

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation
Universal Health Care Inc in Liquidation
Statement of Affairs
12/31/2021**

| | Estimated Realizable Value |
|--|---|
| ASSETS | |
| SPIA-Restricted | \$6.91 |
| Pooled Cash in SPIA Due from the Admin Fund | 40,541,033.48 |
| Pooled Cash in SPIA Reserved for Distributions | 345,992.72 |
| Accrued Interest Receivable | 26,869.23 |
| Total Assets | \$40,913,902.34 |
| LIABILITIES | |
| Secured Claims | 216,257.94 |
| Distribution Liability | 345,992.72 |
| Class 2 Loss Claims | |
| Class 2 - Other | 40,571,515.55 |
| Class 5 Employee Claims | 841,000.00 |
| Class 6 General Creditor Claims | |
| Class 6 - Other | 3,043,914.52 |
| Class 7 State & Local Government Claims | 154,423.23 |
| Class 8 Late Filed Claims | 1,482,713.80 |
| Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies | |
| Class 9 - Other | 1,244,793.61 |
| Class 11 Shareholder Claims | 1.00 |
| Total Liabilities | \$47,900,612.37 |
| EQUITY | |
| Contributed Equity - State of Florida | 516,641.99 |
| Estate Equity | (7,503,352.02) |
| Excess (Deficiency) of Assets over Liabilities | (\$6,986,710.03) |
| Total Liabilities and Equity | \$40,913,902.34 |

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation
Universal Health Care Inc in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through 12/31/2021**

| | Fiscal Year to Date | Since Date of Liquidation |
|--|------------------------|---------------------------------|
| CASH RECEIPTS | | |
| Premium Collections | \$0.00 | \$16,251,728.97 |
| Reinsurance Recoveries | 0.00 | 57,104.06 |
| Subrogation and Salvage Recoveries | 0.00 | 1,652,344.87 |
| Litigation Recoveries | 0.00 | 1,904,653.69 |
| Tax Recoveries | 0.00 | 3,700.00 |
| Other Collections / Recoveries | 13,823.08 | 9,531,929.83 |
| Sale of Personal Property Inventory | 0.00 | 65,698.91 |
| Sale of Real Property Inventory | 0.00 | 11,230,000.00 |
| Receipts Before Investment Activities | 13,823.08 | 40,697,160.33 |
| Interest and Dividend Receipts | 193,761.37 | 5,913,705.50 |
| Sale of Short Term Investment | 0.00 | 8,015,091.19 |
| Receipts From Investment Activities | 193,761.37 | 13,928,796.69 |
| Total Cash Receipts | 207,584.45 | 54,625,957.02 |
| CASH DISBURSEMENTS & DISTRIBUTIONS | | |
| Professional Fees and Expenses | 26,391.88 | 4,168,650.53 |
| Salaries and Fringe Benefits | 30,059.24 | 4,255,487.41 |
| Employee Welfare | 922.81 | 29,134.38 |
| Travel Expenses | 0.00 | 74,621.23 |
| Admin Expenses | 468.31 | 3,191,856.96 |
| Equipment and Furniture Expenses | 6,559.16 | 210,640.65 |
| Rent, Building and Equipment | 12,573.12 | 476,986.00 |
| Taxes | 0.00 | 157,819.26 |
| Litigation Settlement Payments | 0.00 | 22,750.00 |
| Disbursements | 76,974.52 | 12,587,946.42 |
| Distributions | | |
| Secured Claims | (1,132.00) | 5,313,757.87 |
| Administrative Claims (Class 1) | 0.00 | 5,363.32 |
| Loss Claims (Class 2) | 0.00 | 0.00 |
| Employee Claims (Class 5) | 0.00 | 0.00 |
| General Creditors Claims (Class 6) | 0.00 | 0.00 |
| Government Claims (Class 7) | 0.00 | 0.00 |
| Late Filed Claims (Class 8) | 1,132.00 | 1,132.00 |
| Surplus Notes/Unearned Premium-Assessable Policies Claims (Class 9) | 0.00 | 0.00 |
| Shareholder Claims | 0.00 | 0.00 |
| Claims-Other | 0.00 | 0.00 |
| Total Distributed | 0.00 | 5,320,253.19 |
| Disbursements & Distributions Before Investment Activities | 76,974.52 | 17,908,199.61 |
| Financial Expenses | 25,821.64 | 385,489.03 |
| Purchase Short Term Investment | 0.00 | 2.86 |
| Disbursements for Investment Activities | 25,821.64 | 385,491.89 |
| Total Cash Disbursements & Distributions | 102,796.16 | 18,293,691.50 |
| Net Increase (Decrease) in Cash | 104,788.29 | 36,332,265.52 |
| Beginning Cash Balance: | | |
| Beginning Cash | 40,764,377.60 | 9,409,150.42 |
| Adjustments to Beginning Cash | 17,867.22 | (4,854,382.83) |
| Adjusted Beginning Cash Balance | 40,782,244.82 | 4,554,767.59 |

