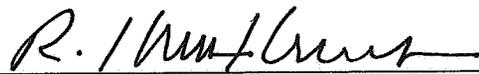


Respectfully submitted,

RICHARD CORDRAY
Attorney General of Ohio

By Outside Counsel:
KEGLER, BROWN, HILL & RITTER, CO. L.P.A.

By: 

R. Kevin Kerns (0021781)
Richard W. Schuermann, Jr. (0032546)
65 E. State Street, Suite 1800
Columbus, Ohio 43215
Telephone: (614) 462-5400
Facsimile: (614) 464-2634
kkerns@keglerbrown.com
rschuermann@keglerbrown.com

*Attorneys for Mary Jo Hudson, in
her capacity as Liquidator of
DayMed Health Maintenance Plan,
Inc.*

MEMORANDUM IN SUPPORT

On March 4, 1999, the Court ordered DayMed Health Maintenance Plan, Inc. (“DayMed”) into liquidation under O.R.C. Chapter 3903 by order of the Court of Common Pleas of Franklin County, Ohio (the “Liquidation Order”) in a proceeding captioned *David S. Meyer, Interim Superintendent of Insurance, Ohio Department of Insurance vs. DayMed Health Maintenance Plan, Inc.*, Case No. 99CVH03-01866. The Liquidation Order and O.R.C. § 3903.48 grant the Ohio Superintendent of Insurance, in her capacity as statutory liquidator of DayMed (the “Liquidator”), the authority to determine when company records are no long useful and “...recommend to the court and the court shall direct what records should be retained for future reference and what should be destroyed.” O.R.C. § 3903.48.

As part of the routine administration of liquidation estates, the Liquidator stores records that were placed in storage by the insolvent company prior to liquidation, records that were onsite at the company at the time of liquidation and are subsequently moved to the Liquidator’s storage facility, and records and documents that were generated, gathered or received as part of the liquidation process. (See Affidavit of Chief Deputy Liquidator Lynda G. Loomis attached hereto and as Exhibit 1 (“Loomis”), ¶ 3). As the liquidation proceeds, the Liquidator analyzes whether or not the records are needed and/or useful in the administration of the particular liquidation estate. (Loomis ¶ 4) The Liquidator has conducted such an analysis of the list of documents provided in Exhibit A, attached, and now seeks an order of destruction for the same.

The Liquidator seeks the requested relief because she no longer requires these records to administer the DayMed liquidation estate. The records the Liquidator requests and recommends be destroyed are no longer useful. (Loomis ¶ 5 and O.R.C. § 3903.48)

In furtherance of her statutory and fiduciary duties, the Liquidator seeks to conserve estate assets by destroying useless records now. By destroying the records detailed in Exhibit A, located in Columbus, Ohio, the Liquidator can save expenses by vacating a warehouse whose lease expires June 30, 2009. (Loomis at ¶ 8)

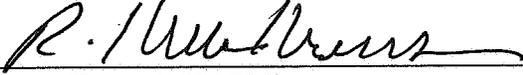
The Liquidator has reviewed the inventory of the documents stored in Columbus, and found none of these pre-liquidation documents necessary for the ongoing estate administration. The records were all placed in storage by the company officials prior to liquidation and have not been accessed by the Liquidator. None of these records are being used in the claims adjudication process. (Loomis ¶ 6) None of these records benefit the policyholders, creditors or general public. (Loomis ¶ 7) The records must be destroyed at some point and, by doing so now, the estate will save storage costs. (Loomis ¶¶ 7 and 8) The estimated destruction expense of approximately \$500.00 can be paid now rather than being reserved for later.

For the reasons stated above, the Liquidator respectfully requests that this Court enter an Order pursuant to the Liquidation Order and O.R.C. § 3903.48, which authorizes her to determine when records are no longer useful and to petition the court for an order of destruction. Specifically, the Liquidator seeks an Order directing the destruction of DayMed records that are stored at 3731 Interchange Road, Columbus, Ohio because the records are no longer useful to administering the DayMed liquidation estate, and authorizing the Liquidator to spend estate assets for such destruction.

Respectfully submitted,

RICHARD CORDRAY
Attorney General of Ohio

By Outside Counsel:
KEGLER, BROWN, HILL & RITTER, CO. L.P.A.

