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other

At IAS Part 42 of the Supreme Court of the State of New York, County of New York, at the Courthouse, 111 Centre Street, in the County, City and State of New York, on the 2 day of October, 2015.

P R E S E N T:

HON. NANCY M. BANNON, J.S.C.  
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In the Matter of

Index No.: 452836/14

the Liquidation of

**ORDER TO SHOW CAUSE**

CIGNA HEALTHCARE OF NEW YORK, INC.  
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Based on the affirmation of Melissa A. Pisapia (the "Pisapia Aff"), an attorney with the New York Liquidation Bureau, the organization that carries out the duties of Anthony J. Albanese, Acting Superintendent of Financial Services of the State of New York in his capacity as liquidator (the "Liquidator") of CIGNA Healthcare of New York, Inc. ("CHNY"), dated the 28<sup>th</sup> day of September, 2015, and the exhibits attached thereto, upon all other papers previously submitted and all proceedings heretofore had herein;

NOW, on motion of the Liquidator, and after due deliberation having been had thereon,

LET all creditors, claimants, and other persons interested in the affairs of CHNY or counsel <sup>appear and</sup> show cause before this Court at IAS Part 42 thereof, at the Courthouse located at 111 Centre Street, in the County, City and State of New York, <sup>Em 1127</sup> on the 2<sup>nd</sup> day of December 2015 ("Return Date") at 11<sup>00</sup> o'clock 2.m., or as soon as thereafter as counsel can be heard, why an order should not be made, pursuant to Article 74 of the New York Insurance Law, *inter alia*, (i) approving the Liquidator's report on the status of and request to close the CHNY liquidation

proceeding (the "Liquidation Proceeding") and the financial transactions delineated in such report; (ii) authorizing the payment of administrative expenses, including such expenses for the closing of the Liquidation Proceeding; (iii) authorizing the Liquidator to distribute, after payment of administrative expenses, the remainder of CHNY's assets to Healthsource, Inc., CHNY's owner and only claimant; (iv) terminating and closing the Liquidation Proceeding; (v) releasing and discharging the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; and (vi) granting the Liquidator such other and further relief as this Court deems appropriate and just;

AND, sufficient cause having been alleged therefor, it is hereby

ORDERED, that the Liquidator shall give notice of this application by: (i) posting this Order to Show Cause and its supporting papers on the Internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> at least fifteen (15) days before the Return Date; and (ii) publishing the notice substantially in the form attached as Exhibit 1 to the Pisapia Aff in *The New York Post*, or a newspaper of similar circulation, once a week for two consecutive weeks, such publication to commence within thirty (30) days of the date of this Order to Show Cause; and it is further

ORDERED, that answering papers, either in support of or in opposition to the relief sought herein (the "Answering Papers"), shall be served on the Liquidator at the following address:

Acting Superintendent of Financial Services of the State of New York  
as Liquidator of CIGNA Healthcare of New York, Inc.  
110 William Street, 15<sup>th</sup> Floor  
New York, New York 10038  
Attention: General Counsel

at least seven (7) days before the Return Date, and that any Answering Papers, together with an affidavit of service, shall be filed with the Court on or before the Return Date.

Oral Argument  
Directed

JSC

  
\_\_\_\_\_  
**HON. NANCY M. BANNON**

L19260

ENTER

  
\_\_\_\_\_  
J.S.C. 10/2/15

**HON. NANCY M. BANNON**

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

-----x  
In the Matter of

Index No.: 452836/14

the Liquidation of

**AFFIRMATION**

CIGNA HEALTHCARE OF NEW YORK, INC.  
-----x

Melissa A. Pisapia, an attorney at law duly admitted to practice before the Courts of the State of New York, hereby affirms the following to be true under the penalties of perjury:

1. I am an attorney with the New York Liquidation Bureau (the "NYLB"), the organization that carries out the duties of Anthony J. Albanese, Acting Superintendent of Financial Services of the State of New York in his capacity as liquidator (the "Liquidator") of CIGNA Healthcare of New York, Inc. ("CHNY"), and submit this affirmation upon information and belief, based on my review of the CHNY files maintained by the NYLB, and the conversations I have had with employees of the Liquidator in support of the Liquidator's application to approve the report on the status of and request to close the liquidation proceeding of CHNY (the "Report"), annexed hereto as Exhibit 2.

