



**MEMORANDUM IN SUPPORT**

This Motion is brought by the Liquidator requesting that this Court approve the Statement of Receipts and Disbursements of the Liquidator for the period January 1, 2007 to June 30, 2007. These receipts and expenditures are described and set forth in the attached Exhibit A.

By Order of this Court entered on November 6, 2002, the Ohio Superintendent of Insurance was appointed Liquidator of Renaissance Health Plan, Inc., ("RHP") and was empowered, authorized and directed to liquidate all of the property and assets of RHP in accordance with the laws of Ohio and under the continuing jurisdiction of this Court. As part of the liquidation, the Liquidator collects all debts and moneys due RHP, and makes payment of necessary expenses. R.C. 3903.21(A)(4) provides, in pertinent part, that the Liquidator may:

Pay reasonable compensation to persons appointed and defray from the funds or assets of the insurer all expenses of taking possession of, conserving, conducting, liquidating, disposing of or otherwise dealing with the business and property of the insurer.

Section 3903.42(A) of the Ohio Revised Code provides that the expenses of administration be given first priority in the distribution of assets.

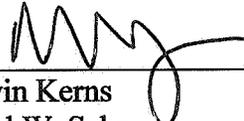
The Liquidator is also required by R.C. 3903.18(E) to periodically account to the Court, throughout the pendency of the RHP liquidation proceeding, to be submitted in the form attached hereto as Exhibit A. Such accountings may assist the Court in monitoring the progress and status of the liquidation, and in particular, the receipts and disbursements in the RHP liquidation proceedings.

WHEREFORE, for the reasons outlined above, the Liquidator respectfully requests the Court to approve the attached Statement of Receipts and Disbursements of the Liquidator for the period January 1, 2007 to June 30, 2007.

Respectfully submitted,

MARC DANN  
Attorney General State of Ohio

By Outside Counsel:  
KEGLER, BROWN, HILL & RITTER  
A Legal Professional Association



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Plan, Inc.

**EXHIBIT A**

**RENAISSANCE HEALTH PLAN, INC., IN LIQUIDATION**  
**LIQUIDATION DATE NOVEMBER 6, 2002**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**CUMULATIVE FROM NOVEMBER 6, 2002 THROUGH JUNE 30, 2007**

	<b>Current Period 1/1/2007 TO 6/30/2007</b>	<b>CUMULATIVE FROM 11/06/02</b>
<b>Beginning Cash &amp; Invested Assets (Note 1)</b>	<b>2,756,626.70</b>	<b>3,042,454.53</b>
Receipts:		
Interest Income (Note 2)	67,211.40	355,700.70
Reimbursement of Paid Claims (Note 3)	191.40	96,033.08
Premiums Collected	0.00	141,560.57
Reinsurance Recoveries	0.00	33,278.08
Unearned Commissions Collected	0.00	372.75
Proceeds from Sale of Furniture & Equipment	0.00	19,596.99
Proceeds from Class Action Lawsuit (Note 4)	1,449.19	28,037.22
Recovery of Preference Payments	0.00	2,000,000.00
Capitation Refunds	0.00	3,676.19
Proceeds from Cleveland Voided Payroll Checks	0.00	6,914.38
Reimbursements of Cobra Premium Payments	0.00	5,402.88
Salvage & Subrogation	0.00	55,329.53
Postage Refund	0.00	7,009.91
Tax Refunds	0.00	2,542.76
Recovery of Rx America Receivable - Akron City Health Systems	0.00	64,243.32
ACLIC Settlement Deposited in Error	0.00	15,259.28
Insurance Recovery - Theft of Computer \ Equipment	0.00	385.91
Other Income	0.00	33,933.71
<b>Total Receipts</b>	<b>68,851.99</b>	<b>2,869,277.26</b>
Disbursements:		
Compensation:		
Salaries (Note 5)	46,509.79	1,044,164.51
Employee Benefits (Note 6)	6,029.36	77,156.34
Payroll and Other Taxes (Note 7)	3,809.09	77,604.44
Professional Fees:		
Legal Fees (Note 8)	43,534.13	1,009,394.33
Consulting Fees and Other Outside Contracts (Note 9)	115,359.33	565,959.35
Tax Preparation and Audit Fees (Note 10)	13,321.87	27,286.62
Other Expenses of Administration of Company and its Property:		
Rent and Rent Items (Note 11)	12,849.06	200,988.12
Equipment Expenses (Note 12)	235.38	44,502.87
Travel and Travel Items (Note 13)	2,537.09	113,224.24
Postage, Freight and Telephone (Note 14)	439.33	73,265.66
Office Supply Expense (Note 15)	163.66	11,039.60
Data Processing (Note 16)	35,801.16	328,121.94
Other Expenses (Note 17)	484.68	147,143.15
All Other Disbursements:		
Return Overpayment of Premium	0.00	10,971.23
Payment to ACLIC for Deposit made in Error	0.00	15,259.28
<b>Total Disbursements</b>	<b>281,073.93</b>	<b>3,746,081.68</b>
Recovery of Statutory Deposit ( Certificate of Deposit ) OH	0.00	378,754.65
<b>Ending Cash &amp; Invested Assets (Note 1)</b>	<b>2,544,404.76</b>	<b>2,544,404.76</b>

