

**IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT,
IN AND FOR LEON COUNTY, FLORIDA**

In re: The Receivership of

UNIVERSAL HEALTH CARE, INC,
a Florida corporation

CASE NO.: 2013-CA 00375

**DEPARTMENT'S MOTION FOR ORDER APPROVING NHD/MEDICAID SECURED
FINAL CLAIMS REPORT, CLAIMS DISTRIBUTION REPORT, DISTRIBUTION
ACCOUNTING STATEMENTS, AND AUTHORIZING SECURED DISTRIBUTION**

The Florida Department of Financial Services, as Receiver of Universal Health Care, Inc. (hereinafter "Department"), by and through undersigned counsel, hereby files this Motion for Order Approving NHD/Medicaid Secured Final Claims Report, Claims Distribution Report, Distribution Accounting Statements, and Authorizing Secured Distribution and as good grounds therefor states the following:

1. On March 21, 2013, the Florida Department of Financial Services was appointed Receiver of Universal Health Care, Inc. ("UHC") by Order of this Court. UHC was ordered into liquidation effective April 1, 2013.

2. Pursuant to section 631.021(1), Florida Statutes, this Court has jurisdiction over the UHC receivership and is authorized to enter all necessary and/or proper orders to carry out the purpose of the Florida Insurers Rehabilitation and Liquidation Act, part I, chapter 631, Florida Statutes.

3. On May 6, 2014, this Court entered an *Order Approving Agreement Between the Receiver and the Florida Department of Elder Affairs* which authorized the transfer of restricted insolvency protection account funds held by the Department of Elder Affairs ("DOEA") to the Department for the benefit of eligible Nursing Home Diversion ("NHD") providers with claims in the UHC receivership estate ("DOEA Agreement").

4. On June 30, 2016, this Court entered an *Order Approving Agreement Between the Receiver and Florida Agency for Health Care Administration* which authorized the transfer of restricted insolvency protection account funds held by the Agency for Healthcare Administration (“AHCA”) to the Department for the benefit of Medicaid providers with claims in the UHC receivership estate (“AHCA Agreement”).

5. The Department has compiled a NHD/Medicaid Secured Final Claims Report dated September 30, 2019, which reflects the adjudication of the claims that will be paid from the secured funds received pursuant to the DOEA Agreement and the secured funds received pursuant to the AHCA Agreement. The report incorporates the resolution of all timely filed objections to the claims reported therein and claimant information updates. A summary of the Claims Report is attached hereto and incorporated herein by reference as **Exhibit A**.

6. The Claims Report reflects that 1,046 claims were filed with an aggregate claim amount of \$419,595.24, of which the total amount recommended by the Department to be paid is \$5,660,882.59.

7. With the approval of the Department’s NHD/Medicaid Secured Final Claims Report, the Department is now in the position to make a final distribution of the secured assets received from DOEA and AHCA. These assets will be distributed to claimants in accordance with the Claims Distribution Report dated September 30, 2019. A summary of the Claims Distribution Report is attached hereto and incorporated herein by reference as **Exhibit B**.

8. The Department has compiled two Distribution Accounting Statements—*Projected for a November 2019 Distribution*, (the “*NHD Secured Claims Distribution Accounting*” and “*Medicaid Secured Claims Distribution Accounting*”). As shown in the *NHD Secured Claims Distribution Accounting*, the Department is prepared to make a distribution of \$1,121,226.30 to all

NHD provider claimants. This distribution constitutes 100% of the amount recommended for these secured claims. As shown in the *Medicaid Secured Claims Distribution Accounting*, the Department is prepared to make a distribution of \$4,539,656.31 to all Medicaid provider claimants. This distribution constitutes 100% of the amount recommended for these secured claims. The final pro-rata calculation and the amount distributed may have a slight variance due to rounding at the time of check processing. The two *Distribution Accountings* are attached hereto and incorporated herein by reference as **Exhibit C** and **Exhibit D**, respectively.

9. The Department recommends that the NHD/Medicaid Secured Final Claims Report, Claims Distribution Report, and Distribution Accounting Statements be approved.

10. Upon the filing of this Motion for Order Authorizing Distribution, no further assignment of these claims shall be accepted by the Department.