2. By order dated January 30, 2015 (the "Liquidation Order"), this Court placed CHNY into liquidation under Article 74 of the New York Insurance Law (the "Insurance Law").

3. The Liquidation Order vested the Liquidator with, among other things, the responsibility for:

- a. marshaling CHNY's assets;
- b. providing notice of entry of the Liquidation Order to CHNY's creditors, claimants, and other interested persons; and
- c. otherwise liquidating CHNY's business pursuant to Article 74 of the Insurance Law.

4. The Liquidator's Report describes the status of the Liquidation Proceeding and that the affairs of the CHNY estate permit (i) administrative expenses to be paid; (ii) distribution of the remainder of CHNY's assets after administrative expenses are paid; and (iii) termination of the Liquidation Proceeding.

**CLAIMS IN THE LIQUIDATION PROCEEDING AND THE BAR DATE**

5. Under paragraph 13 of the Liquidation Order, the date that is one year after the entry of the Liquidation Order is established as the bar date by which all claims by any claimant against CHNY or its insureds, other than the Liquidator's claims for administrative expenses, including all evidence supporting such claims, must actually be received by the Liquidator. In March 2015, the Liquidator applied to this Court to amend the Liquidation Order so as to make July 31, 2015 the bar date for the Liquidator's receipt of all claims and evidence in support thereof, which application was later supplemented following a conference with this Court, and the Liquidator requested entry of an order establishing August 31, 2015 as the bar date. By order dated June 25, 2015 this Court amended the Liquidation Order and established August 31, 2015 as the bar date by which all claims by any claimant against CHNY or its insureds, other than the Liquidator's claims for administrative expenses, including all evidence supporting such claims, must actually be received by the Liquidator (the "Bar Date").

6. The Liquidator posted a copy of the June 25, 2015 order on the NYLB website to inform CHNY's creditors, claimants, and other interested persons that any and all claims against CHNY or its insureds must be submitted to the Liquidator on or before August 31, 2015.

7. As of August 31, 2015, the Bar Date, Healthsource, Inc., CHNY's owner, was the only person or entity to submit a claim to the Liquidator. No other claims against CHNY or its insureds, other than the claim of Healthsource, Inc., were presented to the Liquidator. To date, no "late claims" have been presented to the Liquidator. In addition, the Liquidator reviewed CHNY's books and records and determined that CHNY had no creditors.

**THE LIQUIDATION PROCEEDING IS RIPE FOR CLOSURE**

8. The Liquidator has marshaled the assets of CHNY, and has determined that the only claimant in the CHNY estate is Healthsource, Inc.


9. The Liquidator has complied with all directives of this Court. The Liquidation Proceeding has been completed and the Liquidator has fulfilled his obligations. The Liquidator wishes to close the Liquidation Proceeding and, after payment of administrative expenses, pay all remaining monies to Healthsource, Inc. Therefore, it is respectfully submitted that the Report and the financial transactions delineated in such report should be approved, the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, should be discharged and the Liquidation Proceeding should be terminated and closed.

10. The Liquidator also requests that this Court issue the accompanying Order to Show Cause approving a return date for a hearing on the Liquidator's application to be held before this Court at least thirty (30) days after the date of issuance of the Order to Show Cause.

11. No previous application for the relief sought herein has been made to this or any other court or judge thereof.

WHEREFORE, it is respectfully requested that this Court enter an Order (i) approving the Report and the financial transactions delineated in such report; (ii) authorizing the payment of administrative expenses, including such expenses for the closing of the Liquidation Proceeding; (iii) authorizing the Liquidator to distribute, after payment of administrative expenses, the remainder of CHNY's assets to Healthsource, Inc., CHNY's owner and only claimant; (iv) terminating and closing the Liquidation Proceeding; (v) releasing and discharging the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; and (vi) granting the Liquidator such other and further relief as the Court deems appropriate and just.

Dated: New York, New York  
September 28, 2015

  
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Melissa A. Pisapia

L19260

# **EXHIBIT 1**



**IN THE MATTER OF THE LIQUIDATION OF  
CIGNA HEALTHCARE OF NEW YORK, INC.  
Supreme Court County of New York  
Index No.: 452836/14**

**NOTICE**

On January 30, 2015, CIGNA Healthcare of New York, Inc. ("CHNY") was placed into liquidation and, the Acting Superintendent of Financial Services of the State of New York and his successors in office were appointed liquidator ("Liquidator") of CHNY.

