

Cause No. D-1-GV-13-000384

THE STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
Plaintiff	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
UNIVERSAL HMO OF TEXAS, INC.,	§	
Defendant	§	345th JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER’S QUARTERLY FINANCIAL REPORT
AND SUMMARY OF STATEMENT OF EXPENSE
FOR THE QUARTER ENDING FEBRUARY 28, 2018**

TO THE HONORABLE JUDGE OF THIS COURT:

COMES NOW, Prime Tempus, Inc., Special Deputy Receiver of Universal HMO of Texas, Inc., and presents to this Court its *Quarterly Financial Report and Summary of Statement of Expense for the Quarter Ending February 28, 2018*, for the above-referenced receivership estate. The Financial Report and Summary of Statement of Expense covers the period of December 1, 2017 through February 28, 2018.

Respectfully submitted,

Wisener Nunnally Roth, L.L.P.



By: _____

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing document has been served on the following interested parties in accordance with Tex. Ins. Code §443.007(d) and the Rehabilitation Order this the 15th day of March, 2018.

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/s/Michael C. Roth
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FINANCIAL REPORT
Relating to
Universal HMO of Texas, Inc.
For the Quarter Ending February 28, 2018

R-555

Universal HMO of Texas
Statement of Net Assets

For the Period Ending
02/28/18

Line		02/28/18
Cash		
1	Cash	
	Cash - Unrestricted	16,494,864
	APF Funds (Loan proceeds)	
Investments		
2	Short-Term Investments	
3	Bonds	
4	Stocks - Preferred & Common	
5	Investments in Subsidiaries, Controlled or Affiliated Entities	
6	Mortgage Loans	
7	Real Estate	
8	Policy Loans	
9	Other Invested Assets	
Restricted Assets		
10	Statutory Deposits	
11	Funds held by or deposited with Reinsured Companies	
12	Restricted - Other	
Reinsurance Receivable		
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	
15	Reinsurance Recoverables on UEP & Contingent Commissions	
Other Receivables		
16	Salvage & Subrogation Recoveries	
17	Premiums Due from Agents & Policyholders	
18	Receivable from Parents, Subsidiaries & Affiliates	
19	Receivable from Guaranty Associations - Early Access Payments	
20	Other Receivables	
Other Assets		
21	FF&E	
22	Other Assets	
	Total Assets	16,494,864

NOTES

Ref No.

**Universal HMO of Texas
Statement of Net Assets****For the Period Ending
02/28/18**

-
- 20 The following assets have been identified on the Company books and records but due to uncertainty, the amounts have been fully reserved. The SDR will perform additional work to determine the collectible amounts for each item and the amounts and reserve will be adjusted accordingly.

Premium Receivable-Members	\$1,820
Pharmacy Rebates Receivable	214,918
Prepaid Claims to Third Party Administrators	9,642
Deferred Commission Expense	299,495
Deferred Tax Asset	306,687
Reserve for Uncollectible Amounts	<u>(832,562)</u>
Net Amount	<u><u>\$0</u></u>

Universal HMO of Texas
Changes in Net Assets for the Quarter Ending

02/28/18

Line		11/30/17	02/28/18	Change
Cash				
1	Cash			
	Cash - Unrestricted	16,529,307	16,494,864	(34,443)
	APF Funds (Loan proceeds)	0	0	0
Investments				
2	Short-Term Investments	0	0	0
3	Bonds	0	0	0
4	Stocks - Preferred & Common	0	0	0
5	Investments in Subsidiaries, Controlled or Affiliated Entities	0	0	0
6	Mortgage Loans	0	0	0
7	Real Estate	0	0	0
8	Policy Loans	0	0	0
9	Other Invested Assets	0	0	0
Restricted Assets				
10	Statutory Deposits	0	0	0
11	Funds held by or deposited with Reinsured Companies	0	0	0
12	Restricted - Other	0	0	0
Reinsurance Receivable				
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	0	0	0
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	0	0	0
15	Reinsurance Recoverables on UEP & Contingent Commissions	0	0	0
Other Receivables				
16	Salvage & Subrogation Recoveries	0	0	0
17	Premiums Due from Agents & Policyholders	0	0	0
18	Receivable from Parents, Subsidiaries & Affiliates	0	0	0
19	Receivable from Guaranty Associations - Early Access Payments	0	0	0
20	Other Receivables	0	0	0
Other Assets				
21	FF&E	0	0	0
22	Other Assets	0	0	0
Total Assets		16,529,307	16,494,864	(34,443)