The accompanying notes & schedules are an integral part of these financial statements
UNAUDITED

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation**

**Universal Health Care Inc in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through 12/31/2021**

| | <u>Fiscal Year to Date</u> | <u>Since Date of Liquidation</u> |
|----------------------------|--------------------------------|--|
| Ending Cash Balance | <u>40,887,033.11</u> | <u>40,887,033.11</u> |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Universal Health Care, Inc. in Liquidation
Schedule of Investments - Restricted
For the Six Months Ended December 31, 2021

Special Purpose Investment Account - Restricted

| Description | | | Balance 7/1/21 | Deposits Transfers | Interest | Distributions Reissues | Balance 12/31/21 |
|--|---|---------------|-------------------|-----------------------|----------|---------------------------|---------------------|
| Funds transferred from the Florida Dept. of Elder Affairs restricted insolvency protection account at Fifth Third Bank. | * | SPIA 42001200 | 205,106.01 | (206,052.11) | 946.10 | 0.00 | (0.00) |
| Funds transferred from the Florida Agency for Health Care Administration restricted insolvency protection account at Bank United | * | SPIA 42001300 | 10,113.87 | (10,153.38) | 46.42 | 0.00 | 6.91 |
| Totals: | | | 215,219.88 | (216,205.49) | 992.52 | 0.00 | 6.91 |

* Beginning balances adjusted due to prior periods of manual interest adjustments.
Reconciled to actual cash balances.

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Universal Health Care, Inc. in Liquidation
Schedule of Accrued Interest Receivable
For the Six Months Ended December 31, 2021

Accrued Interest Receivable

| Description | | Balance 7/1/21 | Accrued | Received | Balance 12/31/21 |
|--------------------|---------------------------|---------------------------|----------------|-----------------|-----------------------------|
| State Treasury | SPIA, 4-20-0-010000-00000 | 33,761.49 | 187,303.73 | (194,195.99) | 26,869.23 |
| Totals: | | 33,761.49 | 187,303.73 | (194,195.99) | 26,869.23 |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Universal Health Care, Inc. in Liquidation
Schedule of Secured Claims
For the Six Months Ended December 31, 2021

Secured Claims Against the Estate

| Description | Balance 7/1/21 | Adjustments/ Payments | Interest | Balance 12/31/21 |
|--|---------------------------|----------------------------------|-----------------|-----------------------------|
| Funds transferred from the Florida Dept. of Elder Affairs restricted insolvency protection account at Fifth Third Bank. * | 205,106.01 | 0.00 | 801.12 | 205,907.13 |
| Pinellas County Tax Collector | 9,211.90 | 0.00 | 0.00 | 9,211.90 |
| Funds transferred from the Florida Agency for Health Care Administration restricted insolvency protection account at Bank United * | 27,981.09 | (28,020.60) | 46.42 | 6.91 |
| M Fiore Claim reclassified to Secured Claim | 0.00 | 1,132.00 | 0.00 | 1,132.00 |
| Totals: | <u>242,299.00</u> | <u>(26,888.60)</u> | <u>847.54</u> | <u>216,257.94</u> |

* Beginning balances adjusted due to prior periods of manual interest adjustments.
Reconciled to actual cash balances

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Universal Health Care, Inc. in Liquidation
Schedule of Distribution Liability
For the Six Months Ended December 31, 2021

Distribution Liability

| Description | Balance 7/1/21 | Adjustments | Balance 12/31/21 |
|--|---------------------------|--------------------|-----------------------------|
| Unreleased/unissued distribution amounts | 345,992.72 | 0.00 | 345,992.72 |
| Totals: | <u>345,992.72</u> | <u>0.00</u> | <u>345,992.72</u> |

