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FILED
AUG 15 2018
C. POTUZAK
ANGIE SPARKS, Clerk of District Court
By __________ 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 **NOTICE OF APPEARANCE and 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 (Care).

Pursuant to the Court's scheduling order dated August 8, 2016, the Liquidator shall file an accounting of the estate of Care 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, 2018, financials. (Exhibit A).

Respectfully submitted this 15th day of August, 2018.

MATTHEW ROSENDALE
Commissioner of Securities and Insurance,
Montana State Auditor

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BRETT OLIN
Attorney for the Liquidator

CareConcepts Insurance, Inc., a Risk Retention Group
Balance Sheet
December 31, 2017 and June 30, 2018

	December 31, 2017	June 30, 2018
Assets		
Cash and cash equivalents	1,806,124	1,733,569
Interest income due and accrued	-	1,960
Premiums receivable	81,473	81,473
Amounts recoverable from reinsurers - paid losses	-	-
Amounts recoverable from reinsurers - ceded reserves	3,240,584	3,363,132
	5,128,181	**5,180,134**
Liabilities		
Loss reserves	9,365,507	9,551,424
Loss adjustment expense reserves	842,740	753,199
Other expenses	65,255	92,477
Taxes, licenses, and fees	12,424	12,424
Premium refund payable	302,545	302,545
Ceded premiums payable	267,501	267,501
Total liabilities	**10,855,971**	**10,979,569**
Capital and Surplus (Deficit)		
Common stock and contributed surplus	397,466	397,466
Surplus note	600,000	600,000
Unassigned funds	(6,725,256)	(6,796,901)
Total policyholders surplus (deficit)	**(5,727,790)**	**(5,799,435)**
	5,128,181	**5,180,134**

EXHIBIT A

CareConcepts Insurance, Inc., a Risk Retention Group
Statement of Operations
Year Ended December 31, 2017 and Six Months Ended June 30, 2018

	Year Ended December 31, 2017	Six Months Ended June 30, 2018
Net premiums earned	-	-
Loss and LAE incurred	-	-
Other expenses	117,053	75,536
Net underwriting gain (loss)	(117,053)	(75,536)
Net investment income	3,149	3,891
Net realized capital gains (losses)	-	-
Income before taxes	**(113,904)**	**(71,645)**
Income taxes	-	-
Net income (loss)	**(113,904)**	**(71,645)**

CareConcepts Insurance, Inc., a Risk Retention Group
Cash Receipts and Disbursements
August 1, 2016 to June 30, 2018

	8/1/16 to 12/31/16	2017	1/1/18 to 6/30/18	Total 8/1/16 to 06/30/18
Cash receipts:				
Investment income	8,523	3,149	1,884	13,556
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**	**1,884**	**1,911,415**
Cash disbursements:				
Loss and loss adjustment expenses	7,000	90,856	26,171	124,027
Salary and employee benefits	7,258	21,631	17,522	46,410
Special Deputy Liquidator	42,368	117,993	16,912	177,273
Insurance	791	772	-	1,563
Professional fees	7,139	5,600	474	13,213
Rent, rent items and utilities	1,113	2,714	1,195	5,022
Offices supplies, postage and printing	1,888	2,562	1,408	5,859
EDP equipment, software and consulting	10,503	1,389	10,758	22,649
Purchase of investments	2,248	-	-	2,248
Bank charges	698	-	-	698
Publication costs	7,743	-	-	7,743
	88,749	**243,517**	**74,439**	**406,705**
Net change in cash	**1,817,633**	**(240,368)**	**(72,555)**	**1,504,710**
Cash and cash equivalents - beginning of period	228,859	2,046,492	1,806,124	228,859
Cash and cash equivalents - end of period	**2,046,492**	**1,806,124**	**1,733,569**	**1,733,569**

CareConcepts Insurance, Inc., a Risk Retention Group
Asset Listing
June 30, 2018

	June 30, 2018
Assets	
Cash and cash equivalents	1,733,569
Interest income due and accrued	1,960
Premiums receivable	81,473
Amounts recoverable from reinsurers - paid losses	-
Amounts recoverable from reinsurers - ceded reserves	3,363,132
	5,180,134