

COPY

GV 204523

THE STATE OF TEXAS

v.

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

**SPECIAL DEPUTY RECEIVER'S
STATEMENTS OF EXPENSE FOR JULY 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 JULY 2004, for each entity in the above-referenced receivership estate. The Statements of Expense cover the period of July 1, 2004, through July 31, 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

FILED

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Ursula Rodriguez Hernandez

DISTRICT CLERK
TRAVIS COUNTY, TEXAS

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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 16th day of August 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
Email: Myra.Garrett@tdi.state.tx.us

Mr. Thomas S. Luksinger
President, Amcareco, Inc.
The SLI Group
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Southwest Imaging and Interventional Specialists
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Dallas, Texas 75231
Email: rmeeks@siis.md

Kaner Medical Group
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Ms. Traci L. Cotton, Attorney
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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IN THE DISTRICT COURT OF

VS.

TRAVIS COUNTY, TEXAS

AMCARE HEALTH PLANS OF TEXAS,
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200TH JUDICIAL DISTRICT

Affidavit

THE STATE OF TEXAS

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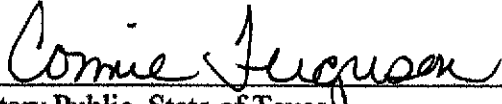
COUNTY OF DALLAS

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 July 1, 2004, through July 31, 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
13th day of August, 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 JULY 31, 2004

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
ASSET RELATED GROUP			
Premium			
Collection Expense			
SDR	-	-	-
Subcontractor	-	-	-
Receivable			
Agent Balance Expense			
SDR	-	-	-
Subcontractor	-	-	-
Reinsurance Expense			
SDR	-	-	-
Subcontractor	-	-	-
Subrogation Expense			
SDR	54	-	54
Subcontractor	-	5,456	5,456
Intercompany Receivable Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Other Receivable Expenses			
SDR	990	-	990
Subcontractor	-	495	495
Litigation Receivable			
D&O Litigation Expense			
SDR	8,231	-	8,231
Subcontractor	-	1,142	1,142
Judgment Expense			
SDR	-	-	-
Subcontractor	-	-	-
Investment Account Expense			
SDR	-	-	-
Subcontractor	-	-	-
Other Litigation Expense			
SDR	1,687	-	1,687
Subcontractor	-	51,467	51,467
Sale/Conversion of Investment Assets			
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 JULY 31, 2004

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Subsidiary Affiliated Expense	-	-	-
Other Asset Sales Expenses	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
Sale of Company Fixed Assets			
Charter Sales Expense	-	-	-
Furniture, Fixtures & Equipment Expense	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
Company Real Estate Expense	-	-	-
Other Fixed Asset Expense	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSET GROUP EXPENSE	10,962	58,560	69,522
 CLAIMS RELATED GROUP			
Class I Covered Claims Expense			
SDR Fees	-	-	-
SDR Subcontractor Fees	-	-	-
Other Covered Claims	-	-	-
Class I Non Covered Claims Expenses			
SDR Fees	39,750	-	39,750 *
SDR Subcontractor Fees	-	2,928	2,928 *
Other Non Covered Claims	-	288	288
	<hr/>	<hr/>	<hr/>
TOTAL CLAIMS GROUP EXPENSE	39,750	3,216	42,966
 ADMINISTRATIVE RELATED GROUP			
Class I General Admin Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Accounting/Auditing/Federal Income Tax Services	-	907	907
Consulting Fees/Services	-	-	-
Legal Fees/Services	-	975	975
Liquidation Division Allocation	-	4,967	4,967
Bank/Miscellaneous Charges	-	463	463
Building/Utilities	-	-	-
Contract/Employee	-	-	-
Equipment/Lease/Maintenance	-	-	-
Employee - Payroll, PRTax, Benefits	-	-	-
Inventory/Storage/Moving	-	6,903	6,903
Mailing/Printing/Postage/Publication	101	116	217
Office Supplies/Miscellaneous	-	-	-

Liquidation Oversight Standardized Attested 12 (b) Expenses
AMCARE HEALTH PLANS OF TEXAS, INC.
RECEIVERSHIP #512H
FOR THE MONTH ENDING JULY 31, 2004

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Telephone	-	358	358
Travel		-	-
Class I SDR Admin Expenses			
Administration	4,631	-	4,631
Accounting	1,030	-	1,030
Special Services	309		309
Travel			-
TOTAL GENERAL ADMINISTRATIVE GROUP EXPENSE	<u>6,071</u>	<u>14,689</u>	<u>20,760</u>
GRAND TOTALS	<u>56,783</u>	<u>76,465</u>	<u>133,248</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

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IN THE DISTRICT COURT OF

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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 Management, Inc., upon her oath stated that the foregoing is a true and correct copy of the Statement of Expenses for the period of July 1, 2004, through July 31, 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).