See Schedule A for Analysis of Increase in Cash and Invested Assets (Unencumbered)

**RENAISSANCE HEALTH PLAN, INC., IN LIQUIDATION  
LIQUIDATION DATE NOVEMBER 6, 2002  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007**

**SCHEDULE A**

<b>Beginning Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 12/31/06</b>	<b>2,756,626.70</b>
<b>Decrease in Cash and Invested Assets (Unencumbered)</b>	<b><u>(212,221.94)</u></b>
<b>Actual Decrease in Cash and Invested Assets (Unencumbered)</b>	<b>(212,221.94)</b>
<b>Non Cash Assets (Encumbered) Amortization of Premium/Discount</b>	<b><u>0.00</u></b>
<b>Ending Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 06/30/07</b>	<b><u><u>2,544,404.76</u></u></b>

RENAISSANCE HEALTH PLAN, INC., IN LIQUIDATION  
LIQUIDATION DATE NOVEMBER 6, 2002  
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007

Note 1	<u>Cash and Invested Assets</u>	Beginning Balance 12/31/06	Ending Balance 06/30/07
<b>Unencumbered Cash &amp; Invested Assets</b>			
	Cash	5,626.70	5,404.76
	Repurchase Agreements	2,751,000.00	2,539,000.00
	Bonds / T-Bill at Amortized Value	0.00	0.00
	<b>Total Unencumbered Cash &amp; Invested Assets</b>	<b>2,756,626.70</b>	<b>2,544,404.76</b>
<b>Encumbered Non Cash Assets</b>			
		0.00	0.00
	<b>Total Encumbered Non Cash Assets</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Cash and Invested Assets and Non Cash Assets</b>	<b>2,756,626.70</b>	<b>2,544,404.76</b>
Note 2	<u>Interest Income</u>		
	Interest on Repos	67,211.40	
	<b>Total Interest Income</b>	<b>67,211.40</b>	
Note 3	<u>Reimbursement of Paid Claims</u>		
	AIM Healthcare Services	191.40	
	<b>Total Reimbursement of Paid Claims</b>	<b>191.40</b>	
Note 4	<u>Proceeds from Class Action Lawsuit</u>		
	Settlement - Relafen Antitrust Litigation	682.71	
	Settlement - Remeron Drug Settlement	766.48	
	<b>Total Proceeds from Class Action Lawsuit</b>	<b>1,449.19</b>	
Note 5	<u>Salaries</u>		
	Chief Deputy Liquidator	1,701.29	
	Deputy Liquidators	20,300.59	
	Employee Salaries	24,507.91	
	<b>Total Salary Expense</b>	<b>46,509.79</b>	
Note 6	<u>Employee Benefits</u>		
	Salaries 401K Employer Contribution	1,137.04	
	Employee Insurance Benefits	4,862.59	
	Employee Relations Other	29.73	
	<b>Total Employee Benefits Expense</b>	<b>6,029.36</b>	