11. In an ongoing effort to maintain accuracy and efficiency, the Department proactively works to update its records to reflect change of address information for interested parties (e.g. agents, claimants, creditors, policyholders, subscribers) before mailing notifications and distribution checks. The Department has access to databases and other publicly available information that provides updated address information. The Department requests the authority to search for change of address information when applicable and to use the change of address information for future mailings without further direction of this Court.

12. Despite its best efforts, the Department is not always able to distribute funds to every claimant when funds are ready for distribution due to either bad addresses or W-9 issues. The Department recommends that the unclaimed funds be transferred to the unclaimed property unit(s) of the state(s) reflected in the claimants' last address of record in the Department's files.

WHEREFORE, the Department moves this Honorable Court for entry of an Order:

- A. Approving and adopting the Department's NHD/Medicaid Secured Final Claims Report, Claims Distribution Report, and Distribution Accounting Statements;
- B. Directing the Department to make the above-referenced distribution to the claimants as indicated in the Distribution Accountings;
- C. Directing the Department not to recognize or accept further assignment of claims;
- D. Authorizing the Department to update its records to incorporate change of address information for an interested individual/entity (e.g. agent, claimant, creditor, policyholder, subscriber) if the Department determines that there has been a change of address for an interested individual/entity and authorizing the Department to use the change of address information for future mailings; and
- E. Authorizing the Department to transfer unclaimed funds to the unclaimed property unit(s) of the state(s) reflected in the claimants' last address of record in the Department's files.

RESPECTFULLY SUBMITTED on this the 18 day of November 2019.

/s/ Jamila G. Gooden
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FLORIDA DEPARTMENT OF FINANCIAL SERVICES -DIVISION OF REHABILITATION AND LIQUIDATION
 UNIVERSAL HEALTH CARE, INC.
 FINAL CLAIMS REPORT
 PART A - FOR NON GUARANTY ASSOCIATION CLAIMANTS

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY NON GUARANTY ASSOCIATION CLAIMANTS	\$419,595.24
TOTAL AMOUNT RECOMMENDED TO NON GUARANTY ASSOCIATION CLAIMANTS	\$5,660,882.59
TOTAL NUMBER	1,046

Secured Claims

COUNT OF SECURED CLAIMS :	1,046
AMOUNT CLAIMED FOR SECURED CLAIMS BY NON GUARANTY ASSOCIATION	\$419,595.24
AMOUNT RECMD FOR SECURED CLAIMS TO NON GUARANTY ASSOCIATION	\$5,660,882.59

UnSecured Claims

COUNT OF CLASS 1 CLAIMS :	0	COUNT OF CLASS 7 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 1 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :		AMOUNT RECMD FOR CLASS 7 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	
COUNT OF CLASS 2 CLAIMS :	0	COUNT OF CLASS 8 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 2 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:		AMOUNT RECMD FOR CLASS 8 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	
COUNT OF CLASS 3 CLAIMS :	0	COUNT OF CLASS 9 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 3 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:		AMOUNT RECMD FOR CLASS 9 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	
COUNT OF CLASS 4 CLAIMS :	0	CLASS 10 INTEREST CLAIMS (SEE NOTE):	
AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00		
AMOUNT RECMD FOR CLASS 4 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:			
COUNT OF CLASS 5 CLAIMS :	0	COUNT OF CLASS 11 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 11 CLAIMS TO NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 5 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:		AMOUNT RECMD FOR CLASS 11 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS	
COUNT OF CLASS 6 CLAIMS :	0		
AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00		
AMOUNT RECMD FOR CLASS 6 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :			

Exhibit A

FLORIDA DEPARTMENT OF FINANCIAL SERVICES-DIVISION OF REHABILITATION AND LIQUIDATION
 UNIVERSAL HEALTH CARE, INC.
 CLAIMS DISTRIBUTION REPORT

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED	\$419,595.24
TOTAL AMOUNT RECOMMENDED	\$5,660,882.61
TOTAL NUMBER	1,046

