

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 July 1, 2007 to December 31, 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.

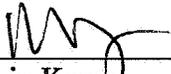
The Liquidator is also required by R.C. 3903.18(E) to periodically account to the Court, throughout the pendency of the RHP liquidation proceeding, to be submitted in the form attached hereto as Exhibit A. Such accountings may assist the Court in monitoring the progress and status of the liquidation, 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 July 1, 2007 to December 31, 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 DECEMBER 31, 2007

	Current Period 7/1/2007 TO 12/31/2007	Year to Date 1/1/2007 TO 12/31/2007	CUMULATIVE FROM 11/06/02
Beginning Cash & Invested Assets (Note 1)	2,544,404.76	2,756,626.70	3,042,454.53
Receipts:			
Interest Income (Note 2)	58,761.65	125,973.05	414,462.35
Reimbursement of Paid Claims	0.00	191.40	96,033.08
Premiums Collected	0.00	0.00	141,560.57
Reinsurance Recoveries	0.00	0.00	33,278.08
Unearned Commissions Collected	0.00	0.00	372.75
Proceeds from Sale of Furniture & Equipment	0.00	0.00	19,596.99
Proceeds from Class Action Lawsuit (Note 3)	2,819.58	4,268.77	30,856.80
Recovery of Preference Payments	0.00	0.00	2,000,000.00
Capitation Refunds	0.00	0.00	3,676.19
Proceeds from Cleveland Voided Payroll Checks	0.00	0.00	6,914.38
Reimbursements of Cobra Premium Payments	0.00	0.00	5,402.88
Salvage & Subrogation	0.00	0.00	55,329.53
Postage Refund	0.00	0.00	7,009.91
Tax Refunds	0.00	0.00	2,542.76
Recovery of Rx America Receivable - Akron City Health Systems	0.00	0.00	64,243.32
ACLIC Settlement Deposited in Error	0.00	0.00	15,259.28
Insurance Recovery - Theft of Computer \ Equipment	0.00	0.00	385.91
Other Income	0.00	0.00	33,933.71
Total Receipts	<u>61,581.23</u>	<u>130,433.22</u>	<u>2,930,858.49</u>
Disbursements:			
Compensation:			
Salaries (Note 4)	47,709.48	94,219.27	1,091,873.99
Employee Benefits (Note 5)	4,618.74	10,648.10	81,775.08
Payroll and Other Taxes (Note 6)	3,403.12	7,212.21	81,007.56
Professional Fees:			
Legal Fees (Note 7)	67,267.16	110,801.29	1,076,661.49
Consulting Fees and Other Outside Contracts (Note 8)	2,800.12	118,159.45	568,759.47
Tax Preparation and Audit Fees (Note 9)	7,103.91	20,425.78	34,390.53
Other Expenses of Administration of Company and its Property:			
Rent and Rent Items (Note 10)	12,344.20	25,193.26	213,332.32
Equipment Expenses (Note 11)	208.45	443.83	44,711.32
Travel and Travel Items (Note 12)	942.00	3,479.09	114,166.24
Postage, Freight and Telephone (Note 13)	1,453.03	1,892.36	74,718.69
Office Supply Expense (Note 14)	186.48	350.14	11,226.08
Data Processing (Note 15)	35,346.79	71,147.95	363,468.73
Other Expenses (Note 16)	2,616.18	3,100.86	149,759.33
All Other Disbursements:			
Return Overpayment of Premium	0.00	0.00	10,971.23
Payment to ACLIC for Deposit made in Error	0.00	0.00	15,259.28
Total Disbursements	<u>185,999.66</u>	<u>467,073.59</u>	<u>3,932,081.34</u>
Recovery of Statutory Deposit (Certificate of Deposit) OH	<u>0.00</u>	<u>0.00</u>	<u>378,754.65</u>
Ending Cash & Invested Assets (Note 1)	<u>2,419,986.33</u>	<u>2,419,986.33</u>	<u>2,419,986.33</u>

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 JULY 1, 2007 THROUGH DECEMBER 31, 2007**

SCHEDULE A

Beginning Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 06/30/07	2,544,404.76
Decrease in Cash and Invested Assets (Unencumbered)	<u>(124,418.43)</u>
Actual Decrease in Cash and Invested Assets (Unencumbered)	(124,418.43)
Non Cash Assets (Encumbered) Amortization of Premium/Discount	<u>0.00</u>
Ending Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 12/31/07	<u><u>2,419,986.33</u></u>

RENAISSANCE HEALTH PLAN, INC., IN LIQUIDATION
LIQUIDATION DATE NOVEMBER 6, 2002
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JULY 1, 2007 THROUGH DECEMBER 31, 2007