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**NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007**

<b>Note 7</b>	<b><u>Payroll and Other Taxes</u></b>	
	Workers' Compensation Insurance	111.66
	State Unemployment Tax	188.30
	Federal Unemployment Tax	73.89
	FICA Tax	3,435.24
	Total Payroll and Other Tax Expense	<u><u>3,809.09</u></u>
<b>Note 8</b>	<b><u>Legal Fees</u></b>	
	<b><u>Special Counsel</u></b>	
	Kegler, Brown, Hill & Ritter	41,612.50
		<u>41,612.50</u>
	<b><u>Legal Counsel</u></b>	
	Kegler, Brown, Hill & Ritter	24.38
		<u>41,636.88</u>
	<b><u>Legal Expenses</u></b>	
	Kegler, Brown, Hill & Ritter	1,897.25
		<u>1,897.25</u>
	Total Legal Fees & Expenses	<u><u>43,534.13</u></u>
<b>Note 9</b>	<b><u>Consulting Fees and Other Outside Contracts</u></b>	
	ADP- Payroll Processing Fees	89.40
	Kim Burnside - POC Admin. Consultant	307.93
	ASC HR Solution - f/k/a HCBR - Claim System Consultant	114,957.00
	1099 Connection - Governmental Reporting	5.00
	Total Consulting Fees and Other Outside Contracts	<u><u>115,359.33</u></u>
<b>Note 10</b>	<b><u>Tax Prep and Audit Fees</u></b>	
	Audit Fees 2003 - 2006	1,646.00
	Research on 2001 Tax Return Filing	6,897.19
	2002 Tax Return Preparation	2,000.00
	Research on Income from Discharge of Indebtedness and Proper Filing Status of an Insolvent Estate.	2,778.68
	Total Tax Prep and Audit Fees	<u><u>13,321.87</u></u>
<b>Note 11</b>	<b><u>Rent and Rent Items</u></b>	
	Rent on Leased Properties	8,596.03
	Furniture, Fixtures, & Equipment Rent	1,320.94
	Utilities-Gas/Electric	1,589.95
	Janitorial Service	1,342.14
	Total Rent and Rent Items	<u><u>12,849.06</u></u>

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<b>Note 12</b>	<b><u>Equipment Expense</u></b>	
	Furniture, Fixtures, & Equipment (Various)	235.38
	Total Equipment Expense	<u>235.38</u>
<b>Note 13</b>	<b><u>Travel and Travel Items</u></b>	
	Travel/Accommodation-Transportation - Liquidation Office Employees	2,292.39
	Travel Expenses and Meals - Liquidation Office Employees	244.70
	Total Travel and Travel Items	<u>2,537.09</u>
<b>Note 14</b>	<b><u>Postage, Freight, Telephone, and Internet</u></b>	
	Postage	163.66
	Express and Freight	6.64
	Telephone & Fax	215.33
	Internet	53.70
	Total Postage, Freight, Telephone, and Internet	<u>439.33</u>
<b>Note 15</b>	<b><u>Office Supply Expense</u></b>	
	Office Supplies	163.66
	Total Office Supply Expense	<u>163.66</u>
<b>Note 16</b>	<b><u>Data Processing</u></b>	
	Computer Maintenance	387.74
	Computer Supplies	94.17
	Computer Software Lease- Other	72.73
	Computer Software Lease- DST Health Solutions, Inc. (fka - CSC Healthcare, Inc.)	35,246.52
	Total Data Processing Expense	<u>35,801.16</u>
<b>Note 17</b>	<b><u>Other Expenses</u></b>	
	Training & Seminars	25.28
	Insurance Building Liability	268.40
	Registration & Dues	20.53
	FF&E Non Capital	7.79
	Books & Periodicals	144.57
	Contract Printing	15.81
	Temporary Help	0.99
	Misc Expense	1.31
	Total Other Expenses	<u>484.68</u>