

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 SEPTEMBER 2004**

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 SEPTEMBER 2004, for each entity in the above-referenced receivership estate. The Statements of Expense cover the period of September 1, 2004, through September 30, 2004, and are sworn to by the Special Deputy Receiver.

Respectfully submitted,

BRIAN E. RIEWE, P.C.  
1801 South MoPac, Suite 300  
Austin, Texas 78746  
Telephone: 512/236-9955  
Facsimile: 512/236-9966

Brian E. Riewe  
State Bar No. 16915600

Gregory C. Douglass  
State Bar No. 06049200

By: Brian E. Riewe

Attorneys for the Special Deputy Receiver

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**FILED**  
DISTRICT CLERK  
TRAVIS COUNTY, TEXAS

## 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  
Brian E. Riewe

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the above document was forwarded via electronic mail to the following persons on this the 15th day of October 2004.

Mr. James Kennedy, **Attorney for the Receiver**  
Texas Department of Insurance  
333 Guadalupe, Tower I  
8th 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  
333 Guadalupe, Tower I  
9th Floor, MC-110-1A  
Austin, Texas 78701  
Email: elizabeth.fuller@tdi.state.tx.us

Ms. Myra Garrett, **Liquidation Oversight**  
Texas Department of Insurance  
333 Guadalupe St., Tower III  
5th Floor, MC-305-1C  
Austin, Texas 78701  
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Mr. Thomas S. Lucksinger  
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The SLI Group  
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Texas Medical Association  
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Austin, Texas 78701  
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Ms. Margaret A. Pollard, **Atty-St. Luke's Episcopal**  
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Email: rmeeks@siis.md

Kaner Medical Group  
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The University of Texas System  
Office of General Counsel  
201 W. 7th Street  
Austin, Texas 78701  
Email: tcotton@utsystem.edu

*Brian E. Riewe*

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Brian E. Riewe

NO. GV 204523

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AMCARE HEALTH PLANS OF TEXAS,  
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200TH JUDICIAL DISTRICT

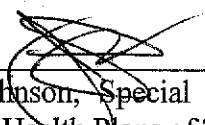
Affidavit

THE STATE OF TEXAS

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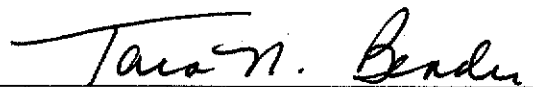
COUNTY OF DALLAS

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 September 1, 2004, through September 30, 2004, 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  
4th day of October, 2004.



  
\_\_\_\_\_  
Notary Public, State of Texas

**Liquidation Oversight Standardized Attested 12 (b) Expenses**  
**AMCARE HEALTH PLANS OF TEXAS, INC.**  
**RECEIVERSHIP #512H**  
**FOR THE MONTH ENDING SEPTEMBER 30, 2004**

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
<b>ASSET RELATED GROUP</b>			
<b>Premium</b>			
Collection Expense			
SDR	-	-	-
Subcontractor	-	-	-
<b>Receivable</b>			
Agent Balance Expense			
SDR	-	-	-
Subcontractor	-	-	-
Reinsurance Expense			
SDR	-	-	-
Subcontractor	-	-	-
Subrogation Expense			
SDR	-	-	-
Subcontractor	-	696	696
Intercompany Receivable Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Other Receivable Expenses			
SDR	396	-	396
Subcontractor	-	98	98
<b>Litigation Receivable</b>			
D&O Litigation Expense			
SDR	1,390	-	1,390
Subcontractor	-	342	342
Judgment Expense			
SDR	-	-	-
Subcontractor	-	-	-
Investment Account Expense			
SDR	-	-	-
Subcontractor	-	-	-
Other Litigation Expense			
SDR	12,602	-	12,602
Subcontractor	-	55,584	55,584
<b>Sale/Conversion of Investment Assets</b>			
Securities/Bonds Sales Expense			
SDR	-	-	-
Subcontractor	-	-	-
Statutory Deposit Expense			
SDR	-	-	-
Subcontractor	-	-	-
Real Estate Sales Expense	-	-	-
Mortgage Note Expense	-	-	-

**Liquidation Oversight Standardized Attested 12 (b) Expenses**  
**AMCARE HEALTH PLANS OF TEXAS, INC.**  
**RECEIVERSHIP #512H**  
**FOR THE MONTH ENDING SEPTEMBER 30, 2004**

