

CASE NO: A-23-871639-C
Department 18

PET
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Attorneys for the Division of Insurance

IN THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
CLARK COUNTY, NEVADA

SCOTT J. KIPPER, COMMISSIONER OF)
INSURANCE, STATE OF NEVADA) Case No.
)
) Dept. No.
)
Petitioner,)
)
)
vs.)
)
FRIDAY HEALTH PLANS OF NEVADA,)
Inc.,)
)
Respondent.)

PETITION FOR APPOINTMENT OF COMMISSIONER AS RECEIVER,
TEMPORARY INJUNCTION, AND OTHER PERMANENT RELIEF

Pursuant to Nevada Revised Statute (“NRS”) 696B.250, Petitioner, Scott J. Kipper, Commissioner of Insurance, State of Nevada (“Commissioner”) petitions this Honorable Court to appoint the Commissioner as receiver of FRIDAY HEALTH PLANS OF NEVADA, INC. (“FRIDAY HEALTH”) for the purpose of its conservation or rehabilitation. This Petition is based upon the attached Points and Authorities, and the request of

1 FRIDAY HEALTH for this receivership. The district court has original jurisdiction of
2 delinquency proceedings. Accordingly, the Commissioner moves the Court to issue an
3 order to show cause why the Petition should not be granted. Because FRIDAY HEALTH
4 has requested the receivership and in order to urgently evaluate FRIDAY HEALTH's
5 financial condition to protect policyholders, good cause exists to set the show-cause
6 hearing sooner than 15 days from the date of this Petition, or to proceed without a show-
7 cause hearing.

8 **REQUEST FOR TEMPORARY INJUNCTIVE RELIEF**

9 Pending permanent orders of the Court, the Commissioner requests, as authorized
10 by NRS 696B.270 and the referenced statutes, that the Court immediately issue the
11 following temporary orders for injunctive relief:¹

- 12 1. Immediately enjoin any and all persons from the commencement or prosecution of
13 any actions by or on behalf of FRIDAY HEALTH, or against FRIDAY HEALTH.
14 Further, all persons should be restrained from obtaining any preferences,
15 judgments, attachments, or other liens as to any property of FRIDAY HEALTH, or
16 making any levy against FRIDAY HEALTH or against their assets or any part
17 thereof. NRS 696B.340, -.410.
- 18 2. Immediately appoint the Commissioner as Receiver of FRIDAY HEALTH with the
19 authority to enter the business and immediately oversee the operation and
20 conservation or rehabilitation of the business. NRS 696B.210, -.290.
- 21 3. Immediately enjoin all persons other than the Receiver from disbursing,
22 committing, transferring, substituting, or withdrawing any funds from FRIDAY
23 HEALTH's accounts, or removing other property from, controlled, or owned by
24 FRIDAY HEALTH except as expressly directed or approved by the Receiver

25 ¹ A delinquency proceeding is a special proceeding set out in NRS chapter 696B. As
26 indicated in NRCP 81(a), the "rules do not govern procedures and practice in any special
27 statutory proceeding insofar as they are inconsistent or in conflict with the procedure and
28 practice provided by the applicable statute." Because NRS 696B.270 indicates the
procedure for injunctions in delinquency proceedings such as this matter, the requirements
in NRCP 65 do not apply in this request for injunctive relief.

1 pending the show-cause hearing. NRS 696B.270(2).

2 4. Immediately enjoin FRIDAY HEALTH, the officers, directors, stockholders,
3 members, subscribers, managers, agents, employees, and all other persons from: (1)
4 wasting or disposing of any assets or property of FRIDAY HEALTH, or (2)
5 transacting any further business on behalf of FRIDAY HEALTH except as
6 expressly directed or approved by the Receiver pending the show-cause hearing.
7 NRS 696B.270(1).

8 5. Authorize the Receiver to employ and to fix the compensation of such deputies,
9 counsel, employees, accountants, actuaries, investment counselors, asset
10 managers, consultants, assistants, and other personnel as the Receiver considers
11 necessary. NRS 696B.290(6).

12 **REQUEST FOR PERMANENT INJUNCTIVE RELIEF**

13 After the show-cause hearing, as authorized by NRS 696B.270 and the referenced
14 statutes (unless the Court proceeds without such hearing) the Commissioner moves for
15 permanent injunctive and other relief, as follows, in order to protect the policyholders and
16 public during this delinquency proceeding:²

17 1. Permanently appoint the Commissioner as Receiver of FRIDAY HEALTH with
18 the authority to enter the business and immediately oversee the operation and
19 conservation or rehabilitation of the business. NRS 696B.290.

20 2. Permanently enjoin FRIDAY HEALTH, the officers, directors, stockholders,
21 members, subscribers, managers, agents, employees, and all other persons from:
22 (1) wasting or disposing of any assets or property of FRIDAY HEALTH, or (2)
23 transacting any further business on behalf of FRIDAY HEALTH except as
24 expressly directed or approved by the Receiver. NRS 696B.270(1).

25 ² A delinquency proceeding is a special proceeding set out in NRS chapter 696B. As
26 indicated in NRCP 81(a), the “rules do not govern procedures and practice in any special
27 statutory proceeding insofar as they are inconsistent or in conflict with the procedure and
28 practice provided by the applicable statute.” Because NRS 696B.270 indicates the
procedure for injunctions in delinquency proceedings such as this matter, the requirements
in NRCP 65 do not apply in this request for injunctive relief.

- 1 3. Permanently enjoin any and all persons from the commencement or prosecution
2 of any actions by or on behalf of FRIDAY HEALTH, or against FRIDAY
3 HEALTH. Further, all persons should be restrained from obtaining any
4 preferences, judgments, attachments, or other liens as to any property of
5 FRIDAY HEALTH, or making any levy against FRIDAY HEALTH or against
6 their assets or any part thereof. NRS 696B.340, -.410.
- 7 4. Permanently enjoin all persons other than the Receiver from disbursing,
8 committing, transferring, substituting, or withdrawing any funds from FRIDAY
9 HEALTH's accounts, or removing other property from, controlled, or owned by
10 FRIDAY HEALTH except as expressly directed or approved by the Receiver.
11 NRS 696B.270(2).
- 12 5. Vest the Receiver with title to all of FRIDAY HEALTH's real and personal
13 property of every kind whatsoever and take possession of the assets wherever
14 located, whether in the possession of FRIDAY HEALTH or its officers, directors,
15 employees, consultants, attorneys, agents, managers, parents, subsidiaries,
16 affiliated corporations, or those acting in concert with any of these persons, and
17 any other persons, including, but not limited to, all property, offices maintained
18 or utilized by FRIDAY HEALTH, books, papers, contracts, deposits, stocks,
19 securities, rights of action, accounts, documents, data records, papers, evidences
20 of debt, bonds, debentures, mortgages, furniture, fixtures, office supplies, safe
21 deposit boxes, legal/litigation files, and all books and records of insurers, and
22 administer them under the general supervision of the Court. NRS 696B.290(2).

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1 6. Authorize the Receiver to take any and all actions that he deems necessary in
2 connection with this delinquency proceeding, and as provided in NRS chapter
3 696B and any other applicable law.

4 DATED: June 1, 2023.

5
6 AARON FORD
Attorney General

7
8 By: /s/ Kayla Dorame
9 KAYLA DORAME (No. 15533)
Deputy Attorney General
10 *Attorney for the Division of Insurance*

11
12 **POINTS AND AUTHORITIES**

13 **I. Introduction**

14 FRIDAY HEALTH has requested a receivership. (Ex. 1.) In this case, the
15 Commissioner agrees that a delinquency proceeding is appropriate on the grounds that
16 FRIDAY HEALTH may not be financially solvent. The Commissioner seeks to protect
17 policyholders while he evaluates FRIDAY HEALTH's operations and financial state, as
18 well as the impact of the circumstances of affiliated Friday Health companies on FRIDAY
19 HEALTH.

20 **II. Facts**

21 1. FRIDAY HEALTH is a Nevada-domiciled insurer licensed as of May 28,
22 2020, certificate of authority No. 155943.

23 2. FRIDAY HEALTH is a subsidiary of Friday Health Plans Management
24 Services Company, Inc. ("FHP Parent"), which is licensed as a non-resident third-party
25 administrator in Nevada, license number 3625676, and as a non-resident producer firm
26 in Nevada, license number 3626258. FHP Parent is a subsidiary of Friday Health Plans,
27 Inc. ("FHP Ultimate Parent"), a Delaware company located in Colorado. FHP Parent and
28 FHP Ultimate Parent have other "Friday Health Plan" insurers in other states (FHP-

1 Colorado, FHP-Texas, FHP-Georgia, FHP-Oklahoma, FHP-North Carolina [collectively
2 “FHP Companies”]). FHP Ultimate Parent also operates FHP Companies combined with
3 FHP Ultimate Parent and FHP Parent (hereinafter “FHP Group”). (Ex. 2.)

4 3. FRIDAY HEALTH offers life and health products, and comprehensive
5 products for the individual and small group health insurance markets. According to a
6 report to the Nevada Division of Insurance (“Division”), FRIDAY HEALTH had 4,437
7 Nevada policyholders as of March 1, 2023.

8 4. In 2022, the Division required FRIDAY HEALTH to infuse capital to increase
9 its total capital and surplus. Despite the capital infusion, FRIDAY HEALTH’s recent
10 financial filings suggest that FRIDAY HEALTH’s capital may now be insufficient.

11 5. The Division is aware that the FHP Group is in financial distress. FHP-
12 Texas was ordered into liquidation on March 23, 2023. (Ex. 3.) On March 8, 2023, FHP-
13 Georgia entered into a consent order with the Georgia Office of the Insurance
14 Commissioner. (Ex. 4.) Regulators are monitoring FHP-Colorado and FHP-Oklahoma.
15 (Ex. 5.)

