

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MARION

STATE OF OREGON, Acting by and through
Patrick Allen, Director of the Oregon
Department of Consumer and Business Services,

Plaintiff,

Case No. 16CV22052

ORDER AMENDING
REHABILITATION PLAN

v.

OREGON’S HEALTH CO-OP, an Oregon
nonprofit corporation,

Defendant.

18 THIS MATTER having come before the court on the motion of Patrick Allen, Director of
19 Oregon Department of Consumer and Business Services, as Receiver of Oregon’s Health Co-Op
20 (OHC), to amend the plan of rehabilitation, no objections having been filed, and the court being
21 fully advised, it is hereby ordered that the plan is amended in the following respects:

22 **A. CLAIMS**

23
24 1. As outlined in the Plan of Rehabilitation and approved by the court, the Receiver
25 will evaluate the claims filed. The Receiver will pay 100% of the contracted rate
26 for services provided during the receivership, on or after July 11, 2016 and prior

1 to the cancellation of policies on July 31, 2016. The Receiver will also pay an as-
2 yet undetermined amount for claims for services provided prior to July 11, 2016.

- 3 2. The review and approval process for the OHC claims will result in a delay of
4 payments to both providers and members that is in conflict with the prompt
5 payment of claims provisions of ORS 743B.450.
- 6 3. In the event that an insurer fails to pay a provider within the timelines established
7 in ORS 743B.450, ORS 743B.452 requires the payment of interest.
- 8 4. Due to the uncertainty of the total amount of assets ultimately available for the
9 payment of claims, the Receiver will defer the payment of interest under ORS
10 743B.452 on any claims paid outside the timelines established in ORS 743B.450
11 until after all claims provided for under ORS 734.360(6) have been paid in full.

12 **B. REINSURANCE**

- 13
- 14 5. PartnerRe Ltd. is a reinsurer for OHC policies for the 2016 policy year. The
15 agreement between OHC and PartnerRe Ltd. specifies that PartnerRe Ltd. is
16 responsible for a portion of the claims of an individual member that exceed
17 \$500,000 during the policy year.
- 18 6. Due to the large number of claims anticipated to be filed before October 31, 2016
19 to meet the claims submission deadline the Receiver anticipates a more extended

20 ///

21 ///

22 ///

23 ///

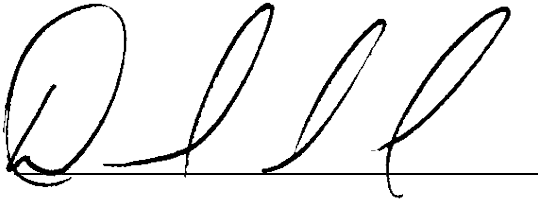
24 ///

25 ///

26 ///

1 period of time required to report all claims to PartnerRe Ltd. The Receiver will
2 submit its claims to PartnerRe Ltd. within a reasonable time consistent with the
3 provisions of Article X of Agreement Number: P0312920201 between OHC and
4 PartnerRe Ltd.

5
6
7
8
9 Signed: 11/3/2016 03:12 PM



Circuit Court Judge David Leith

10 SUBMITTED BY:

11 Carolyn G. Wade #832120
12 Senior Assistant Attorney General
13 Of Attorneys for Plaintiff
14 Department of Justice
15 1162 Court Street NE
16 Salem, OR 97301-4096
17 Telephone: (503) 934-4400
18 Facsimile: (503) 373-7067
19 E-mail: carolyn.g.wade@doj.state.or.us

1 **CERTIFICATE OF READINESS**

2 This proposed order is ready for judicial signature because:

3 1. [] Each opposing party affected by this order or judgment has stipulated to the order
4 or judgment, as shown by each opposing party's signature on the document being
submitted.

5 2. [] Each opposing party affected by this order or judgment has approved the order or
6 judgment, as shown by signature on the document being submitted or by written
confirmation of approval sent to me.

7 3. [] I have served a copy of this order or judgment on all parties entitled to service and
8 provided written notice of the objection period, and:

9 a. [] No objection has been served on me as of the date below.

10 b. [] I received objections that I could not resolve with the opposing party
11 despite reasonable efforts to do so. I have filed with the court a copy of the
objections I received and indicated which objections remain unresolved.

12 c. [] After conferring about objections, [*role and name of opposing party*]
13 agreed to file any remaining objection with the court by [*date*], which
predated my submission.

14 4. [] The relief sought is against an opposing party who has been found in default.

15 5. [] An order of default is being requested with this proposed judgment.

16 6. [X] Service is not required pursuant to UTCR 5.100(3), or by statute, rule, or
otherwise.

17 7. [] This is a proposed judgment that includes an award of punitive damages and
18 notice has been served on the Director of the Crime Victims' Assistance Section
as required by UTCR 5.100(4).

19
20 Dated: 11/3/16

s/ Carolyn G. Wade
Carolyn G. Wade #832120
Senior Assistant Attorney General

1 CERTIFICATE OF SERVICE BY MAIL

2 I certify that on November 3, 2016, I served the foregoing Order Amending
3 Rehabilitation Plan upon the parties hereto by mailing, regular mail, postage prepaid, a true,
4 exact and full copy thereof to:

5 Oregon’s Health Co-Op
6 220 NW 2nd Ave, Suite 600
Portland, OR 97209

7 Oregon’s Health Co-Op
8 P.O. Box 40087
Portland, OR 97240

9
10
11
12 s/ Carolyn G. Wade
Carolyn G. Wade # 832120
13 Senior Assistant Attorney General
14
15
16
17
18
19
20
21
22
23
24
25
26