

1 **MOT**

2 MARK E. FERRARIO, ESQ.
3 Nevada Bar No. 01625
4 KARA B. HENDRICKS, ESQ.
5 Nevada Bar No. 07743
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17 **EIGHTH JUDICIAL DISTRICT COURT**

18 **CLARK COUNTY, NEVADA**

19 SCOTT J. KIPPER, COMMISSIONER OF
20 INSURANCE, STATE OF NEVADA,

21 Petitioner,

22 vs.

23 FRIDAY HEALTH PLANS OF NEVADA, INC.,

24 Defendant.

CASE NO. A-23-871639-C
DEPARTMENT 18

[HEARING REQUESTED]

(and Required Pursuant to
NRS 696B.460(1))

25 **MOTION FOR ORDER FINDING FRIDAY HEALTH PLANS OF NEVADA,**
26 **INC. TO BE INSOLVENT AND ORDER PLACING IT INTO LIQUIDATION**
27 **ON AN ORDER SHORTENING TIME**

28 Petitioner, SCOTT J. KIPPER, COMMISSIONER OF INSURANCE, STATE OF
NEVADA as Receiver (“Commissioner” or “Receiver”) for FRIDAY HEALTH PLANS OF
NEVADA, INC. (“Friday Health”), by and through his counsel, the law firm of Greenberg Traurig,
LLP, moves for an order finding Friday Health to be insolvent and order placing Friday Health into
liquidation (“Motion”).

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1 This Motion is based on the papers and pleadings on file, the attached memorandum of
2 points and authorities, and any oral argument the Court permits on this matter.

3 DATED this 18th day of July, 2023.

GREENBERG TRAURIG, LLP

4 */s/ Kara B. Hendricks*

5 MARK E. FERRARIO, ESQ.

Nevada Bar No. 01625

6 KARA B. HENDRICKS, ESQ.

Nevada Bar No. 07743

7 JERRELL L. BERRIOS, ESQ.

Nevada Bar No. 15504

8 10845 Griffith Peak Drive, Suite 600

9 Las Vegas, Nevada 89135

10 **DECLARATION OF KARA B. HENDRICKS, ESQ.**

11 **IN SUPPORT OF RECEIVER'S MOTION FOR FINAL ORDER PLACING**

12 **FRIDAY HEALTH PLANS OF NEVADA, INC. INTO LIQUIDATION**

13 **ON ORDER SHORTENING TIME**

14 I, Kara B. Hendricks, Esq., being first duly sworn, under penalty of perjury, deposes and
15 states:

16 1. I am an attorney licensed to practice law in the State of Nevada and am a shareholder
17 with the law firm of Greenberg Traurig, LLP.

18 2. I have personal knowledge regarding the matters stated and I am competent to
19 testify, except for those matters stated upon information and belief, and to those matters, I believe
20 them to be true.

21 3. This Declaration is made in support of the Receiver's Motion for an order finding
22 Friday Health to be insolvent and order placing Friday Health into liquidation ("Motion").

23 4. Due to Friday Health's rapidly declining financial health, and with the consent of its
24 directors, the Commissioner applied to the Court to be appointed as Friday Health's receiver for
25 rehabilitation purposes.

26 5. The Court placed Friday Health into receivership for rehabilitation and appointed
27 the Commissioner as the Receiver on June 12, 2023 (the "Receivership Order").

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1 6. The Receiver appointed Ellingson & Associates, LLC as the Special Deputy
2 Receiver (“SDR”) of Friday Health.

3 7. The Receivership Order vested the Receiver with title to all of Friday Health’s real
4 and personal property. Receivership Order, ¶ 6, on file. The Receivership Order further authorized
5 the Receiver to take any action he deems necessary under any applicable law. *Id.* at ¶ 7.

6 8. As detailed herein and in Darren Ellingson’s Declaration attached hereto, the
7 Receiver seeks a hearing on the Motion on an expedited basis because Friday Health’s financial
8 condition is worse than initially anticipated, such that it is unable to meet financial obligations as
9 they become due and cannot be rehabilitated.

