

RIEWE & WELCH, P.C.

ATTORNEYS & COUNSELORS AT LAW

Brian E. Riewe
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May 15, 2003

Steven R. Welch
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VIA HAND DELIVERY

Jennifer Fielder
Paralegal
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Honorable Amalia Rodriguez-Mendoza
Travis County District Clerk
Travis County Courthouse
Austin, Texas 78701

Andra Gardner
Paralegal
agardner@r-wlaw.com

Re: Cause No. GV-204523; *State of Texas v. Amcare Health Plans of Texas, Inc. and Amcare Management, Inc.*; In the 200th Judicial District Court of Travis County, Texas.

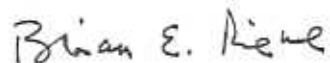
Subject: Special Deputy Receiver's Statements of Expense for April 2003 and Special Deputy Receiver's Business Plan for April 2003

Dear Ms. Rodriguez-Mendoza:

Enclosed for filing are the Special Deputy Receiver's Statements of Expense for April 2003 and the Special Deputy Receiver's Business Plan for April 2003. I am also enclosing copies of these filings which I would appreciate you file-marking and returning to the carrier.

If you have any questions relating to this filing, please do not hesitate to contact my office. Thank you for your attention to this matter.

Sincerely,



Brian E. Riewe

Enclosures

S:\Fielder\DOCS\3050-01\Expense ltr.wpd

cc: All Parties on Certificate of Service, via e-mail

COPY

GV 204523

THE STATE OF TEXAS

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IN THE DISTRICT COURT OF

v.

TRAVIS COUNTY, TEXAS

AMCARE HEALTH PLANS OF TEXAS,
INC. and AMCARE MANAGEMENT, INC. §

200th JUDICIAL DISTRICT

SPECIAL DEPUTY RECEIVER'S
STATEMENTS OF EXPENSE FOR APRIL 2003

TO THE HONORABLE JUDGE OF THIS COURT:

COMES NOW, Jean Johnson, Special Deputy Receiver under contract to the Permanent Receiver of Amcare Health Plans of Texas, Inc. and Amcare Management, Inc., pursuant to TEX. INS. CODE ANN. art. 21.28, § 12(b), and presents to this Court STATEMENTS OF EXPENSE FOR APRIL 2003, for each entity in the above-referenced receivership estate. The Statements of Expense cover the period of April 1, 2003, through April 30, 2003, and are sworn to by the Special Deputy Receiver.

Respectfully submitted,

RIEWE & WELCH, P.C.
811 Barton Springs Rd., Suite 740
Austin, Texas 78704
Telephone: 512/482-9291
Facsimile: 512/482-9211
e-mail: brieve@r-wlaw.com

Brian E. Riewe
State Bar No. 16915600

Steven R. Welch
State Bar No. 21126600

FILED By: Brian E. Riewe

2003 MAY 15 PM 12:01

Attorneys for the Special Deputy Receiver

DISTRICT CLERK
TRAVIS COUNTY, TEXAS

NO. GV 204523

THE STATE OF TEXAS

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IN THE DISTRICT COURT OF

VS.

TRAVIS COUNTY, TEXAS

AMCARE HEALTH PLANS OF TEXAS,
INC. and AMCARE MANAGEMENT, INC.

200th JUDICIAL DISTRICT


Affidavit

THE STATE OF TEXAS

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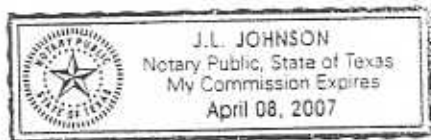
COUNTY OF DALLAS


On this day personally appeared before me, Jean Johnson, in her capacity as Special Deputy Receiver of Amcare Health Plans of Texas, Inc., upon her oath stated that the foregoing is a true and correct copy of the Statement of Expenses for the period of April 1, 2003, through April 30, 2003, in the receivership estate of Amcare Health Plans of Texas, Inc. and Amcare Management, Inc., in Cause No. GV-204523 pending in the 200th Judicial District Court of Travis County, Texas, pursuant to TEX. INS. CODE ANN. art. 21.28, § 12(b).



Jean Johnson, Special Deputy Receiver of
Amcare Health Plans of Texas, Inc.

SWORN TO AND SUBSCRIBED BEFORE ME by Jean Johnson, on this the
5th day of May, 2003.