Secured Claims

COUNT OF SECURED CLAIMS :	1,046
AMOUNT CLAIMED FOR SECURED CLAIMS :	\$419,595.24
AMOUNT RECOMMENDED FOR SECURED CLAIMS :	\$5,660,882.61

Unsecured Claims

COUNT OF CLASS 1 CLAIMS :	0	COUNT OF CLASS 7 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 1 CLAIMS :		AMOUNT CLAIMED FOR CLASS 7 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 1 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 7 CLAIMS :	
COUNT OF CLASS 2 CLAIMS :	0	COUNT OF CLASS 8 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 2 CLAIMS :		AMOUNT CLAIMED FOR CLASS 8 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 2 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 8 CLAIMS :	
COUNT OF CLASS 3 CLAIMS :	0	COUNT OF CLASS 9 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 3 CLAIMS :		AMOUNT CLAIMED FOR CLASS 9 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 3 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 9 CLAIMS :	
COUNT OF CLASS 4 CLAIMS :	0	CLASS 10 INTEREST CLAIMS (SEE NOTE):	
AMOUNT CLAIMED FOR CLASS 4 CLAIMS :			
AMOUNT RECOMMENDED FOR CLASS 4 CLAIMS :			
COUNT OF CLASS 5 CLAIMS :	0	COUNT OF CLASS 11 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 5 CLAIMS :		AMOUNT CLAIMED FOR CLASS 11 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 5 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 11 CLAIMS :	
COUNT OF CLASS 6 CLAIMS :	0		
AMOUNT CLAIMED FOR CLASS 6 CLAIMS :			
AMOUNT RECOMMENDED FOR CLASS 6 CLAIMS :			

Note: Class 10 Claims are comprised of interest per F.S. 631.271 (1) (j) on allowed claims in Classes 1 - 9.

Universal Health Care, Inc.
Secured Claims Nursing Home Diversion Distribution Accounting
Projected for November 2019 Distribution

ESTIMATED ASSETS AT October 31, 2019

	<u>Value</u>
Cash	1,309,420.04
October Accrued Interest	2,180.00
Total Available to Distribute	\$ 1,311,600.04
Recommended Distribution	\$ 1,121,226.30
Residual Funds (available as general assets)	\$ 190,373.74

<u>Reference</u>
Schedule A
Schedule B

Agreement between Florida Department of Financial Services as Receiver of Universal Health Care Inc & Florida Department of Elder Affairs; Court Motion dated 4/30/14 and Court Order dated 5/6/14

DISTRIBUTION RECOMMENDATION

	<u>Claims Value</u>	<u>Less Previous Claims Distributions</u>	<u>Value of Claims Outstanding</u>	<u>Apply Adv. Pmts. to Guaranty Assoc.</u>	<u>Recommended Distribution</u>	<u>% Value of Claims Outstanding</u>	<u>% Value of Gross Filed Claims</u>	<u>Total % of Claims Value Distributed</u>
Secured Claims	\$ 1,121,226.30	\$ -	\$ 1,121,226.30	XXXXXXXXXX	1,121,226.30	100.0000%	100.0000%	100.0000%
Class I - Administrative Claims-Guaranty Funds	\$ -	\$ -	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class II - Loss Claims-Guaranty Funds	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class II - Loss Claims-Other	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class III - Return Premium Claims-Guaranty Funds	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class III - Return Premium Claims-Other	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class IV - Federal Government Claims	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class V - Employee Claims	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class VI - General Creditors Claims GA	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class VI - General Creditors Claims Other	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class VII - State & Local Government Claims	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class VIII - Late Filed Claims	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class IX - Surplus/Other Claims	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Class XI - Shareholder Claims	-	-	-	XXXXXXXXXX	-	0.0000%	0.0000%	0.0000%
Totals	\$ 1,121,226.30	\$ -	\$ 1,121,226.30	\$ -	\$ 1,121,226.30			

Index to Attached Schedules:

Schedule A - Available Cash Projection
Schedule B - Interest Earnings Projection - Pooled Cash

Universal Health Care, Inc.
Available Nursing Home Diversion Cash Projection
Projected for November 2019 Distribution