By: 

R. Kevin Kerns (0021781)
Richard W. Schuermann, Jr. (0032546)
65 E. State Street, Suite 1800
Columbus, Ohio 43215
Telephone: (614) 462-5400
Facsimile: (614) 464-2634
kkerns@keglerbrown.com
rschuermann@keglerbrown.com

*Attorneys for Mary Jo Hudson, in
her capacity as Liquidator of
DayMed Health Maintenance Plan,
Inc.*

EXHIBIT 1

**IN THE COMMON PLEAS COURT OF
FRANKLIN COUNTY, OHIO**

MARY JO HUDSON, Ohio Superintendent of Insurance, in her capacity as Liquidator of DayMed Health Maintenance Plan, Inc.,	:	
	:	
Plaintiff,	:	
	:	
v.	:	Case No. 99CVH03-01866
	:	
DayMed Health Maintenance Plan, Inc.,	:	Judge John F. Bender
	:	
Defendant.	:	

AFFIDAVIT

STATE OF OHIO)
) SS:
COUNTY OF FRANKLIN)

Affiant, Lynda G. Loomis, being duly sworn in accordance with law, deposes and states as follows:

1. I am Chief Deputy Liquidator of The Office of the Ohio Insurance Liquidator as appointed by Mary Jo Hudson, Superintendent for the Ohio Department of Insurance.
2. In my capacity as Chief Deputy Liquidator, I supervise those employees of the Liquidator who have custody of and are responsible for maintaining the documents of the DayMed Health Maintenance Plan, Inc. ("DayMed") liquidation estate.
3. As part of the routine administration of liquidation estates, the Liquidator stores records that were placed in storage by the insolvent company prior to liquidation, records that were onsite at the company at the time of liquidation and are subsequently moved to the Liquidator's various storage facilities, and records and documents that were generated, gathered or received as part of the liquidation process.

4. As the liquidation proceeds, an analysis is done as to whether or not the records are needed and/or useful in the administration of the particular liquidation estate.

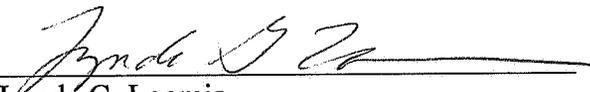
5. To the best of my knowledge and belief the records listed on Exhibit A are no longer useful to the administration of the DayMed estate.

6. None of the records listed on Exhibit A are being used in the claims adjudication process.

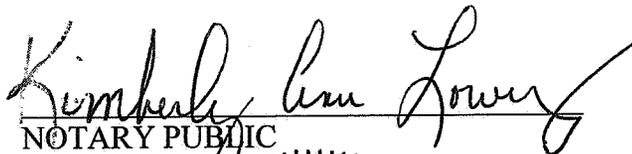
7. None of the records recommended for destruction benefit the policyholders, creditors or general public and they are a drain on the assets of DayMed.

8. If the Liquidator is allowed to destroy these documents now the estate will save money by consolidating any remaining DayMed records necessary to estate business to other storage facilities, thereby eliminating storage costs at a warehouse whose lease is expiring June 30, 2009.

FURTHER AFFIANT SAYETH NAUGHT.


Lynda G. Loomis
Chief Deputy Liquidator

SWORN TO BEFORE ME AND SUBSCRIBED in my presence this 2nd day of June, 2009.


NOTARY PUBLIC



Kimberly Ann Lowry
Notary Public, State of Ohio
My Commission Expires
3-28-11

EXHIBIT A
DayMed Files 1992 and Prior

1966-89 Personal Files
1985-87 Timecards
1986 Accounts Payable
1986 Accounts Payable
1986-90 Appeals
1987 A/P Reports
1987 A/P Reports
1987 Accounts Distribution Analysis
1987 Accounts Payable
1987 Accounts Payable
1987 Accounts Payable (A-D)
1987 Accounts Payable (E-M)
1987 Active Files
1987 AP Files
1987 Budget Reports
1987 Cash Disbursements
1987 Cash Requirements
1987 Claims Files
1987 IBNR Reports
1987 P/R
1987 Pharmacy Records
1987 Purchase Journal
1988 Accounts Payable (A-G)
1988 Accounts Payable (H-P)
1988 Accounts Payable (Q-Z)
1988 Cash Requirements (Jan-June)
1988 Cash Requirements/Disbursements
1988 Commercial Groups
1988 Commercial Groups
1988 Commercial Groups (A-C)
1988 Disenrolled Groups (Ga-Go)
1988 Distribution Analysis
1988 ODHS
1988 ODHS
1988 P/R