16 **III. Analysis**

17 **A. Receivership**

18 Chapter 696B of the NRS governs delinquency proceedings, including by
19 conservation, rehabilitation, or liquidation, against all persons and entities defined in
20 NRS 696B.020. Nevada has adopted the Uniform Insurers Liquidation Act (“UILA”).³ See
21 NRS 696B.280 (referencing NRS §§ 696B.030 to 696B.180 and NRS 696B.290 to 696B.340
22 as the statutory provisions under UILA).

23 The Petition filed in this case seeks an order appointing the Commissioner as
24

25 ³ The UILA serves the purpose to “...make uniform the laws of those states which enact
26 [it]...,” NRS 696B.280(3), and to provide for a uniform and orderly method of making claims
27 against an insolvent insurer and distributing an insolvent insurer’s assets. It prevents local
28 creditors from seizing the assets of an insurer while liquidation proceedings are
administered, thus ensuring that all creditors of the insolvent company, regardless of their
geographical location, are treated equally. See *Ace Grain Co. v. Rhode Island Ins. Co.*, 107
F. Supp. 80 (S.D.N.Y. 1952), *aff’d*, 199 F. 2d. 758 (2d Cir. 1953).

1 Receiver of FRIDAY HEALTH. In Nevada, where FRIDAY HEALTH is domiciled, the
2 Commissioner is the proper authority to be appointed as the receiver. NRS 696B.290(1).
3 The Commissioner “may petition for an order directing the Commissioner to conserve the
4 assets of or to rehabilitate a domestic insurer . . . [i]f the insurer has requested or
5 consented to conservation or rehabilitation by a vote or written authorization of a majority
6 of its directors, or stockholders” NRS 696B.210(14). This Court “has original
7 jurisdiction of delinquency proceedings under NRS 696B.010 to 696B.565 . . . and . . . may
8 make all necessary or proper orders to carry out the purposes of those sections.” NRS
9 696B.190(1).

10 In this case, FRIDAY HEALTH has requested this receivership, the Commissioner
11 agrees that a delinquency proceeding is appropriate, and the Commissioner has properly
12 petitioned for receivership.⁴ Through this receivership, the Commissioner seeks to protect
13 policyholders in order to evaluate FRIDAY HEALTH’s operations and financial state, as
14 well as the impact of the circumstances of the FHP Group on FRIDAY HEALTH’s
15 solvency.

16 In receivership, the Commissioner is responsible for the proper administration of
17 the business. NRS 696B.290(4)–(5). As receiver, the Commissioner is under a duty to act
18 for the protection of subscribers, members, and policyholders and conserve the available

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20 ⁴ To properly petition for receivership:

21 1. The Commissioner shall commence a delinquency proceeding
22 authorized under this chapter, the Attorney General representing the
23 Commissioner, by filing a petition in a court of proper jurisdiction praying
for appointment of the Commissioner as receiver of the insurer.

24 2. Upon the filing of the petition the court shall issue an order directing
25 the insurer to appear in court on the day fixed in the order and show cause
26 why the petition should not be granted. Unless good cause is shown for a
shorter period, the order shall require the insurer so to show cause not less
than 15 days nor more than 30 days from the date of the order.

27 3. The order to show cause and service thereof on the insurer shall
28 constitute due and legal process and shall be in lieu of any other process
otherwise provided by law or court rule.

NRS 696B.250.

1 assets. *Id.* “Upon taking possession of the assets of an insurer, the domiciliary receiver
2 shall immediately proceed to conduct the business of the insurer or to take such steps as
3 are authorized by this chapter for the purpose of rehabilitating, liquidating or conserving
4 the affairs or assets of the insurer.” NRS 696B.290(5). Accordingly, the Commissioner,
5 as receiver in the state of domicile, must be vested with title to all of the company’s
6 property and has the sole right to receive the books, records, and assets of the delinquent
7 company, wherever located, to satisfy the claims of policyholders and creditors in this state
8 and elsewhere. NRS 696B.290. Claims against the insurer, including any claims of
9 Nevada residents, are reviewed pursuant to the provisions of NRS Chapter 696B. These
10 provisions apply broadly to all corporations, firms, associations, societies, entities, or
11 individuals doing insurance business in Nevada.

12 “The UILA authorizes the court in which a delinquency proceeding was instituted
13 to enjoin all claims against the insurer, including claims existing prior to an order of
14 liquidation.” *Integrity Ins. Co. v. Martin*, 105 Nev. 16, 18, 769 P.2d 69, 70 (1989).

15 1. Upon application by the Commissioner for such an order to show cause,
16 or at any time thereafter, *the court may without notice issue an injunction*
17 restraining the insurer, its officers, directors, stockholders, members,
18 subscribers, agents and all other persons from the transaction of its business
19 or the waste or disposition of its property until the further order of the
20 court

21 2. *The court may at any time during a proceeding* under NRS 696B.010 to
22 696B.565, inclusive, *issue such other injunctions* or orders as may be deemed
23 necessary to prevent interference with the Commissioner or the proceeding,
24 or waste of the assets of the insurer, or the commencement or prosecution of
25 any actions, or the obtaining of preferences, judgments, attachments or other
26 liens, or the making of any levy against the insurer or against its assets or
27 any part thereof.

28 3. No bond may be required of the Commissioner as a prerequisite for the
issuance of any injunction or restraining order pursuant to this section.

NRS 696B.270 (emphases added). Thus, this Court may issue such injunctions in this
matter without notice upon the commencement of and at any time during these
delinquency proceedings. To this end, the Commissioner seeks an injunction to stay the
commencement or prosecution of actions and the procuring of judgment against the

1 insurer, restrain the consummation of business transactions, prohibit interference with
2 the delinquency proceedings, or prevent waste of the assets.

3 Finally, the Commissioner presents the question to the Court as to whether a show-
4 cause hearing is necessary in this matter when FRIDAY HEALTH (the party who is to be
5 ordered to appear to defend the petitioned action) has specifically requested that such
6 action be taken. (Ex. 1.) A show-cause hearing will increase expenses to FRIDAY
7 HEALTH and unnecessarily delay this matter. At the very least, because FRIDAY
8 HEALTH has requested this receivership action, and in order to urgently evaluate
9 FRIDAY HEALTH's financial condition to protect policyholders, good cause exists to set
10 the show-cause hearing sooner than 15 days from the date of this Petition. See NRS
11 696B.250.2 ("Unless good cause is shown for a shorter period, the order shall require the
12 insurer so to show cause not less than 15 days nor more than 30 days from the date of the
13 order.").

14 **IV. Conclusion**

15 The Commissioner seeks to preserve the status quo, to enforce the purposes of NRS
16 chapter 696B, and to protect FRIDAY HEALTH's policyholders. Based on the foregoing,
17 the Commissioner respectfully requests that the Court issue an Order to Show Cause
18 directing FRIDAY HEALTH to appear and show cause why the Petition for Appointment
19 of Commissioner as Receiver, Temporary Injunction, and Other Permanent Relief should
20 not be granted, or alternatively grant the Petition for permanent relief without such show-
21 cause hearing. If a show-cause hearing is ordered, the Commissioner further requests that

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1 the Court issue interim orders of injunction as set forth herein, pending the show-cause
2 hearing and further permanent relief, injunctions, and orders of the Court as set forth
3 herein.

4 DATED: June 1, 2023.

5
6 AARON FORD
Attorney General

7
8 By: /s/ Kayla Dorame
9 JOANNA N. GRIGORIEV (No. 5649)
Senior Deputy Attorney General
10 KAYLA DORAME (No. 15533)
Deputy Attorney General
11 *Attorney for the Division of Insurance*
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EXHIBIT 1

EXHIBIT 1

FRIDAY HEALTH PLANS, INC.

**ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS**

MAY 30, 2023

The undersigned, being all of the members of the Board of Directors (the “*Board*”) of Friday Health Plans, Inc., a Delaware corporation (the “*Company*”), waiving all notice, do hereby consent to the following actions being taken without a meeting pursuant to the authorization of the Delaware General Corporation Law, as amended (the “*DGCL*”), and the Company’s Bylaws:

WHEREAS, on May 30, 2023, the Board reviewed additional material and information regarding the Nevada Division of Insurance (“*Division*”) request for Friday Health Plans of Nevada, Inc. (“*FHP NV*”), its Nevada subsidiary, to consent to receivership;

WHEREAS, the Board has reviewed the attached Petition for Appointment of Commissioner as Receiver, Temporary Injunction, and Other Permanent Relief (the “*Petition*”) provided by the Division;

WHEREAS, following the exploration of various strategic alternatives, including FHP NV’s ability to raise additional capital, the Board unanimously determined that it is in the best interests of FHP NV for the FHP NV Board of Directors to consent to receivership and execute the attached Resolution & Consent to Receivership (the “*Consent*”).

NOW THEREFORE, BE IT RESOLVED, that the Board hereby authorizes and approves the execution of the attached Consent by the FHP NV Board of Directors.