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**Universal HMO of Texas
Statement of Net Liabilities**

**For Period Ending
02/28/18**

Line

02/28/18

1	Secured Claims	
2	APF Loan	
3	Special Deposit Claims	
Administrative Claims - Class 1		
4	Administrative Claims - State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	5,419
	Liquidation Oversight	9,996
	Special Master's Fees	
5	Administrative Claims - Guaranty Assns	
	Administrative Expense Paid	
	Administrative Expense Reserves	
6	LAE - Guaranty Assns	
	LAE Paid	
	LAE Reserves	
Policy Claims - Class 2		
7	Loss Claims - Guaranty Assns	
	Loss Claims Paid	
	Loss Claims Reserves	
8	Loss Claims - Other	
	Other Loss Claims Paid	
	Other Loss Claims Reserves	90,312
9	LAE - Other	62,875
10	Unearned & Advance Premium Claims - GA	
11	Unearned & Advance Premium Claims - Other	
Other Liabilities		
12	Class 3 Claims	
13	Class 4 Claims	
14	Class 5 General Unsecured Creditor Claims	867,675
15	Class 5 Reinsurance Related Unsecured Claims	
16	Class 6 Claims	
17	Class 7 Claims	
18	Class 8 Claims	9,015,935
19	Class 9 Claims	
20	Class 10 Interest	
21	Class 11 Claims	37,205,711
22	Other Liabilities	
	Total Liabilities	47,257,923
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(30,763,059)
	Total Liabilities & Equity	16,494,864

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**Universal HMO of Texas
Statement of Net Liabilities**

**For Period Ending
02/28/18**

NOTES

All amounts recorded based on adjudicated claims unless otherwise specified

Ref. No.

8 Represents amounts reserved based on review of company books and records and proof of claims (POC) adjudicated to date. All POC's have not been adjudicated and the reserve amount will be updated as warranted.

9 Represents amounts reserved based on review of company books and records and proof of claims (POC) adjudicated to date. All POC's have not been adjudicated and the reserve amount will be updated as warranted.

21 Represents claims from minority shareholders in the parent company and claims of the secured creditor of the parent company.

Universal HMO of Texas
Changes in Net Liabilities for the Quarter Ending

02/28/18

Line		11/30/17	02/28/18	Change
1	Secured Claims	0	0	0
2	APF Loan	0	0	0
3	Special Deposit Claims	0	0	0
Administrative Claims - Class 1				
4	Administrative Claims - State/Receiver	0	0	0
	Special Deputy Receiver, Subcontractors Fees & Expenses	4,931	5,419	488
	Liquidation Oversight	849	9,996	9,147
	Special Master's Fees	0	0	0
5	Administrative Claims - Guaranty Assns	0	0	0
	Administrative Expense Paid	0	0	0
	Administrative Expense Reserves	0	0	0
6	LAE - Guaranty Assns	0	0	0
	LAE Paid	0	0	0
	LAE Reserves	0	0	0
Policy Claims - Class 2				
7	Loss Claims - Guaranty Assns	0	0	0
	Loss Claims Paid	0	0	0
	Loss Claims Reserves	0	0	0
8	Loss Claims - Other	0	0	0
	Other Loss Claims Paid	0	0	0
	Other Loss Claims Reserves	90,312	90,312	0
9	LAE - Other	62,875	62,875	0
10	Unearned & Advance Premium Claims - GA	0	0	0
11	Unearned & Advance Premium Claims - Other	0	0	0
Other Liabilities				
12	Class 3 Claims	0	0	0
13	Class 4 Claims	0	0	0
14	Class 5 General Unsecured Creditor Claims	878,178	867,675	(10,503)
15	Class 5 Reinsurance Related Unsecured Claims	0	0	0
16	Class 6 Claims	0	0	0
17	Class 7 Claims	0	0	0
18	Class 8 Claims	9,082,267	9,015,935	(66,332)
19	Class 9 Claims	0	0	0
20	Class 10 Interest	0	0	0
21	Class 11 Claims	37,205,711	37,205,711	0
22	Other Liabilities	0	0	0
	Total Liabilities	47,325,123	47,257,923	(67,200)
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(30,795,816)	(30,763,059)	32,757
	Total Liabilities & Equity	16,529,307	16,494,864	(34,443)

