

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

VERSES

LOUISIANA HEALTH COOPERATIVE, INC.

FILED: _____

DEPUTY CLERK

**MOTION FOR AUTHORITY TO DISPOSE OF
PAPER COPIES OF ELECTRONICALLY STORED LAHC DOCUMENTS AND
FOR SALE OR OTHER DISPOSITION OF LAHC EQUIPMENT**

NOW INTO COURT, through the undersigned counsel comes **LOUISIANA HEALTH COOPERATIVE, INC.** (hereinafter "**LAHC**") appearing herein through Billy J. Bostick, court appointed Receiver of LAHC by order of this Court, who respectfully represents that:

1.

LAHC was placed in rehabilitation by this Court on September 1, 2015.

2.

In the ordinary course of business, LAHC prepared, obtained, and/or retained a limited amount of paper documents, which have now been scanned and are stored electronically, as are the majority of LAHC's other documents, which paper documents include boxes of claim files obtained by LAHC from among others LAHC's former third party administrator, Group Resources, Inc. ("GRI") in May 2016 when LAHC obtained the Court's approval to retrieve all LAHC data and documents from GRI, boxes of paper files retained by individual LAHC employees prior to September 1, 2015, all of which have now been scanned and are retained electronically, and boxes of LAHC marketing material formerly used in the promotion of LAHC's business, samples of which have been scanned and are now retained electronically, as well as various other miscellaneous paper documents in LAHC's possession, which have been scanned and are now retained electronically.

3.

These paper documents are maintained at the LAHC office in Metairie, Louisiana; however, due to LAHC's practice of scanning and electronic storage of LAHC documents, as well as further downsizing of the original office space, and relocation and reduction of staff, there is no further need to retain paper copies of LAHC records.

4.

LAHC will continue the practice of scanning and retaining LAHC files, data and documents and retaining same in an electronic format, including the paper documents slated for destruction.

5.

LAHC requests that LAHC be authorized to dispose of any and all paper LAHC documents in the most cost effective manner determined by the LAHC Receiver.

6.

The Court previously approved LAHC's request to sell the excess equipment and office furniture, and to destroy excess marketing materials in prior orders issued by this Court. LAHC has also taken steps to reduce by about half the original LAHC office space under a lease amendment.

7.

Since September 2015 LAHC has continued downsizing staff, operations, and equipment, which has and will continue to lead to excess equipment, such as laptops, phones, computer monitors, and other various types of equipment formerly needed to accommodate a larger receivership staff.

8.

LAHC requests that LAHC be authorized to dispose of excess equipment in the most cost effective manner determined by the Receiver and to retain records as to the disposition of same.

WHEREFORE, the Receiver prays that this honorable Court issue an order

- 1) authorizing LAHC to continue the practice of scanning and electronically storing all LAHC files, data and documents, authorizing the Receiver to destroy LAHC paper documents in

the most cost effective manner as determined by the Receiver and to retain electronic copies and/or samples of all LAHC documents, data and files;

2) authorizing LAHC to dispose of excess equipment in the most cost effective manner determined by the Receiver and to retain records as to the disposition of same;

and for all other appropriate relief.

Respectfully Submitted,

BURGLASS & TANKERSLEY, LLC

BY: 

SUE BUSER (#18151)

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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**

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 ____ day of November, 2017.



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**MEMORANDUM IN SUPPORT OF MOTION FOR AUTHORITY TO DISPOSE OF
PAPER COPIES OF ELECTRONICALLY STORED LAHC DOCUMENTS AND
FOR SALE OR OTHER DISPOSITION OF LAHC EQUIPMENT**

MAY IT PLEASE THE COURT:

Louisiana Health Cooperative, Inc. in Rehabilitation ("LAHC") was placed in rehabilitation by Order of this Honorable Court on September 1, 2015. Since that time, LAHC has been in the process of scanning and electronically storing all paper documents, and has downsized office space and staff.

PAPER DOCUMENTS

Since September 1, 2015, LAHC has limited the use of paper documents and has a practice of scanning and electronically saving all LAHC files, data and materials. As of the date of rehabilitation, LAHC came into possession of boxes of documents containing paper documents from the desks of prior employees, as well as boxes of marketing materials. In May 2016, LAHC obtained about ninety (90) boxes of paper documents from the former LAHC third party administrator, Group Resources, Inc. ("GRI"). LAHC has scanned these paper documents and now stores them electronically, with the other LAHC files, data and documents obtained and/or prepared since September 1, 2015. In the ordinary course of business LAHC has other paper documents, which have also been scanned and are electronically stored. There is no longer a need to retain any LAHC paper documents, and LAHC seeks an order of this Court to continue the practice of scanning and electronically storing all LAHC files, data and documents, authorizing the Receiver to destroy LAHC paper documents in the most cost effective manner as determined by the Receiver and to retain electronic copies and/or samples of all LAHC documents, data and files.

