through the undersigned counsel, and hereby moves this Court for entry of an *Order Approving the Discharge Accounting Statement, Directing Final Discharge of the Department as Receiver, Authorizing the Destruction of Obsolete Records, and Closing the Estate* and as good grounds therefor states:

1. Florida Healthcare Plus, Inc. ("FHCP") was a corporation authorized pursuant to the Florida Insurance Code to transact business in the State of Florida.
2. On December 10, 2014, this Court entered an *Order Appointing the Florida Department of Financial Services as Receiver of Florida Healthcare Plus, Inc. for Purposes of Immediate Rehabilitation and Automatic Liquidation Effective January 1, 2015, Injunction, and Notice of Automatic Stay* ("Liquidation Order").
3. Pursuant to section 631.021, Florida Statutes, this Court has jurisdiction over the receivership and upon entry of an order of liquidation has exclusive jurisdiction with respect to the assets and property of the subject insurer and is authorized to enter all necessary and/or proper orders to carry out the purpose of the Florida Insurers Rehabilitation and Liquidation Act, sections 631.001 et seq., Florida Statutes.

4. On January 14, 2019, this Court entered an *Order Approving the Final Claims Report, Claims Distribution Report, Distribution Accounting Statement, and Authorizing Distribution* (“Distribution Order”). The Order authorized a final distribution of \$35,112.61 to secured claimants, which constitutes 100% of the amount recommended for secured claimants and a distribution of estate assets in the amount of \$ 13,449,306.20 to claimants in Class 2, which constitutes 55.84% of the amount recommended in Class 2.

5. A certain number of the final distribution checks were not mailed due either to a bad address or a W-9 issue or were not cashed prior to the check’s expiration date and remain unclaimed. The Department will compile an unclaimed property report pursuant to section 717.117, Florida Statutes. The Department plans to transfer unclaimed funds to the unclaimed property unit(s) of the state(s) reflected in the claimants’ last address of record in the Department’s files.

6. The Department’s Discharge Accounting Statement—*Projected as of April 30, 2019*, (the “Discharge Accounting”) is attached hereto and incorporated herein by reference as **Exhibit A**.

7. As shown in the *Discharge Accounting*, the estimated value of all assets remaining in the FHCP receivership estate is projected to be \$461,588.46. Of that \$461,588.46 approximately \$442,378.54 will be forwarded by the Department to the unclaimed property unit(s) of the state(s) reflected in the claimants’ last address of record in the Department’s files.

8. As shown in the *Discharge Accounting*, the estimated value of the assets available for “wind up” expenses are \$19,209.92. The Department requests authority to retain \$19,209.92 as a reserve for “wind up” expenses of the receivership.

9. The Department funds the majority of its budget from the assets of the open receiverships it supervises. Additionally, the Department receives an annual budget appropriation from the State of Florida’s Insurance Regulatory Trust Fund (“IRTF”), which funds a portion of

the Department's costs and expenses of administration. Each receivership is charged a portion of these state funded costs and expenses. Over the course of the FHCP receivership, certain services and resources funded by the IRTF have been used by FHCP. It is the Department's policy to record these state funded expenditures as Contributed Equity on each receivership financial statement. As shown in the *Discharge Accounting* as of April 30, 2019, the projected Contributed Equity balance for the FHCP receivership is \$84,049.74. It is the policy of the Department to reimburse the IRTF for Contributed Equity if the Department determines that there are sufficient assets available at the end of the receivership. The Department requests an order authorizing the Department to remit to the IRTF any surplus expense funds remaining after discharge.

10. Although such recovery is unlikely, the Department requests an order authorizing it to remit to the IRTF any other assets which may be recovered following the discharge of the Department as Receiver if, in the Department's sole discretion, the value of the recovered assets does not justify the re-opening of this receivership estate.

11. Upon approval of the Department's request for final discharge, the records of the FHCP receivership estate will no longer be needed except to satisfy outstanding litigation holds, third-party discovery requests, and public records requests. Once all outstanding litigation holds have been lifted, and all pending third-party discovery requests, and public records requests have been satisfied it will be necessary to dispose of the obsolete company records. Prior to the actual destruction of these records, the Department will seek approval to destroy the records by submitting an *In-House Records Disposition Document* to the Department's Records Management Liaison Officer ("RMLO") for review and approval.

