

IN THE COURT OF COMMON PLEAS, FRANKLIN COUNTY, OHIO

MARY JO HUDSON :  
Ohio Superintendent of Insurance, :  
in her Capacity as Liquidator of :  
DayMed Health Maintenance Plan, Inc., :  
Plaintiff, :  
vs. :  
DayMed Health Maintenance Plan, Inc., :  
Defendant. :

Case No. 99CVH03-01866

Judge Bender

FILED  
COMMON PLEAS COURT  
FRANKLIN CO. OHIO  
2009 JUL 15 AM 9:31  
CLERK OF COURTS

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REPORT ON STATUS OF LIQUIDATOR'S CLOSING PLAN

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I. INTRODUCTION

The following report is filed in order to apprise the Court and claimants in the DayMed Health Maintenance Plan, Inc. ("DayMed") liquidation case of the status of the remaining matters in this case. On March 4, 1999, the Plaintiff filed a Complaint for Liquidation and obtained a Liquidation Order against DayMed. At that time, the Court also ordered that December 31, 1999 was the deadline for filing proofs of claims against DayMed (the "bar date"). The Liquidator received approximately 2250 proofs of claims as of the bar date. Since then, the Liquidator adjudicated and determined the vast majority of those claims pursuant to Ohio R.C. 3903.35, *et seq* and completed asset recovery.

The Liquidator established a Closing Plan in 2009 to close the DayMed estate and make one final distribution to claimants. Substantial progress has been made and continues to be made toward the Closing Plan, the status of which is outlined below.

Although the Liquidator cannot precisely determine the Estate's exact claims liability and corresponding exact distribution percentage until all remaining claims and other active matters in the liquidation are finally resolved, the Liquidator presently estimates that she will file a motion for authority to make one final distribution to claimants on or before October 31, 2010. The Liquidator presently estimates that she will pay 100% of allowed claims in classes 1 through 4. The Liquidator presently estimates that the percentage she will pay on allowed class 5 claims will be in the 65% range. The Liquidator does not expect to make any distributions to claimants in classes 6 through 9. These estimates might change prior to the actual distribution and closing dates. If they do, the actual pro-rata distributions will be reflected in the Liquidator's Motion for order Approving Final Report of Claims to be filed at or near the time of the final distribution of assets of the DayMed estate.

## **II. STATUS OF CLOSING PLAN**

### **A. Resolution of Outstanding Proofs of Claims**

As of January 1, 2010, the Liquidator adjudicated all but approximately forty (40) of the timely-filed proofs of claims. This Court has resolved all timely-filed, unresolved objections to the Liquidator's claims determinations, except of course for the approximately 40 pending claims that the Liquidator determined after January 1, 2010. Objection hearings are currently scheduled for July 16, 2010 and August 20, 2010 to hear objections that may be filed and unresolved as of those dates. The Liquidator will request that a final claims objection hearing be scheduled for sometime after September 20, 2010 to hear remaining unresolved objections, if any. The status of the remaining claims is:

| <u>Claim No.</u> | <u>Objection Hearing</u>                    |
|------------------|---|
| 343134           | July 16, 2010 at 9:00 a.m.                  |
| 343135           | July 16, 2010 at 9:00 a.m.                  |
| 366682           | July 16, 2010 at 9:00 a.m.                  |
| 334261           | July 16, 2010 at 9:00 a.m.                  |
| 3499938          | August 20, 2010                             |
| 361674           | TBD - objection deadline is August 30, 2010 |
| 358949           | TBD - objection deadline is August 30, 2010 |
| 357135           | TBD - objection deadline is August 30, 2010 |
| 369319           | TBD - objection deadline is August 30, 2010 |
| 367488           | TBD - objection deadline is August 30, 2010 |
| 365110           | TBD - objection deadline is August 30, 2010 |
| 364726           | TBD - objection deadline is August 30, 2010 |
| 363617           | TBD - objection deadline is August 30, 2010 |
| 362782           | TBD - objection deadline is August 30, 2010 |
| 361742           | TBD - objection deadline is August 30, 2010 |
| 369351           | TBD - objection deadline is August 30, 2010 |
| 360971           | TBD - objection deadline is August 30, 2010 |
| 350831           | TBD - objection deadline is August 30, 2010 |
| 351666           | TBD - objection deadline is August 30, 2010 |
| 348908           | TBD - objection deadline is August 30, 2010 |
| 349122           | TBD - objection deadline is August 30, 2010 |
| 350762           | TBD - objection deadline is August 30, 2010 |

|        |   |
|--------|---|
| 345898 | TBD - objection deadline is August 30, 2010 |
| 343299 | TBD - objection deadline is August 30, 2010 |
| 361266 | TBD - objection deadline is August 30, 2010 |
| 359060 | TBD - objection deadline is August 30, 2010 |
| 357445 | TBD - objection deadline is August 30, 2010 |
| 367512 | TBD - objection deadline is August 30, 2010 |
| 367357 | TBD - objection deadline is August 30, 2010 |
| 369348 | TBD - objection deadline is August 30, 2010 |
| 369354 | TBD - objection deadline is August 30, 2010 |
| 369371 | TBD - objection deadline is August 30, 2010 |
| 369424 | TBD - objection deadline is August 30, 2010 |
| 369425 | TBD - objection deadline is August 30, 2010 |
| 369426 | TBD - objection deadline is August 30, 2010 |
| 369427 | TBD - objection deadline is August 30, 2010 |
| 358022 | TBD - objection deadline is Sept. 7, 2010   |
| 369327 | TBD - objection deadline is Sept.7, 2010    |
| 369420 | TBD - objection deadline is Sept. 13, 2010  |
| 369419 | TBD - objection deadline is Sept. 13, 2010  |

**B. Undeliverables Report**

On or around August 9, 2010, the Liquidator will file a report of those claimants to whom the Liquidator's notice of determination of claims has been returned because the claimants did not notify the Liquidator of a change of address and because the Liquidator cannot

otherwise locate the claimants. If the claims have value, the Liquidator will request that the funds allocated to pay those claims be designated "unclaimed funds" pursuant to R.C. 3903.45(A).

**C. Federal Release**

The Liquidator anticipates filing a standard motion on or around August 10, 2010 requesting an Order approving the Release Agreement entered into with the United States pertaining to Class 3 claims of the federal government.

**D. Final Closing Reports and Motions**

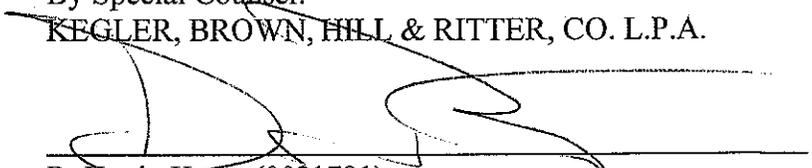
The Liquidator anticipates filing her Motion requesting Approval of Final Report of Claims, Reserve for Future Administrative Expenses and Authorizing Final Distribution and other associated closing papers on or around October 1, 2010.

Respectfully submitted,

RICHARD CORDRAY  
Attorney General State of Ohio

By Special Counsel:

~~KEGLER, BROWN, HILL & RITTER, CO. L.P.A.~~



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