10 9. Indeed, given Friday Health’s minimal assets, and its continually ballooning
11 liabilities, the Motion cannot be heard in the normal course as the accrual of claims against the
12 receivership estate will harm policyholders, creditors, and the public if an insolvency and
13 liquidation order is not entered on an expedited basis. As claims accrue, the receivership estate will
14 ultimately have less funds to distribute on a pro rata basis, which will saddle policyholders, and
15 creditors, and the public with expenses.

16 10. The Commissioner of Insurance has determined that, as a result of Friday Health’s
17 hazardous financial condition, the continuation of Friday Health’s business would further
18 jeopardize the insurer’s solvency and thus all policies will terminate at the end of the day on
19 August 31, 2023.

20 11. Pursuant to NRS 696B.460(1), the Court must set a hearing before entering an
21 ordering adjudging the insurer to be insolvent. As such, the Receiver requests that this Motion be
22 heard on shortened time, and if possible, before July 26, 2023, so that sufficient notice can be sent
23 to policyholders to allow them to find new health insurance coverage prior to August 31, 2023
24 policy cancellation date.

25 12. The Receiver does not anticipate that there will be any opposition to this motion
26 given Friday Health’s financial state. Notwithstanding, the Receiver’s will post notice of any
27 hearing on the receivership website at (<https://fridayhealthplansofnevada.com/>).

28 ///

ORDER SHORTENING TIME

The Court having considered the motion submitted and good cause appearing therefore,

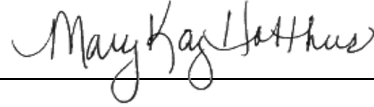
IT IS HEREBY ORDERED that the hearing on this ***MOTION FOR ORDER FINDING FRIDAY HEALTH PLANS OF NEVADA, INC. TO BE INSOLVENT AND ORDER PLACING IT INTO LIQUIDATION ON AN ORDER SHORTENING TIME*** on

file in the above-entitled action be heard on shortened time and the same is set for the day of

July 25th, 2023, at the hour of 10 a.m.

Dated this 19th day of July, 2023

IT IS SO ORDERED.



**F50 729 00F4 D64C
Mary Kay Holthus
District Court Judge**

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Friday Health Plants of Nevada, Inc. (“Friday Health”) is a Nevada-domiciled insurer
4 offering individual health insurance. Due to Friday Health’s rapidly declining financial condition,
5 and with the consent of its directors, the Commissioner petitioned this Court to appoint him as the
6 Receiver of Friday Health. On June 12, 2023, the Court entered an order, authorizing the Receiver
7 to assume control over Friday Health and attempt rehabilitation (“Receivership Order”). After
8 subsequent review, the Receiver determined that Friday Health’s financial condition was worse
9 than originally represented, such that rehabilitation is now unlikely and immediate action is
10 necessary to protect policy holders. Indeed, the Commissioner of Insurance has determined that,
11 as a result of Friday Health’s hazardous financial condition, the continuation of Friday Health’s
12 business would further jeopardize the insurers solvency and thus all policies will terminate at the
13 end of the day on August 31, 2023. As a result of the foregoing, the Receiver recommends that
14 Friday Health be deemed insolvent and put into liquidation as of September 1, 2023.

15 **II. RELEVANT BACKGROUND**

16 Friday Health is a Nevada-domiciled insurer offering life and health products and health
17 insurance. In 2022, the Nevada Division of Insurance (“Division”) required Friday Health to infuse
18 capital to increase its total capital and surplus. Despite the infusion, Friday Health’s financial filings
19 with the Division suggested that its capital was insufficient, and it was in financial distress. The
20 Commissioner of Insurance thus initiated delinquency proceedings with Friday Health’s consent
21 due to concerns about Friday Health’s financial condition. As of March 1, 2023, Friday Health
22 had 4,437 Nevada policyholders that number has now decreased to approximately 3,000.

23 The Court placed Friday Health into receivership for rehabilitation and appointed the
24 Nevada Commissioner of Insurance as the Receiver on June 12, 2023. The Receiver appointed
25 Ellingson & Associates, LLC as the Special Deputy Receiver (“SDR”) of Friday Health. As
26 detailed below, after seizing Friday Health’s assets and reviewing available records, the SDR
27 discovered that Friday Health was financially insolvent, such that it would not be able to pay

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1 liabilities as they matured on an ongoing basis. *See generally* Declaration of Darren Ellingson
2 (“Ellingson Decl.”), attached as **Exhibit 1**.