12. The Department requests an Order that it shall be fully and finally discharged of its responsibilities in this receivership as of 11:59 P.M. on April 29, 2019.

**WHEREFORE**, the Department respectfully requests this Court enter an Order:

- A. Granting the Department's Motion;
- B. Approving and adopting the Department's Discharge Accounting Statement;
- C. Authorizing and directing the Department to transfer any unclaimed funds to the unclaimed property unit(s) of the state(s) reflected in the claimants' last address of record in the Department's files.
- D. Authorizing and directing the Department to retain \$19,209.92 as a reserve for "wind up" expenses of the Department;
- E. Authorizing the Department, after final discharge and the conclusion of "wind up" activities, to forward any remaining expense funds that were reserved for wind up activities to the IRFT;
- F. Authorizing the Department to remit to the IRFT any other assets which may be recovered following the discharge of the Department as Receiver if, in the Department's sole discretion, the value of the recovered assets does not justify the re-opening of this receivership estate; and
- G. Authorizing the Department, after final discharge, to maintain outstanding litigation holds, to respond to outstanding third-party discovery and public records requests, to execute any documents needed to satisfy such requests, to accept payment for undertaking these post-discharge functions from the requestor, and after all outstanding requests have been satisfied and any litigation holds have been released, to destroy any obsolete records in the Department's possession; and
- H. Directing, without further order of this Court, the final discharge of the Department of its responsibilities in this receivership estate as of 11:59 p.m. on April 29, 2019.

**Respectfully Submitted** on this the 24th day of April, 2019.

/s/ Jamila G. Gooden

JAMILA G. GOODEN

Senior Attorney

Florida Bar No.:46740

Division of Rehabilitation and Liquidation

2020 Capital Circle S.E., Suite 310

Tallahassee, FL 32301

Telephone: (850) 413-3179

Fax: (305) 499-2271

[jamila.gooden@myfloridacfo.com](mailto:jamila.gooden@myfloridacfo.com)

**Florida Healthcare Plus**  
**Discharge Accounting Statement**  
**Projected for April 30, 2019**

**ASSETS**

	<u>Amount</u>	
Cash	\$ 461,588.46	Schedule A
<b>Total Assets</b>	<u><u>\$ 461,588.46</u></u>	

**LIABILITIES**

	<u>Recommended Disbursement</u>
Outstanding Amounts from Distribution to Unclaimed Property	442,378.54
<b>Total Liabilities</b>	<u><u>\$ 442,378.54</u></u>

**WINDUP SUMMARY**

<b>Funds Available for Windup Expenses</b>	<b>19,209.92</b>	
<b>Projected Windup Expenses</b>	<u><b>(12,126.00)</b></u>	Schedule D
<b>Balance (Any Remaining Funds to RTF)</b>	<u><u><b>7,083.92</b></u></u>	

**Index to Attached Schedules:**

Schedule A - Available Cash Projection  
Schedule B - Allocated State Funds Expensed  
Schedule C - Interest Earnings Projection  
Schedule D - Receiver Windup Expenses  
Schedule E - Contributed Equity and Advances from the Regulatory Trust Fund

**Florida Healthcare Plus**  
**Available Cash Projection**  
**Projected for April 30, 2019**

	Cash Bal. as of February 28, 2019	Mar-19	Apr-19
<b>Beginning Pooled Cash Balance</b>		\$ 91,333.92	\$ 486,688.46
Closed Distribution Account		\$ 420,812.98	
<b>Direct Receiver Expenses (Actual or Estimated)</b>			
Rent-Storage, Postage, Scanning UCP records		500.00	500.00
<b>Sub-total</b>		<b>500.00</b>	<b>500.00</b>
<b>Allocated Receiver Expenses (Estimated)</b>			
Labor & Benefits		24,980.00	24,980.00
Indirect Expenses		120.00	120.00
<b>Sub-total</b>		<b>25,100.00</b>	<b>25,100.00</b>
<b>Cash Balance Before Interest Earnings</b>		<b>65,733.92</b>	<b>461,088.46</b>
<b>Interest Earnings</b>			
<b>Pooled Cash:</b>			
Actual SPIA Earnings for February to be credited on 3/1/2019		141.56	
Estimate based on assume SPIA APR on the previous month's average Pooled Cash balance (Sch. C)			500.00
<b>Ending Pooled Cash Balance</b>	<b>\$ 91,333.92</b>	<b>\$ 486,688.46</b>	<b>\$ 461,588.46</b>

**Assumptions for Allocated Receiver Expenses:**

<sup>1</sup> Labor & Benefits: this estimate is based on a four month actual average.

