

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202	DATE FILED: January 3, 2023 2:15 PM FILING ID: E2CEF2E5D3A22 CASE NUMBER: 2015CV33680
PETITIONER MICHAEL CONWAY, in his official capacity as the Commissioner of Insurance of the State of Colorado, v. RESPONDENT COLORADO HEALTH CO-OP, a Colorado Domestic Insurance Company.	<p style="text-align: center;">^ COURT USE ONLY ^</p>
PHILIP J. WEISER, Attorney General HEATHER FLANNERY, First Assistant Attorney General, 37795* PHILLIP M. KHALIFE, Assistant Attorney General, 46333* Ralph L. Carr Colorado Judicial Center 1300 Broadway, 8th Floor Denver, CO 80203 Telephone: 720-508-6387 (Flannery) 720-508-6388 (Khalife) E-Mail: heather.flannery@coag.gov phillip.khalife@coag.gov *Counsel of Record	Case No. 2015CV33680
PETITIONER’S YEAR-END FINANCIAL REPORTS PURSUANT TO § 10-3-517(5), C.R.S.	

Petitioner Michael Conway, Commissioner of Insurance for the State of Colorado (“Commissioner”), by and through counsel, hereby submits the Colorado Health Insurance Cooperative, Inc.’s (“HealthOP”) year-end financial reports, and states as follows:

1. On January 4, 2016, the Court appointed Insurance Commissioner Marguerite Salazar to serve as Liquidator of the HealthOP pursuant to § 10-3-517(1), C.R.S.
2. On September 4, 2018, the Court approved the substitution of Insurance Commissioner Michael Conway as the Liquidator of the HealthOP.
3. Section 10-3-517(5), C.R.S., requires the Liquidator to file financial reports, “...within one year of the liquidation order and at least annually thereafter.”

4. Further, the Liquidation Order states, “The Liquidator, pursuant to § 10-3-517(5), C.R.S., shall file financial reports with this Court within one year after the date of this Order and at least annually thereafter. The financial reports shall include, at a minimum, the assets and liabilities of the CO-OP and all funds received or disbursed by the Liquidator during the reporting period.”

5. Pursuant to § 10-3-517(5), C.R.S., and the Liquidation Order, the Commissioner hereby provides this Court with the HealthOP’s Year-end Financial Report and Balance Statement, attached hereto as **Exhibits 1 and 2**.

Dated this 3rd day of January, 2023.

PHILIP J. WEISER
Attorney General

/s/ Heather S. Flannery

HEATHER S. FLANNERY

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CERTIFICATE OF SERVICE

This is to certify that I have duly served the within **PETITIONER'S YEAR-END FINANCIAL REPORTS PURSUANT TO § 10-3-517(5), C.R.S.**, upon all parties via First Class U.S. mail postage prepaid in Denver, Colorado, this 3rd day of January, 2023 to the following recipients:

Life and Health Insurance Protection Association in Colorado
Attn: Lori Gadelmann
P.O. Box 36009
Denver, CO 80236

Frank O'Loughlin
Cindy Oliver
Lewis Roca Rothgerber Christie LLP
1200 17th Street, Suite 3000
Denver, CO 80202

/s/ Cheryl Tredway _____
Office of the Colorado Attorney General

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STATEMENT OF ASSETS AND LIABILITIES

As of September 30, 2022

	Dec 31 2021	Jun 30 2022	Sep 30 2022A
ASSETS			
Participation in pooled investments, at market	24,586,200	3,781,100	3,728,300
Accrued investment income	31,700	23,500	13,500
Premium balances	208,000	208,000	208,000
Other receivable	(1,500)	(1,500)	(1,500)
Property and equipment, net of accumulated depreciation	66,800	66,800	66,800
Deposits and other assets	126,600	126,600	126,600
Total Available Assets	25,017,800	4,204,500	4,141,700
LIABILITIES			
Secured claims	116,900	116,900	116,900
Accrued administrative expenses	-	-	-
Claims against policies, including guaranty associations, before distributions	103,943,900	103,943,900	103,943,900
Early access and other Class 2 distributions	(41,081,800)	(41,081,800)	(61,081,800)
All other claims	100,741,900	100,741,900	100,741,900
Total Estimated Liabilities	163,720,900	163,720,900	143,720,900
NET ASSETS (DEFICIENCY)	(138,703,100)	(159,516,400)	(139,579,200)

	2021	2022 ytd
ADMIN EXPENSES		
Consultants and temps	15,300	7,500
Office expenses	2,600	2,000
Legal	2,448,900	
Allocated overhead expenses	6,100	25,400
	2,472,900	34,900

Rehabilitation Date	11/10/2015
Target Close Date	0
Assets as % of Liabilities	3%



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STATEMENT OF ASSETS AND LIABILITIES
As of September 30, 2022