3 Friday Health is one of several related companies scattered across the United States offering
4 health insurance, all of which are also in ongoing receivership or regulatory proceedings due to
5 financial inadequacy. As further detailed in the Petition for Appointment of Receiver and exhibits
6 thereto, Friday Health is a subsidiary of Friday Health Plans Management Services Company, Inc.
7 (“FHP Parent”), which is licensed as a non-resident third-party administrator in Nevada, and as a
8 non-resident producer firm in Nevada. FHP Parent is a subsidiary of Friday Health Plans, Inc.
9 (“FHP Ultimate Parent”), a Delaware company located in Colorado. FHP Parent and FHP Ultimate
10 Parent have other “Friday Health Plan” insurance companies in other states, including Colorado,
11 Texas, Georgia, Oklahoma, and North Carolina (collectively, “FHP Companies”). FHP Ultimate
12 Parent operated the FHP companies which are all now subject to regulatory and/or receivership
13 control.

14 Subsequent to the Receivership Order, the SDR has been in constant communication with
15 FHP Parent to obtain records relating to Friday Health including information regarding policy
16 holders, claims status, and the company’s financial records. The Receiver has determined that
17 Friday Health cannot be rehabilitated as it is unable to meet financial obligations as they become
18 due. Additionally, the continued transaction of business of Friday Health will result in further
19 depletion of the limited remaining assets to the detriment of the company, policyholders, creditors
20 and public. Friday Health does not have admitted assets equal to its liabilities and has total adjusted
21 capital less than that required by NRS 696B.220.

22 Further the SDR has had ongoing communication with the Silver State Health Insurance
23 Exchange¹ (“Exchange”) regarding the ongoing operations of Friday Health. On July 14, 2023, the
24 SDR received notification of pending decertification of all Friday Health policies from the
25

26 ¹ The Exchange is an online health insurance marketplace, known as Nevada Health Link. The Nevada
27 Health Link website was created by the state agency, the Silver State Health Insurance Exchange, to help
28 consumers find an affordable health insurance plan in Nevada that fits their needs and budget. Through the
Exchange individuals can shop for, compare, and purchase qualified health insurance plans with tax credits
or subsidies that are based on their income. *See*, www.nevadahealthlink.com.

1 Exchange. *See*, **Exhibit 2**. Given the condition of Friday Health, the Receiver will not appeal the
2 decertification.

3 On July 18, 2023, the Commissioner of insurance determined that, as a result of Friday
4 Health’s hazardous financial condition, the continuation of Friday Health’s business would further
5 jeopardize the insurers solvency and thus all policies will terminate at the end of the day on
6 August 31, 2023. *See*, **Exhibit 3**. As a result of the same, the SDR has prepared and will be sending
7 out notices to policyholders that their policies will be cancelled on an expedited basis.² (A copy of
8 the notice³ that will be sent to policyholders is attached hereto as **Exhibit 4**.)

9 With the decertification of Friday Health by the Exchange, the cancellation of policies by
10 the Commissioner, and the fact that the continued transaction of business will result in the further
11 depletion of limited assets, there is no likelihood that Friday Health can be rehabilitated.
12 Accordingly, it is appropriate for Friday Health to be declared insolvent and for this proceeding and
13 the Receiver to shift efforts to liquidate Friday Health. Additionally, a finding of insolvency and
14 liquidation order will trigger the provisions of NRS 686C and allow the Nevada Life and Health
15 Insurance Guaranty Association to step in and assist policyholders.