The Liquidator has, pursuant to Article 74 of the New York Insurance Law, appointed Scott D. Fischer, Special Deputy Superintendent ("Special Deputy"), as his agent for the liquidation of CHNY. The Special Deputy carries out his duties through the New York Liquidation Bureau ("NYLB"), which is located at 110 William Street, New York, New York 10038. The Liquidator has submitted an application to the Court seeking an order: (i) approving the Liquidator's report on the status of and request to close the CHNY liquidation proceeding ("Liquidation Proceeding") and the financial transactions delineated in such report; (ii) authorizing the payment of administrative expenses, including such expenses for the closing of the Liquidation Proceeding; (iii) authorizing the Liquidator to distribute, after payment of administrative expenses, the remainder of CHNY's assets to Healthsource, Inc., CHNY's owner and only claimant; (iv) terminating and closing the Liquidation Proceeding; (v) releasing and discharging the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; and (vi) granting the Liquidator such other and further relief as the Court deems appropriate and just.

The Return Date on the Liquidator's application is scheduled for the \_\_\_\_ day of \_\_\_\_\_, 201\_, at \_\_\_\_:\_\_\_\_.m., at the Courthouse, 111 Centre Street, IAS Part 42, in the County, City and State of New York. If you wish to object to the Liquidator's application, you or your counsel, must serve a written statement setting forth your objections and all supporting documentation ("Answering Papers") upon the Liquidator at least seven (7) days prior to the Return Date and any Answering Papers, together with an affidavit of service, shall be filed with the Court on or before the Return Date. Service on the Liquidator shall be made by first class mail at the following address:

Acting Superintendent of Financial Services of the State of New York  
as Liquidator of CIGNA Healthcare of New York, Inc.  
Attention: General Counsel  
110 William Street  
New York, New York 10038

The Liquidator's application is available for inspection at <http://www.nylb.org>. In the event of any discrepancy between this notice and the documents submitted to Court, the documents control.

Requests for further information should be directed to the NYLB, Creditor and Ancillary Operations at (212) 341-6421.

Dated: [Insert Date]

ANTHONY J. ALBANESE  
Acting Superintendent of Financial Services  
of the State of New York as Liquidator of  
CIGNA Healthcare of New York, Inc.

# **EXHIBIT 2**

**REPORT ON THE STATUS OF AND REQUEST TO CLOSE THE LIQUIDATION  
PROCEEDING OF CIGNA HEALTHCARE OF NEW YORK, INC.**

Anthony J. Albanese, Acting Superintendent of Financial Services of the State of New York (the “Superintendent”) as liquidator (the “Liquidator”) of CIGNA Healthcare of New York, Inc. (“CHNY”) has appointed certain agents, to carry out, through the New York Liquidation Bureau (the “NYLB”), the responsibilities of the Liquidator. The Liquidator, by Scott D. Fischer, Special Deputy Superintendent and Agent, hereby submits this Liquidator’s report on the status of the CHNY liquidation proceeding (the “Liquidation Proceeding”) and respectfully requests that such proceeding be closed.

**INTRODUCTION**

Supreme Court, New York County, Index Number 452836/14, (the “Supervising Court”), entered an order (the “Liquidation Order”) on January 30, 2015 (the “Liquidation Order Date”), pursuant to which this Liquidation Proceeding was commenced. As described more fully below, CHNY was certified to operate a health maintenance organization (“HMO”) under Article 44 of the New York Public Health Law.<sup>1</sup>

The Liquidation Order charged the Liquidator with, among other things, the responsibility for:

- a. marshaling CHNY’s assets;
- b. providing notice of entry of the Liquidation Order to CHNY’s creditors, claimants, and other interested persons; and
- c. otherwise liquidating CHNY’s business pursuant to Article 74 of the New York Insurance Law (the “Insurance Law”).

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<sup>1</sup> An HMO is an organization that provides or arranges managed care for health insurance on behalf of its members and acts as a liaison with health care providers (hospitals, doctors, etc.).