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Subsidiary Affiliated Expense	-	-	-
Other Asset Sales Expenses	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
<b>Sale of Company Fixed Assets</b>			
Charter Sales Expense	-	-	-
Furniture, Fixtures & Equipment Expense	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
Company Real Estate Expense	-	-	-
Other Fixed Asset Expense	-	-	-
	-	-	-
<b>TOTAL ASSET GROUP EXPENSE</b>	<b>14,388</b>	<b>56,720</b>	<b>71,108</b>
 <b>CLAIMS RELATED GROUP</b>			
Class I Covered Claims Expense			
SDR Fees	-	-	-
SDR Subcontractor Fees	-	-	-
Other Covered Claims	-	-	-
Class I Non Covered Claims Expenses			
SDR Fees	39,925	-	39,925 *
SDR Subcontractor Fees	-	1,788	1,788 *
Other Non Covered Claims	-	12	12
	-	-	-
<b>TOTAL CLAIMS GROUP EXPENSE</b>	<b>39,925</b>	<b>1,800</b>	<b>41,725</b>
 <b>ADMINISTRATIVE RELATED GROUP</b>			
Class I General Admin Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Accounting/Auditing/Federal Income Tax Services	-	1,099	1,099
Consulting Fees/Services	-	-	-
Legal Fees/Services	-	855	855
Liquidation Division Allocation	-	3,776	3,776
Bank/Miscellaneous Charges	-	458	458
Building/Utilities	-	-	-
Contract/Employee	-	-	-
Equipment/Lease/Maintenance	-	-	-
Employee - Payroll, PRTax, Benefits	-	-	-
Inventory/Storage/Moving	-	7,040	7,040
Mailing/Printing/Postage/Publication	116	133	249
Office Supplies/Miscellaneous	-	-	-

**Liquidation Oversight Standardized Attested 12 (b) Expenses**  
**AMCARE HEALTH PLANS OF TEXAS, INC.**  
**RECEIVERSHIP #512H**  
**FOR THE MONTH ENDING SEPTEMBER 30, 2004**

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Telephone	-	222	222
Travel		-	-
<b>Class I SDR Admin Expenses</b>			
Administration	2,418	-	2,418
Accounting	627	-	627
Special Services	-		-
Travel	1,020		1,020
<b>TOTAL GENERAL ADMINISTRATIVE GROUP EXPENSE</b>	<u>4,181</u>	<u>13,583</u>	<u>17,764</u>
<b>GRAND TOTALS</b>	<u>58,494</u>	<u>72,103</u>	<u>130,597</u>

\* 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.

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200TH JUDICIAL DISTRICT

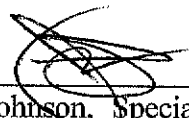
Affidavit

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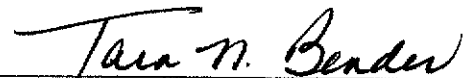
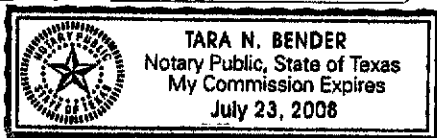
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On this day personally appeared before me, Jean Johnson, in her capacity as Special Deputy Receiver of Amcare Management, Inc., upon her oath stated that the foregoing is a true and correct copy of the Statement of Expenses for the period of September 1, 2004, through September 30, 2004, 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 4th day of October, 2004.



Notary Public, State of Texas

**Liquidation Oversight Standardized Attested 12 (b) Expenses**  
**AMCARE MANAGEMENT, INC.**  
**RECEIVERSHIP #512M**  
**FOR THE MONTH ENDING SEPTEMBER 30, 2004**