16 **III. LEGAL ANALYSIS**

17 **A. Friday Health Is Insolvent and Should be Liquidated Because it Lacks the** 18 **Infrastructure and Resources to Meet Its Liabilities As They Mature.**

19 NRS 696B.220 enables the Court to order liquidation of a domestic insurer if certain
20 conditions are met. *See generally* NRS 696B.220. Under the chapter, the Court may order
21 liquidation if an insurer is insolvent, or if efforts to rehabilitate the insurer “have failed despite all
22

23 ² Notice of the policy cancellation is being sent via e-mail and policyholders will be contacted via phone by
24 the Exchange. Notably, the Exchange has an outbound call center that will begin contacting policyholders
25 to advise them of available options to purchase other health insurance and assist them in finding a new plan
26 that meets their needs. If the Receiver is unable to locate an email or phone number for any policyholder,
27 the applicable notice will be mailed via U.S. Mail to the insured’s last known physical address. Additionally,
28 notice of policy cancellation will be posted on the Receiver’s website at
(<https://fridayhealthplansofnevada.com/>) and on the Exchange’s website, Nevada Health Link
(<https://www.nevadahealthlink.com/>). Additionally, the SDR will endeavor to have the information posted
on Friday Health’s website (<https://www.fridayhealthplans.com/en/nv/health-network.html>).

³ The Receiver has sought input from the Exchange and others in preparing the notice to be sent to
policyholders and may make modifications to Exhibit 4 to address the same.

1 reasonable efforts by the Commissioner, or cannot be continued without material increase of risk
2 of loss to the insurer’s creditors or policyholders.” NRS 696B.220(2), (5). An insurer is insolvent
3 when it “fails to meet its obligations as they mature.” NRS 696B.110(1). Pursuant to
4 NRS 696B.460(1), the Court must set a hearing before entering an ordering adjudging the insurer
5 to be insolvent.

6 Friday Health’s hazardous financial condition will require the Receiver to defer payment of
7 its obligations as they mature, and there is no indication that its financial condition could be
8 improved. The Receiver’s analysis thus far of Friday Health’s book and records caused serious
9 concerns including but not limited to concerns regarding: limited available cash; expenses
10 associated with the continuation of claims coverage; ongoing administration costs, including
11 expenses associated with hiring a vendor to process claims on an ongoing basis; concerns regarding
12 alleged commingling of funds that need to be investigated; and unreliability of representations made
13 to the Division by Friday Health and/or related entities.

14 *See Ex. 1, Ellingson Decl.*

15 No reasonable rehabilitative efforts could cure these deficiencies because Friday Health
16 does not have the resources or infrastructure to enable rehabilitation and to resume its pre-
17 receivership business operations. *Id.* Nor is there reason to believe that it could have sufficient
18 capital and surplus to be rehabilitated such that it could meet obligations in the future. *Id.* All of
19 Friday Health’s operations should therefore cease, and its affairs should be wound up. The Court
20 should thus formally find Friday Health insolvent and place it into liquidation. Additionally, doing
21 so will also enable policyholders’ benefits provided by the Nevada Life and Health Insurance
22 Guaranty Association pursuant to NRS 686C.152.

23 **B. Notice Regarding Cancellation of Policies and Friday Health Liquidation.**

24 Nevada’s insurance statutes provide the Commissioner with the right to cancel policies
25 when he determines that the “insurer’s present volume of premiums would jeopardize the insurer’s
26 solvency or be hazardous to the interests of policyholders of the insurer, its creditors, or the
27 public[.]” NRS 687B.320(1)(f). For the cancellation to be effective, notice must be provided to
28 the policyholders at least 30 days in advance of the cancellation date. NRS 687B.320(2). In order

1 to comply with this statutory requirement, the SDR is in the process of providing notices to policy
2 holders of the cancellation. *See, Ex. 3.*

3 Given the gravity of the situation, the Receiver believes it is also appropriate to notify
4 policyholders of the liquidation of Friday Health to further encourage the transition to new health
5 insurance. NRS 696B does not specify the notice that is required to policyholders when there is an
6 insolvency and liquidation order. However, the date of liquidation also serves to fix the rights and
7 liabilities of the insurer, creditors, policyholders, stockholders, and other interested parties pursuant
8 to NRS 696B.400, and thus the Receiver desires to provide notice of the same. The Nevada
9 Supreme Court recognized that there are no “bright-line rules or methods for constitutionally
10 sufficient notice[.]” *Flangas v. Perfekt Mktg.*, 507 P.3d 574, 579 (Nev. 2022). Instead, notice must
11 be “reasonably calculated, under all the circumstances, to apprise interested parties of the pendency
12 of the action and afford them an opportunity to present their objections[.]” *Id.* at 579-80. Whether
13 notice is sufficient thus exists on a sliding scale, and the focus is whether the method chosen is
14 reasonably calculated to provide notice. *Id.* at 580. The Court should consider the reasonableness
15 of a method in light of the particular circumstances. *Id.*