The Liquidator submits this report on the status of and request to close the CHNY Liquidation Proceeding (the "Report") to apprise the Supervising Court on the status of the Liquidation Proceeding and to seek: (i) approval of the Report and the financial transactions delineated in such report; (ii) authorization for the payment of administrative expenses, including such expenses for the closing of the Liquidation Proceeding; (iii) authorization to distribute, after payment of administrative expenses, the remainder of CHNY's assets to Healthsource, Inc., CHNY's owner and only claimant; (iv) termination and closure of the Liquidation Proceeding; (v) release and discharge of the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; and (vi) a grant of such other and further relief as the Supervising Court deems appropriate and just.

#### **BACKGROUND**

CHNY was licensed pursuant to the provisions of Article 44 of the New York Public Health Law. CHNY filed an application for a certificate of authority on May 14, 1985, which was granted by the New York State Department of Health, effective July 30, 1986. CHNY's certificate of authority permitted CHNY to operate as an HMO and provide health care services in the five boroughs of New York City, as well as in Nassau, Suffolk, Orange, Putnam, Rockland, and Westchester counties.

CHNY stopped renewing memberships as of December 31, 2009, and has not had members since March 31, 2010. On March 4, 2014, CHNY's board of directors unanimously passed a resolution consenting to the entry of an order of liquidation pursuant to Insurance Law Article 74. On January 30, 2015, the Liquidation Order was entered and CHNY was placed into liquidation.

The Liquidator completed all activities related to this Liquidation Proceeding by August 31, 2015, and therefore selected that date for closing CHNY's books (the "Closing Date").

### FINANCIAL CONDITION OF CHNY

CHNY's comparative balance sheet as of the Liquidation Order Date and the Closing Date and the statement of changes of cash and invested assets for the period between the Liquidation Order Date and the Closing Date (collectively, the "Financial Statements") are attached hereto collectively as Exhibit A.

#### **A. As of the Liquidation Order Date**

The Liquidator conducted a review of CHNY's financial position as of the Liquidation Order Date and found that CHNY had assets totaling \$9,126,406<sup>2</sup>, which consisted of cash and investments in the amount of \$8,951,826, accrued interest in the amount of \$1,537, and \$173,043 in statutory deposits with the New York State Department of Financial Services. CHNY reported \$332 in liabilities for abandoned property and the company had a surplus in the amount of \$ 9,126,074.

#### **B. As of the Closing Date**

As of the Closing Date, CHNY had total assets in the amount of \$9,075,325 and total remaining liabilities in the amount of \$9,068,774, which left the company with a surplus of \$6,551.

##### **1. Collection of Assets**

As of the Closing Date, the Liquidator collected \$185,365, which consisted of \$173,043 from statutory deposits with the New York State Department of Financial Services and miscellaneous income including the recovery of unclaimed funds in the amount of \$12, 322.

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<sup>2</sup> Fractions of dollars are omitted in this report, but are included in the accompanying exhibits.

## 2. Administrative Expenses

The functions of the Superintendent as statutory liquidator under Article 74 of the Insurance Law are carried out by the NYLB, which maintains facilities and staff to conduct all receiverships under the Superintendent's administration. The administrative expenses of the NYLB are divided proportionately among the companies in receivership, including CHNY. *See* N.Y. Ins. L. §7422(b). Administrative expenses include salaries and payroll taxes, employee benefits (such as contributions to employee health insurance and pension costs), rent and other office overhead, such as insurance, office equipment and supplies, printing, postage and telephone and internet service (collectively, "Administrative Expenses"). More specifically, the Administrative Expenses incurred to liquidate CHNY are calculated by an electronic timekeeping system used to record the amount of time that each NYLB employee works directly on the CHNY liquidation. Based on the amount of direct time charged by the NYLB's staff to individual estates, including CHNY, the NYLB allocates Administrative Expenses on a *pro-rata* basis to all estates.

In addition, there are certain direct expenses allocable to the estate such as the cost of publishing the Liquidation Order and direct work billed by the NYLB staff to the CHNY liquidation, including the in-take, review and maintenance of the books and records of the estate, taking control of and managing the estates' assets, preparing financial statements, periodic review of the status of claims against the estate, the preparation and filing of legal documents, effecting required legal notices, and related administrative tasks.