EXCESS EQUIPMENT

Since September 1, 2015, LAHC has been in the process of downsizing space, personnel and operations in continuing the work of the receivership. In February 2016, the Court granted LAHC's motion to sell excess furniture, fixtures and equipment. In April 2016, LAHC entered into an amended lease at its current location to reduce space by nearly half. In June, 2016, the Court granted LAHC's motion to dispose of certain excess marketing materials.

In the process of downsizing, LAHC has accumulated now equipment, such as laptops, computer monitors, phones, furniture and the like for which there is no more reason to store. LAHC seeks an order of this Court to permit LAHC to sell or otherwise dispose of any and all excess equipment in the most cost effective manner as determined by the Receiver.

For these reasons, the Receiver seeks an order of this honorable Court

- (1) authorizing the Receiver to continue the practice of scanning and electronically storing all LAHC files, data and documents, authorizing the Receiver to destroy LAHC paper documents in the most cost effective manner as determined by the Receiver and to retain electronic copies and/or samples of all LAHC documents, data and files; and
- (2) permitting LAHC to sell or otherwise dispose of any and all excess equipment in the most cost effective manner as determined by the Receiver and to retain records as to the disposition of same.

Respectfully Submitted,

BURGLASS & TANKERSLEY, LLC

BY: 

SUE BUSER (#18151)

CELESTE BRUSTOWICZ (#168350)

DENNIS J. PHAYER, ESQ. (#23747)

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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

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AFFIDAVIT

BEFORE ME, the undersigned authority, personally came and appeared

BILLY J. BOSTICK, RECEIVER

who after by me being duly sworn did depose and state:

He is the court appointed Receiver for **LOUISIANA HEALTH COOPERATIVE, INC.**, (hereinafter "LAHC").

He has read the Motion For Authority to Dispose of Paper Copies of Electronically Stored LAHC Documents and For Sale or Other Disposition of LAHC Equipment and the Memorandum in Support and the allegations contained therein are true and correct to the best of his knowledge.

It is in the best interest of LAHC to continue the practice of scanning and electronically storing all LAHC files, data and documents and to retain electronic copies and/or samples of same.

It is in the best interest of LAHC to permit the destruction of LAHC paper documents in the most cost effective manner possible.

It is in the best interest of LAHC to permit the sale or other disposition of LAHC equipment in the most cost effective manner and to retain records as to the disposition of same.

The above is true and correct to the best of his knowledge.



BILLY J. BOSTICK, RECEIVER

SWORN TO AND SUBSCRIBED before me, Notary Public this 27th day of November, 2017.



NOTARY PUBLIC

Patrick N. Broyles, Notary Public
LA. Bar Roll No. 29109
My Commission Expires Upon Death

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ORDER

Considering the Motion For Authority to Dispose of Paper Copies of Electronically Stored LAHC Documents and For Sale or Other Disposition of LAHC Equipment, the affidavit in support of same, and the Court finding that the parties are entitled to the relief granted:

IT IS ORDERED that the Motion For Authority to Dispose of Paper Copies of Electronically Stored LAHC Documents and For Sale or Other Disposition of LAHC Equipment be and hereby is GRANTED.

IT IS FURTHER ORDERED that the Receiver is authorized and directed to take such actions and expends such funds of LAHC as is necessary, in his discretion, to accomplish the purposes of this Order to continue the practice of scanning and electronically storing all LAHC files, data and documents and to retain electronic copies and/or samples of same and to destroy LAHC paper documents in the most cost effective manner possible.

IT IS FURTHER ORDERED that the Receiver is authorized and directed to take such actions and expends such funds of LAHC as is necessary, in his discretion, to accomplish the purposes of this Order to sell or otherwise dispose of any and all LAHC excess equipment in the most cost effective manner as determined by the Receiver and to retain records as to the disposition of same.

Baton Rouge, Louisiana, this _____ day of _____ 2017.

DISTRICT COURT JUDGE DONALD JOHNSON