	Cash Balance as of July 31, 2019	August	September	October
Beginning Pooled Cash Balance	\$ 1,301,851.55	\$ 1,305,070.04	\$ 1,307,240.04	
Cash Balance Before Interest Earnings	1,301,851.55	1,305,070.04	1,307,240.04	
Interest Earnings				
Actual SPIA Earnings for July to be credited on 8/01/2019		3,218.49		
Estimate based on assumed SPIA APR on the previous month's average Pooled Cash balance (See Schedule B)			2,170.00	2,180.00
Ending Pooled Cash Balance	\$ 1,301,851.55	\$ 1,305,070.04	\$ 1,307,240.04	\$ 1,309,420.04

Universal Health Care, Inc.
Interest Earnings Projection - Pooled Cash
Projected for November 2019 Distribution

Interest accrued for August 2019

Beginning cash balance	1,301,851.55
Ending cash balance	1,305,070.04
Average cash balance	1,303,460.80
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	26,069.22

Accrual for August **\$** **2,170.00**

Interest accrued for September 2019

Beginning cash balance	1,305,070.04
Ending cash balance	1,307,240.04
Average cash balance	1,306,155.04
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	26,123.10

Accrual for September **\$** **2,180.00**

Interest accrued for October 2019

Beginning cash balance	1,307,240.04
Ending cash balance	1,309,420.04
Average cash balance	1,308,330.04
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	26,166.60

Accrual for October **\$** **2,180.00**

Universal Health Care, Inc.
Secured Claims Medicaid Distribution Accounting
Projected for November 2019 Distribution

ESTIMATED ASSETS AT October 31, 2019

	<u>Value</u>	<u>Reference</u>
Cash	4,532,106.31	Schedule A
October Accrued Interest	7,550.00	Schedule B
Total Available to Distribute	\$ 4,539,656.31	

DISTRIBUTION RECOMMENDATION

	<u>Claims Value</u>	<u>Less Previous Claims Distributions</u>	<u>Value of Claims Outstanding</u>	<u>Apply Adv. Pmts. to Guaranty Assoc.</u>	<u>Recommended Distribution</u>	<u>% Value of Claims Outstanding</u>	<u>% Value of Gross Filed Claims</u>	<u>Total % of Claims Value Distributed</u>
Secured Claims	\$ 4,539,656.31	\$ -	\$ 4,539,656.31	XXXXXX	4,539,656.31	100.0000%	100.0000%	100.0000%
Class I - Administrative Claims-Guaranty Funds	\$ -	\$ -	\$ -	XXXXXX	\$ -	0.0000%	0.0000%	0.0000%
Class II - Loss Claims-Guaranty Funds	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class II - Loss Claims-Other	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class III - Return Premium Claims-Guaranty Funds	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class III - Return Premium Claims-Other	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class IV - Federal Government Claims	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class V - Employee Claims	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class VI - General Creditors Claims GA	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class VI - General Creditors Claims Other	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class VII - State & Local Government Claims	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class VIII - Late Filed Claims	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class IX - Surplus/Other Claims	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Class XI - Shareholder Claims	-	-	\$ -	XXXXXX	-	0.0000%	0.0000%	0.0000%
Totals	\$ 4,539,656.31	\$ -	\$ 4,539,656.31	\$ -	\$ 4,539,656.31			

Index to Attached Schedules:

- Schedule A - Available Cash Projection
- Schedule B - Interest Earnings Projection - Pooled Cash

Universal Health Care, Inc.
Interest Earnings Projection - Pooled Cash
Projected for November 2019 Distribution

Interest accrued for August 2019

Beginning cash balance	4,505,916.60
Ending cash balance	4,517,056.31
Average cash balance	4,511,486.46
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	90,229.73
Accrual for August	\$ 7,520.00

Interest accrued for September 2019

Beginning cash balance	4,517,056.31
Ending cash balance	4,524,576.31
Average cash balance	4,520,816.31
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	90,416.33
Accrual for September	\$ 7,530.00

Interest accrued for October 2019

Beginning cash balance	4,524,576.31
Ending cash balance	4,532,106.31
Average cash balance	4,528,341.31
Assumed SPIA interest rate (Annualized)	2.00%
Subtotal (Annualized)	90,566.83
Accrual for October	\$ 7,550.00