16 Here, in addition to sending out the policy cancellation notice as referenced above in the
17 form attached hereto as Exhibit 3, the Receiver proposes providing notice of the liquidation date
18 *via* e-mail. Additionally, policyholders will be contacted *via* phone by the Exchange. Notably, the
19 Exchange has an outbound call center that will contact policy holders and advise them of available
20 options to purchase other health insurance and assist them in finding a new plan that meets their
21 needs. If the Receiver is unable to locate an email or phone number for any policyholder, the
22 applicable notice will be mailed via U.S. Mail to the insured’s last known physical address.

23 In addition to the foregoing, the Receiver intends to provide notice of the liquidation by
24 posting a notice on the Receiver’s website at (<https://fridayhealthplansofnevada.com/>) and will
25 endeavor to have the information posted on Friday Health’s website
26 (<https://www.fridayhealthplans.com/en/nv/health-network.html>) and on the Exchange’s website,
27 Nevada Health Link (<https://www.nevadahealthlink.com/>). Additionally, the Division will post a
28

1 press release regarding the cancellation of policies on its website and its staff will direct any
2 inquiries to the SDR and/or the Exchange for additional information.

3 The combination of each method of notice are thus reasonably calculated to deliver notice
4 to Friday Health's insureds about cancellation of their policies and advise them of the liquidation
5 of Friday Health. At a later date, the Receiver will present the Court with a proposed claims process
6 and separate notice proposal relating to the same.

7 **C. The Court Should Designate This Order As a Final Appealable Order.**

8 NRS 696B.190(5) states that any order granting or refusing liquidation has "the character
9 of a final order," in which Nevada's Rules of Appellate Procedure would begin to apply. The
10 Receiver respectfully requests that the Court issue a final, appealable order. An interlocutory order
11 would be subject to appeal potentially years after any approved claims filing deadline passes. That
12 would make any swift resolution of the claims against the estate impossible, and the distribution of
13 any estate assets impracticable until such time as a final appealable order were to be entered.

14 **IV. CONCLUSION**

15 Based on the foregoing, the Receiver respectfully requests that this Court enter an order
16 placing Friday Health into liquidation approving the notices attached hereto and approve the
17 procedure for providing notices to policyholders set forth herein.

18 DATED this 18th day of July, 2023

GREENBERG TRAURIG, LLP

19 */s/ Kara B. Hendricks*

20 MARK E. FERRARIO, ESQ.

Nevada Bar No. 01625

21 KARA B. HENDRICKS, ESQ.

Nevada Bar No. 07743

22 JERRELL L. BERRIOS, ESQ.

Nevada Bar No. 15504

23 10845 Griffith Peak Drive, Suite 600

24 Las Vegas, Nevada 89135

1 **CERTIFICATE OF SERVICE**

2 Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on this 18th day of
3 July 2023, I caused a true and correct copy of the foregoing ***MOTION FOR ORDER FINDING***
4 ***FRIDAY HEALTH PLANS OF NEVADA, INC. TO BE INSOLVENT AND ORDER***
5 ***PLACING IT INTO LIQUIDATION ON AN ORDER SHORTENING TIME*** to be filed
6 with the Clerk of Court using the Odyssey e-FileNV Electronic Service system and served on all
7 parties with an email address on record, pursuant to Administrative Order 14-2 and Rule 9 of the
8 N.E.F.C.R.

9 On **July 18, 2023**, I served the within document(s):

10 via **FIRST CLASS MAIL**, by mailing a copy of the document(s) listed above to the
11 person(s) at the e-mail address(es) set forth below.