As of the Closing Date, \$102,124 in Administrative Expenses were charged to the Liquidator, \$95,252 of which were paid from the Liquidation Order Date through August 31, 2015, and \$6,872 of which were incurred partially during August 2015, but not yet paid. The

total Administrative Expenses paid in the amount of \$95,252 include: \$30,479 for the salaries of the Liquidator's staff; \$20,734 for employee relations and welfare (*e.g.*, payroll taxes, health insurance and pension contributions); \$6,498 for rent and related expenses (*e.g.*, insurance, office equipment and printing); \$653 for professional fees (*e.g.*, payroll services and consultants); \$7,114 for general and administrative expenses, and \$29,774 for other miscellaneous expenses, such as bank fees, taxes and insurance.

The total Administrative Expenses incurred but not paid in the amount of \$6,872 include: \$3,098 for the salaries of the Liquidator's staff; \$2,181 for employee relations and welfare (*e.g.*, payroll taxes, health insurance and pension contributions); \$634 for rent and related expenses (*e.g.*, insurance, office equipment and printing); \$115 for professional fees (*e.g.*, payroll services and consultants); \$137 for general and administrative expenses, and \$707 for other miscellaneous expenses, such as taxes and insurance.

In addition, the Liquidator estimated and reserved the following additional Administrative Expenses and direct costs in order to finally wrap-up the Liquidation Proceeding in its entirety: (1) Administrative Expenses for the month of September at the average monthly expense rate incurred for the months of January through August 2015 in the amount of \$9,766; (2) final closing costs following the entry of an order closing the Liquidation Proceeding, consisting of \$3,175 in salaries and overhead, \$15,000 attributable to CHNY for its share of the Liquidator's required annual audit of estates under administration under Insurance Law Section 7405(g)(2); and (3) the cost of giving notice of the closing order by publication in the approximate amount of \$4,100, which is based on the previous cost of publishing the Liquidation Order and the Superintendent's long experience in publishing similar notices. The total additional estimate and reserve to close the CHNY estate is \$32,041.



Based on the foregoing, all of the Liquidator's Administrative Expenses and direct costs, total of \$134,165 (*i.e.*, the \$102,124 of incurred expenses and the \$32,041 of reserved expense), which amounts to approximately 1.48% of the total assets of CHNY administered by the Liquidator during the Liquidation Proceeding.

### **3. Liabilities**

As of the Closing Date, CHNY had liabilities totaling \$9,068,774, consisting of \$332 reserved by the Liquidator for abandoned property liabilities; \$38,913 reserved for incurred but not paid administrative expenses, and \$9,029,529 reserved for the claim of Healthsource, Inc., CHNYs' owner. The \$332 of abandoned property stems from an uncashed pre-liquidation check to a payee that cannot be located.

### **4. Distribution of Assets**

As of the Closing Date, the Liquidator has not distributed any of CHNY's assets other than those direct expenses paid as detailed above.

## **THE LIQUIDATION PROCEEDING**

In accordance with the Supervising Court's directives as set forth in the Liquidation Order, the Liquidator published notice of CHNY's liquidation in *The New York Post*, once a week for two consecutive weeks, and posted the same notice on the Internet web page maintained by the NYLB at <http://www.nylb.org>. The notice informed creditors, claimants, and other interested persons to present their claims against CHNY or its insureds on or before the bar date.

Originally, the Liquidator, in his application to place CHNY into liquidation, requested a bar date one-year from the entry of the Liquidation Order, or January 30, 2016. This request was based on information received from CHNY indicating that there were open claims at the time of

the application which needed evaluation, processing, and ultimately resolution in the Liquidation Proceeding. Upon entry of the Liquidation Order, the Liquidator formally took control of CHNY's books and records, and learned that all open claims against CHNY had been resolved before the Liquidation Order was entered. There are no outstanding claims against CHNY. For this reason, in March 2015, the Liquidator made an application to request that the Supervising Court move the bar date up to July 31, 2015. Prior to the return date on the Liquidator's motion, and after having a conference with the Supervising Court, the Liquidator supplemented his application and requested that the Supervising Court enter an order establishing the bar date as August 31, 2015. The Liquidator's motion, as supplemented, noted that granting the relief and moving the bar date to August 31, 2015 would reduce costs and expenses which would otherwise be incurred in administering the CHNY estate and would increase the amount of assets available for distribution to any CHNY claimant.

