

Cause No. 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 March 2003

TO THE HONORABLE JUDGE OF THIS COURT:

COMES NOW, Jean Johnson, Special Deputy Receiver under contract to the Commissioner of Insurance as 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 March 2003, for each entity in the above-referenced receivership estate. The Statements of Expense cover the period of March 1, 2003, through March 31, 2003, and are sworn to by the Special Deputy Receiver.

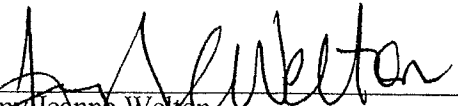
Respectfully submitted,

AMY JEANNE WELTON
ATTORNEY AT LAW
3214 Raging River Drive
Austin, Texas 78728-4386
(512) 246-9707 Telephone
(512) 255-6237 Facsimile
email: awelton@austin.rr.com

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LIQUIDATION OVERSIGHT

By: 
Amy Jeanne Welton
State Bar No. 21004800

Attorney for Jean Johnson, Special Deputy
Receiver of Amcare Health Plans of Texas,
Inc. and Amcare Management, Inc.

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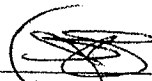
Affidavit

THE STATE OF TEXAS

COUNTY OF DALLAS

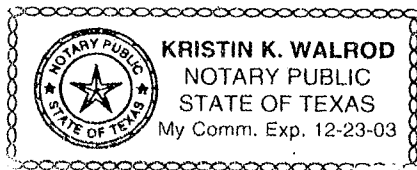
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On this day personally appeared before me, Jean Johnson, in her capacity as Special Deputy Receiver of Amcare Health Plans of Texas, Inc., upon her oath stated that the foregoing is a true and correct copy of the Statement of Expenses for the period of March 1, 2003, through March 31, 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 Jean Johnson, on April 14, 2003.



Kristin K. Walrod
Notary Public, State of Texas

**ATTESTED ITEMIZED EXPENSE
AMCARE HEALTH PLANS OF TEXAS, INC.
RECEIVERSHIP #512
FOR THE MONTH ENDING MARCH 31, 2003**

Cash/Date of Takeover	
Funds Held for Others Expense	-
Premium	
Collection Expense	-
Litigation Expense	-
Receivable	
Agent Balance Expense	300
Reinsurance Expense	2,068
Subrogation Expense	503
Intercompany Receivable Expenses	-
Other Receivable Expenses	1,980
Litigation Receivable	
D&O Litigation Expense	6,492
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	-
Company Real Estate Expense	-
Other Fixed Asset Expense	-
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TOTAL CASH / DATE OF TAKEOVER	11,343
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	26,520 *
SDR Subcontractor Fees	40,439 *
Other Non Covered Claims	82
Class II Claims Expenses	
Covered Claims Paid - G/A	
Early Access -G/A	
Non-Covered Claims Paid/Receivership Distribution	-
	<hr/>
TOTAL CLAIMS EXPENSES	67,041

TDI 02982

CLASS I GENERAL ADMINISTRATION EXPENSES

Takeover Expense	
Liquidation Division Expense-Allocation	10,000
Conservation Division Expenses	-
Bank/Miscellaneous Charges	32
Building/Utilities	1,041
Contract/Employee	1,904
Equipment/Lease/Maintenance	(326)
Employee - Payroll, PRTax, Benefits	22,079
Inventory/Storage/Moving	-
Mailing/Printing/Postage/Publication	1,039
Office Supplies/Miscellaneous	412
Offsite Storage for Records Inventory	6,762
Telephone	2,429
Travel	3,808
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 49,180

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES

Accounting/Auditing/Federal Income Tax Services	4,083
Consulting Fees/Services	757
Legal Fees/Services	4,775

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES 9,615

CLASS I SDR ADMINISTRATIVE EXPENSES

SDR Administration / Federal Income Tax Services	4,037
SDR Accounting	9,461
SDR Special Services	1,670
SDR Legal Services	4,775

CLASS I SDR ADMINISTRATIVE EXPENSES 19,943

TOTAL RECEIVERSHIP ADMINISTRATIVE EXPENSE 78,738

TOTAL EXPENSE 157,122

* 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.