OMNIBUS RESOLUTIONS

RESOLVED FURTHER, that the officers of the Company are authorized and directed, for and on behalf of the Company, to make all such arrangements to do and perform all such acts and to execute and deliver all such instruments, agreements, and documents, as they may deem necessary or appropriate in order to fully effectuate the purpose of each and all of the foregoing resolutions, and to waive all conditions and to do all things necessary and helpful to carry out the purposes of the foregoing resolutions, and that any and all prior or future actions taken by those officers that are consistent with the purposes and intent of the above resolutions are ratified, approved, adopted, and confirmed; and

RESOLVED FURTHER, that all documents, agreements and instruments previously executed and delivered, and any and all actions previously taken by any director, officer, employee or agent of the Company in connection with or related to the matters set forth in, or reasonably contemplated or implied by, the foregoing resolutions be, and each of them hereby is, adopted, ratified, confirmed and approved in all respects and for all purposes as the acts and deeds of the Company. The actions taken by this consent shall have the same force and effect as

if taken by the undersigned at a meeting of the Board, duly called and constituted pursuant to the DGCL and the Bylaws of the Company. This Written Consent may be executed in several counterparts, including counterparts executed by facsimile, electronic signature or PDF delivered via email, each of which shall be deemed an original, and each such electronic signature or a signature delivered by electronic means shall be deemed to constitute an original signature, but all of which together shall constitute one and the same instrument. This consent shall be filed with the minutes of the proceedings of the Board.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned, being all of the members of the Board of Directors of the Company, have executed this written consent as of the date first written above.

DocuSigned by:
Eduardo Cruz
FAEF2C9A584341A...
EDUARDO CRUZ

DocuSigned by:
Beth Bierbower
9AEDB0CC4B64462...
ELIZABETH BIERBOWER

DocuSigned by:
N. Alpert
90DEZE157BCA40B...
NORMAN ALPERT

DocuSigned by:
Theodore B. Lundberg
6904ABF18C3748D...
THEODORE B. LUNDBERG

DocuSigned by:
JUSTIN YANG
7A18AF4710E5416...
JUSTIN YANG

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Las Vegas, Nevada 89101

1 **PET**
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2 Attorney General
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3 Senior Deputy Attorney General
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7 Email: kdorame@ag.nv.gov;
jgrigoriev@ag.nv.gov
8 *Attorneys for the Division of Insurance*

9
10 **IN THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
11 **CLARK COUNTY, NEVADA**

12 STATE OF NEVADA, EX REL.) Case No.
13 COMMISSIONER OF INSURANCE, IN HIS)
14 OFFICIAL CAPACITY AS STATUTORY) Dept. No.
15 RECEIVER FOR DELINQUENT DOMESTIC)
INSURER,)
16 Plaintiff,)
17 vs.)
18 FRIDAY HEALTH PLANS OF NEVADA, Inc.,)
19 Defendant.)

20
21 **PETITION FOR APPOINTMENT OF COMMISSIONER AS RECEIVER, TEMPORARY**
22 **INJUNCTION, AND OTHER PERMANENT RELIEF**

23 Pursuant to Nevada Revised Statute (“NRS”) 696B.250, Plaintiff State of Nevada, ex rel.
24 Commissioner of Insurance, Scott J. Kipper (“Commissioner”) petitions this Honorable Court to appoint
25 the Commissioner as receiver of FRIDAY HEALTH PLANS OF NEVADA, INC. (“FRIDAY
26 HEALTH”) for the purpose of its conservation or rehabilitation. This Petition is based upon the attached
27 Points and Authorities, and the request of FRIDAY HEALTH for this receivership. The district court
28 has original jurisdiction of delinquency proceedings. Accordingly, the Commissioner moves the Court
to issue an order to show cause why the Petition should not be granted. Because FRIDAY HEALTH has

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1 requested the receivership and in order to urgently evaluate FRIDAY HEALTH’s financial condition to
2 protect policyholders, good cause exists to set the show-cause hearing sooner than 15 days from the date
3 of this Petition, or to proceed without a show-cause hearing.

4 **REQUEST FOR TEMPORARY INJUNCTIVE RELIEF**

5 Pending permanent orders of the Court, the Commissioner requests, as authorized by
6 NRS 696B.270(1) and the referenced statutes, that the Court immediately issue the following temporary
7 orders for injunctive relief:

- 8 1. Immediately enjoin any and all persons from the commencement or prosecution of any actions by
9 or on behalf of FRIDAY HEALTH, or against FRIDAY HEALTH. Further, all persons should
10 be restrained from obtaining any preferences, judgments, attachments, or other liens as to any
11 property of FRIDAY HEALTH, or making any levy against FRIDAY HEALTH or against their
12 assets or any part thereof. NRS 696B.340, -.410.
- 13 2. Immediately appoint the Commissioner as Receiver of FRIDAY HEALTH with the authority to
14 enter the business and immediately oversee the operation and conservation or rehabilitation of the
15 business. NRS 696B.210, -.290.
- 16 3. Immediately enjoin all persons other than the Receiver from disbursing, committing, transferring,
17 substituting, or withdrawing any funds from FRIDAY HEALTH’s accounts, or removing other
18 property from, controlled, or owned by FRIDAY HEALTH except as expressly directed or
19 approved by the Receiver pending the show-cause hearing. NRS 696B.270.2.
- 20 4. Immediately enjoin FRIDAY HEALTH, the officers, directors, stockholders, members,
21 subscribers, managers, agents, employees, and all other persons from: (1) wasting or disposing of
22 any assets or property of FRIDAY HEALTH, or (2) transacting any further business on behalf of
23 FRIDAY HEALTH except as expressly directed or approved by the Receiver pending the show-
24 cause hearing. NRS 696B.270.1.
- 25 5. Authorize the Receiver to employ and to fix the compensation of such deputies, counsel,
26 employees, accountants, actuaries, investment counselors, asset managers, consultants, assistants,
27 and other personnel as the Receiver considers necessary. NRS 696B.290.6.

28 **REQUEST FOR PERMANENT INJUNCTIVE RELIEF**

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1 After the show-cause hearing, as authorized by NRS 696B.270 and the referenced statutes (unless
2 the Court proceeds without such hearing) the Commissioner moves for permanent injunctive and other
3 relief, as follows, in order to protect the policyholders and public during this delinquency proceeding:

- 4 1. Permanently appoint the Commissioner as Receiver of FRIDAY HEALTH with the authority
5 to enter the business and immediately oversee the operation and conservation or rehabilitation
6 of the business. NRS 696B.290.
- 7 2. Permanently enjoin FRIDAY HEALTH, the officers, directors, stockholders, members,
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10 behalf of FRIDAY HEALTH except as expressly directed or approved by the Receiver.
11 NRS 696B.270.1.
- 12 3. Permanently enjoin any and all persons from the commencement or prosecution of any actions
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19 removing other property from, controlled, or owned by FRIDAY HEALTH except as
20 expressly directed or approved by the Receiver. NRS 696B.270.2.
- 21 5. Vest the Receiver with title to all of FRIDAY HEALTH's real and personal property of every
22 kind whatsoever and take possession of the assets wherever located, whether in the possession
23 of FRIDAY HEALTH or its officers, directors, employees, consultants, attorneys, agents,
24 managers, parents, subsidiaries, affiliated corporations, or those acting in concert with any of
25 these persons, and any other persons, including, but not limited to, all property, offices
26 maintained or utilized by FRIDAY HEALTH, books, papers, contracts, deposits, stocks,
27 securities, rights of action, accounts, documents, data records, papers, evidences of debt,
28 bonds, debentures, mortgages, furniture, fixtures, office supplies, safe deposit boxes,

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1 legal/litigation files, and all books and records of insurers, and administer them under the
2 general supervision of the Court. NRS 696B.290.2.

3 6. Authorize the Receiver to take any and all actions that he deems necessary in connection with
4 this delinquency proceeding, and as provided in NRS chapter 696B and any other applicable
5 law.

6 DATED this _____ day of May 2023.

7
8 AARON FORD
9 Attorney General

10 By: _____
11 KAYLA DORAME
12 Deputy Attorney General
13 *Attorney for the Division of Insurance*

14 **POINTS AND AUTHORITIES**

15 **I. Introduction**

16 FRIDAY HEALTH has requested a receivership. (Ex. 1.) In this case, the Commissioner agrees
17 that a delinquency proceeding is appropriate on the grounds that FRIDAY HEALTH may not be
18 financially solvent. The Commissioner seeks to protect policyholders while he evaluates FRIDAY
19 HEALTH’s operations and financial state, as well as the impact of the circumstances of affiliated Friday
20 Health companies on FRIDAY HEALTH.

21 **II. Facts**

22 1. FRIDAY HEALTH is a Nevada-domiciled insurer licensed as of May 28, 2020, certificate
23 of authority No. 155943.

24 2. FRIDAY HEALTH is a subsidiary of Friday Health Plans Management Services
25 Company, Inc. (“FHP Parent”), which is licensed as a non-resident third-party administrator in Nevada,
26 license number 3625676, and as a non-resident producer firm in Nevada, license number 3626258. FHP
27 Parent is a subsidiary of Friday Health Plans, Inc. (“FHP Ultimate Parent”), a Delaware company located
28 in Colorado. FHP Parent and FHP Ultimate Parent have other “Friday Health Plan” insurers in other
states (FHP-Colorado, FHP-Texas, FHP-Georgia, FHP-Oklahoma, FHP-North Carolina [collectively

1 “FHP Companies”]). FHP Ultimate Parent also operates FHP Companies combined with FHP Ultimate
2 Parent and FHP Parent (hereinafter “FHP Group”). (Ex. 2.)

3 3. FRIDAY HEALTH offers life and health products, and comprehensive products for the
4 individual and small group health insurance markets. According to a report to the Division of Insurance,
5 FRIDAY HEALTH had 4,437 Nevada policyholders as of March 1, 2023.

6 4. In 2022, the Division required FRIDAY HEALTH to infuse capital to increase its total
7 capital and surplus. Despite the capital infusion, FRIDAY HEALTH’s recent financial filings suggest
8 that FRIDAY HEALTH’s capital may now be insufficient.

9 5. The Division is aware that the FHP Group is in financial distress. FHP-Texas was ordered
10 into liquidation on March 23, 2023. (Ex. 3.) On March 8, 2023, FHP-Georgia entered into a consent
11 order with the Georgia Office of the Insurance Commissioner. (Ex. 4.) Regulators are monitoring FHP-
12 Colorado and FHP-Oklahoma. (Ex. 5.)

