

BEN ECKSTEIN
Office of the Montana State Auditor,
Commissioner of Securities and Insurance (CSI)
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FILED
Clerk of District Court

APR 23 2021

Attorney for the Liquidator

ANGIE SPARKS, Clerk
By [Signature]

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MONTANA FIRST JUDICIAL DISTRICT COURT
LEWIS AND CLARK COUNTY

IN THE MATTER OF THE LIQUIDATION
OF CARECONCEPTS INSURANCE, INC, A
RISK RETENTION GROUP,

Respondent.

CASE NO. ADV-2016-640

ORDER APPROVING SECOND CLAIMS REPORT &
RECOMMENDATION OF LIQUIDATOR

This matter comes before the Court pursuant to the Liquidator's Second Claims Report, Recommendation & Application for Order Approving Same (the "**Application**") filed in accordance with Mont. Code Ann. § 33-2-1372. The Court having reviewed the Application and the supporting documentation associated with it, and it appearing to the Court that the recommendations of the Liquidator are in the interests of all claimants and other creditors in this matter, **IT IS HEREBY ORDERED:**

/// The Liquidators Second Claims Report

/// is Approved.

/// Neil Menahan

/// District Court Judge

/// Dated: April 23, 2021

The Application is APPROVED, pending final distribution at the appropriate time in accordance with Mont. Code Ann. §§ 33-2-1371 and 33-2-1373.

Dated this ____ day of _____, 2021

IT IS SO ORDERED.

District Court Judge

First Judicial District

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Attorney for the Liquidator

MONTANA FIRST JUDICIAL DISTRICT COURT
LEWIS AND CLARK COUNTY

IN THE MATTER OF THE LIQUIDATION
OF CARECONCEPTS INSURANCE, INC, A
RISK RETENTION GROUP,

Respondent.

CASE NO. ADV-2016-640

LIQUIDATOR'S SECOND CLAIMS
REPORT, RECOMMENDATION &
APPLICATION FOR ORDER
APPROVING SAME

Comes now Montana State Auditor, Commissioner of Securities and Insurance Troy Downing, as Liquidator of the above-captioned insurance company ("**CareConcepts**"), by and through the undersigned counsel, and files this Second Claims Report, recommends approval of the Liquidator's undisputed claims determinations specified herein, and applies to the Court for an Order approving the same.

This application is made pursuant to the Montana Insurers Supervision, Rehabilitation, and Liquidation Act, Mont. Code Ann. Title 33, Chapter 2, Part 13. Specifically, Mont. Code Ann. § 33-2-1372 requires the Liquidator to review all claims duly filed in the liquidation proceedings, make such further investigation as the Liquidator deems necessary, and submit a claims report to the Court containing the Liquidator's claims recommendations.

In support of this report, recommendation, and application, the Liquidator respectfully notes the following:

1. Between the entry of the Order of Liquidation on August 10, 2016, and March 31, 2017, the latest deadline for submittal of claims (the "**Claims Bar Date**"), the Liquidator issued 109 Notices of Liquidation and Proof of Claim ("**POC**") forms, with instructions to policyholders, third-party claimants, and other potential claimants or creditors of CareConcepts.

2. On November 5, 2016, notice of the liquidation was published in the Missoulian newspaper, a newspaper of countywide circulation in the County of Missoula, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

3. On November 4, 2016, notice of the liquidation was published in the New York Daily News newspaper, with a circulation in Manhattan, Bronx, Westchester, Rockland, Brooklyn, Queens, Staten Island, Nassau and Suffolk, and the lower Hudson Valley, NY. Fairfield and New Haven, CT and the 14 counties in Northern New Jersey, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

4. On or before the Claims Bar Date of March 31, 2017, the Liquidator received 109 timely-filed POCs. The Liquidator also received one (1) late-filed POC. On February 19, 2020, this Court issued an Order Approving First Claims Report and Recommendation of Liquidator for 37 claims.

5. An additional 49 claims have now been completely adjudicated. All remaining POCs received, totaling 24 POCs, are presently under evaluation. Determinations, once concluded, will be forwarded to remaining claimants in accordance with the applicable claims procedures.

6. Attached hereto as Exhibit A and incorporated herein is a schedule listing the names and addresses of 31 claimants holding a claim accorded “Class 2” priority under Mont. Code Ann. § 33-2-1371, the POC numbers assigned by the Liquidator, and the valuations of the claims proposed by the Liquidator.

7. Attached hereto as Exhibit B and incorporated herein is a schedule listing the names and addresses of 18 claimants holding a claim accorded priority subordinate to “Class 2” under Mont. Code Ann. § 33-2-1371, the POC numbers assigned by the Liquidator, and the classes of the claims under Mont. Code Ann. § 33-2-1371.