Note 1	<u>Cash and Invested Assets</u>	Beginning Balance 06/30/07	Ending Balance 12/31/07
	Unencumbered Cash & Invested Assets		
	Cash	5,404.76	5,986.33
	Repurchase Agreements	2,539,000.00	2,414,000.00
	Bonds / T-Bill at Amortized Value	0.00	0.00
	Total Unencumbered Cash & Invested Assets	<u>2,544,404.76</u>	<u>2,419,986.33</u>
	Encumbered Non Cash Assets		
		0.00	0.00
	Total Encumbered Non Cash Assets	<u>0.00</u>	<u>0.00</u>
	Total Cash and Invested Assets and Non Cash Assets	<u>2,544,404.76</u>	<u>2,419,986.33</u>
Note 2	<u>Interest Income</u>		
	Interest on Repos	58,761.65	
	Total Interest Income	<u>58,761.65</u>	
Note 3	<u>Proceeds from Class Action Lawsuit</u>		
	Settlement - Paxil TPP Litigation Settlement	2,819.58	
	Total Proceeds from Class Action Lawsuit	<u>2,819.58</u>	
Note 4	<u>Salaries</u>		
	Chief Deputy Liquidator	2,871.60	
	Deputy Liquidators	10,279.35	
	Employee Salaries	34,558.53	
	Total Salary Expense	<u>47,709.48</u>	
Note 5	<u>Employee Benefits</u>		
	Salaries 401K Employer Contribution	839.76	
	Employee Insurance Benefits	3,738.37	
	Employee Relations Other	40.61	
	Total Employee Benefits Expense	<u>4,618.74</u>	

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Note 6	<u>Payroll and Other Taxes</u>	
	Workers' Compensation Insurance	130.55
	State Unemployment Tax	10.67
	Federal Unemployment Tax	3.88
	FICA Tax	3,258.02
	Total Payroll and Other Tax Expense	<u>3,403.12</u>
Note 7	<u>Legal Fees</u>	
	<u>Special Counsel</u>	
	Kegler, Brown, Hill & Ritter	65,375.00
		<u>65,375.00</u>
	<u>Legal Counsel</u>	
	Kegler, Brown, Hill & Ritter	273.64
		<u>65,648.64</u>
	<u>Legal Expenses</u>	
	Kegler, Brown, Hill & Ritter	1,618.52
		<u>1,618.52</u>
	Total Legal Fees & Expenses	<u>67,267.16</u>
Note 8	<u>Consulting Fees and Other Outside Contracts</u>	
	ADP- Payroll Processing Fees	90.05
	Kim Burnside - POC Admin. Consultant	63.20
	ASC HR Solution - f/k/a HCBR - Claim System Consultant	1,612.50
	Digital Controls - IT Consultant	1,034.37
	Total Consulting Fees and Other Outside Contracts	<u>2,800.12</u>
Note 9	<u>Tax Preparation and Audit Fees</u>	
	Schneider Downs & Co. - Audit Fees - 2007	2,480.00
	Private Letter Ruling Preparation and IRS Application	4,533.03
	Research on Income from Discharge of Indebtedness and Proper Filing Status of an Insolvent Estate	90.88
	Total Tax Preparation and Audit Fees	<u>7,103.91</u>
Note 10	<u>Rent and Rent Items</u>	
	Rent on Leased Properties	8,304.17
	Rent - Other - NCB Safety Deposit Box	4.46
	Furniture, Fixtures, & Equipment Rent	1,270.85
	Utilities-Gas/Electric	1,360.66
	Janitorial Service	1,404.26
	Total Rent and Rent Items	<u>12,344.20</u>

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Note 11	<u>Equipment Expense</u>	
	Furniture, Fixtures, & Equipment (Various)	208.45
	Total Equipment Expense	<u>208.45</u>
Note 12	<u>Travel and Travel Items</u>	
	Travel/Accommodation-Transportation - Liquidation Office Employees	860.32
	Travel Expenses and Meals - Liquidation Office Employees	81.68
	Total Travel and Travel Items	<u>942.00</u>
Note 13	<u>Postage, Freight, Telephone, and Internet</u>	
	Postage	1,208.70
	Express and Freight	13.72
	Telephone & Fax	171.27
	Internet	59.34
	Total Postage, Freight, Telephone, and Internet	<u>1,453.03</u>
Note 14	<u>Office Supply Expense</u>	
	Office Supplies	186.48
	Total Office Supply Expense	<u>186.48</u>
Note 15	<u>Data Processing</u>	
	Computer Maintenance	49.82
	Computer Supplies	64.24
	Computer Software Lease- Other	5.23
	Computer Software Lease- DST Health Solutions, Inc. (fka - CSC Healthcare, Inc.)	35,227.50
	Total Data Processing Expense	<u>35,346.79</u>
Note 16	<u>Other Expenses</u>	
	Training & Seminars	9.63
	Insurance Building Liability	164.49
	Advertisements/Publications	17.29
	Registration & Dues	43.79
	Moving Expense	2.14
	Professional Liability Insurance	2,305.03
	FF&E Non Capital	42.29
	Books & Periodicals	24.38
	Contract Printing	5.52
	Misc Expense	1.62
	Total Other Expenses	<u>2,616.18</u>