

DISTRICT COURT JUDGE
228 Broadway St.
Helena, MT 59601

FILED
Clerk of District Court
MAY 03 2023

By ANGIE SPARKS, Clerk

**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
LIQUIDATOR'S FIFTH CLAIMS
REPORT & RECOMMENDATION,
AND APPROVAL OF INITIAL
DISTRIBUTION TO CERTAIN
CLAIMANTS**

This matter comes before the Court pursuant to the Liquidator's Fifth Claims Report, Recommendation & Application for Order Approving Same, and Approval of Initial Distribution to Certain Claimants ("the Application") filed in accordance with Mont. Code Ann. § 33-2-1372.

Attached as Exhibit A to the Application is a schedule containing the names and addresses of Class 2 claimants and valuation amounts, as recommended for each by the Liquidator, and the distribution amount.

Attached as Exhibit B to the Application is a detailed Affidavit of the Special Deputy Liquidator filed in support of the Application.

NOW THEREFORE IT IS HEREBY ORDERED THAT:

1. The recommendations are in the interests of the claimants and other creditors in this matter. The Application is hereby APPROVED.

2. Pursuant to Mont. Code Ann. § 33-2-1301, et. seq., the Fifth Claims Report and Recommendation is APPROVED.
3. Pursuant to Mont. Code Ann. § 33-2-1373, the Initial Distribution to Certain Claimants is APPROVED.
4. If any additional factors hereafter come to the attention of the Liquidator or his Special Deputy that may require modification, the Liquidator shall promptly file an application to modify these claims.

DATED this 25th day of April, 2023.



HON. MIKE MENAHAN
District Court Judge

COPY

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Counsel for the Liquidator

FILED

APR 18 2023

ANGIE COLEMAN, District Court
By **H COLEMAN** Deputy Clerk

**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 FIFTH CLAIMS REPORT,
RECOMMENDATION AND APPLICATION
FOR ORDER APPROVING SAME, AND
APPROVAL OF INITIAL DISTRIBUTION
TO CERTAIN CLAIMANTS

COMES NOW, Troy Downing, as Liquidator of the above-captioned insurance company ("CareConcepts"), by and through the undersigned counsel, files herewith his Fifth Claims Report, applies to the Court for an Order approving the Liquidator's report specified herein, and approve an initial distribution to certain claimants.

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, wherein the Liquidator is required to review all claims duly filed in the liquidation proceedings, make such further investigation as he deems necessary, and submit a claims report to the Court containing his claim recommendations.

In support of his report, recommendation and application, the Liquidator respectfully shows the following:

1. Between the entry of the Order of Liquidation on August 10, 2016, and March 31, 2017, the latter being the Claims Bar Date, the Liquidator issued one-hundred and nine (109) Notices

of Liquidation and Proof of Claim (POC) forms, with instructions to policyholders, third-party claimants and other potential claimants and/or creditors of CareConcepts.

2. 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, New York, Fairfield and New Haven, Connecticut, 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.

3. On November 5, 2016, notice of the liquidation was published in the Missoulian newspaper, a newspaper of countywide circulation in the County of Missoula, Montana, 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 one-hundred and nine (109) timely-filed POCs. The Liquidator also received one (1) late-filed claim.

5. On February 19, 2020, this Court issued an Order Approving First Claims Report and Recommendation of Liquidator for thirty-seven (37) claims. Twenty (20) of the thirty-seven claims were denied in whole.

6. An additional forty-nine (49) claims were approved by this Court on April 23, 2021, by Order Approving Second Claims Report and Recommendation of Liquidator. Thirty-nine (39) of these claims were denied in whole or determined to be subordinate to Class 2 claims.¹ Subordinate claims were only reviewed to the extent of determining their class of claim.²

7. An additional eight (8) claims were approved by this Court on August 23, 2021, by Order Approving Third Claims Report and Recommendation of Liquidator. Two (2) of these eight (8) claims were denied in whole.

8. An additional nine (9) were approved by this Court on August 18, 2022, by Order Approving Liquidator's Fourth Claims Report and Recommendation. One (1) of these claims was

¹ One (1) claim denied in whole by the Order Approving Second Claims Report and Recommendation of the Liquidator was revised by the Liquidator and approved in the amount of \$475,000 by the Order Approving Fourth Claims Report and Recommendation.

² Claims subordinate to Class 2 were not valued since Class 2 claims will only receive a partial distribution.

denied in whole. In the same Order, the Court also approved an initial distribution to all Court approved Class 2 claimants. The total distribution amount was \$500,000, representing an approximate 7.2% distribution.

9. The final two (2) Class 2 claims have now been adjudicated and are subject to this Fifth Claims Report.

10. Five (5) subordinate claims remain pending.³

11. Provided the Court approves this Fifth Claims Report as described above, the Liquidator proposes this Court then approve an initial distribution to these two (2) Class 2 claimants.

12. Attached hereto as Exhibit A and incorporated herein is a Schedule listing the names and addresses of two (2) claimants holding a priority class 2 claim as defined by Mont. Code Ann. § 33-2-1371, the POC number assigned by the Liquidator, and the valuation of the claims proposed by the Liquidator.

13. In further support of this Report, Recommendation and Application, the Liquidator has attached as Exhibit B and incorporated herein the affidavit of Michael J. FitzGibbons, Special Deputy Liquidator.

WHEREFORE, the Liquidator prays the Court issue an Order approving this Fifth Claims Report, claims' recommendations and proposed initial distribution, all in accordance with Mont. Code Ann. §§ 33-2-1371 & 1373, as well as such other relief as the Court deems just and proper.

Respectfully submitted this 18th day of April 2023.