13 **III. Analysis**

14 **A. Receivership**

15 Chapter 696B of the NRS governs delinquency proceedings, including by conservation,
16 rehabilitation, or liquidation, against all persons and entities defined in NRS 696B.020. Nevada has
17 adopted the Uniform Insurers Liquidation Act (“UILA”).¹ See NRS 696B.280 (referencing NRS
18 §§ 696B.030-180 and NRS 696B.290 through 696B.340 as the statutory provisions under UILA).

19 The Petition filed in this case seeks an order appointing the Commissioner as
20 Receiver of FRIDAY HEALTH. In Nevada, where FRIDAY HEALTH is domiciled, the Commissioner
21 is the proper authority to be appointed as the receiver. NRS 696B.290.1. The Commissioner “may
22 petition for an order directing the Commissioner to conserve the assets of or to rehabilitate a domestic
23 insurer . . . If the insurer has requested or consented to conservation or rehabilitation by a vote or written
24 authorization of a majority of its directors, or stockholders . . .” NRS 696B.210.14. This Court “has
25

26 ¹ The UILA serves the purpose to “...make uniform the laws of those states which enact [it]...,” NRS
27 696B.280(3), and to provide for a uniform and orderly method of making claims against an insolvent
28 insurer and distributing an insolvent insurer’s assets. It prevents local creditors from seizing the assets
of an insurer while liquidation proceedings are administered, thus ensuring that all creditors of the
insolvent company, regardless of their geographical location, are treated equally. See *Ace Grain Co. v. Rhode Island Ins. Co.*, 107 F. Supp. 80 (S.D.N.Y. 1952), *aff’d*, 199 F. 2d. 758 (2d Cir. 1953).

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1 original jurisdiction of delinquency proceedings under NRS 696B.010 to 696B.565 . . . and . . . may
2 make all necessary or proper orders to carry out the purposes of those sections.” NRS 696B.190(1).

3 In this case, FRIDAY HEALTH has requested this receivership, the Commissioner agrees that a
4 delinquency proceeding is appropriate, and the Commissioner has properly petitioned for receivership.²
5 Through this receivership, the Commissioner seeks to protect policyholders in order to evaluate FRIDAY
6 HEALTH’s operations and financial state, as well as the impact of the circumstances of the Friday Group
7 on FRIDAY HEALTH’s solvency.

8 In receivership, the Commissioner is responsible for the proper administration of the business.
9 NRS 696B.290.4–5. As receiver, the Commissioner is under a duty to act for the protection of
10 subscribers, members, and policyholders and conserve the available assets. *Id.* “Upon taking possession
11 of the assets of an insurer, the domiciliary receiver shall immediately proceed to conduct the business of
12 the insurer or to take such steps as are authorized by this chapter for the purpose of rehabilitating,
13 liquidating or conserving the affairs or assets of the insurer.” NRS 696B.290.5. Accordingly, the
14 Commissioner, as receiver in the state of domicile, must be vested with title to all of the company’s
15 property and has the sole right to receive the books, records, and assets of the delinquent company,
16 wherever located, to satisfy the claims of policyholders and creditors in this state and elsewhere.
17 NRS 696B.290. Claims against the insurer, including any claims of Nevada residents, are reviewed
18 pursuant to the provisions of NRS Chapter 696B. These provisions apply broadly to all corporations,
19

20 _____
21 ² To properly petition for receivership:

22 1. The Commissioner shall commence a delinquency proceeding
23 authorized under this chapter, the Attorney General representing the
24 Commissioner, by filing a petition in a court of proper jurisdiction praying
25 for appointment of the Commissioner as receiver of the insurer.

26 2. Upon the filing of the petition the court shall issue an order directing
27 the insurer to appear in court on the day fixed in the order and show cause
28 why the petition should not be granted. Unless good cause is shown for a
shorter period, the order shall require the insurer so to show cause not less
than 15 days nor more than 30 days from the date of the order.

3. The order to show cause and service thereof on the insurer shall
constitute due and legal process and shall be in lieu of any other process
otherwise provided by law or court rule.

NRS 696B.250.

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1 firms, associations, societies, entities, or individuals doing insurance business in Nevada.

2 “The UILA authorizes the court in which a delinquency proceeding was instituted to enjoin all
3 claims against the insurer, including claims existing prior to an order of liquidation.” *Integrity Ins. Co.*
4 *v. Martin*, 105 Nev. 16, 18, 769 P.2d 69, 70 (1989).

5 1. Upon application by the Commissioner for such an order to show cause,
6 or at any time thereafter, *the court may without notice issue an injunction*
7 *restraining the insurer, its officers, directors, stockholders, members,*
8 *subscribers, agents and all other persons from the transaction of its business*
9 *or the waste or disposition of its property until the further order of the*
10 *court*

11 2. *The court may at any time during a proceeding under NRS 696B.010*
12 *to 696B.565, inclusive, issue such other injunctions or orders as may be*
13 *deemed necessary to prevent interference with the Commissioner or the*
14 *proceeding, or waste of the assets of the insurer, or the commencement or*
15 *prosecution of any actions, or the obtaining of preferences, judgments,*
16 *attachments or other liens, or the making of any levy against the insurer or*
17 *against its assets or any part thereof.*

18 3. No bond may be required of the Commissioner as a prerequisite for the
19 issuance of any injunction or restraining order pursuant to this section.

20 NRS 696B.270 (emphases added). Thus, this Court may issue such injunctions in this matter without
21 notice upon the commencement of and at any time during these delinquency proceedings. To this end,
22 the Commissioner seeks an injunction to stay the commencement or prosecution of actions and the
23 procuring of judgment against the insurer, restrain the consummation of business transactions, prohibit
24 interference with the delinquency proceedings, or prevent waste of the assets.

25 Finally, the Commissioner presents the question to the Court as to whether a show-cause hearing
26 is necessary in this matter when FRIDAY HEALTH (the party who is to be ordered to appear to defend
27 the petitioned action) has specifically requested that such action be taken. (Ex. 1.) A show-cause hearing
28 will increase expenses to FRIDAY HEALTH and unnecessarily delay this matter. At the very least,
because FRIDAY HEALTH has requested this receivership action, and in order to urgently evaluate
FRIDAY HEALTH’s financial condition to protect policyholders, good cause exists to set the show-
cause hearing sooner than 15 days from the date of this Petition. *See* NRS 696B.250.2 (“Unless good
cause is shown for a shorter period, the order shall require the insurer so to show cause not less than 15
days nor more than 30 days from the date of the order.”).

IV. Conclusion

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The Commissioner seeks to preserve the status quo, to enforce the purposes of NRS chapter 696B, and to protect FRIDAY HEALTH’s policyholders. Based on the foregoing, the Commissioner respectfully requests that the Court issue an Order to Show Cause directing FRIDAY HEALTH to appear and show cause why the Petition for Appointment of Commissioner as Receiver, Temporary Injunction, and Other Permanent Relief should not be granted, or alternatively grant the Petition for permanent relief without such show-cause hearing. If a show-cause hearing is ordered, the Commissioner further requests that the Court issue interim orders of injunction as set forth herein, pending the show-cause hearing and further permanent relief, injunctions, and orders of the Court as set forth herein.

DATED this _____ day of May 2023.

AARON FORD
Attorney General

By: _____
KAYLA D. DORAME
Deputy Attorney General
Attorney for the Division of Insurance

Office of the Attorney General
555 East Washington Avenue, Suite 3900
Las Vegas, Nevada 89101

**ACTION BY UNANIMOUS WRITTEN CONSENT OF
THE BOARD OF DIRECTORS OF
FRIDAY HEALTH PLANS OF NEVADA, INC.**

May 30, 2023

In accordance with Section 78.315 of the Nevada Private Corporations statute and the Company's (as defined below) Bylaws, the undersigned, being all of the directors of the board (the "Board") of Friday Health Plans of Nevada, Inc., a Nevada corporation (the "Company"), and having the authority to bind the Company, do hereby waive all right and entitlement to notice of a meeting and consent to, adopt and approve the following actions and declare them to be in full force and effect as if adopted at a meeting duly called and held.

WHEREAS, pursuant to Section 3.8 of the Company's Bylaws, the Board agrees to make the following resolution after having consulted with counsel of its choosing:

NOW, THEREFORE, BE IT RESOLVED, that the Board agrees to the attached Consent to Order of Receivership and entry of an order placing the Company into conservation or rehabilitation and appointing the Commissioner of the Nevada Division of Insurance ("Commissioner") as receiver under Nevada Revised Statute §696B.290.1. without further notice or hearing.

RESOLVED, that grounds exist for the entry of an order placing the Company into conservation or rehabilitation and appointing a receiver under Nevada Revised Statute §696B.210.2 as Company's further transaction of insurance is prospectively hazardous to its policyholders.

FURTHER RESOLVED, that the Company consents to any injunctions the receivership court, deems necessary and appropriate under Nevada Revised Statute §696B.270. The Company agrees that the Commissioner may, at his sole discretion, apply to the receivership court for any additional orders regarding the Company.

FURTHER RESOLVED, that the directors and the officers of the Company are hereby authorized to execute any and all consent agreements or documents on behalf of the Company and are authorized to take any and all additional actions as deemed necessary or appropriate by the Commissioner without further approval of the directors or shareholders.