Notary Public, State of Texas

**ATTESTED ITEMIZED EXPENSE
AMCARE HEALTH PLANS OF TEXAS, INC.
RECEIVERSHIP #512
FOR THE MONTH ENDING APRIL 30, 2003**

Cash/Date of Takeover	
Funds Held for Others Expense	-
Premium	
Collection Expense	-
Litigation Expense	-
Receivable	
Agent Balance Expense	60
Reinsurance Expense	419
Subrogation Expense	4,340
Intercompany Receivable Expenses	-
Other Receivable Expenses	7,762
Litigation Receivable	
D&O Litigation Expense	25,244
Judgment Expense	-
Investment Account Expense	-
Other Litigation Expense	-
Sale/Conversion of Investment Assets	
Securities/Bonds Sales Expense	-
Statutory Deposit Expense	83
Real Estate Sales Expense	-
Mortgage Note Expense	-
Subsidiary Affiliated Expense	-
Other Asset Sales Expenses	-
Sale of Company Fixed Assets	
Charter Sales Expense	-
Furniture, Fixtures & Equipment Expense	-
Company Real Estate Expense	-
Other Fixed Asset Expense	-
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TOTAL CASH / DATE OF TAKEOVER	37,908
CLAIMS EXPENSE	
Class I Claims Administrative Expenses	
Covered Claims Expense	
G/A Expense	-
SDR Fees	-
SDR Subcontractor Fees	-
Other Covered Claims	
Non Covered Claims Expenses	
SDR Fees	28,296 *
SDR Subcontractor Fees	3,320 *
Other Non Covered Claims	7,430 *
Class II Claims Expenses	
Covered Claims Paid - G/A	
Early Access -G/A	
Non-Covered Claims Paid/Receivership Distribution	-
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TOTAL CLAIMS EXPENSES	39,046

CLASS I GENERAL ADMINISTRATION EXPENSES

Takeover Expense	
Liquidation Division Expense-Allocation	13,290
Conservation Division Expenses	-
Bank/Miscellaneous Charges	237
Building/Utilities	-
Contract/Employee	-
Equipment/Lease/Maintenance	-
Employee - Payroll, PRTax, Benefits	-
Inventory/Storage/Moving	2,525
Mailing/Printing/Postage/Publication	39,631
Office Supplies/Miscellaneous	1,280
Offsite Storage for Records Inventory	14,715
Telephone	152
Travel	-
Direct Charge - Storage Cost	-
Direct Charge - Filing and Research Fees	-
Direct Charge - Audits	-
Direct Charge - Site Visit Travel	-
Direct Charge - Special Master's Fees	-
Allocated - Records Center Operations	-
Allocated - Salaries	-
Allocated - Overhead	-
Allocated - Special Master's Fees (General)	-

CLASS I GENERAL ADMINISTRATION EXPENSES 71,830

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES

Accounting/Auditing/Federal Income Tax Services	3,813
Consulting Fees/Services	3,991
Legal Fees/Services	7,670

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES 15,474

CLASS I SDR ADMINISTRATIVE EXPENSES

SDR Administration / Federal Income Tax Services	2,273
SDR Accounting	4,266
SDR Special Services	2,106
SDR Legal Services	-

CLASS I SDR ADMINISTRATIVE EXPENSES 8,645

TOTAL RECEIVERSHIP ADMINISTRATIVE EXPENSE 95,949

TOTAL EXPENSE 172,903

* Includes time spent by contractors and employees to process Medicaid claims for Texas Childrens Health Plans ("TCHP"). TCHP is a contract entered into by the Conservator of Amcare Health Plans of Texas, Inc. to assume Medicaid members and enrollees.

NO. GV 204523

THE STATE OF TEXAS

VS.

AMCARE HEALTH PLANS OF TEXAS,
INC. and AMCARE MANAGEMENT, INC.

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IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

200th JUDICIAL DISTRICT

Affidavit

THE STATE OF TEXAS

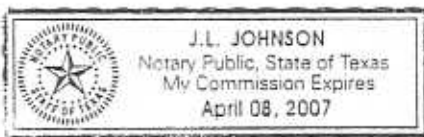
COUNTY OF DALLAS

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On this day personally appeared before me, Jean Johnson, in her capacity as Special Deputy Receiver of Amcare Management, Inc., upon her oath stated that the foregoing is a true and correct copy of the Statement of Expenses for the period of April 1, 2003, through April 30, 2003, in the receivership estate of Amcare Health Plans of Texas, Inc. and Amcare Management, Inc., in Cause No. GV-204523 pending in the 200th Judicial District Court of Travis County, Texas, pursuant to TEX. INS. CODE ANN. art. 21.28, § 12(b).

Jean Johnson, Special Deputy Receiver of Amcare Management, Inc.

SWORN TO AND SUBSCRIBED BEFORE ME by Jean Johnson, on this the 8th day of May, 2003.