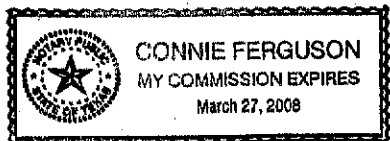


Jean Johnson, Special Deputy Receiver of Amcare Management, Inc.

SWORN TO AND SUBSCRIBED BEFORE ME by Jean Johnson, on this the 13th day of August, 2004.



Notary Public, State of Texas



Liquidation Oversight Standardized Attested 12 (b) Expenses
AMCARE MANAGEMENT, INC.
RECEIVERSHIP #512M
FOR THE MONTH ENDING JULY 31, 2004

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
ASSET RELATED GROUP			
Premium			
Collection Expense			
SDR		-	-
Subcontractor	-	-	-
Receivable			
Agent Balance Expense			
SDR	-	-	-
Subcontractor	-	-	-
Reinsurance Expense			
SDR		-	-
Subcontractor	-	-	-
Subrogation Expense			0
SDR		-	-
Subcontractor	-	-	-
Intercompany Receivable Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Other Receivable Expenses			
SDR		-	-
Subcontractor	-	-	-
Litigation Receivable			
D&O Litigation Expense			
SDR	98	-	98
Subcontractor	-	127	127
Judgment Expense			
SDR	-	-	-
Subcontractor	-	-	-
Investment Account Expense			
SDR	-	2	-
Subcontractor	-	-	-
Other Litigation Expense			
SDR	340	-	340
Subcontractor	-	3,016	3,016
Sale/Conversion of Investment Assets			
Securities/Bonds Sales Expense			
SDR	-	-	-
Subcontractor	-	-	-
Statutory Deposit Expense			
SDR	-	-	-
Subcontractor	-	-	-
Real Estate Sales Expense			
SDR	-	-	-
Mortgage Note Expense			
SDR	-	-	-

Liquidation Oversight Standardized Attested 12 (b) Expenses
AMCARE MANAGEMENT, INC.
RECEIVERSHIP #512M
FOR THE MONTH ENDING JULY 31, 2004

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Subsidiary Affiliated Expense	-	-	-
Other Asset Sales Expenses	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
Sale of Company Fixed Assets			
Charter Sales Expense	-	-	-
Furniture, Fixtures & Equipment Expense	-	-	-
SDR	-	-	-
Subcontractor	-	-	-
Company Real Estate Expense	-	-	-
Other Fixed Asset Expense	-	-	-
	-	-	-
TOTAL ASSET GROUP EXPENSE	438	3,145	3,583
CLAIMS RELATED GROUP			
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	-	-	*
	-	-	-
TOTAL CLAIMS GROUP EXPENSE			
ADMINISTRATIVE RELATED GROUP			
Class I General Admin Expenses			
SDR	-	-	-
Subcontractor	-	-	-
Accounting/Auditing/Federal Income Tax Services	-	559	559
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 JULY 31, 2004**

	<u>SDR</u>	<u>SUB</u>	<u>TOTAL</u>
Office Supplies/Miscellaneous	-	-	-
Telephone	-	-	-
Travel	-	-	-
Class I SDR Admin Expenses			
Administration	109	-	109
Accounting	81	-	81
Special Services	21	-	21
Travel	-	-	-
TOTAL GENERAL ADMINISTRATIVE GROUP EXPENSE	<u>211</u>	<u>1,600</u>	<u>1,811</u>
GRAND TOTALS	<u>649</u>	<u>4,745</u>	<u>5,394</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

Brian E. Riewe
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Gregory C. Douglass
gdouglass@riewelaw.com

August 16, 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 July 2004 and Special Deputy Receiver's Business Plan for July 2004

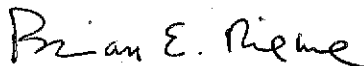
Dear Ms. Rodriguez-Mendoza:

Enclosed for filing are the Special Deputy Receiver's Statement of Expenses for July 2004 and the Special Deputy Receiver's Business Plan for July 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

Enclosures

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