OMNIBUS RESOLUTIONS RESOLVED, that the officers and directors of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to make all such arrangements, to do and perform all such acts and to execute and deliver all such certificates and such other instruments, agreements, and documents, and to pay all such reasonable expenses, as they may deem necessary or appropriate in order to fully effectuate the purpose of each and all of the foregoing resolutions, and to waive all conditions and to do all things necessary and helpful to carry out the purposes of the foregoing resolutions, and that any and all prior or future actions taken by those officers or directors that are consistent with the purposes and intent of the above resolutions are ratified, approved, adopted, and confirmed; and

RESOLVED FURTHER, that all documents, agreements and instruments previously executed and delivered, and any and all actions previously taken by any director, officer, employee or agent of the Company in connection with or related to the matters set forth in, or reasonably contemplated or implied by, the foregoing resolutions be, and each of them hereby is, adopted, ratified, confirmed and approved in all respects and for all purposes as the acts and deeds of the Company. The actions taken by this consent shall have the same force and effect as if taken by the undersigned at a meeting of the Board, duly called and constituted pursuant to the Act and the Bylaws of the Company. This consent may be executed by telefacsimile signature or other electronic means, and a telefacsimile signature or signature delivered by other electronic means will constitute an original signature. This consent shall be filed with the minutes of the proceedings of the Board.

IN WITNESS WHEREOF, the undersigned have executed this Action by Unanimous Written Consent of the Board of Directors of Friday Health Plans of Nevada, Inc. effective as of the date first written above.

DocuSigned by:
By: Beth Bierbower
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Elizabeth Bierbower, Chief Executive Officer & Director

DocuSigned by:
By: Rhonda Bagby
14ABC2BAEE29489...

Rhonda Bagby, Chief Financial Officer & Director

DocuSigned by:
By: Stacy Knowlton
75FA98AE4248499...

Stacy Knowlton, Secretary

CONSENT TO ORDER OF RECIEVER

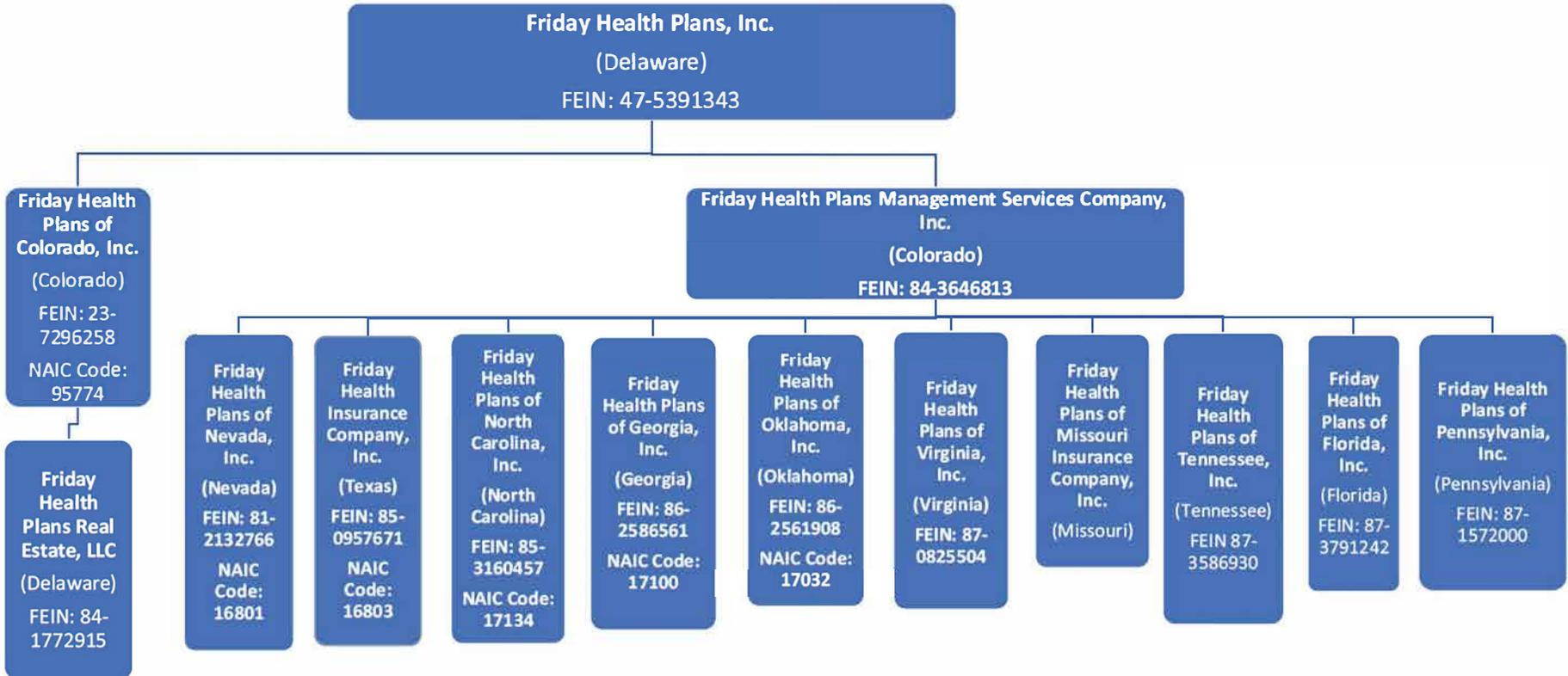
It is hereby agreed to as follows:

1. Friday Health Plans of Nevada, Inc., (“Company”) is a Nevada domiciled insurer licensed as of May 28, 2020, certificate of authority no. 155943.
2. Company admits that grounds exist for the entry of an order placing Company into conservation or rehabilitation and appointing a receiver under Nevada Revised Statute §696B.210.2.
3. Company consents through an Action of Unanimous Written Consent of the Board to the entry of an order placing Company into conservation or rehabilitation and appointing the Commissioner of the Nevada Division of Insurance (“Commissioner”) as receiver under Nevada Revised Statute §696B.290.1.
4. Company consents to any injunctions the receivership court deems necessary and appropriate under as that term is defined in Nevada Revised Statute §696B.270. Company agrees that the Commissioner may, at his sole discretion, apply to the receivership court for any additional orders regarding Company.
5. This consent is attached to the Unanimous Written Consent of the Board adopting it.
6. Company acknowledges that it has agreed to this Consent to Order of Receiver voluntarily and after having the opportunity to consult counsel of its choosing.

Friday Health Plans of Nevada, Inc., consents to the entry of an order placing Company into conservation or rehabilitation and appointing the Commissioner as receiver, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein.

EXHIBIT 2

EXHIBIT 2



15

EXHIBIT 3

EXHIBIT 3

MAR 23 2023 JG

At 3:49 P.M.
Velva L. Price, District Clerk

Cause No. GN-23-001549

TEXAS DEPARTMENT OF
INSURANCE,
Plaintiff,

v.

FRIDAY HEALTH INSURANCE
COMPANY, INC.
Defendant.

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IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

345th JUDICIAL DISTRICT

**AGREED ORDER APPOINTING LIQUIDATOR, PERMANENT INJUNCTION,
AND NOTICE OF AUTOMATIC STAY**

On this day, the Court heard the *Plaintiff's Original Petition. Application for Agreed Order Appointing Liquidator, and Request for Injunctive Relief* ("Application") filed by the Texas Department of Insurance through the Office of the Attorney General of Texas at the request of the Commissioner of Insurance for the State of Texas ("Commissioner").

The Application requests an order placing Friday Health Insurance Company, Inc. ("Friday" or "Defendant") into liquidation pursuant to Texas Insurance Code Chapter 443¹, the Insurer Receivership Act, and appointing the Commissioner as Liquidator of Defendant ("Liquidator"). The Application also requests a Permanent Injunction pursuant to Section 443.008, restraining Defendant and its agents from conducting Defendant's business, and restraining other parties from taking any actions against Defendant or its property in violation of the Insurer Receivership Act.

The Texas Department of Insurance appeared by and through the Office of the Attorney General. Defendant appeared by and through its counsel of record. Having considered the Plaintiff's verified petition, the evidence presented and the arguments of counsel, the Court finds

¹ All statutory references are to the Texas Insurance Code unless otherwise indicated.

that the Application should be GRANTED, and enters this Order.

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED as follows:

I. FINDINGS OF FACT

1.1 Defendant is a "Covered Person" as defined in Section 443.003.

1.2 Defendant does not have admitted assets at least equal to all its liabilities together with the minimum surplus of \$1,400,000 required to be maintained under Section 841.054.

1.3 Defendant is insolvent as defined in Section 443.004(a)(13). Defendant does not have admitted assets equal to its liabilities and has total adjusted capital less than that required under Chapter 841.

1.4 The continued conduct of the business of Defendant would not be in the best interest of Defendant's policyholders, creditors or the public.

1.5 On March 14, 2023, the Defendant's board of directors unanimously consented to placing Friday into liquidation and appointing the Commissioner as liquidator.

II. CONCLUSIONS OF LAW

2.1 This Court has jurisdiction over the parties and the subject matter of this action under Section 443.005(c).

2.2 Grounds have been established to place Defendant into liquidation under Section 443.057. These grounds include, but are not limited to, the finding that Defendant is impaired, as defined in Section 443.004(a)(12), and insolvent, as defined in Section 443.004(a)(13).

2.3 In accordance with Section 443.058. Plaintiff is entitled to an order of liquidation, and the Commissioner must be appointed as Liquidator of Defendant pursuant to Section 443.151.

