

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: \_\_\_\_\_

\_\_\_\_\_  
DEPUTY CLERK

STATE  
SEP 21 2016  
BY *AJ*  
DEPUTY CLERK OF COURT

Filed on Behalf of - State of Louisiana - State Pays No Court Costs  
La. R.S. 13:4521 and La. R.S. 22:2019

**MOTION FOR AUTHORITY TO ACT WITH RESPECT TO FEDERAL WAIVER AND TO APPROVE  
PROCEDURES AND PROCESS FOR DETERMINATION OF LAHC CLAIMS  
AND POSSIBLE DISTRIBUTION**

**NOW INTO COURT**, through undersigned counsel comes 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"), who submits to the Court (1) an overview of the LAHC claims process and procedures to date, (2) an explanation of the need to seek and obtain a federal waiver as to the claims of the Centers for Medicare and Medicaid Services ("CMS"), (3) a process for determination of LAHC claims and possible distribution to LAHC claimants, and (4) a request for authority to act as to the LAHC request for a federal waiver and as to a possible LAHC distribution, all as is more fully explained in the memorandum in support of this motion, which is attached hereto and incorporated herein.

WHEREFORE, LAHC prays that:

- 1) LAHC be granted authority to seek a federal waiver for authority to make a partial distribution of LAHC funds to Class 3 claimants (providers, doctors, hospitals and health care providers who provided health care services to LAHC members) and Class 4 claimants (members claims for premium refunds) pursuant to La. R.S. 22:254(G) and other applicable Louisiana law, all subject to obtaining a federal waiver and subject to the availability of adequate funds;
- 2) Because it currently appears likely that there will be sufficient LAHC funds to pay all Class 3 provider claims and the Class 4 member refunds claims in full and/or in part, and in order to save the continued expense of adjudication of providers claims, particularly in light of the poor and inadequate LAHC data and records, LAHC seeks authority to enter into negotiations with willing LAHC providers for settlement of provider claims subject to the federal waiver and the availability of adequate LAHC funds, thus reducing

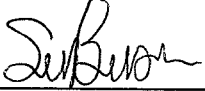


the expense of continued claims review, processing and adjudication, as well as the costs of potential litigation and discovery.

- 3) LAHC be authorized and permitted to take such actions as may be necessary in LAHC's discretion to implement the authority granted by this Court for requesting a federal waiver, for establishing and implementing procedures and a process for determination of LAHC claims and possible distribution to LAHC claimants upon receipt of a federal waiver, and subject to the availability of funds, and for all other appropriate relief.

RESPECTFULLY SUBMITTED,

BURGLASS & TANKERSLEY, LLC



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Attorneys for **JAMES J. DONELON, Commissioner of Insurance for the State of Louisiana as Rehabilitator of Louisiana Health Cooperative, Inc. in Rehabilitation**

DATE: September 21, 2016

JEFF LANDRY

LOUISIANA ATTORNEY GENERAL

By: 

MICHAEL CHARLES GUY, ESQ. (#25406)

Assistant Attorney General

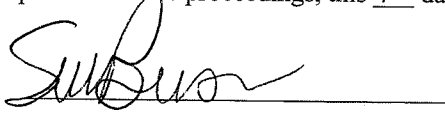
P.O. Box 94005

Baton Rouge, LA 70904

(225) 326-6400

CERTIFICATE OF SERVICE

I hereby certify that I have not served a copy of the foregoing pleading on any counsel in these proceedings because there are no other parties in these proceedings, this 21<sup>st</sup> day of September, 2016.



FILED  
EAST BATON ROUGE PARISH, LA

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DEPUTY CLERK OF COURT

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**ORDER**

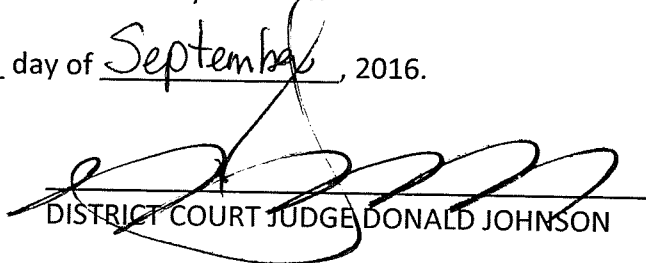
Considering the motion of James J. Donelon, Commissioner of Insurance for the State of Louisiana as Rehabilitator of Louisiana Health Cooperative, through the Commissioner's Court-appointed Receiver, Billy Bostick ("LAHC") for authority to act with respect to federal waiver and to approve the procedures and process for determination of LAHC claims and possible distribution, and the Court finding that the mover is entitled to the relief granted,

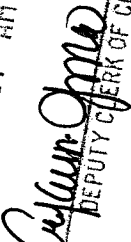
**IT IS ORDERED** that LAHC be and hereby is granted authority to seek a federal waiver as to the claims of the Centers for Medicare and Medicare Services ("CMS") for authority to make a partial distribution of LAHC funds to Class 3 claimants (providers, doctors, hospitals and health care providers who provided health care services to LAHC members) and Class 4 claimants (members claims for premium refunds) pursuant to La. R.S. 22:254(G) and other applicable Louisiana law, all subject to obtaining a federal waiver and subject to the availability of adequate funds.

**IT IS FURTHER ORDERED** that LAHC be and hereby is granted authority to enter into negotiations with willing LAHC providers for settlement of provider claims subject to obtaining a federal waiver and the availability of adequate LAHC funds.

**IT IS FURTHER ORDERED** that LAHC be and hereby is authorized and permitted to take such actions as may be necessary in LAHC's discretion to implement the authority granted by this Court for requesting a federal waiver, for establishing and implementing procedures and a process for determination of LAHC claims and possible distribution to LAHC claimants subject to receipt of a federal waiver and subject to the availability of funds.

Baton Rouge, Louisiana, this 21 day of September, 2016.

  
DISTRICT COURT JUDGE DONALD JOHNSON

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