8. CareConcepts is insolvent with respect to claims accorded “Class 2” priority under Mont. Code

Ann. § 33-2-1371. As a result, none of the claims identified on Exhibit B is entitled to any distribution from CareConcepts' general assets. These claims were adjudicated for the purpose of determining their priority class only under Mont. Code Ann. § 33-2-1371. The Liquidator's recommended amount for these claims is therefore "N/A," so as to indicate that the claims are not entitled to any distribution from CareConcepts' general assets.

9. In further support of this report, recommendation, and application, attached hereto as Exhibit C and incorporated herein is the affidavit of Michael J. FitzGibbons, Special Deputy Liquidator.

WHEREFORE, the Liquidator requests that the Court enter an Order approving this Second Claims Report and the Liquidator's recommendations with respect to the included claims, pending final distribution at the appropriate time in accordance with Mont. Code Ann. §§ 33-2-1371 and 33-2-1373, as well as such other relief as the Court deems just and proper.

Respectfully submitted this 22nd day of April, 2021.

TROY DOWNING
Montana State Auditor,
Commissioner of Securities and Insurance

/s/ Ben Eckstein

BEN ECKSTEIN
Attorney for the Liquidator

CareConcepts Insurance, Inc., a Risk Retention Group in Liquidation
Class 2 Claimants
Exhibit A

[illegible]

CareConcepts Insurance, Inc., a Risk Retention Group in Liquidation
Claimants Subordinate to Class 2
Exhibit B

POC No.	Claimant Name	Contact	Address 1	Address 2	City	State	Zip	Class Code	Adjustor Recommended Amount
100110	Kwang Hyok Byun	c/o Kwangsoo Kim	Law Office Kwangsoo Kim	163-10 Northern Blvd.	Flushing	NY	11358	7	N/A
100094	Bartlett, McDonough & Monaghan, LLI Attn: Grace C. McCallen		1001 Franklin Ave		Garden City	NY	11530	5	N/A
100093	Bartlett, McDonough & Monaghan, LLI Attn: Grace C. McCallen		1001 Franklin Ave		Garden City	NY	11530	5	N/A
100092	Bartlett, McDonough & Monaghan, LLI Attn: Grace C. McCallen		1001 Franklin Ave		Garden City	NY	11530	5	N/A
100065	Flushing Manor Geriatric Center	c/o Michael Moriarty, Esq.	Windels Marx Lane & Mittendorf LLP	156 W. 56th St.	New York	NY	10019	5	N/A
100007	Glengariff Healthcare Center	Attn: Sanjay Ahuja	141 Dosoris Lane		Glen Cove	NY	11542	5	N/A
100008	Glenhaven Residential Healthcare	Attn: Sanjay Ahuja	141 Dosoris Lane		Glen Cove	NY	11542	5	N/A
100064	FMNH, LLC	c/o Michael Moriarty, Esq.	Windels Marx Lane & Mittendorf LLP	156 W. 56th St.	New York	NY	10019	5	N/A
100010	Leslie Miller		2728 Canebreak Lane		Mt. Pleasant	SC	29466	5	N/A
100063	Flushing Manor Geriatric Center	c/o Michael Moriarty, Esq.	Windels Marx Lane & Mittendorf LLP	156 W. 56th St.	New York	NY	10019	5	N/A
100054	Morris, Manning & Martin	c/o David W. Cranshaw	Morris, Manning & Martin	3343 Peachtree Rd. NE, Ste 1600	Atlanta	GA	30326	5	N/A
100041	Oliver Wyman Actuarial Consulting Inc	c/o Jeffery J. Scott	Oliver Wyman Actuarial Consulting Inc.	325 John H. McConnell Blvd., Suite 350	Columbus	OH	43215	5	N/A
100034	Bartlett, McDonough & Monaghan, LLI c/o Robert Elliot		1001 Franklin Ave		Garden City	NY	11530	5	N/A
100015	Martin, Clearwater & Bell LLP		220 E. 42nd St.		New York	NY	10017	5	N/A
100032	11199SEIU National Benefit Fund	Attn: Frank McGregor	330 W. 42nd St., 9th Floor		New York	NY	10036	5	N/A
100029	Nixon Peabody LLP	Attn: Michele Masucci	50 Jericho Quadrangle, Suite 300		Jericho	NY	11753	5	N/A
100018	VCM/CCMSI		2591 Wexford Bayne Road, Ste. 401		Sewickley	PA	15143	5	N/A
100078	CareConcepts, LLC	CareConcepts LLC	c/o CareConcepts	4 Greenwich Office Park	Greenwich	CT	6831	9	N/A

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Attorney for the Liquidator

**MONTANA FIRST JUDICIAL DISTRICT COURT
LEWIS AND CLARK COUNTY**

IN THE MATTER OF THE
LIQUIDATION OF CARECONCEPTS
INSURANCE, INC., A RISK RETENTION
GROUP

Respondent.

