FILED

AUG 27 2020

ANGIE SPARKS, Clerk of District Court
By JREIJGERS Deputy Clerk

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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 **FILING OF SEMIANNUAL ACCOUNTING**

The Commissioner of Securities and Insurance, Office of the Montana State Auditor, by and through counsel, submits the following accounting of the estate of CareConcepts Insurance, Inc., a Risk Retention Group (CareConcepts).

Pursuant to the Court's scheduling order dated August 8, 2016, the Liquidator shall file an accounting of the estate of CareConcepts semiannually based upon June 30 and December 31 financials, until termination of the liquidation. Michael FitzGibbons, Special Deputy Liquidator, has prepared the attached semiannual accounting based upon June 30, 2020, financials. (Exhibit A).

Respectfully submitted this 27th day of August, 2020.

MATTHEW ROSENDALE
Commissioner of Securities and Insurance,
Montana State Auditor

MARY BELCHER
Attorney for the Liquidator

CareConcepts Insurance, Inc., a Risk Retention Group
Balance Sheet
December 31, 2019 and June 30, 2020

	December 31, 2019	June 30, 2020
Assets		
Cash and cash equivalents	1,467,760	1,421,950
Interest income due and accrued	4,416	118
Premiums receivable	81,473	-
Amounts recoverable from reinsurers - paid losses	-	-
Amounts recoverable from reinsurers - ceded reserves	2,262,941	2,312,941
	3,816,590	**3,735,009**
Liabilities		
Loss reserves	8,269,267	8,267,865
Loss adjustment expense reserves	741,468	772,165
Other expenses	67,766	63,332
Taxes, licenses, and fees	12,424	12,424
Premium refund payable	302,545	302,545
Ceded premiums payable	267,501	267,501
Total liabilities	**9,660,969**	**9,685,831**
Capital and Surplus (Deficit)		
Common stock and contributed surplus	297,466	297,466
Surplus note	600,000	600,000
Unassigned funds	(6,741,845)	(6,848,288)
Total policyholders surplus (deficit)	**(5,844,379)**	**(5,950,822)**
	3,816,590	**3,735,009**

CareConcepts Insurance, Inc., a Risk Retention Group
Statement of Operations
Year Ended December 31, 2019 and Six Months Ended June 30, 2020

	Year Ended December 31, 2019	Six Months Ended June 30, 2020
Net premiums earned	-	-
Loss and LAE incurred	-	-
Other expenses	61,450	113,199
Net underwriting gain (loss)	(61,450)	(113,199)
Net investment income	27,834	6,756
Net realized capital gains (losses)	-	-
Income before taxes	**(33,616)**	**(106,443)**
Income taxes	-	-
Net income (loss)	**(33,616)**	**(106,443)**

CareConcepts Insurance, Inc., a Risk Retention Group
Cash Receipts and Disbursements
August 2016 to June 30, 2020

	August to Dec. 2016	2017	2018	2019	2020	ITD Total
Cash receipts:						
Investment income	8,523	3,149	13,260	28,840	10,429	64,201
Sale of investments	1,705,318	-	-	-	-	1,705,318
Income tax recoveries	91,541	-	-	-	-	91,541
Letter of credit	100,000	-	-	-	-	100,000
Other	1,000	-	-	-	-	1,000
	1,906,382	**3,149**	**13,260**	**28,840**	**10,429**	**1,962,059**
Cash disbursements:						
Loss and loss adjustment expenses	7,000	90,856	117,081	97,755	24,949	337,640
Salary and employee benefits	7,258	21,631	32,525	16,352	10,957	88,724
Special Deputy Liquidator	42,368	117,993	41,892	23,275	11,408	236,935
Insurance	791	772	814	814	-	3,191
Professional fees	7,139	5,600	474	4,930	4,825	22,968
Rent, rent items and utilities	1,113	2,714	2,686	3,520	2,354	12,388
Offices supplies, postage and printing	1,888	2,562	3,128	2,062	989	10,629
EDP equipment, software and consulting	10,503	1,389	21,010	12,146	758	45,805
Purchase of investments	2,248	-	-	-	-	2,248
Bank charges	698	-	-	-	-	698
Publication costs	7,743	-	-	-	-	7,743
	88,749	**243,517**	**219,610**	**160,854**	**56,239**	**768,969**
Net change in cash	**1,817,633**	**(240,368)**	**(206,350)**	**(132,014)**	**(45,810)**	**1,193,090**
Cash and cash equivalents - beginning of period	228,859	2,046,492	1,806,124	1,599,774	1,467,760	228,859
Cash and cash equivalents - end of period	**2,046,492**	**1,806,124**	**1,599,774**	**1,467,760**	**1,421,950**	**1,421,950**

CareConcepts Insurance, Inc., a Risk Retention Group
Asset Listing
June 30, 2020

	June 30, 2020
Assets	
Cash and cash equivalents	1,421,950
Interest income due and accrued	118
Premiums receivable	-
Amounts recoverable from reinsurers - paid losses	-
Amounts recoverable from reinsurers - ceded reserves	2,312,941
	3,735,009