

SUPREME COURT OF THE STATE OF NEW YORK — NEW YORK COUNTY

PRESENT: Solomon
Justice

PART 55

HEALTH PARTNERS OF NY

INDEX NO. 402965/08
MOTION DATE _____
MOTION SEQ. NO. 1
MOTION CAL. NO. _____

The following papers, numbered 1 to _____ were read on this motion to/for _____

	PAPERS NUMBERED
Notice of Motion/ Order to Show Cause — Affidavits — Exhibits ...	_____
Answering Affidavits — Exhibits _____	_____
Replying Affidavits _____	_____

Cross-Motion: Yes No

Upon the foregoing papers, it is ordered that this motion is granted & the

Proposed Order of bifurcation is
signed.

FILED
DEC 22 2008
COUNTY CLERK'S OFFICE
NEW YORK

Dated: 12/22/08

JANE S. SOLOMON J.S.C.

Check one: FINAL DISPOSITION NON-FINAL DISPOSITION
Check if appropriate: DO NOT POST REFERENCE

MOTION/CASE IS RESPECTFULLY REFERRED TO JUSTICE FOR THE FOLLOWING REASON(S):

At IAS Part 55 of the Supreme Court of the State of New York, County of New York, at the Courthouse, 60 Centre Street, in the County, City and State of New York, on the 22 day of December, 2008.

P R E S E N T:

HON. JANE S. SOLOMON, J.S.C.

In the Matter of

Index No.: 402965/08

the Application of

**ORDER OF
LIQUIDATION**

ERIC R. DINALLO, Superintendent of Insurance of the State of New York, for an order to take possession of and liquidate the business and affairs of and dissolve the corporate charter of

HEALTH PARTNERS OF NEW YORK

FILED
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COUNTY CLERK'S OFFICE
NEW YORK

Petitioner, Eric R. Dinallo, Superintendent of Insurance of the State of New York ("Superintendent"), having moved this Court for an order to take possession of the property of Health Partners of New York, LLC ("HPNY"), liquidate its business and affairs and dissolve its corporate charter, and upon reading and filing the petition of the Superintendent, duly verified the 14th day of November, 2008, and the exhibits annexed thereto; this Court finds that:

1. HPNY was formed on October 26, 2006, as a single member limited liability company whose sole member was (and currently is) WSNCHS East Inc., d/b/a The Long Island Home ("The Home");
2. As of January 1, 2007, HPNY operated as a managed long-term care plan, pursuant to Section 44403(f) of the New York Public Health Law;

3. HPNY is a New York corporation and its principal place of business is located at 400 Sunrise Highway, Amityville, New York 11701;
4. The board of directors of The Home has unanimously consented to an order of liquidation being entered against it in this Court;
5. HPNY is insolvent;
6. HPNY is subject to the New York Insurance Law ("Insurance Law") and, particularly, to Article 74 thereof;
7. HPNY should be dissolved and its corporate charter annulled and forfeited; and
8. It is in the best interest of all persons concerned that the Superintendent be authorized and directed to take possession of HPNY's property, liquidate its business and affairs, and dissolve its corporate charter;

NOW, on motion of the Honorable Andrew M. Cuomo, Attorney General of the State of New York, it is hereby ORDERED as follows:

1. The petition is granted;
2. The Superintendent, and his successors in office, are appointed liquidator ("Liquidator") of HPNY and are: (i) vested with all powers and authority expressed or implied under Insurance Law Article 74, in addition to the powers and authority set forth in this Order; (ii) authorized and directed to immediately take possession of HPNY's property; (iii) vested with title to HPNY's property, contracts, rights of action and all its books and records, wherever located, as of the date of entry of this Order; and (iv) directed to liquidate HPNY's business and affairs in accordance with Insurance Law Article 74;
3. The Liquidator may deal with the property and business of HPNY in its name or in the name of the Liquidator;
4. In accordance with Insurance Law Section 7432(b), all claims against HPNY must be presented to the Liquidator within four months of the date of entry of this Order;