By order, dated June 25, 2015, the Supervising Court granted the Liquidator's motion and amended the Liquidation Order thereby establishing August 31, 2015, as the bar date by which all claims by any claimant against CHNY or its insureds, other than the Liquidator's claims for administrative expenses, including all evidence supporting such claims, must actually be received by the Liquidator (the "Bar Date").

As of the Bar Date no claims against CHNY, other than the claim of Healthsource, Inc. were presented to the Liquidator. To date, no "late claims" have been presented to the Liquidator. Additionally, in order to comply with Insurance Law Section 7433(b)(2), the Liquidator reviewed CHNY's books and records and determined that CHNY had no creditors. There are no claims against the CHNY estate other than the Healthsource, Inc. claim.

Therefore, the assets available after the payment of administrative expenses of CHNY are to be distributed to Healthsource, Inc., as owner of CHNY. Further, other than paying administrative expenses and Healthsource, Inc. there is no further action that the Liquidator needs to take to wind-down CHNY and close the estate.

### **RELIEF SOUGHT**

The Liquidator submits this Report in order to describe to the Supervising Court the status of the Liquidation Proceeding and to inform the Supervising Court that the affairs of the CHNY estate permit administrative expenses to be paid and termination of the Liquidation Proceeding. In support of the Liquidator's recommendations stated herein, the Liquidator has submitted to the Supervising Court the affirmation of Melissa A. Pisapia, an attorney with the NYLB, together with supporting documentation annexed to the affirmation. Based on the Liquidator's compliance with his statutory mandate, including the marshaling of assets of CHNY, together with the fulfillment of all of his duties and obligations as set forth in the Liquidation Order, the Liquidator requests that the Supervising Court issue an order, which:

- a. approves the Report and the financial transactions delineated in such report;
- b. authorizes the payment of administrative expenses, including such expenses for the closing of the Liquidation Proceeding;
- c. authorizes the Liquidator to distribute, after payment of administrative expenses, the remainder of CHNY's assets to Healthsource, Inc., CHNY's owner;
- d. terminates and closes the Liquidation Proceeding;

- d. releases and discharges the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; and
- f. grants the Liquidator such other and further relief as the Supervising Court may deem appropriate and just.

Dated: New York, New York  
September 28, 2015



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Scott D. Fischer  
Special Deputy Superintendent and Agent of  
Anthony J. Albanese, Acting Superintendent  
of Financial Services of the State of New  
York as Liquidator of CIGNA Healthcare of  
New York, Inc.

# **EXHIBIT A**

**CIGNA HEALTHCARE OF NEW YORK, INC**  
**STATEMENT OF ASSETS**

	<u>Aug. 31, 2015</u>	<u>Jan. 30, 2015</u>
<b>Unrestricted Assets</b>		
Cash-Unrestricted	\$ 164,997	\$ 151,608
Short-Term Investments	-	-
Certificate of Deposits	-	-
Bonds	8,876,981	8,800,218
Common Stocks	-	-
<b>Total Cash and Invested Assets</b>	<u>9,041,978</u>	<u>8,951,826</u>
Reinsurance Recoverables on Paid Losses and LAE	-	-
Less: Allowance for Uncollectible Reinsurance Recoverable	-	-
<b>Net Reinsurance Recoverable on Paid Losses and LAE</b>	<u>-</u>	<u>-</u>
Reinsurance Recoverables on Unpaid Losses and Unpaid LAE	-	-
Less: Allowance for Uncollectible Reinsurance Recoverable	-	-
<b>Net Reinsurance Recoverable on Unpaid Losses and LAE</b>	<u>-</u>	<u>-</u>
Premiums Due and Accrued from Agents and Policyholders	-	-
Accrued Investment Income	33,015	1,537
Other Assets	-	-
<b>Total Unrestricted Assets</b>	<u>9,074,993</u>	<u>8,953,363</u>
<b>Restricted Assets:</b>		
Restricted - Statutory Deposits in This or Other States	-	173,043
Restricted - Other	332	-
<b>Total Restricted Assets</b>	<u>332</u>	<u>173,043</u>
<b>Total Assets</b>	<u>\$ 9,075,325</u>	<u>\$ 9,126,406</u>

