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Hun J. Lohn

CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

COMMISSIONER OF INSURANCE, IN HER OFFICIAL CAPACITY AS STATUTORY RECEIVER FOR DELINQUENT DOMESTIC INSURER,

Plaintiff,

VS.

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NEVADA HEALTH CO-OP,

Defendant

Case No. A-15-725244

Dept. No. I

FINAL ORDER GRANTING OTHER RELIEF RELATED TO RECEIVER'S MOTION FOR FINAL ORDER FINDING AND DECLARING NEVADA HEALTH CO-OP TO BE INSOLVENT AND PLACING NEVADA HEALTH CO-OP INTO **LIQUIDATION**

This matter came before the Court on the 20th day of September 2016 on Motion for Order Finding and Declaring Nevada Health CO-OP to Be Insolvent, Placing Nevada Health CO-OP into Liquidation, and Granting Related Relief ("Motion") by the Commissioner of Insurance, Barbara D. Richardson, in her official capacity as Permanent Receiver of NEVADA HEALTH CO-OP, a Nevada domiciled health maintenance organization ("NHC"). On September 20, 2016, the Court issued a Final Order Finding and Declaring Nevada Health CO-OP to Be Insolvent, Placing Nevada Health CO-OP into Liquidation, and ordering a claims filing deadline and related matters. All other related relief requested by the Receiver in her Motion, including the approval of notice procedures and proposed

claims process, was continued to the Court's September 26, 2016, in chambers calendar. The Court having reviewed the points and authorities submitted by counsel and exhibits in support thereof, and having heard arguments of counsel,

IT IS HEREBY ORDERED, ADJUDGED and DECREED that:

- (1) The proposed Proof of Claim ("POC") process, including the POC form and instructions attached as Exhibit 3 to the Motion, is approved subject to the following additional conditions: (a) any claim will be deemed timely filed if sent by U.S. Mail and such claim is received within three (3) business days after the claims filing deadline; and (b) claims by e-mail will be allowed if the e-mail includes an executed and sworn POC, with all supporting documentation included therein submitted to the Receiver of NHC before the claims filing deadline. The proposed claims processing procedures described in the Motion are approved;
- The proposed Receivership Appeal Procedure in the form attached as Exhibit 4 to the Motion is approved, and the Court finds that a receivership appeal procedure substantially in that form complies with applicable Nevada law, and is within the authority granted to the Receiver in the Permanent Receivership Order and based on the following: (a) the Receiver is authorized to conduct the business of the insurer and liquidate its affairs and assets under NRS 696B.290 (5); (b) all claims must be submitted to the Receiver and verified by affidavit with supporting documentation under NRS 696B.330 (1) and submitted before the claims filing deadline under NRS 696B.330 (2); and (c) all claims will be decided by the Receiver in accordance with NRS 696B.330 (3)-(6) and claimants will have rights of claim appeal and an opportunity to be heard under NRS 696B.330 (7)-(9);
- (3) The Mailing Notice (Exhibit 1), Newspaper and Website Publication Notice (Exhibit 2), POC Form and Accompanying Instructions (Exhibit 3), and Receivership Appeal Procedure (Exhibit 4) to the Receiver's Motion will be changed, as necessary, to conform to this Court's Order; and

- (4) The proposed notice procedures described in the Motion are approved, and the Court finds that notice procedures in the same or substantially similar form comply with the requirements of Nevada law and due process (including the forms of notice attached as Exhibits 1 and 2 to the Motion), with the following additional requirements imposed by the Court:
 - a. In addition to publication in <u>The Las Vegas Review Journal</u> and the <u>Reno Gazette Journal</u> for at least once a week for two (2) consecutive weeks of notices, such notices will also be similarly published in a daily or weekly newspaper with the largest circulation in each county or city in Nevada for the same timeframe. Publication of such notices will begin within fifteen (15) business days after the Court enters this order;
 - b. The Receiver will have a press release issued to those newspapers in which notices will be published so that newspapers are notified of the NHC liquidation, claims filing deadline, and right of interested parties to file claims before the claims filing deadline; and

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c. If a daily or weekly newspaper is not published in a particular county, a radio notice will be placed and broadcast in that county for at least once a week between the hours of 8:00 a.m. to 5:00 p.m., PT, for two (2) consecutive weeks. The radio notices will notify interested parties of the NHC liquidation, claims filing deadline, and their right to file claims before the claims filing deadline. Radio notices will begin within fifteen (15) business days after the Court enters this order.

IT IS SO ORDERED

Dated this ______ day of September, 2016.

Respectfully submitted by:

ADAM PAUL LAXALT

Attorney General

JOANNA N. GRIGORIEV

Senior Deputy Attorney General