<b>ASSET RELATED GROUP</b>	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
<b>Premium</b>			
Collection Expense			
SDR		-	-
Subcontractor	-	-	-
<b>Receivable</b>			
Agent Balance Expense			
SDR	-	-	-
Subcontractor	-	-	-
Reinsurance Expense			
SDR		-	-
Subcontractor	-	-	-
Subrogation Expense			
SDR		-	0
Subcontractor	-	-	-
Intercompany Receivable Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Other Receivable Expenses			
SDR	44	-	44
Subcontractor	-	-	-
<b>Litigation Receivable</b>			
D&O Litigation Expense			
SDR		-	-
Subcontractor	-	-	-
Judgment Expense			
SDR	-	-	-
Subcontractor	-	-	-
Investment Account Expense			
SDR	-	-	-
Subcontractor	-	-	-
Other Litigation Expense			
SDR	1,271	-	1,271
Subcontractor	-	2,193	2,193
<b>Sale/Conversion of Investment Assets</b>			
Securities/Bonds Sales Expense			
SDR	-	-	-
Subcontractor	-	-	-
Statutory Deposit Expense			
SDR	-	-	-
Subcontractor	-	-	-
Real Estate Sales Expense	-	-	-
Mortgage Note Expense	-	-	-

**Liquidation Oversight Standardized Attested 12 (b) Expenses**  
**AMCARE MANAGEMENT, INC.**  
**RECEIVERSHIP #512M**  
**FOR THE MONTH ENDING SEPTEMBER 30, 2004**

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Subsidiary Affiliated Expense	-	-	-
Other Asset Sales Expenses	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
<b>Sale of Company Fixed Assets</b>			
Charter Sales Expense	-	-	-
Furniture, Fixtures & Equipment Expense	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
Company Real Estate Expense	-	-	-
Other Fixed Asset Expense	-	-	-
	-	-	-
<b>TOTAL ASSET GROUP EXPENSE</b>	<b>1,315</b>	<b>2,193</b>	<b>3,508</b>
<b>CLAIMS RELATED GROUP</b>			
Class I Covered Claims Expense			
SDR Fees	-	-	-
SDR Subcontractor Fees	-	-	-
Other Covered Claims	-	-	-
Class I Non Covered Claims Expenses			
SDR Fees	-	-	-
SDR Subcontractor Fees	-	-	-
Other Non Covered Claims	-	-	-
	-	-	-
<b>TOTAL CLAIMS GROUP EXPENSE</b>			
<b>ADMINISTRATIVE RELATED GROUP</b>			
Class I General Admin Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Accounting/Auditing/Federal Income Tax Services	-	568	568
Consulting Fees/Services	-	-	-
Legal Fees/Services	-	-	-
Liquidation Division Allocation	-	250	250
Bank/Miscellaneous Charges	-	23	23
Building/Utilities	-	-	-
Contract/Employee	-	-	-
Equipment/Lease/Maintenance	-	-	-
Employee - Payroll, PRTax, Benefits	-	-	-
Inventory/Storage/Moving	-	767	767
Mailing/Printing/Postage/Publication	-	1	1

**Liquidation Oversight Standardized Attested 12 (b) Expenses**  
**AMCARE MANAGEMENT, INC.**  
**RECEIVERSHIP #512M**  
**FOR THE MONTH ENDING SEPTEMBER 30, 2004**

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Office Supplies/Miscellaneous	-	-	-
Telephone	-	-	-
Travel	-	-	-
<b>Class I SDR Admin Expenses</b>			
Administration	214	-	214
Accounting	44	-	44
Special Services	-	-	-
Travel	-	-	-
<b>TOTAL GENERAL ADMINISTRATIVE GROUP EXPENSE</b>	<u>258</u>	<u>1,609</u>	<u>1,867</u>
<b>GRAND TOTALS</b>	<u>1,573</u>	<u>3,802</u>	<u>5,375</u>

\* 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.

# BRIAN E. RIEWE, P.C.

ATTORNEYS & COUNSELORS AT LAW  
SMITHVILLE • AUSTIN

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Gregory C. Douglass  
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October 15, 2004

*Via Hand Delivery*

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

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 Statement of Expenses for September 2004 and Special Deputy Receiver's Business Plan for September 2004

Dear Ms. Rodriguez-Mendoza:

Enclosed for filing are the Special Deputy Receiver's Statement of Expenses for September 2004 and the Special Deputy Receiver's Business Plan for September 2004. I am also enclosing copies of these filings that I would appreciate you file-marking and returning to the carrier.

By copy of this letter, I am providing a copy of this filing to other interested parties.

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*

Brian E. Riewe

Enclosures

UA3050LTExpense ltr.doc

cc: Ms. Myra Garrett, via hand delivery  
All Parties on Certificate of Service, via e-mail