12 Matthew Taylor
13 701 S. Carson Street
14 Suite 200
Carson, City, Nevada 89701

15 Steven L. Victor
16 Senior Managing Director
DEVELOPMENT SPECIALISTS, INC.
17 10 S. LaSalle Street
Suite 3300
Chicago, Illinois 60603
18 (312) 263-4141 (Main)
19 (312) 263-1180 (Fax)
Email: SVictor@DSIConsulting.com

20 /s/ Evelyn Escobar-Gaddi
21 An employee of Greenberg Traurig, LLP

INDEX OF EXHIBITS	
EXHIBIT	DESCRIPTION
Exhibit 1	Declaration of Darren Ellingson
Exhibit 2	July 14, 2023 Decertification Notice from Health Exchange
Exhibit 3	July 18, 2023 Department of Insurance Letter re Determination Regarding Friday Health Plans of Nevada
Exhibit 4	Notice of Cancellation to Policyholders

EXHIBIT 1

EXHIBIT 1

Declaration of Darren Ellingson

1 **DECL**

2 MARK E. FERRARIO, ESQ.
3 Nevada Bar No. 01625
4 KARA B. HENDRICKS, ESQ.
5 Nevada Bar No. 07743
6 JERRELL L. BERRIOS, ESQ.
7 Nevada Bar No. 15504
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13 Email: ferrariom@gtlaw.com
hendricksk@gtlaw.com
berriosj@gtlaw.com

14 *Counsel for Petitioner*

15 **EIGHTH JUDICIAL DISTRICT COURT**

16 **CLARK COUNTY, NEVADA**

17 SCOTT J. KIPPER, COMMISSIONER OF
18 INSURANCE, STATE OF NEVADA,

19 Petitioner,

20 vs.

21 FRIDAY HEALTH PLANS OF NEVADA, INC.,

22 Defendant.

CASE NO. A-23-871639-C
DEPARTMENT 18

**DECLARATION OF DARREN
ELLINGSON IN SUPPORT OF THE
RECEIVER'S MOTION FOR ORDER
FINDING FRIDAY HEALTH PLANS
OF NEVADA, INC. TO BE
INSOLVENT AND ORDER
PLACING IT INTO LIQUIDATION
ON AN ORDER SHORTENING
TIME**

23 I, Darren Ellingson, declare as follows:

24 1. I am over eighteen years of age and competent to testify to the matters stated herein
25 based on personal knowledge.

26 2. I am the Managing Partner of Ellingson & Associates, LLC and make this
27 Declaration is made in support of the Receiver's Motion for Order Finding Friday Health Plans Of
28 Nevada, Inc. to be Insolvent and Order Placing it Into Liquidation.

///

1 3. With the consent of Friday Health Plans of Nevada, Inc. (“Friday Health”), Scott J.
2 Kipper (“Commissioner” or “Receiver”), Commissioner of Insurance of the State of Nevada,
3 petitioned the Court for an order appointing him as the receiver of Friday Health for the purpose of
4 rehabilitating it.

5 4. On June 12, 2023, the Court entered an order, appointing the Commissioner as
6 Receiver of Friday Health and directing him to assume control over Friday Health to attempt
7 rehabilitation (“Receivership Order”).

8 5. The Receiver appointed me as the Special Deputy Receiver (“SDR”) of Friday
9 Health.

10 6. After review of Friday Health’s assets and books and records, I have determined that
11 Friday Health’s financial condition was much worse than initially represented.

12 7. Specifically, Friday Health’s books and records revealed that Friday Health has
13 limited available cash which will require the Receiver to defer payment of the company’s
14 obligations as they mature, and there is no indication that its financial condition could be improved
15 due to ballooning expenses associated with continued claims coverage and ongoing administration
16 costs, including expenses associated with hiring a vendor to process claims on an ongoing basis.

17 8. Additionally, I have concerns regarding possible commingling of funds concerns
18 relating to the reliability of representations made to the Nevada Division of Insurance by Friday
19 Health, which need to be investigated.

20 9. The financial condition of Friday Health and specifically its deficiencies establish
21 that Friday Health will not be able to pay its liabilities as they mature and is insolvent.

22 10. I do not believe reasonable rehabilitative efforts could cure these deficiencies
23 because Friday Health does not have the resources or infrastructure to enable rehabilitation and to
24 resume its pre-receivership business operations.

25 11. Additionally, I have no reason to believe that Friday Health could have sufficient
26 capital and surplus to be rehabilitated such that it could meet obligations in the future.

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12. Based on the foregoing, I am requesting that the Court find Friday Health insolvent and place it into liquidation.