2.4 The Liquidator shall be vested by operation of law with title to all of Defendant's property as defined in Section 443.004(a)(20). Such property shall include property of any kind or nature, whether real, personal, or mixed, including but not limited to money, funds, cash, stock,

Order Appointing Liquidator, Permanent Injunction, and Automatic Stay Page 2 of 11

bonds, account deposits, statutory deposits, special deposits, contents of safe deposit boxes, funds held in shared, escrow or trust accounts, retainages and retainers, letters of credit, real estate, fixtures, furniture, equipment, books, records, documents and insurance policies, intellectual property, computer software and systems, information technology, internet domain names, patents and intangible assets, whether owned individually, jointly, or severally, wherever located, and all rights, claims or causes of action belonging to Defendant, whether asserted or not, including but not limited to accounts receivable, notes, premiums, subrogation, insurance and reinsurance proceeds, and all licenses held by Defendant (collectively, Defendant's property). The Liquidator's title shall extend to Defendant's Property regardless of the name in which such items are held, or where such items are located.

2.5 Pursuant to Section 443.151(a), the Liquidator shall be directed to take possession and control of Defendant's Property, wherever located.

2.6 The Liquidator may act as she deems necessary or appropriate to perform her duties pursuant to Section 443.151. The Liquidator shall have all the powers of Defendant's directors, officers and managers, and the authority of such persons is suspended except as specifically permitted by the Liquidator or her designees.

2.7 Defendant and Defendant's agents shall be required to cooperate with the Liquidator and her designees pursuant to Section 443.010.

2.8 Pursuant to Section 443.008(c), an automatic stay is in effect with respect to actions against Defendant or its property, effective on the commencement of this proceeding. Pursuant to Section 443.008(d), an automatic stay is in effect with respect to actions against insureds of Defendant, commencing on the entry of this Order. In addition to the stays under Section 443.008, a stay shall be in effect upon the designation of Defendant as an "impaired insurer" pursuant to

Section 463.404.

2.9 Pursuant to Section 443.008(a), this Court may issue any stay or injunction as necessary or appropriate to carry out the Insurer Receivership Act. It is necessary for this Court to issue a permanent injunction pursuant to Section 443.008(a) to carry out the provisions of Chapter 443, and prevent irreparable injury, loss and damage to the general public and Defendant's creditors. A necessity exists to enjoin Defendant and Defendant's agents from conducting Defendant's business, except as specifically permitted by the Liquidator or her designees; to enjoin financial institutions or depositories from taking any actions in connection with Defendant's property, except as directed by the Liquidator or her designees; and to enjoin all claimants or creditors from asserting claims or causes of action against Defendant, except as permitted by the Insurer Receivership Act.

2.10 Pursuant to Section 443.151(a), this proceeding is exempt from any dormancy requirements.

2.11 Section 443.001(b) provides that the Insurer Receivership Act may not be interpreted to limit the powers granted to the Commissioner under other provisions of law. Accordingly, this Order shall not be construed as a limitation of the Commissioner's powers granted under such provisions.

III. APPOINTMENT OF LIQUIDATOR

The Commissioner is appointed as Liquidator of Defendant, and granted the following powers:

3.1 The Liquidator has all powers and authority granted by the Insurer Receivership Act, specifically, without limitation, Section 443.151 *et seq.* and any and all other powers and authority under applicable statutes and the common law of this State.

3.2 Pursuant to Section 443.151 (a), title to all of Defendant's property, including but

Order Appointing Liquidator, Permanent Injunction, and Automatic Stay Page 4 of 11

not limited to all the assets and rights described in this Order, is vested in the Liquidator. The Liquidator is authorized to take control and possession of Defendant's Property, wherever located, and remove all such property from Defendant's premises.

3.3 Pursuant to Section 443.154(w), the Liquidator is vested with all of Defendant's rights. The Liquidator is authorized to direct, manage, and supervise Defendant's directors, officers, managers, employees or agents, and compensate them as she deems necessary from Defendant's funds, or to suspend or discharge such persons at her discretion.

3.4 The Liquidator has all of Defendant's rights as the customer of a financial institution. The Liquidator is authorized to withdraw Defendant's Property from any banks, financial institutions and other depositories, agencies of any state or the federal government, and any other entities, or continue the operation of any accounts of Defendant, at her discretion.

3.5 The Liquidator is vested with all legal remedies available to Defendant pursuant to Section 443.154(w). The Liquidator is authorized to file, prosecute, defend, or settle any action as she deems necessary, including any action to enforce the provisions of this Order.

3.6 Pursuant to Section 443.154(k), the Liquidator may enter into contracts as necessary to perform her duties and may assume or reject any executory contract or unexpired lease to which Defendant is a party at her discretion pursuant to Section 443.013.

3.7 The Liquidator is authorized to change the locks on any property owned, leased, or occupied by Defendant.

3.8 The Liquidator is authorized to exclude any person from any property owned, leased, or occupied by Defendant, at her discretion.

3.9 The Liquidator is authorized to receive, collect, control, open and review all mail addressed to or intended for Defendant, or arriving at Defendant's address.

3.10 Section 443.154(a) authorizes the Liquidator to appoint a Special Deputy and employ or contract with legal counsel and other personnel as she deems necessary. Pursuant to Section 443.015(e), the Liquidator is authorized to set the compensation of any such Special Deputy or other persons as she deems necessary and pay for such services from Defendant's funds. The Liquidator's designees and any Special Deputy appointed under Section 443.154(a) have all the rights and powers of the Liquidator, subject to any limitations imposed by the Liquidator.

3.11 Pursuant to Section 443.008(m), the Commissioner is not required to file a bond in connection with this proceeding, in her capacity as Liquidator or otherwise.

3.12 In accordance with Section 443.151(a), any successor to the Commissioner shall be appointed as the Liquidator of Defendant. In the event a successor is appointed to be the Commissioner, the successor shall become the Liquidator upon appointment as Commissioner, and the former Commissioner shall be discharged as Liquidator as a matter of law.

3.13 The enumeration of the Liquidator's powers and authority in this Order shall not be construed as a limitation on the Liquidator to take any action authorized by the Insurer Receivership Act or other applicable law that is not specified in this Order.

IV. PERMANENT INJUNCTION

The Clerk of this Court shall issue a Permanent Injunction against the persons and entities named below, with the following force and effect:

TO: Defendant and its agents, including but not limited to:
Defendant's current and former officers, directors, underwriters, managers and employees, including but not limited to, Elizabeth Bierbower, Stacy Knowlton, Rhonda Bagby, Salvatore Gentile, David Pinkert, Eduardo Cruz, Theodore Lundberg, Justin Yang, Carlos Ferrer, and Daniel O'Connell; owners and affiliates, including but not limited to, Vestar Managers VII, LLC, Peloton Equity GP, LLC, Vestar Capital Partners LLC, Vestar Associates VII, LP, Peloton Equity II, L.P., Peloton FHP, LLC, New Biscayne Group, SA, FHP Investment LP, Friday Health Plans, Inc., Friday Health Plans Management Services Company, Inc., Friday Health Plans of Colorado Inc.; local recording agents, managing general agents, agents, third party administrators, representatives, associates, servants, adjusters,

attorneys and accountants, including but not limited to, Mitchell, Williams, Selig, Gates & Woodyard, PLLC, their other lawyers, and those acting in concert with them;

Financial institutions, including but not limited to:

Any and all banks, savings and loan associations; trust companies; credit unions; welfare trusts; or any other financial or depository institutions in the possession of any of Defendant's Property, including but not limited to, BOK Financial, BOKF, NA, and Wells Fargo Bank, N.A.; and

All other parties, including but not limited to:

Creditors, claimants, insurers, intermediaries, attorneys and all other persons, associations, corporations, or any other legal entities asserting claims or causes of action of any kind against Defendant, or in possession of any of Defendant's Property, and the United States Postmaster.

Each of you are hereby RESTRAINED and ENJOINED from taking any and all of the following actions:

4.1 Doing, operating, or conducting Defendant's business under any charter, certificate of authority, license, permit, power or privilege belonging to or issued to Defendant, or exercising any direction, control, or influence over Defendant's business, except through the authority of the Liquidator or her designees;

4.2 Transacting any business of Defendant's in any manner except through the authority of the Liquidator or her designees;

4.3 Wasting, disposing of, converting, dissipating, or concealing, in any manner, any of Defendant's Property;

4.4 Using, releasing, transferring, selling, assigning, canceling, hypothecating, withdrawing, allowing to be withdrawn, offsetting, asserting ownership of, concealing, in any manner, or removing from this Court's jurisdiction or from Defendant's place of business, any of Defendant's Property, or any other items purchased by Defendant, or any items into which such Property has been transferred, deposited or placed, or any other items owned by Defendant,

wherever located, except through the authority of the Liquidator or her designees;

4.5 Releasing, transferring, selling, assigning or asserting ownership of, in any manner, any claims, accounts receivable, or causes of action belonging to Defendant, whether asserted or not, except through the authority of the Liquidator or her designees;

4.6 Doing anything, directly or indirectly, to prevent the Liquidator or her designees from gaining access to, acquiring, examining, or investigating any of Defendant's Property or any other property, books, documents, records, or other materials concerning Defendant's business, under whatever name they may be found;

4.7 Obstructing or interfering in any way with the conduct of this proceeding or any incidental investigation as prohibited by Section 443.010(b);

4.8 Interfering with these proceedings or with the lawful acts of the Liquidator or her designees in any way;

4.9 Intervening in this proceeding for the purpose of obtaining a payment from the receivership estate of Defendant as prohibited by Section 443.005(i);

4.10 Making any claim, charge or offset, or commencing or prosecuting any action, appeal, or arbitration, including administrative proceedings, or obtaining any preference, judgment, attachment, garnishment, or other lien, or making any levy against Defendant, Defendant's Property or any part thereof, or against the Liquidator, except as permitted by the Insurer Receivership Act.

EACH OF YOU ARE FURTHER SPECIFICALLY ORDERED to make available and disclose to the Liquidator or her designees the nature, amount, and location of Defendant's Property, and immediately surrender all such property to the Liquidator or her designees.