	Dec 31 2021	Jun 30 2022	Sep 30 2022A
ASSETS detail			
Cash and Investments			
12001 Participation in Pooled Investment Cash and Investments	24,586,154	3,781,091	3,728,261
	<u>24,586,154</u>	<u>3,781,091</u>	<u>3,728,261</u>
13015 Accrued Int & Div Receivable	31,703	23,489	13,468
Reinsurance Receivable			
13001 Rein Recoverable-Paid Reinsurance Receivable	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>
Premium Receivable			
13006 Premium Receivable Premium Receivable	208,003	208,003	208,003
	<u>208,003</u>	<u>208,003</u>	<u>208,003</u>
Other Receivables			
13018 Other Receivables	111,189,888	111,189,888	111,189,888
13019 Allow Uncoll Acct-Other Rec Other Receivable	(111,191,369)	(111,191,369)	(111,191,369)
	<u>(1,481)</u>	<u>(1,481)</u>	<u>(1,481)</u>
Property and Equipment			
14009 Furn & Equip-Pre Appraisal	83,740	83,740	83,740
14010 Accum Depr Furn & Equipment Property and Equipment	(16,930)	(16,930)	(16,930)
	<u>66,810</u>	<u>66,810</u>	<u>66,810</u>
Other Assets			
15005 Other Prepaid Expense Other Assets	126,572	126,572	126,572
	<u>126,572</u>	<u>126,572</u>	<u>126,572</u>
Total Available Assets	<u>25,017,761</u>	<u>4,204,485</u>	<u>4,141,633</u>
LIABILITIES detail			
Secured Claims			
22001 Unclaimed Funds Payable Secured Claims	116,926	116,926	116,926
	<u>116,926</u>	<u>116,926</u>	<u>116,926</u>
Class 1: Payables and Accrued Expenses			
25001 Due To/From Intercompany Acct Class 1 Liabilities	(0)	(0)	(0)
	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>
Class 2: Losses, Reserves and non-IGA Claims			
28006 Liability Due to GAs Class 2 Liabilities before Distributions	103,943,939	103,943,939	103,943,939
	<u>103,943,939</u>	<u>103,943,939</u>	<u>103,943,939</u>
Early Access and Other Class 2 Distributions			
28007 Advances to Guaranty Associations Early access and other Class 2 distributions	(41,081,804)	(41,081,804)	(61,081,804)
	<u>(41,081,804)</u>	<u>(41,081,804)</u>	<u>(61,081,804)</u>
Class 7: All Other Claims			
30001 Accounts Payable-Pre Liquidation	45,314	45,314	45,314
30005 Reinsurance Payable	771,298	771,298	771,298
30008 Other Class 7 Liabilities	97,715,924	97,715,924	97,715,924
30009 Premium Tax Payable - Class 7 Class 7 Liabilities	2,209,330	2,209,330	2,209,330
	<u>100,741,866</u>	<u>100,741,866</u>	<u>100,741,866</u>
Total Estimated Liabilities	<u>163,720,927</u>	<u>163,720,927</u>	<u>143,720,927</u>
NET ASSETS (DEFICIENCY)	<u>(138,703,166)</u>	<u>(159,516,443)</u>	<u>(139,579,294)</u>

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516 Colorado Health Ins**STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION**

For Nine Months Ended September 30, 2022

		<i>Budget</i>		
		2021	<i>2022 ytd</i>	2022A
	BEGINNING NET ASSETS	(136,280,793)		(138,703,166)
	REVENUES			
54003	Miscellaneous Income			
	TOTAL REVENUES			
	EXPENSES			
	Legal			
62003	Other Legal Expense	2,448,979	-	-
	Total Legal Expenses	2,448,979	-	-
	Consultants and Contractors			
63002	Accounting & Auditing	5,390	<i>5,000</i>	7,535
63008	Tax Consulting and Compliance	9,900	<i>7,500</i>	-
	Total Consultant Expenses	15,290	12,500	7,535
	Office Expenses			
65002	Postage	18	-	4
65012	Repair & Maint.-IT	2,345	<i>2,000</i>	1,706
65015	Storage Rent	198	<i>149</i>	100
65027	Bank Charges	-	-	212
	Total Office Expenses	2,560	2,149	2,022
70002	Allocated Expenses	6,082	-	25,358
	<i>Direct Admin Exp only</i>	<i>2,466,829</i>	<i>14,649</i>	<i>9,557</i>
	Total Admin Expenses	2,472,911		34,915
	<i>Total non-Admin Expenses</i>	<i>-</i>		<i>-</i>
	TOTAL EXPENSES	2,472,900		34,900
	INVESTMENTS			
53001	Interest Earned-Taxable	63,869		140,223
53002	Interest Earned-Non Taxable	-		1,345
	Total Investment Income	63,869		141,568
68001	Investment Expense	(2,426)		(9,219)
68003	Interest Expense	(249)		(51,324)
	Total Investment Expenses	(2,675)		(60,543)
82001	LT Realized Gn/Ls-Pool	(8,872)		(64,415)
82002	ST Realized Gn/Ls-Pool	(214,734)		(913,569)
82005	Mark to Market-Pool	160,329		55,747
82008	G/L Non Pool Reap of Sec	12		-
	Net G/L on Securities	(63,265)		(922,237)
	NET INVESTMENT INCOME	(2,071)		(841,213)
	NET INCOME (LOSS)	(2,474,971)		(876,112)
	NET ASSET ADJUSTMENT	52,609		-
	ENDING NET ASSETS	(138,703,155)		(139,579,279)

EXHIBIT**2**