DATED this 18th day of July, 2023

/s/ Darren Ellingson

DARREN ELLINGSON

EXHIBIT 2

EXHIBIT 2

July 14, 2023 Decertification Notice from
Health Exchange



Silver State Health Insurance Exchange

2310 South Carson Street, Suite 2

Carson City, NV 89701

T: 775-687-9939

F: 775-687-9932

www.nevadahealthlink.com/sshx

July 14, 2023

Darren Ellingson
Special Deputy Receiver
Friday Health Plans of Nevada, Inc. In Receivership
3212 N. 70th street, #1007
Scottsdale, AZ 85251

Dear Mr. Ellingson,

This letter serves as a formal notification of the pending decertification of all Plan Year 2023 Friday Health Plans of Nevada, Inc. Qualified Health Plans per [45 CFR 155.1080](#). The plans pending decertification through the Silver State Health Insurance Exchange (Exchange), the online health insurance marketplace, known as Nevada Health Link, include the following:

Issuer Application Identifier	Insurance Plan Identifier	Plan Marketing Name	On/Off Exchange	Plan Type	Approved for Certification
82461	82461NV0010001	Friday Catastrophic	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010002	Friday Bronze Basic + Vision Exam	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010003	Friday Bronze Plus + Vision Exam	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010004	Friday Bronze HSA	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010005	Friday Silver+ Vision Exam	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010006	Friday Gold+ Vision Exam	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010007	Friday Bronze Copay + Vision Exam	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010008	Friday Silver Copay+ Vision Exam	Both	Qualified Health Plan (QHP)	Yes

82461	82461NV0010009	Friday Gold Copay + Vision Exam	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010010	Friday Bronze Basic	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010011	Friday Bronze Plus	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010012	Friday Bronze Copay	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010013	Friday Silver	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010014	Friday Silver HSA	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010015	Friday Silver Zero Deductible	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010016	Friday Silver Copay	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010017	Friday Gold	Both	Qualified Health Plan (QHP)	Yes
82461	82461NV0010018	Friday Gold Copay	Both	Qualified Health Plan (QHP)	Yes

If Friday Health Plans of Nevada, Inc. would like to appeal the pending decertification, Friday Health Plans of Nevada, Inc. has 10 business days to notify the Exchange via a formal letter. The Exchange will have 30 business days to review the appeal.

If the appeal is approved, the Exchange will then issue Notice of Approved Decertification Appeal to the issuer and the Division of Insurance (DOI) via formal letter and email, and the status for the impacted plans on the State Based Exchange (SBE) platform, Nevada Health Link as "Available."

If the appeal is denied, the Exchange will decertify the impacted plan(s) and the status for the plan(s) on the SBE Platform and will remain "Dependent Only." The Exchange will issue a Final Notice of Decertification to the issuer, HHS, and DOI via formal letter and email. On receipt of the Notice of Decertification, DOI will submit the Plan ID Crosswalk files to the Exchange via email. The Exchange will upload the Plan ID Crosswalk files for all effected consumers enrolled in the impacted plan(s).

Sincerely,



Meagan Werth Ranson
Plan Certification Manager
Silver State Health Insurance Exchange

EXHIBIT 3

EXHIBIT 3

July 18, 2023 Department of Insurance
Letter re Friday Health Plans

JOE LOMBARDO
Governor

STATE OF NEVADA

TERRY REYNOLDS
Director

SCOTT J. KIPPER
Commissioner



DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE

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Carson City, Nevada 89706
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July 18, 2023

Friday Health Plans of Nevada, Inc.
c/o Darren Ellingson, Special Deputy Receiver
3212 N. 70th Street # 1007
Scottsdale, AZ 85251

Re: Determination Regarding Friday Health Plans of Nevada

Dear Mr. Ellingson,

On June 13, 2023, Friday Health Plans of Nevada, Inc. ("Friday") was placed into receivership by the Eighth Judicial District Court, Clark County, Nevada, Case. No. A-23-871639-C. As part of the receivership action, Friday's financial status has been evaluated. Based on this evaluation, I have determined that continuing Friday's present volume of premium will jeopardize Friday's solvency and be hazardous to Friday's policyholders, creditors, and the public. Friday is hereby notified that it must cancel its policies as of August 31, 2023.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott J. Kipper", is written over a horizontal line.