Notary Public, State of Texas

ATTESTED ITEMIZED EXPENSE
AMCARE MANAGEMENT, INC.
RECEIVERSHIP #512
FOR THE MONTH ENDING APRIL 30, 2003

Cash/Date of Takeover	
Funds Held for Others Expense	-
Premium	
Collection Expense	-
Litigation Expense	-
Receivable	
Agent Balance Expense	-
Reinsurance Expense	11
Subrogation Expense	-
Intercompany Receivable Expenses	-
Other Receivable Expenses	1,219
Litigation Receivable	
D&O Litigation Expense	742
Judgment Expense	-
Investment Account Expense	-
Other Litigation Expense	-
Sale/Conversion of Investment Assets	
Securities/Bonds Sales Expense	-
Statutory Deposit Expense	-
Real Estate Sales Expense	-
Mortgage Note Expense	-
Subsidiary Affiliated Expense	-
Other Asset Sales Expenses	-
Sale of Company Fixed Assets	
Charter Sales Expense	-
Furniture, Fixtures & Equipment Expense	3,931
Company Real Estate Expense	-
Other Fixed Asset Expense	-
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TOTAL CASH / DATE OF TAKEOVER	5,903
 CLAIMS EXPENSE	
Class I Claims Administrative Expenses	
Covered Claims Expense	
G/A Expense	-
SDR Fees	-
SDR Subcontractor Fees	-
Other Covered Claims	-
Non Covered Claims Expenses	-
SDR Fees	820
SDR Subcontractor Fees	-
Other Non Covered Claims	-
Class II Claims Expenses	-
Covered Claims Paid - G/A	-
Early Access -G/A	-
Non-Covered Claims Paid/Receivership Distribution	-
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TOTAL CLAIMS EXPENSES	820

CLASS I GENERAL ADMINISTRATION EXPENSES

Takeover Expense

Liquidation Division Expense	-
Conservation Division Expenses	-
Bank/Miscellaneous Charges	-
Building/Utilities	-
Contract/Employee	-
Equipment/Lease/Maintenance	-
Employee - Payroll, PRTax, Benefits	-
Equipment Lease/Inventory/Storage/Moving	-
Mailing/Printing/Postage/Publication	2
Office Supplies/Miscellaneous	49
Off-site Storage for Records Inventory	1,662
Telephone	-
Travel	-
Direct Charge - Storage Cost	-
Direct Charge - Filing and Research Fees	-
Direct Charge - Audits	-
Direct Charge - Site Visit Travel	-
Direct Charge - Special Master's Fees	-
Allocated - Records Center Operations	-
Allocated - Salaries	-
Allocated - Overhead	-
Allocated - Special Master's Fees (General)	-

CLASS I GENERAL ADMINISTRATION EXPENSES 1,713**CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES**

Accounting/Auditing/Federal Income Tax Services	1,178
Consulting Fees/Services	824
Legal Fees/Services	424

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES 2,426**CLASS I SDR ADMINISTRATIVE EXPENSES**

SDR Administration / Federal Income Tax Services	176
SDR Accounting	448
SDR Special Services	234
SDR Legal Services	-

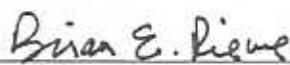
CLASS I SDR ADMINISTRATIVE EXPENSES 858**TOTAL RECEIVERSHIP ADMINISTRATIVE EXPENSE** 4,997**TOTAL EXPENSE** 11,720

NOTICE

Pursuant to TEX. INS. CODE ANN. art. 21.28, § 12(b), these Statements shall be approved by the court unless objection is filed within ten (10) days after the presentation of the statement. The objection, if any, must be made by a party at interest and shall specify the item or items objected to and the ground of such objection. The court shall set the objection down for hearing. The burden of proof shall be upon the party objecting to show that the items objected to are improper, unnecessary or excessive.

The Special Master has asked that the following rules be provided to you:

1. A copy of any objection shall be served on:
 - (a) Special Master, Tom Collins, 708 Rio Grande, Suite 200, Austin, Texas 78701;
 - (b) The Special Master's Docket Clerk, Ms. Jean Sustaita, Texas Department of Insurance, 333 Guadalupe, Hobby Tower III, Room 540, Austin, Texas;
 - (c) All interested persons, including those listed on the Statement's Certificate of Service; and
 - (d) The undersigned counsel.
2. Any written objection shall specifically list all reasons for objection with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally at the hearing.
3. Failure to file timely a written objection before the Special Master and appear for hearing constitutes a waiver of the right to object to the Special Master's Order of Recommendation to the District Court.



Brian E. Riewe

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the above and foregoing instrument was forwarded via email to the following persons on this the 15th day of May 2003:

Mr. James Kennedy, **Attorney for the Receiver**
Texas Department of Insurance
333 Guadalupe, Tower I
9th Floor, MC-110-1A
Austin, Texas 78701
email: james.kennedy@tdi.state.tx.us

Ms. Elizabeth Fuller, **Attorney for the Receiver**
Texas Department of Insurance
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Austin, Texas 78701
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Mr. Richard Reed, Liquidation Oversight
Texas Department of Insurance
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Mr. Todd Lucksinger, **Attorney for Amcare Health
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Ms. Sue Buser, **Attorney for Louisiana Receiver**
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Dallas Radiologists
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