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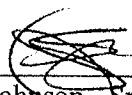
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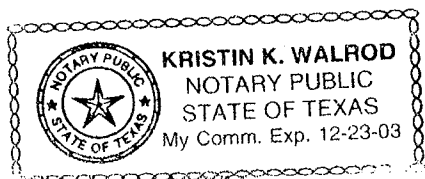
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On this day personally appeared before me, Jean Johnson, in her capacity as Special Deputy Receiver of Amcare Management, Inc., upon her oath stated that the foregoing is a true and correct copy of the Statement of Expenses for the period of March 1, 2003, through March 31, 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 Jean Johnson, on April 14, 2003.



Kristin K. Walrod
Notary Public, State of Texas

**ATTESTED ITEMIZED EXPENSE
AMCARE MANAGEMENT, INC.
RECEIVERSHIP #512
FOR THE MONTH ENDING MARCH 31, 2003**

Cash/Date of Takeover	
Funds Held for Others Expense	-
Premium	
Collection Expense	-
Litigation Expense	-
Receivable	
Agent Balance Expense	45
Reinsurance Expense	39
Subrogation Expense	-
Intercompany Receivable Expenses	-
Other Receivable Expenses	50
Litigation Receivable	
D&O Litigation Expense	27
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	16,492
Company Real Estate Expense	-
Other Fixed Asset Expense	-
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TOTAL CASH / DATE OF TAKEOVER	16,653
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	566
SDR Subcontractor Fees	(114)
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	452

CLASS I GENERAL ADMINISTRATION EXPENSES

Takeover Expense	
Liquidation Division Expense	-
Conservation Division Expenses	-
Bank/Miscellaneous Charges	15
Building/Utilities	-
Contract/Employee	-
Equipment/Lease/Maintenance	-
Employee - Payroll, PRTax, Benefits	-
Equipment Lease/Inventory/Storage/Moving	-
Mailing/Printing/Postage/Publication	-
Office Supplies/Miscellaneous	-
Off-site Storage for Records Inventory	2,430
Telephone	-
Travel	272
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 2,717

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES

Accounting/Auditing/Federal Income Tax Services	1,083
Consulting Fees/Services	161
Legal Fees/Services	-

CLASS I SUBCONTRACTOR ADMINISTRATIVE EXPENSES 1,244

CLASS I SDR ADMININISTRATIVE EXPENSES

SDR Administration / Federal Income Tax Services	430
SDR Accounting	1,044
SDR Special Services	79
SDR Legal Services	-

CLASS I SDR ADMINISTRATIVE EXPENSES 1,553

TOTAL RECEIVERSHIP ADMINISTRATIVE EXPENSE 5,514

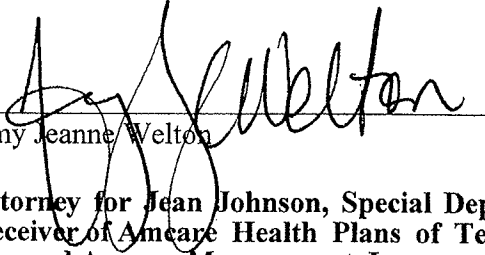
TOTAL EXPENSE 22,619

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.


Amy Jeanne Welton

**Attorney for Jean Johnson, Special Deputy
Receiver of Amcare Health Plans of Texas,
Inc. and Amcare Management, Inc.**

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 April 2003:

Mr. James Kennedy
Special Counsel to the Receiver
Texas Department of Insurance
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Austin, TX 78701
512/305-8164
FAX 512/475-1843
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ATTORNEYS FOR THE RECEIVER

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**ATTORNEY FOR AMCARE HEALTH PLANS
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and AMCARE MANAGEMENT, INC.**

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PRESIDENT, AMCARECO, INC.

Certificate of Service
Page 1 of 2

ATTORNEY FOR LOUISIANA RECEIVER

TDI 02988

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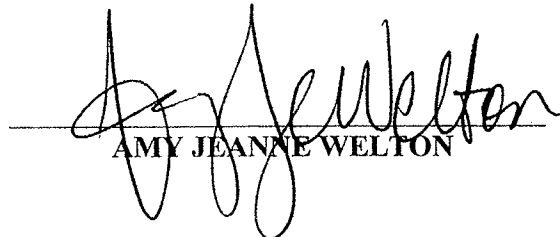
OKLAHOMA INDEPENDENT MANAGER

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FAX 214/363-0720
email: rmeeks@dallasradiologists.com

Kaner Medical Group
Attn: Dana Fannin
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FAX 817/571-6287
email: dfannin@kanermed.com


AMY JEANNE WELTON