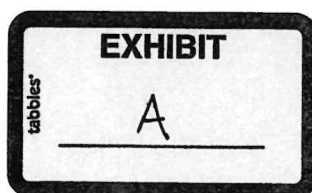
TROY DOWNING
Commissioner of Securities and Insurance,
Montana State Auditor


Chris McConnell
Attorney for the Liquidator

³ These five (5) claims are reinsurance premium claims, which will be contemplated as part of the final reinsurance settlements.

CareConcepts Insurance, Inc., A Risk Retention Group in Liquidation
Exhibit A

POC No.	Claimant Name	Contact	Address 1	Address 2	City	State	Zip	Adjustor Recommended Amount	Proposed Distribution
100087	Ramapo Manor Nursing Home	c/o Rosaleen T. McCrory	Martin, Clearwater & Bell	90 Merrick Ave., Ste. 401	East Meadow	NY	11554	87,030.70	6,266.21
100062	Kingsbridge Heights Receiver, LLC	c/o Scott Frycek, Esq.	Lewis Johs Avallone Aviles, LLP	61 Broadway #2000	New York	NY	10006	187,754.00	13,518.29
Total								274,784.70	19,784.50



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Counsel 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 FIFTH CLAIMS
REPORT, RECOMMENDATION &
APPLICATION FOR ORDER
APPROVING SAME, AND
APPROVAL OF INITIAL
DISTRIBUTION TO CERTAIN
CLAIMANTS**

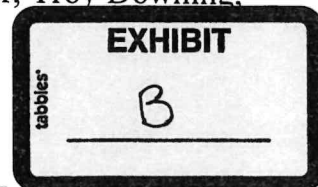
EXHIBIT B

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 then Liquidator, Monica J. Lindeen, Commissioner of Securities and Insurance, Montana State Auditor, and am continuing as Special Deputy Liquidator under the current Liquidator, Troy Downing, Commissioner of Securities and Insurance, Montana State Auditor.

2. I am over 21 years of age and suffer no legal disability.

Exhibit B – AFFIDAVIT OF MICHAEL J. FITZGIBBONS IN SUPPORT OF LIQUIDATOR'S FIFTH CLAIMS REPORT, RECOMMENDATION AND APPLICATION FOR ORDER APPROVING SAME, AND APPROVAL OF INITIAL DISTRIBUTION TO CERTAIN CLAIMANTS - 1



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 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 last date to file a timely proof of claim with the Liquidator was March 31, 2017. Timely proofs of claim had to be postmarked no later than 5:00 p.m. Mountain Daylight Time, on such date.

c. The Liquidator's Proof of Claim ("POC") forms comply with Mont. Code Ann. § 33-2-1365 and provided notice thereof in accordance with Mont. Code Ann. § 33-2-1346(2).

d. As the duly appointed Special Deputy Liquidator, I have considered each of the two (2) POCs subject to this Claims Report, in accordance with the requirements of the Montana Insurers Supervision, Rehabilitation, and Liquidation Act, Mont. Code Ann. 33-2-1301 et seq. (the "Act").

e. I am administering the POC process. I initially contracted with ICARMS, LLC to perform the adjudication of the POCs. In their stead, I 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. The Liquidator, and/or his duly appointed Special Deputy, then independently approves or denies Glynloen Consulting's

recommendations in whole or in part and submits the same to this Court for approval.

f. Each POC subject to this Claims Report contains the necessary claim file documentation for the Liquidator's recommendation thereon.

g. To the extent this 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 a 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 Liquidator's Fifth Claims Report, Recommendation & Application for Order Approving Same, and Approval of Initial Distribution to Certain Claimants ("Report, Recommendation and Application"), which pertains to the final two (2) Class 2 claims as prescribed by Mont. Code Ann. §§ 33-2-1371 and -1372.

6. Between the entry of the Liquidation Order on August 10, 2016, and March 31, 2017, I caused to be issued one-hundred and nine (109) Notices of Liquidation and POC forms, with instructions to policyholders, third-party claimants, and/or 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, Montana, 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, New York, Fairfield and New Haven, Connecticut, 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. I received one-hundred and nine (109) timely-filed POCs by the bar date, March 31, 2017, and one (1) late-filed claim. One-hundred and three (103) claims have been adjudicated and submitted to and approved by this Court by Orders entered on February 19, 2020, April 23, 2021, August 23, 2021, and August 18, 2022. Our final two (2) Class 2 claims are subject to this Claims Report. The remaining five (5) claims are subject to settlement(s) presently pending with our reinsurers.

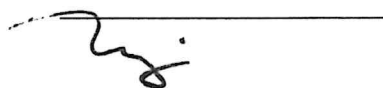
10. Pursuant to the Order dated August 18, 2022, I paid all Court approved Class 2 claims an approximate 7.2% distribution.

11. Therefore, I seek to pay the 7.2% distribution to these remaining two (2) Class 2 claimants subject to this Fifth Claims Report following this Court's approval. The total distribution amount is \$19,784.50.

12. Exhibit A, attached to the Report, Recommendation and Application and incorporated by reference, is a listing of the names and addresses of the final two (2) Class 2 claimants as defined in Mont. Code Ann. § 33-2-1371(2), the number assigned to each POC, the valuation of their POC as proposed by the Liquidator in accordance with Mont. Code Ann. § 33-2-1372, and the proposed distribution, which represents the 7.2% distribution.

13. To the best of my knowledge and belief, the claims subject to this Report, Recommendation and Application are not subject to 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 he and/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 by Michael J. FitzGibbons this 13th day of April, 2023



SARAH E. ALEXANDER
Notary Public - Arizona
Maricopa Co. / #633463
Expires 09/15/2026


Notary Public for the State of Arizona
My commission expires 09-15-2026