Scott J. Kipper
Commissioner

EXHIBIT 4

EXHIBIT 4

Notice of Cancellation to Policyholders

Friday Health Plans of Nevada, Inc., in Receivership

3212 N 70th Street, #1007, Scottsdale AZ 85251

(800) 475-8466

FridayHealthPlansofNevada.com

[DATE]

[P/H NAME]

[ADDRESS]

NOTICE OF TERMINATION OF YOUR FRIDAY HEALTH PLANS COVERAGE AND SPECIAL ENROLLMENT

Friday Health Plans of Nevada, Inc. ("FHP-NV") was placed into receivership by the Eighth Judicial District Court of Nevada on June 12, 2023, to protect Nevada policyholders due to its insolvency. As a result of FHP-NV's hazardous financial condition and a determination by the Nevada Commissioner of Insurance that the continuation of FHP-NV's business would further jeopardize the insurer's solvency, **all individual policies will terminate at the end of the day on August 31, 2023. You must choose a new health insurance plan by August 31, 2023, to avoid a gap in coverage.** Additionally, the Receiver has filed a motion requesting the receivership court enter an order setting a liquidation date for FHP-NV effective September 1, 2023.

The cancellation of FHP-NV's policies triggers a special enrollment period. You can choose a new plan today either through an agent, directly with an insurance company or through the state agency, the Silver State Health Insurance Exchange, which facilitates the sale of qualified health plans through the online marketplace, [Nevada Health Link](#). You may be eligible for subsidy assistance if you choose a new plan through Nevada Health Link.

PLEASE KEEP THE FOLLOWING DEADLINES IN MIND:

- August 31** - All Policies Terminated - Last Day to Enroll in a New Plan Without a Gap in Coverage
- September 1** - Requested Liquidation Date
- October 31** - Last Day of Special Enrollment Period

If you choose a plan after August 31, 2023, your coverage will begin on the first day of the month following the date of your choice and you will have a gap in coverage. In other words, if you enroll in a new plan before August 31, 2023, your coverage will begin on September 1, 2023. If you enroll in a new plan between September 1 and 30, 2023, your coverage will begin on October 1, 2023. If you enroll in a new plan between October 1 and 31, 2023, your coverage will begin on November 1, 2023.

How to choose a new plan through [Nevada Health Link](#):

1. Log into or create your account at the Nevada Health Link.
2. File a Qualify Life Event (QLE)- Loss of Minimal Essential Coverage
3. Complete a new application.
4. Upload supporting documentation to show the loss of FHP-NV. If you are actively enrolled with FHP-NV you can call into our call center and your QLE can be manually overridden.
5. Shop for your new plan.

Remember that when you enroll in a new plan your out-of-pocket costs could change and your deductible and out of pocket maximums may change. For assistance visit www.nevadahealthlink.com or contact the customer assistance service line at (800) 547-2927 (TTY 711) or email CustomerServiceNVHL@exchange.nv.gov.

The Receiver has also set up a website at www.fridayhealthplansofnevada.com to answer questions you may have regarding the FHP-NV receivership process.

1 **CSERV**

2
3 DISTRICT COURT
CLARK COUNTY, NEVADA

4
5
6 Scott Kipper, Plaintiff(s)

CASE NO: A-23-871639-C

7 vs.

DEPT. NO. Department 18

8 Friday Health Plans of Nevada,
9 Defendant(s)

10
11 **AUTOMATED CERTIFICATE OF SERVICE**

12 This automated certificate of service was generated by the Eighth Judicial District
13 Court. The foregoing Order Shortening Time was served via the court's electronic eFile
system to all recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 7/19/2023

15 Marilyn Millam

mmillam@ag.nv.gov

16 Andrea Rosehill

rosehilla@gtlaw.com

17 Mark Ferrario

ferrariom@gtlaw.com

18 Kara Hendricks

hendricksk@gtlaw.com

19 Joanna Grigoriev

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20 LVGT docketing

lvlitdock@gtlaw.com

21 Evelyn Gaddi

escobargaddie@gtlaw.com

22 Kayla Dorame

kdorame@ag.nv.gov

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