November Actual	\$ 26,407.76
December Actual	31,037.50
January Actual	27,007.56
February Actual	15,475.84
Sub-total	99,928.66
4 mth. actual average (rounded)	<u>\$ 24,980.00</u>

<sup>2</sup> Indirect Expenses: This estimate is FHCP's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on FHCP's estimated total assets divided by the Receiver's estimated total assets for all receiverships.

Estimated Total Asset %	0.10%
Estimated Total for the Receiver	\$ 120,000.00
Estimated Expense	<u>\$ 120.00</u>

**Florida Healthcare Plus**  
**Allocated State Funds Expensed**  
**Estimated for March - April 2019**  
**THIS STATEMENT INCLUDED FOR INFORMATION PURPOSES ONLY - AMOUNTS NOT PART OF DISCHARGE**  
**CALCULATION**

	March	April	Totals	
<b>Accrued Allocated State of Florida Expenses</b>				
<b>(Estimated)</b>				
Labor & Benefits	\$ 810.00	\$ 810.00	\$ 1,620.00	<sup>1</sup>
Indirect Expenses	25.00	25.00	\$ 50.00	<sup>2</sup>
<b>Total</b>	<b>\$ 835.00</b>	<b>\$ 835.00</b>	<b>\$ 1,670.00</b>	<sup>3</sup>

**Assumptions for Allocated State of Florida Expenses:**

<sup>1</sup> Labor & Benefits: This estimate is based on a four month actual average.

November Actual	796.17
December Actual	886.84
January Actual	771.12
February Actual	785.09
Sub-total	3,239.22
4 mth. actual average (rounded)	<u>\$ 810.00</u>

<sup>2</sup> Indirect Expenses: This estimate is FHCP's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on FHCP's estimated total assets divided by the Receiver's estimated total assets for all receiverships.

Before Discharge

Estimated Total Asset %	0.10%
Estimated Total for the State	<u>\$ 25,000.00</u>
Estimated Expense	<u>\$ 25.00</u>

<sup>3</sup> Per current Receiver policies and procedures, these accumulated amounts are recorded contributed equity to the estate.



**Florida Healthcare Plus**  
**Interest Earnings Projection - Pooled Cash**  
**Projected for April 30, 2019**

**Interest accrued for March 2019**

Beginning cash balance	91,333.92
Ending cash balance	486,688.46
Average cash balance	289,011.19
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	5,780.22
<b>Accrual for March 2019</b>	<b>\$ 500.00</b>

**Interest accrued for April 2019**

Beginning cash balance	486,688.46
Ending cash balance	461,588.46
Average cash balance	474,138.46
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	9,482.77
<b>Accrual for April 2019</b>	<b>\$ 800.00</b>

**Florida Healthcare Plus  
Receiver Windup Expenses  
Projected for April 30, 2019**

**Discharge Expenses (Projected for Post 4/30/2019)**

Records Storage, Labor, 2018-2019 Final Tax Return Preparation	12,126.00
<b>Total</b>	<b><u>\$ 12,126.00</u></b>

**Florida Healthcare Plus**  
**Statement of Contributed Equity from Regulatory Trust Fund Estimated Balances**  
**Projected for Discharge by 4/30/2019**

<b>I. Contributed Equity Balance as of 2/28/2019</b>		<b>\$ 82,379.74</b>
Accrual for March - April (Estimate from Schedule B)	<u>\$ 1,670.00</u>	
<b>Total</b>		<u><b>\$ 1,670.00</b></u>
<b>Projected Contributed Equity Balance as of 4/30/2019</b>		<u><u><b>\$ 84,049.74</b></u></u>