CASE NO. ADV-2016-640

**AFFIDAVIT OF MICHAEL J. FITZGIBBONS
IN SUPPORT OF LIQUIDATOR'S SECOND CLAIMS
REPORT, RECOMMENDATION & APPLICATION
FOR ORDER APPROVING SAME**

Michael J. FitzGibbons, being first duly sworn, deposes and says as follows:

1. I am the Special Deputy Liquidator of CareConcepts Insurance, Inc., a Risk Retention Group ("CareConcepts"). I was appointed to my position by the Montana State Auditor, Commissioner of Securities and Insurance, as Liquidator for CareConcepts.
2. I am over 21 years of age and suffer no legal disability.
3. By virtue of my appointment as Special Deputy Liquidator, I have been actively and personally involved in the liquidation of CareConcepts at all times since it was placed into liquidation, including the matters addressed in this Affidavit. My responsibilities as the Special Deputy Liquidator include supervision and oversight of and direct involvement in the liquidation process. I am familiar with the claims process and with the claims that have been filed. Therefore, I have personal knowledge of the matters addressed in this Affidavit.

4. The claims process has included the following components, each and every one of which has been followed:

a. Notice of CareConcepts' liquidation was given in accordance with Mont. Code Ann. § 33-2-1346(1).

b. In accordance with Mont. Code Ann. § 33-2-1346(2), the notice specified that the latest date to timely file a proof of claim with the Liquidator was March 31, 2017. Timely proofs of claim must have been postmarked no later than 5:00 P.M. Mountain Daylight Time on such date.

c. The Liquidator's Proof of Claim ("POC") forms complied with Mont. Code Ann. § 33-2-1365.

d. As the duly-appointed Special Deputy Liquidator, I have considered each and every of the 49 POCs subject to the Liquidator's Second Claims Report, in accordance with the requirements of the Montana Insurers Supervision, Rehabilitation, and Liquidation Act, Mont. Code Ann., Title 33, Chapter 2, Part 13.

e. I am administering the POC process. I initially contracted with ICARMS, LLC to assist me in the adjudication of claims under policies for losses incurred. In their stead, I subsequently contracted with Glynloen Consulting. I charged ICARMS, LLC and Glynloen Consulting with the responsibility to make recommendations to the Liquidator as to the validity, valuation, and priority of each POC, subject to independent approval or denial in whole or in part by the Liquidator or the duly-appointed Special Deputy Liquidator and further submittal to this Court.

f. Each and every POC subject to the Liquidator's Second Claims Report contains the necessary claim file documentation to support the Liquidator's recommendation on the claim.

g. To the extent the Liquidator's Second Claims Report includes claims that were denied in whole or in part, notice of such denial complying with Mont. Code Ann. § 33-2-1368(1) was provided to the affected claimants, and either no timely objection was made by the affected claimants or the objection was resolved by mutual agreement.

5. I am submitting this Affidavit in support of the Liquidator's Second Claims Report, Recommendation & Application for Order Approving Same ("**Report, Recommendation, and Application**"), which pertains to 31 claims accorded "Class 2" priority and 18 claims accorded priority subordinate to "Class 2," under Mont. Code Ann. §§ 33-2-1371 and 33-2-1372.

6. Between the entry of the Liquidation Order on August 10, 2016, and March 31, 2017, I caused to be issued 109 Notices of Liquidation and POC forms, with instructions to policyholders, third-party claimants, and other potential claimants and creditors of CareConcepts.

7. On November 5, 2016, notice of the liquidation was published in the Missoulian newspaper, a newspaper of countywide circulation in the County of Missoula, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

8. On November 4, 2016, notice of the liquidation was published in the New York Daily News newspaper, with a circulation in Manhattan, Bronx, Westchester, Rockland, Brooklyn, Queens, Staten Island, Nassau and Suffolk, and the lower Hudson Valley, NY, Fairfield and New Haven, CT, and the 14 counties in Northern New Jersey, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

9. On or before the latest deadline for submittal of claims, which was March 31, 2017, I received 109 timely-filed POCs. I subsequently received one (1) late-filed claim. Thirty-seven (37) claims were previously approved on February 19, 2020, in the Order Approving First Claims Report

and Recommendation of Liquidator. Forty-nine (49) claims have now been adjudicated and are the subject of the Report, Recommendation, and Application. All remaining unadjudicated POCs are under evaluation.

10. To the best of my knowledge and belief, the claims subject to the Report, Recommendation, and Application do not require modification. If any additional factors hereafter come to my attention which may require any modification, such as third-party payments or releases of any such claims, I will immediately notify the Liquidator, and the Liquidator or I will promptly bring those matters to the attention of this Court in an application to modify such claims.

FURTHER AFFIANT SAYETH NOT



Michael J. FitzGibbons
Special Deputy Liquidator

SWORN to before me this 22nd day of April, 2021



Notary Public for the State of Arizona
My commission expires 9/15/2022