DEFENDANT AND DEFENDANT'S AGENTS ARE FURTHER ORDERED to

cooperate with the Liquidator or her designees as required by Section 443.010(a).

IT IS FURTHER ORDERED that the United States Postmaster and any other delivery services shall deliver to the Liquidator any items addressed to or intended for Defendant.

V. STAY OF PROCEEDINGS

5.1 An automatic stay is in effect with respect to actions against Defendant or its Property as provided in Section 443.008(c). In accordance with Section 443.008(f), such stay of actions against Defendant is in effect for the duration of this proceeding, and the stay of actions against Defendant's Property is in effect for as long as the Property belongs to the receivership estate.

5.2 An automatic stay is in effect with respect to actions against a party insured by Defendant as provided in Section 443.008(d). Such stay shall continue for 90 days after the date of this Order, or such further time as ordered by this Court.

VI. CONTINUATION OF COVERAGE

6.1 All reinsurance contracts by which Defendant has assumed insurance obligations of another insurer are canceled upon entry of this order pursuant to Section 443.152(a).

6.2 Unless further extended by the Liquidator with the approval of this Court pursuant to Section 443.152(b), all policies, insurance contracts, surety bonds or surety undertakings issued by Defendant in effect at the time of issuance this order shall continue in force only until the earlier of:

- (a) the date of expiration of the policy coverage;
- (b) the date the insured has replaced the insurance coverage or otherwise terminated the policy;
- (c) the date of any transfer of a policy obligation by the Liquidator pursuant to Section 443.154(h); or

(d) the date proposed by the Liquidator to cancel coverage.

VII. OTHER ORDERS

7.1 This Order shall issue and become effective immediately and shall continue in full force and effect until the entry of an order by this Court terminating liquidation under Section 443.352.

7.2 Pursuant to Section 443.055, this Order constitutes a final judgment, provided that this Court shall retain jurisdiction to issue further orders pursuant to the Insurer Receivership Act.

7.3 The Texas Department of Insurance and the Attorney General of Texas shall have a claim for reasonable attorneys' fees and court costs, provided that the amount and payment of such claim are subject to the provisions of Chapter 443.

7.4 In accordance with Section 443.001(b), this Order does not limit the rights of the Commissioner or the Texas Department of Insurance to take any administrative action or issue any administrative order.

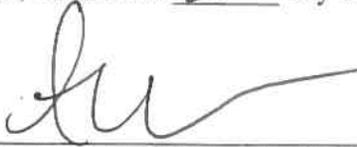
7.5 Notice of Plaintiff's Petition and this Order shall be provided under Section 443.052(b) by first class mail or electronic communication.

7.6 Pursuant to Section 443.007(e), the Liquidator may provide notice of any application in the time periods prescribed in Rule 21a of the Texas Rules of Civil Procedure if it determines that an expedited hearing is necessary. In accordance with Section 443.007(d), the Liquidator may provide notice of any application by first class mail, electronic mail, or facsimile transmission, at its discretion.

7.7 Anyone over the age of 18 whom is not a party to nor interested in the outcome of this suit may serve all citations, writs, and notices in this cause.

7.8 All of the foregoing is subject to further orders of this Court.

SIGNED at Austin, Travis County, Texas, on this the 23rd day of MARCH, 2023.
at 3:30 o'clock P.m.



DISTRICT JUDGE PRESIDING
Amy Coker Meachum

AGREED AS TO FORM ONLY:

/s/ Zachary Rhines

KEN PAXTON
Attorney General of Texas
ZACHARY RHINES
State Bar No. 24116957
Assistant Attorney General
General Litigation Division
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COUNSEL FOR PLAINTIFF
TEXAS DEPARTMENT OF INSURANCE

/s/ Stanton Strickland

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Austin, TX 78701
(512) 480-5100 - Telephone
(512) 322-0301 - Fax

COUNSEL FOR DEFENDANT
FRIDAY HEALTH INSURANCE, INC.

EXHIBIT 4

EXHIBIT 4

Important Announcement Regarding Friday Health Plans of Georgia, Inc.

MAY 31, 2023

Friday Health Plans of Georgia, Inc. (“Friday Health Plans”) will be placed into receivership to protect Georgia policyholders due to its reported insolvency and inability to raise additional funds from outside investors.

Friday Health Plans was placed into administrative supervision on March 8, 2023, by consent order to try to cure its surplus deficiency reported to our office on March 3, 2023. During this period of enhanced supervision our office has closely monitored the Company and determined that continued operation of Friday Health Plans was not possible without putting policyholders at risk, so we are acting to protect them.

Friday Health Plans policyholders that have health insurance coverage through the federally facilitated exchange – **Your health insurance coverage will end at the end of the day on July 31, 2023.** To ensure Friday Health Plans policyholders have an opportunity to replace their current exchange coverage before it is terminated, effective **August 1, 2023**, our office coordinated with the federal office known as the Center for Consumer Information and Insurance Oversight to implement a special enrollment period for members to select another exchange health insurance plan.

The special enrollment period starts on **June 1, 2023**, and ends on **September 29, 2023**. If you purchased health insurance from Friday Health Plans through the federal exchange you must choose a new exchange health insurance plan by **July 31, 2023**, to avoid a gap in health insurance coverage. We have **set up a website (<http://fridayhealthplansofgeorgia-inreceivership.com/>)** to assist impacted members with the process of choosing a new exchange health insurance plan.

Again, it is important that if you are a Friday Health Plans policyholder, please select a new health insurance plan before July 31, 2023, to avoid any gaps in health insurance coverage. Below are important dates to keep in mind:

IMPORTANT DATES

June 1	Special Enrollment Period Begins
July 31	Last Day to Enroll Without a Gap in Coverage
August 1	All Friday Health Plans Policies Are Terminated
September 29	Last Day of Special Enrollment Period

Finally, providers should continue to service all Friday Health Plans members and should not demand payment other than the proper cost share associated with the medical service and relevant health plan. Providers will be paid for all covered claims for services performed prior to August 1, 2023.

###

The mission of the Office Commissioner of Insurance and Safety Fire is to protect Georgia families by providing access to vital insurance products and safe buildings through fair regulation that creates economic opportunities for all Georgians.

Contact Weston Burleson

Office: [\(404\) 232-1388](tel:(404)232-1388) (tel: [+1-404-232-1388](tel:+1-404-232-1388)).

Related Files

 [Important Announcement Regarding Friday Health Plans of Georgia, Inc.pdf](/document/press-release-pdf-version/important-announcement-regarding-friday-health-plans-georgia/download)
(</document/press-release-pdf-version/important-announcement-regarding-friday-health-plans-georgia/download>). (200.07 KB)

**OFFICE OF COMMISSIONER OF INSURANCE
STATE OF GEORGIA**

IN THE MATTER OF:

**FRIDAY HEALTH PLANS
OF GEORGIA, INC.**

)
)
)
)

CASE NUMBER: 11030835

CONSENT ORDER OF ADMINISTRATIVE SUPERVISION

The Division of Insurance and Financial Oversight of the Georgia Insurance Department (the "Department") has been made aware of an adverse financial condition of Friday Health Plans of Georgia, Inc. ("FRIDAY GA"). FRIDAY GA consents to administrative supervision in accordance with O.C.G.A. § 33-3-18(3)(E).

Findings of Fact

1.

FRIDAY GA currently holds a Certificate of Authority to act as a health maintenance organization in the State of Georgia.

2.

FRIDAY GA is domiciled in Georgia and has a mailing address of 289 South Culver Street, Lawrenceville, GA 30046.

3.

FRIDAY GA reported a Risk Based Capital ("RBC") ratio of negative 375.0% as of December 31, 2022, which represents a Mandatory Control Level RBC Event as defined in O.C.G.A. §§ 33-56-1(11) and 33-56-6(a)(1).

4.

Elizabeth Bierbower is the Chief Executive Officer of FRIDAY GA and is authorized by the Board of Directors of FRIDAY GA to consent to this Consent Order of Administrative Supervision ("Order").

Conclusion of Law

Based on the facts set forth in the Findings of Fact herein, the Commissioner makes the following Conclusions of Law:

1.

FRIDAY GA, through its Chief Executive Officer Elizabeth Bierbower, consents to administrative supervision pursuant to O.C.G.A. § 33-3-18(3)(E).

2.

FRIDAY GA agrees and consents to the fact that the Commissioner has a legal basis for placing FRIDAY GA under administrative supervision pursuant to O.C.G.A. § 33-3-18(3)(E).

Order

WHEREFORE, and upon consideration of the foregoing, by the authority vested in me as Commissioner of Insurance of the State of Georgia and based upon the consent of FRIDAY GA to administrative supervision, **IT IS ORDERED** that FRIDAY GA is immediately placed under **ADMINISTRATIVE SUPERVISION**.

The terms of the Administrative Supervision are as follows:

1.

During the period of Administrative Supervision, the Commissioner or his designated appointee shall serve as the Administrator. FRIDAY GA shall pay all reasonable costs incurred by the Administrator.

2.

The Administrator shall have all powers prescribed in Ga. Reg. 120-2-55-.06 including, without limitation, all powers necessary to manage the business affairs of FRIDAY GA.

3.

FRIDAY GA shall promptly notify the Administrator of any legal action brought or threatened against FRIDAY GA, any of its officers and/or directors or any of its affiliates.

4.

