

COMMONWEALTH OF KENTUCKY  
FRANKLIN CIRCUIT COURT  
DIVISION I  
CIVIL ACTION NO. 15-CI-1144

H. BRIAN MAYNARD, in his capacity as  
COMMISSIONER OF THE KENTUCKY  
DEPARTMENT OF INSURANCE and  
LIQUIDATOR OF KENTUCKY HEALTH  
COOPERATIVE, INC.

PETITIONER

v.

ORDER

KENTUCKY HEALTH COOPERATIVE, INC.

RESPONDENT

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The Court, having consulted with the Liquidator regarding the administration of the Kentucky Health Cooperative ("KYHC") estate, and in an effort to preserve the assets of the Liquidation Estate, hereby gives notice that it will enter the Order attached hereto as Exhibit A addressing the administration of certain provider claims on December 16, 2016. The Liquidator is directed to give notice of the Court's intent to enter the attached Order to providers through posting of this Order on the KYHC website and the Department of Insurance website, as well as publication of the attached Exhibit B in the Louisville Courier-Journal and Frankfort State-Journal newspapers.

Any party wishing to object to the entry of the Order attached as Exhibit A shall file an objection with the Court no later than December 15, 2016.

So Ordered this 8 day of December, 2016.

Phillip J. Shepherd, Judge  
Franklin Circuit Court  
Division I

**CLERK'S CERTIFICATE OF SERVICE**

It is hereby certified that a true copy of the foregoing was served via U.S. Mail, this 8 day of December, 2016, upon the following:

Hon. Paul C. Harnice  
Hon. Sarah J. Bishop  
STOLL KEENON OGDEN PLLC  
P.O. Box 5130  
Frankfort, KY 40602

Perry M. Bentley  
STOLL KEENON OGDEN PLLC  
300 West Vine Street, Suite 2100  
Lexington, KY 40507-1801


Hon. Michael R. Wilson  
Kentucky Department of Insurance  
P.O. Box 517  
Frankfort, KY 40602

Hon. Barry L. Dunn  
Public Protection Cabinet  
656 Chamberlin Ave., Suite B  
Frankfort, KY 40601

Hon. Greg E. Mitchell  
Frost Brown Todd LLC  
Lexington Financial Center  
250 West Main Street, Suite 2800  
Lexington, KY 40507

Hon. Patricia K. Burgess  
Frost Brown Todd LLC  
7310 Turfway Road, Suite 210  
Florence, KY 41042

Hon. Douglas L. McSwain  
Hon. Ben T. Keller  
Wyatt, Tarrant & Combs, LLP  
250 West Main Street, Suite 1600  
Lexington, KY 40507

  
Clerk, Franklin Circuit Court

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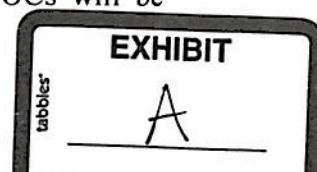
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The Court, having consulted with the Liquidator regarding the status of the Liquidation Estate, and in order to preserve the assets of the Liquidation Estate and to establish certain liquidation procedures, and the Court being sufficiently advised, now Orders as follows.

Having considered the issue, the Court has determined that the Estate's administrative costs can be materially reduced by accepting at face amount the timely filed service provider Proof of Claims ("POCs") below \$1,000.00 which have not been processed as of December 15, 2016. The October 15, 2016 bar date having passed, it is now clear to the Court that the high administrative costs of further scrutinizing each of these remaining, small claims outweighs any benefit to the Estate.

Allowing these remaining claims in full without objection will avoid time consuming POC reviews and additional hearings on disputed small claims. Additionally, the Liquidation Estate will save other processing and overhead costs such as providing Amended Explanation of Benefit forms and Notice of Determination forms to KYHC members and service providers. Eliminating administrative expenses such as these will increase the amount of assets the Liquidation Estate has for distribution to its creditors.

Accordingly, it is in the best interest of the Estate to allow the approximately 5,000 remaining unprocessed claims of \$1,000.00 or less as filed. Because providers' POCs will be



accepted in full without objection, it is reasonable to prohibit these service providers from collecting any perceived or actual outstanding balances (*i.e.*, "balance billing"), from KYHC members.

**IT IS HEREBY ORDERED** that all timely filed claims made by medical service providers against the KYHC Estate in the amount of \$1,000.00 or less that remain pending as of the date of this order shall be allowed at the face amount. Medical service providers whose claims are deemed allowed in full by this order shall be prohibited from taking any action to collect any account balance from the affected KYHC member.

So Ordered this \_\_\_ day of December, 2016.

\_\_\_\_\_  
Phillip J. Shepherd, Judge  
Franklin Circuit Court  
Division I

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Lexington, KY 40507

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Clerk, Franklin Circuit Court

LEGAL NOTICE  
KENTUCKY HEALTH COOPERATIVE ,INC.  
Franklin Circuit Court Case No.15-CI-1144

The Liquidator hereby gives Notice that the Franklin Circuit Court intends to enter an Order allowing all timely filed provider claims of \$1000 or less which have not been processed to date to be allowed in full. Any provider affected by such Order would be prohibited from further collection of any balance due from the KYHC member. Any party wishing to object to this Order must file its objection with the Franklin Circuit Court NO LATER THAN DECEMBER 15, 2016. Additional details are available at [mykyhc.org](http://mykyhc.org).

