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FILED

MAR 06 2019

ANGIE SPARKS, Clerk of District Court
By______________Deputy Clerk
AMBER M MULLEN

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 (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 December 31, 2019, financials. (Exhibit A).

Respectfully submitted this 5th day of March, 2019.

MATTHEW ROSENDALE
Commissioner of Securities and Insurance,
Montana State Auditor

BENJAMIN TILLER
Attorney for the Liquidator

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

	December 31, 2017	December 31, 2018
Assets		
Cash and cash equivalents	1,806,124	1,599,774
Interest income due and accrued	-	6,672
Premiums receivable	81,473	81,473
Amounts recoverable from reinsurers - paid losses	-	-
Amounts recoverable from reinsurers - ceded reserves	3,240,584	2,137,906
	5,128,181	**3,825,824**
Liabilities		
Loss reserves	9,365,507	8,200,792
Loss adjustment expense reserves	842,740	774,061
Other expenses	65,255	79,266
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**	**9,636,588**
Capital and Surplus (Deficit)		
Common stock and contributed surplus	397,466	397,466
Surplus note	600,000	600,000
Unassigned funds	(6,725,256)	(6,808,229)
Total policyholders surplus (deficit)	**(5,727,790)**	**(5,810,763)**
	5,128,181	**3,825,824**

CareConcepts Insurance, Inc., a Risk Retention Group
Statement of Operations
Years Ended December 31, 2017 and 2018

	Years Ended December 31, 2017	2018
Net premiums earned	-	-
Loss and LAE incurred	-	-
Other expenses	117,053	103,503
Net underwriting gain (loss)	(117,053)	(103,503)
Net investment income	3,149	20,530
Net realized capital gains (losses)	-	-
Income before taxes	**(113,904)**	**(82,973)**
Income taxes	-	-
Net income (loss)	**(113,904)**	**(82,973)**

CareConcepts Insurance, Inc., a Risk Retention Group
Cash Receipts and Disbursements
August 1, 2016 to December 31, 2018

	8/1/16 to 12/31/16	2017	2018	Total 8/1/16 to 12/31/18
Cash receipts:				
Investment income	8,523	3,149	13,260	24,932
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**	**1,922,791**
Cash disbursements:				
Loss and loss adjustment expenses	7,000	90,856	117,081	214,937
Salary and employee benefits	7,258	21,631	32,525	61,414
Special Deputy Liquidator	42,368	117,993	41,892	202,253
Insurance	791	772	814	2,377
Professional fees	7,139	5,600	474	13,213
Rent, rent items and utilities	1,113	2,714	2,686	6,513
Offices supplies, postage and printing	1,888	2,562	3,128	7,579
EDP equipment, software and consulting	10,503	1,389	21,010	32,901
Purchase of investments	2,248	-	-	2,248
Bank charges	698	-	-	698
Publication costs	7,743	-	-	7,743
	88,749	**243,517**	**219,610**	**551,876**
Net change in cash	**1,817,633**	**(240,368)**	**(206,350)**	**1,370,914**
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**	**1,599,774**	**1,599,774**

CareConcepts Insurance, Inc., a Risk Retention Group
Asset Listing
December 31, 2018

	December 31, 2018
Assets	
Cash and cash equivalents	1,599,774
Interest income due and accrued	6,672
Premiums receivable	81,473
Amounts recoverable from reinsurers - paid losses	-
Amounts recoverable from reinsurers - ceded reserves	2,137,906
	3,825,824