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**Universal HMO of Texas
Sources & Uses of Cash**

For Period Ending
02/28/18

	Qtr Ending Feb-18
Income	
Premium Receipts	0
Agents' Balances Received	0
Reinsurance Recoveries	0
Salvage & Subrogation Recoveries	0
Affiliates Recovery	0
Settlement/Litigation Recovery	0
Other Receipts	121
Sale of Real & Personal Property	0
Investment Sales/Receipts	0
Other Asset Receipts	0
Total Receipts from Assets/Receivables	121
Interest & Dividend Receipts, EA Interest	0
Cash Deposit Interest	49,030
Total Cash Receipts	49,151
Disbursements	
SDR Fees & Expenses	1,065
Subcontractor Legal Fees & Expenses	1,525
Subcontractor Other Fees & Expenses	2,341
Non-Subcontractor Fees & Expenses	0
Other Expenses	979
RLO Fees & Expenses	849
Total Disbursements for Operations	6,759
Loss Claims & LAE Expense Payments	76,835
Early Access Payments - GA	0
Refunds & Other Distributions	0
Total Cash Distributions	76,835
Total Cash Disbursements & Distributions	83,594
Net Increase(Decrease) in Cash	(34,443)
Cash at Beginning of Period	16,529,307
Cash at End of Period	16,494,864

SUMMARY OF STATEMENT OF EXPENSE
Relating to
Universal HMO of Texas, Inc.
For the Quarter Ending February 28, 2018

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Universal HMO of Texas
Statement of Expenses

For Period Ending
02/28/18

	Total Dec	Total Jan	Total Feb	Total Quarter
SDR				
SDR-J Johnson (Former SDR)				
SDR	525.00	0.00	0.00	525.00
Total SDR Billing	525.00	0.00	0.00	525.00
SDR-Prime Tempus				
SDR	0.00	0.00	740.25	740.25
Claim and Record Specialist	0.00	0.00	8.10	8.10
Clerical	0.00	0.00	5.40	5.40
Expenses	0.00	0.00	90.80	90.80
Total SDR Billing	0.00	0.00	844.55	844.55
SDR Subcontractors - Legal				
Wisener Nunnally Roth, LLP				
Attorney-Partner	552.00	2,424.00	2,904.00	5,880.00
Attorney-Partner	252.00	126.00	198.00	576.00
Expenses	7.84	2.70	2.40	12.94
Total Billing	811.84	2,552.70	3,104.40	6,468.94
Total Legal Subcontractors	811.84	2,552.70	3,104.40	6,468.94
SDR Subcontractors - Other				
Administrative Insurance Management (AIMS)				
Specialist	790.00	640.00	0.00	1,430.00
Total Billing	790.00	640.00	0.00	1,430.00
Petrosewicz & Company, Inc.				
Accounting Manager/	245.00	402.50	402.50	1,050.00
Accountant/	712.50	1,453.50	446.50	2,612.50
Expenses	10.60	604.42	6.74	621.76
Total Billing	968.10	2,460.42	855.74	4,284.26
Total Other SDR Subcontractors	1,758.10	3,100.42	855.74	5,714.26
Receivership Service Providers				
Fire Cube Technologies	0.00	0.00	89.96	89.96
SafeSite Document Storage	60.50	60.50	0.00	121.00
Texas Treasury	280.45	289.34	288.97	858.76
Total Other	340.95	349.84	378.93	1,069.72
Sub-Total SDR, Subcontractor & Provider Expenses				
Sub-Total SDR, Subcontractor & Provider Expenses	3,435.89	6,002.96	5,183.62	14,622.47

Liquidation Oversight Allocation

RLO Allocation	620.27	0.00	835.53	1,455.80
Special Master's Fees	195.79	0.00	0.00	195.79
Total RLO & SM Expense	816.06	0.00	835.53	1,651.59
Total Expenses	4,251.95	6,002.96	6,019.15	16,274.06