5. The Liquidator shall provide notice to all creditors, claimants and interested persons by publication in the New York Post or Newsday, Long Island Edition, or a publication of similar circulation, once a week for two consecutive weeks, commencing within four weeks of entry of this Order, that this Order has been entered and that such interested persons must present claims within four months of the date of entry of this Order or such claims not on HPNY's books and records will be subordinated;
6. The notice prescribed in paragraph 5 is sufficient notice to all persons interested in HPNY;
7. In accordance with Insurance Law Section 7405, all contracts, leases, tax sharing agreements, employment contracts, and obligations of HPNY, however described, shall terminate and all liability thereunder shall cease and be fixed as of the date of entry of this Order unless expressly ratified in writing by the Liquidator;
8. The Liquidator is authorized, permitted and allowed to sell, assign or transfer any and all real or personal property, stocks, bonds or securities of HPNY at market price or better, or if there is no market price, at the best price obtainable at private sale at such times and upon such terms and conditions as, in his discretion, he deems is in the best interest of the creditors of HPNY, and he is further authorized to take such steps and to make and execute such agreements and other papers as may be necessary to effect and carry out such sales, transfers and assignments;
9. HPNY, its officers, directors, shareholders, members, depositories, policyholders, trustees, agents, servants, employees, attorneys, managers and affiliates, and all other persons, having any property or records belonging or relating to HPNY, wherever located, including but not limited to insurance policy, loss claim and legal files, shall preserve them and are directed to assign, transfer, turn over and deliver to the Liquidator all such property or records;
10. Any persons, firms, corporations or associations having any books, papers or records relating to the business of HPNY shall preserve them and submit them to the Liquidator for examination and copying at all reasonable times;
11. Any person or entity furnishing claims processing, data processing, electronic records retention or other information technology services to HPNY shall maintain and preserve such services and electronic records and are directed to assign, transfer, turn over and deliver to the Liquidator all such records;

12. Any bank, savings and loan association, other financial institution or any other entity or person, which has on deposit or in its possession, custody or control of any funds, accounts or assets of HPNY shall immediately transfer title, custody and control of all such funds, accounts or assets to the Liquidator and is instructed that the Liquidator has absolute control over such funds, accounts and other assets, and that the Liquidator may change the name of such accounts and other assets, withdraw them from such bank, savings and loan association or other financial institution, or take any lesser action necessary for the proper conduct of the liquidation proceeding;
13. Any distribution of assets shall be in accordance with the priorities set forth in Insurance Law Article 74;
14. The officers, directors, shareholders, trustees, agents, servants, employees, attorneys and managers of HPNY and all other persons are permanently enjoined and restrained from transacting HPNY's business, wasting or disposing of its property, and interfering with the Liquidator in the possession, control or management of HPNY's property or in the discharge of his duties;
15. In accordance with Insurance Law Section 4307(d), no individual subscriber or enrollee shall be liable to any health care provider ("Provider") for any monies related to services covered by HPNY and no Provider shall collect or attempt to collect from any individual subscriber or enrollee monies related to services covered by HPNY or maintain any action against an individual subscriber or enrollee to collect such monies;
16. All persons are permanently enjoined and restrained from commencing or prosecuting any actions or proceedings against HPNY, the Liquidator of HPNY or the New York Liquidation Bureau, its employees, attorneys and/or agents with respect to any claims against HPNY;
17. All persons are permanently enjoined and restrained from obtaining preferences, judgments, attachments or other liens, or making any levy against HPNY's assets or any part thereof;
18. The corporate charter of HPNY is relinquished, forfeited, surrendered and annulled, and HPNY is dissolved;
19. The Liquidator, his successors in office, and their agents and employees, are relieved of any liability for any cause of action of any nature against them for any action or omission of any one or more of them when acting in good faith, in accordance with this Order, or in the performance of their duties pursuant to Insurance Law Article 74;

20. The Liquidator may at any time make further application to this Court for such further and different relief as he sees fit;
21. A copy of this Order shall be served forthwith upon HPNY or its attorney;
22. This Court shall retain jurisdiction over this matter for all purposes;
23. All further papers in this proceeding shall bear the caption:

“In the Matter of

the Liquidation of

Health Partners of New York, LLC”

24. The Liquidator shall serve a conformed copy of this Order upon the county clerk and the clerk of the trial support office for amendment of the court and computer records.

ENTER



J.S.C.

JANE S. SOLOMON

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