

19TH JUDICIAL DISTRICT COURT FOR THE PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

NUMBER: 641 928

SECTION: 26

JAMES J. DONELON
COMMISSIONER OF INSURANCE FOR THE STATE OF LOUISIANA
VERSUS
LOUISIANA HEALTH COOPERATIVE, INC.

FILED: _____

COST OK \$ Bill

DEPUTY CLERK

DEC 14 2015

AD
DEPUTY CLERK OF COURT

ORDER

Considering the Emergency Ex Parte Motion of James J. Donelon, Commissioner of Insurance for the State of Louisiana as Rehabilitator of Louisiana Health Cooperative, through the Commissioner's Court-appointed Receiver, Billy Bostick ("LAHC"), for entry of an order approving the LAHC plan to continue coverage for LAHC policyholders, members, subscribers and enrollees through December 31, 2015 and to approve partial payment of claims and/or payment of claims in accordance with La. R.S.22:254 (G)(3) at the maximum amounts that would be paid under Title XVIII of the Social Security Act, 42 U.S.C. 301, et seq. under the federal Medicare program, in order to avoid the immediate liquidation of LAHC and immediate cancellation of all LAHC health coverage prior to the anticipated December 31, 2015 termination date, and the Court finding that LAHC is entitled to the relief requested,

IT IS ORDERED that Order that LAHC shall select one of the following methods for the payment of LAHC claims such that:

- a) LAHC shall select one of or a combination of the following methods for the payment of LAHC claims such that LAHC shall pay any and all valid claims for health services for LAHC policyholders, members, subscribers and enrollees performed after November 30, 2015 at some as yet undetermined and undeterminable percentage of all member claims for claims incurred through December 31, 2015 a percentage of charges at agreed upon contractual rates (without interest, penalty, or contractual acceleration of charges to billed charges), until further collection of additional funds and further order of the Court;

and/or

- b) LAHC shall pay any and all valid claims for health services for LAHC policyholders, members, subscribers and enrollees performed after July 7, 2015, the date of the LAHC Board Resolution adopting a wind down plan for LAHC, which wind down plan was authorized by the Louisiana Department of Insurance, at the maximum amount that would be paid under Title XVIII of the Social Security Action, 42 USC 301, et seq. for the federal Medicare program in accordance with La. R.S. 22: 254 (G) (3),

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which selection of a method for claims payments shall be selected by LAHC, at LAHC's sole discretion, and as LAHC deems necessary or advisable, in order to implement the foregoing based on the calculation of the impact of each methods on LAHC's financial condition.

IT IS FURTHER ORDERED that LAHC has no obligation to pay any claims of LAHC policyholders, members, subscribers and enrollees for claims incurred after November 30, 2011 if LAHC did not and/or does not receive full payment for that portion of the premium owed by the LAHC policyholder or member to LAHC for December coverage by December 15, 2015 (regardless of receipt of notice of cancellation, any federal payment received by LAHC that is less than one hundred (100%) per cent of the total amount owed to LAHC, and/or any federal requirement to wait longer periods prior to cancellation of coverage due to non-payment) pursuant to La. R.S. 22:2011(C).

IT IS FURTHER ORDERED that pursuant to La. R.S. 22:2034 (H), and effective upon entry of the order of rehabilitation in this matter on September 1, 2015, LAHC has no obligation to pay interest on any LAHC claims until such time as all the principal portion of the claims of the LAHC policyholders, members, enrollees, and subscribers, the LAHC providers, and the claims of LAHC general creditors and the principal portion of any and all other claims are paid in full and that all claims for interest shall be considered for payment only after payment of the principal amount of all LAHC claims and then only as the lowest priority claims.

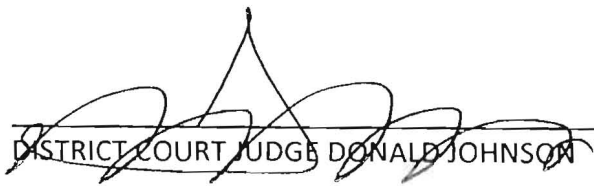
IT IS FURTHER ORDERED that effective upon entry of the order of rehabilitation in this matter on September 1, 2015, LAHC has and shall have no obligation to pay billed charges for those LAHC providers with contractual provisions requiring payment of billed charges where LAHC fails and/or failed to make full payment of allowed charges within thirty (30) days of submission of a clean claim.

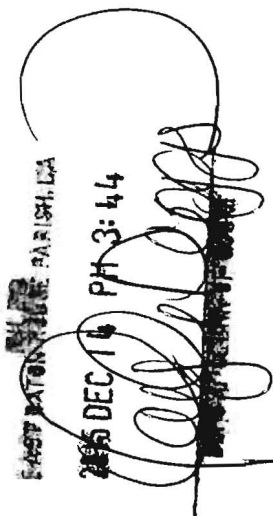
IT IS FURTHER ORDERED that LAHC is ordered and authorized to continue health coverage for all properly enrolled and covered LAHC policyholders, members, enrollees and subscribers through December 31, 2015 under the terms and conditions of the plan presented herein.

IT IS FURTHER ORDERED that LAHC shall provide notice of the entry of this Order to all LAHC providers be provided a copy of the attached notice and a copy of this order to MultiPlan PHCS for those providers providing LAHC health care services through the MultiPlan PHCS network as well as to those providers providing LAHC health care services through a direct contract with LAHC.

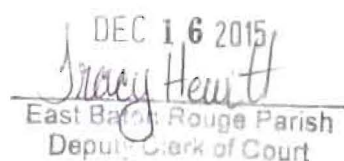
IT IS FURTHER ORDERED that LAHC is granted all power and authority to accomplish the task of implementing this order as may be deemed necessary and advisable.

Baton Rouge, Louisiana, this 14 day of December, 2015.


DISTRICT COURT JUDGE DONALD JOHNSON


EAST BATON ROUGE PARISH, LA
2015 DEC 14 PM 3:44

CERTIFIED TRUE AND
CORRECT COPY

DEC 16 2015

East Baton Rouge Parish
Deputy Clerk of Court