EXHIBIT A
DayMed Files 1992 and Prior

1988 Purchase Journals
1988 Reinsurance Files
1988 Reinsurance Files
1988 Remittance Advice
1988 Remittance Advice
1988 Remittance Advice
1988 Year End Tapes (4)
1988-89 Timecards
1988-90 Claims Files
1989 Accounts Payable (A-F)
1989 Accounts Payable (G-H)
1989 Accounts Payable (I-Q)
1989 Accounts Payable (R-Z)
1989 Aged Open Accounts Payable
1989 Aged Open Receivables
1989 Canceled Checks
1989 Cash/Deposit Records
1989 Change Journal
1989 Claims Files
1989 Claims Forms
1989 Claims Forms
1989 Claims Lag Reports
1989 Commercial Group Files (G-M)
1989 Commercial Groups
1989 Commercial Groups (D-F)
1989 Commercial Groups (N-Z)
1989 Commercial Purchase Journals
1989 Disbursement Journals (July-Dec)
1989 Disenrolled Groups
1989 Disenrolled Groups
1989 Disenrolled Groups (A-Z)
1989 Medicaid Claims/Consolidations
1989 Medicaid Disbursement Journals
1989 Medicaid Purchase Forms
1989 Mrs. Pears Personal Files

EXHIBIT A
DayMed Files 1992 and Prior

1989 P/R
1989 Purchase Journals
1989 Remittance Advice
1989 Remittance Advice
1989 Sales Journal
1989-91 FPC Records
1990 Accounts Payable (A-C)
1990 Accounts Payable (A-D)
1990 Accounts Payable (C-G)
1990 Accounts Payable (P-Z)
1990 Accounts Receivable (H-O)
1990 Active Files
1990 Aged Open Accounts Receivable
1990 Aged Open Payables
1990 Capitation Reports
1990 Cash Receipts/Deposit Records
1990 Claims Files
1990 Commercial Disbursement Journals
1990 Commercial Groups (A-D)
1990 Commercial Groups (D-K)
1990 Commercial Groups (N-Z)
1990 Disbursement Journal (Feb, July, Aug)
1990 Disbursement Journals
1990 Disenrolled Files
1990 Disenrolled Groups
1990 Disenrolled Groups (A-C)
1990 Disenrolled Groups (D-Z)
1990 Inactive Subscribers
1990 Medicaid Disbursement Journal
1990 Medicaid Disbursement Journal (Mar-Sept)
1990 Medicaid Files
1990 Medicaid Purchase Journal
1990 Medicaid Purchase Journal (Aug-Nov)
1990 Medicaid Purchase Journal (Jan-Mar)
1990 Monthly Reports

EXHIBIT A
DayMed Files 1992 and Prior

1990 ODHS Closure Forms
1990 P/R
1990 Purchase Journal (Jan- Oct)
1990 Purchase Journal (Nov, Dec)
1990 Reinsurance Files
1990 Reinsurance Files
1990 Voided Dental Checks
1990-91 Master List
1990-91 Medical Reinsurance
1990-92 Medicaid Reinsurance
1991 Administration Historical Records
1991 Accounts Payable (E-K)
1991 Accounts Payable (L-R)
1991 Accounts Payable (S-Z)
1991 Active Medicaid Files
1991 Appeals
1991 APS Groups
1991 Capitation Reports
1991 Capitation Reports
1991 Cash Receipt/Deposit Records
1991 Cash Reconciliation
1991 Claims Files
1991 Commercial Aged Open Payables
1991 Commercial Groups (A-E)
1991 Commercial Groups (F-M)
1991 Delta Files
1991 Disbursement Journal (Jan, Feb)
1991 Disbursement Journals
1991 Disenrolled Commercial Groups (A-V)
1991 Disenrolled Groups (R-Z)
1991 Distribution Journal
1991 F/S Support
1991 Financial Statements
1991 Medicaid Disbursement Journals
1991 Personal Files

EXHIBIT A
DayMed Files 1992 and Prior

1991 Printouts
1991 Purchase Journal
1991 Purchase Journals
1991 Purchase Journals
1991 Purchase Journals
1991 Purchase Journals (Aug-Sept)
1991 Reinsurance Files
1991 Reinsurance Files
1991 Subrogation
1991 Subrogation
1991 Timecards
1992 Accounts Payable (A-F)
1992 Accounts Payable (G-Q)
1992 Accounts Payable (R-Z)
1992 AP Service
1992 APS Groups
1992 Claims Files
1992 Claims Files
1992 Commercial Groups (I-P)
1992 Commercial Groups (P-V)
1992 Commercial Purchase Journals
1992 Commercial Reinsurance
1992 Delta Memos
1992 Disenrolled Groups
1992 Encounters
1992 F/S Support
1992 Medicaid Cash Receipts
1992 Medicaid Purchase Journals (Jan-June)
1992 Purchase Requisitions
1992 Utilization Review