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
Universal Health Care Inc. in Liquidation
Notes to Financial Statements

Dated December 31, 2021

1. **Estate Information.** Universal Health Care Inc. is a health insurer, based in Tampa, FL and was placed in rehabilitation on March 21, 2013. It was subsequently placed in liquidation on April 1, 2013.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on a modified cash basis of accounting using a fiscal year of July 1, 2021 through June 30, 2022. The assets are stated at their estimated realizable values, while the liabilities are stated at their gross filed amounts and are periodically adjusted as evaluated, adjudicated and/or paid. Interest is accrued and reinsurance receivables are only posted when billed to reinsurers. In addition, the statements do not provide accruals for all future administrative expenses to liquidate the estate or costs to pursue or litigate claims against others.
3. **Unaudited.** The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with generally accepted accounting principles.
4. **Pooled Investments.** The majority of the invested assets of the estates are combined into two main pooled accounts: The Receiver's operating account held at Wells Fargo and the Special Purpose Investment Account held at the State of Florida Treasury. Each estate's share of the pooled investments is presented on the accompanying financial statements as "Pooled Cash Due from the Admin Fund".

"Pooled Cash Reserved for Distributions" is a segregated amount of Pooled Cash that represents the remaining amount of Pooled Cash reserved for a court authorized distribution(s) that has not been released or reissued.
5. **Special Purpose Investment Account (SPIA) – Restricted.** Includes funds transferred to the Receiver from restricted insolvency protection bank accounts as the result of agreements with the Florida Department of Elder Affairs and the Florida Agency for Health Care Administration. The funds were deposited into separate restricted SPIA accounts and will be treated as Special Deposits per the terms of the agreement at the time of distribution.
6. **Secured Claim.** Consists of funds transferred to the Receiver from restricted insolvency protection bank accounts as the result of agreements with the Florida Department of Elder Affairs and the Florida Agency for Health Care Administration. The funds were deposited into separate restricted SPIA accounts and will be treated as Special Deposits per the terms of the agreement at the time of distribution. Secured Claims also includes a secured claim from the Pinellas County Tax Collector.
7. **Distribution Liability.** Represents the remaining liability for a court authorized distribution(s) that has not been released because the Receiver does not have a good mailing address for the claimant or does not have a completed W9 from the claimant.
8. **Claims.** Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed, un-adjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claim liability numbers are based upon the most current available information and documentation provided to the Receiver from both internal and external sources.
 - The First Interim Claims Report was approved on June 20, 2016. The deadline to file an objection was August 15, 2016. Two hundred thirty-nine objections were filed and resolved.
 - The Second Interim Claims Report was approved on November 6, 2018. The deadline to file an objection was January 11, 2019. Thirty-one objections were filed and resolved.
 - A 100% Claims distribution for certain Secured claimants was authorized on November 20, 2019.

**Florida Department of Financial Services, Division of Rehabilitation
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Universal Health Care Inc. in Liquidation
Notes to Financial Statements

Dated December 31, 2021

9. **Interest Distributions.** For companies placed into receivership on or after July 1, 2012, Section 631.271, Florida Statutes authorizes the payment of interest on claims in Classes 1-9 prior to making any payment on shareholder claims. At this time, the Receiver does not anticipate having sufficient assets in this estate to pay all claims for Classes 1-9. Accordingly, this statement does not reflect an interest reserve for Classes 1-9 allowed claims.
10. **Federal Priority.** The federal government has taken the position that pursuant to 31 U.S.C.A. 3713 a federal government claim must be paid first, when a debtor to the United States is insolvent. The federal government has also taken the position that it is not subject to state insurance liquidation claim's proceedings deadlines. To establish finality, shield itself from potential liability, and ultimately discharge the estate, the Receiver will request a federal release from the U.S. Department of Justice.
11. **Contributed Equity – State of Florida.** The Receiver will, from time to time, expend public funds to carry out certain duties during the course of liquidating an insurance company. The Division accounts for these expenditures as a contribution of equity by the State.
12. **Excess (Deficiency) of Assets over Liabilities.** The excess or (deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess or (deficiency) does not take into consideration any estimates for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.