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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,

v.

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

Defendant.

Case No. 16CV22052

**ORDER AUTHORIZING LIQUIDATION
AND APPROVING RECEIVER'S
LIQUIDATION PLAN**

THIS MATTER came before the Court on the motion of the Receiver for authority to
liquidate Oregon's Health Co-Op ("OHC") and to approve the Receiver's Liquidation Plan.

Based on the motion and supporting materials and the Court file and record,

IT IS HEREBY ORDERED that the Receiver's motion is granted and that:

1. OHC is declared to be insolvent and eligible for liquidation pursuant to ORS 734.170(4).
2. Patrick Allen, as Director of the Oregon Department of Consumer Services, (hereinafter, "the Receiver") and the Special Deputy Receiver are authorized and directed to commence liquidation of OHC pursuant to the requirements and procedures in ORS chapter 734 and the Liquidation Plan dated February 28, 2017 ("Liquidation Plan") filed with the Court as part of the Receiver's affidavit.

1 3. The Liquidation Plan is approved and the Receiver and Special Deputy Receiver
2 may take all reasonable steps and actions in furtherance of the plan.

3 4. The Receiver is authorized to refund premiums to former members who provided
4 notice of cancellation of their OHC policy prior to the effective date of cancellation and who can
5 demonstrate that they obtained health insurance coverage with a different insurer;

6 5. The Receiver may offset the claims of providers or members against OHC by the
7 amount of any overpayments made to the provider or member.
8

9 6. All unpaid fees for the services of Risk & Regulatory Consulting LLC as of the date
10 this liquidation order is entered are approved as reasonable expenses of the delinquency
11 proceedings.

12 7. The deadline for submission of claims against OHC is September 30, 2017, and the
13 Receiver shall provide notice to potential claimants in accordance with the requirements of ORS
14 chapter 734.
15

16 8. The Receiver may prohibit any further changes to OHC's enrollment records as of
17 April 30, 2017.

18 9. Valent Health shall comply with all requests for data related to OHC made by
19 either the Receiver or Special Deputy Receiver;

20 10. Any credit card processor or premium processor that has in its possession or
21 control premiums or other funds belonging to OHC shall provide a written report to the Receiver
22 within 15 days of the entry of this liquidation order with the following information:
23

24 a. The total amount of premiums or other funds withheld from the Receiver since
25 the date of the entry of the order of rehabilitation;

1 b. A listing of any premiums or other funds disbursed from the amounts
2 withheld, including complete identification of the party receiving the disbursement, the date of
3 the disbursement, and a justification for the disbursement;

4 c. A justification for the amount of premiums or other funds currently being
5 withheld from the Receiver;

6 d. Any fees assessed as a result of withholding the funds; and

7 e. The date by which all remaining premiums or other funds withheld will be
8 turned over to the Receiver.
9

10 11. The Receiver is authorized to recover from Portland Office Partners LLC c/o
11 Menlo Equities all funds belonging to OHC, including any security deposits.

12 12. The Receiver and Special Deputy Receiver shall continue to have all other
13 authority granted in the Stipulated Order Appointing Receiver entered by the Court on July 13,
14 2016. Further, the Court shall retain jurisdiction over this matter to consider any other matters
15 with respect to OHC's liquidation and the winding up of its affairs.
16
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20 Signed: 3/2/2017 11:48 AM



21 **Circuit Court Judge David Leith**

22 Submitted by:

23 Daniel J. Rice, OSB #084536
24 Assistant Attorney General
25 Attorney for Receiver
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CERTIFICATE OF READINESS

This proposed order is ready for judicial signature because:

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

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

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

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

b. [] I received objections that I could not resolve with the opposing party 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.

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

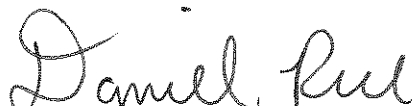
4. [] The relief sought is against an opposing party who has been found in default.

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

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

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

Dated: 3/1/2017



Daniel J. Rice, OSB #084536
Assistant Attorney General