**CIGNA HEALTHCARE OF NEW YORK, INC**  
**STATEMENT OF LIABILITIES**

	<u>Aug. 31, 2015</u>	<u>Jan. 30, 2015</u>
Secured Claims	\$ 332	\$ 332
Class I - Administrative Claims	38,913	-
Class II - Employee Claims	-	-
Class III - Vendor Claims 90 days prior to the date of Liquidation	-	-
Class IV - Policy and Annuity Contract related Claims	-	-
Class V - Federal, State and Local Government Claims	-	-
Class VI - General Creditors	-	-
Class VII - Surplus, Capital or Contribution Notes Claims	-	-
Class VIII - Policyholders other than Class four and Shareholders	<u>9,029,529</u>	<u>-</u>
Total Liabilities	<u>9,068,774</u>	<u>332</u>
Total Deficit	<u>6,551</u>	<u>9,126,074</u>
Total Liabilities and Deficit of Assets over Liabilities	<u>\$ 9,075,325</u>	<u>\$ 9,126,406</u>

CIGNA HEALTHCARE OF NEW YORK, INC  
STATEMENT OF CHANGES IN CASH AND INVESTED ASSETS  
FROM JANUARY 30, 2015 TO AUGUST 31, 2015

Receipts:		
Released from Statutory Deposits	\$	173,043
Miscellaneous		12,322
<b>Total Receipts</b>		<b>185,365</b>
Disbursements:		
Transfer to Segregated Account		332
Salaries		30,479
Employee Relations & Welfare		20,734
Rent and Related Expenses		6,498
Professional Fees		653
General and Administrative Expenses		7,114
Other Expenses		29,774
<b>Total Disbursements</b>		<b>95,584</b>
<b>Net Increase (Decrease) of Receipts Over Disbursements</b>		<b>89,781</b>
Cash and Invested Assets (Unrestricted), as of January 30, 2015		8,951,826
Unrealized Gain / (Loss) on Investments		371
Cash and Invested Assets (Unrestricted), as of August 31, 2015	\$	9,041,978



**CIGNA HEALTHCARE OF NEW YORK, INC**  
**EXPENSE BREAKDOWN**  
**FROM JANUARY 30, 2015 TO AUGUST 31, 2015**

	Incurred and paid TTD to July 31, 2015	Incurred but not paid August 2015	Total Incurred	Reserve and Closing Cost
Expenses Paid and Outstanding:				
Salaries	30,479	3,098	33,577	
Employee Relations & Welfare	20,734	2,181	22,915	
Rent and Related Expenses	6,498	634	7,132	
Professional Fees	653	115	768	
General and Administrative Expenses	7,114	137	7,251	
Other Expenses	29,774	707	30,481	
Estimated Expenses (September)				9,766
Closing Cost:				
Salary & Overheads				3,175
Financial Audit				15,000
Publication				4,100
Total Expenses Incurred	95,252	6,872	102,124	32,041
			Incurred	102,124
			Reserve/Closing	32,041
			Total:	134,164.95
			Assets	9,075,325.00
			Ratio	1.48%

Index No. 452836

Year 2014

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

In the Matter of

the Liquidation of

CIGNA HEALTHCARE OF NEW YORK, INC.

ORDER TO SHOW CAUSE AND AFFIRMATION

JOHN PEARSON KELLY

Attorney for the Acting Superintendent of Financial Services of the State of New York as Liquidator

Office and Post Office Address, Telephone

New York Liquidation Bureau
110 William Street
New York, NY 10038
(212) 341-6755
Fax (212) 608-3398

ATTORNEY CERTIFICATION

The undersigned, an attorney admitted to practice in the courts of New York State, certifies that, upon information, belief and reasonable inquiry, the contentions in the above referenced document(s) are not frivolous.

Dated: September 28, 2015
New York, New York

Melissa A. Pisapia
Melissa A. Pisapia

[ ] NOTICE OF ENTRY

that the within is a (certified) true copy of a
duly entered in the office of the clerk of the within named court on the day of 20

[ ] NOTICE OF SETTLEMENT

that an order of which the within is a true copy will be presented
for settlement to the HON. one of the judges of the within named court, at
, on 20 at

Dated:

Yours, etc.

JOHN PEARSON KELLY

Attorney for Acting Superintendent of Financial
Services of the State of New York as Liquidator
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New York Liquidation Bureau
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