In addition to the terms and conditions stated above, FRIDAY GA is specifically prohibited from doing any of the following without the prior approval of the Administrator:

- i. with the exception of routine claim payments, making a cash disbursement in excess of \$5,000;
- ii. disposing, conveying or encumbering any of its assets or its business in-force;
- iii. lending any of its funds;
- iv. investing any of its funds;
- v. transferring any of its property;
- vi. destroying any books or records (physical or digital);
- vii. relocating or moving any books or records (physical or digital);
- viii. incurring any debt, obligation or liability;
- ix. merging or consolidating with another company or entity, or entering into an agreement to be acquired by another company, entity or person;
- x. issuing any capital stock or capital notes, including surplus notes;
- xi. entering into any new reinsurance contract or treaty or modifying (including terminating) any existing reinsurance contract or treaty;

- xii. releasing, paying or refunding premium deposits, or member security deposits and surplus deposits, unearned premiums, or other reserves on any insurance policy, certificate or contract;
- xiii. making any material change in management;
- xiv. increasing salaries and benefits of officers, directors or employees;
- xv. making any bonus payment to any officer, director, or employee;
- xvi. entering into or modifying any existing employee pension or other employee benefit plan;
- xvii. entering into or modifying any existing employment contract with any officer, director, employee or any other person;
- xviii. paying dividends or making other distributions to shareholders;
- xix. making payments, loans or advances of any type and for any reason to affiliates;
- xx. entering into new, or modifying existing, affiliated agreements; or
- xxi. modifying or terminating any contract or agreement with any vendor that provides administrative, claims or other services.

5.

FRIDAY GA shall make all records available to the Administrator for review at any time during the period of Administrative Supervision, including records of affiliated companies.

6.

In addition, FRIDAY GA shall:

- i. Maintain books, accounts and records to clearly and accurately disclose the nature and details of transactions, including such accounting information as is necessary to support the reasonableness of the charges and fees, with all affiliates.
- ii. Produce all requested records of its affiliates.
- iii. Provide evidence of ownership of the source code for its claims and policy administration systems.
- iv. Timely file quarterly statutory financial statements (balance sheet, income statement & statement of cash flows).
- v. File a monthly report (in format acceptable to the Administrator) of policy cancellations, including insured cancellations and cancellations due to non-payment of premium.
- vi. File a monthly report (in a format acceptable to the Administrator) of all cash disbursements.

7.

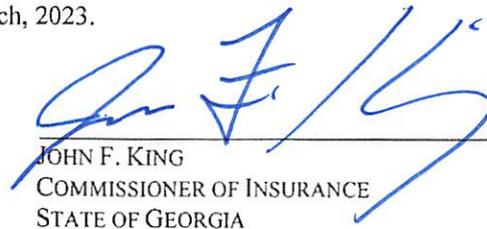
Notwithstanding the specific terms set forth herein, the Commissioner retains all of the powers granted to him pursuant to Ga. Reg. 120-2-55. Further, nothing in this Order shall preclude the Commissioner from taking further action as the Commissioner deems to be in the best interest of FRIDAY

GA's policyholders, creditors, and the public, and nothing in this Order shall be deemed to waive any grounds for commencing further legal proceedings.

8.

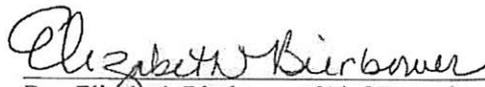
This Order shall remain in effect until FRIDAY GA demonstrates to the satisfaction of the Commissioner that it meets all applicable capital and surplus requirements of Title 33 including obtaining an RBC ratio in excess of 250% on a proforma and annual basis.

SO ORDERED, this 8th day of March, 2023.



JOHN F. KING
COMMISSIONER OF INSURANCE
STATE OF GEORGIA

CONSENTED TO:



By: Elizabeth Bierbower, Chief Executive Officer
FRIDAY HEALTH PLANS OF GEORGIA, INC.

EXHIBIT 5

EXHIBIT 5

Select Language



COLORADO

**Department of
Regulatory Agencies**

(L)

Division of Insurance

Consumer Advisory: No New Enrollment for Friday Health Plans for Remainder of 2023

Monday, May 8, 2023

Media Contact:

Vincent Plymell

vincent.plymell@state.co.us (<mailto:vincent.plymell@state.co.us>)

Colorado Division of Insurance: It's in the best interest of consumers.

DENVER - As of **May 9, 2023**, Friday Health Plans will not accept any new enrollments in Colorado. The Colorado Division of Insurance (DOI), part of the Department of Regulatory Agencies (DORA), and Friday Health Plans agreed that the company would no longer take new enrollment as of that date. The DOI will continue to evaluate recent actions in other states where Friday operates and the financial position of the company.

As a result of this action, consumers in Colorado who are not already enrolled in a Friday plan won't be able to select a Friday plan through Connect for Health Colorado (the state's health insurance exchange).

Colorado consumers who are already enrolled in a Friday plan for 2023 will continue to stay in their current plan for the year. Current Friday Health Plan enrollees will still be able to update their plan with household changes and life events such as births or marriage (meaning they can add members to existing policies when those life events happen).

Consumers who currently have Friday Health coverage who have questions about their coverage, should contact Friday Health using the information on their health insurance cards. If people experience problems with their Friday Health insurance, they can contact the Colorado Division of Insurance Consumer Services Team: [303-894-7490 \(tel:13038947490\)](tel:303-894-7490) / [DORA_Insurance@state.co.us \(mailto:DORA_Insurance@state.co.us\)](mailto:DORA_Insurance@state.co.us) / [doi.colorado.gov \(/home\)](http://doi.colorado.gov) (click on “File a Complaint”).

###

About the Division of Insurance:

The [Colorado Division of Insurance \(DOI\) \(/home\)](http://doi.colorado.gov), part of the Department of Regulatory Agencies (DORA), regulates the insurance industry and assists consumers and other stakeholders with insurance issues. Visit [doi.colorado.gov \(/home\)](http://doi.colorado.gov) for more information or call [303-894-7499 \(tel:13038947499\)](tel:303-894-7499) / toll free [800-930-3745 \(tel:18009303745\)](tel:800-930-3745).

About DORA:

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission. Visit [dora.colorado.gov \(https://dora.colorado.gov/\)](http://dora.colorado.gov) for more information or call [303-894-7855 \(tel:13038947855\)](tel:303-894-7855) / toll free [800-886-7675 \(tel:18008867675\)](tel:800-886-7675).

Recent

[Consumer Advisory: Division of Insurance Investigation on Behavioral Health Services Results in \\$115K Restitution for Colorado Consumers \(/news-releases-consumer-advisories/consumer-advisory-division-of-insurance-investigation-on\)](#)

May 31, 2023 - Companies who didn't comply with federal law will be fined \$510K

[First Annual Report on Health Care Sharing Plans and Arrangements from Colorado Division of Insurance \(/news-releases-consumer-advisories/first-annual-report-on-health-care-sharing-plans-and-arrangements\)](#)

May 12, 2023 - Report highlights the lack of benefits and protections in these arrangements.

[Consumer Advisory: Losing Colorado Medicaid Coverage? If Eligible, Medicare Coverage Could be an Option \(/news-releases-consumer-advisories/consumer-advisory-losing-colorado-medicaid-coverage-if-eligible\)](#)

May 11, 2023 - Enroll in Original Medicare, Medicare Supplement Plans or Medicare Advantage Plans.

Contact Information

Colorado Division of Insurance

1560 Broadway, Suite 850

Denver, CO 80202

Phone: 303-894-7499 | Toll free outside the Denver Metro Area: 800-930-3745

Email: dora_insurance@state.co.us (mailto:dora_insurance@state.co.us)

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Colorado regulators in push for insurance protections

Michael Conway

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By: By John Waters, Courier Reporter
Updated: ALAMOSA NEWS 5/2/23

DENVER — Colorado Insurance Division Director Michael Conway and his staff have been drafting legislation to protect consumers if their health insurance company becomes insolvent. The legislation will also cover other insurance companies from the possible financial losses they might incur from another insurance company going under.

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In an interview with the Valley Courier related to the legislation, Conway began with this regarding Friday Health Plans Inc., "The state of Texas has put that license into liquidation, and the state of Oklahoma has taken action against its license. We are concerned about those issues, and we are staying very close to Friday [Health Plans Inc.] We are staying very close to them, so we stay abreast of their financial situation, and we are continuing to have ongoing conversations with them. We are also taking steps to make sure we have as much protection in the marketplace as we can if something goes poorly here."

In early March, Friday Health Insurance Plans notified 98 employees that they would be laid off in 60 days, according to documents the company filed with the Colorado Department of Labor and Employment and internal documents obtained by the Valley Courier. In November of last year, the company laid off 55 employees in Alamosa.

It is difficult to estimate the total number of employees remaining at Friday Health or the number of employees in Alamosa. The company has declined to comment.

In Late March, the Texas Division of Insurance seized the assets of Friday Health there and began its liquidation.

On April 5, Oklahoma Insurance Commissioner Glen Mulready announced that he placed Friday Health Plans of Oklahoma, Inc. (Friday Health) under the Oklahoma Insurance Department's (OID) supervision. Friday Health is a health maintenance organization domiciled and licensed only in Oklahoma.

At the time, Oklahoma Commissioner Mulready stated, "The decision to place Friday Health under supervision was not taken lightly. However, given the company's financial situation, we determined this was the best action to protect policyholders and ensure their claims are paid."

In Colorado, the Life and Health Guaranty Association step in and pay claims if an insurance company fails, if an insurance company goes into liquidation, the guaranty association steps up and pays the claims that the failed insurance company doesn't have the ability to pay," according to Conway, Health Maintenance Organizations are not currently covered in Colorado by the Guaranty Association, added Conway, "It's a problem John, that we don't have HMO's in our Guaranty Association, if one fails, we would have hospitals and providers not getting paid. We have a fair, if not a great deal of concern that could lead to failures of hospitals or providers."

Conway said the division is introducing legislation to remedy this in a bill that State Representative Kyle Brown, who is on the Health and Insurance Committee, will introduce.

According to Conway, "The legislation will include HMOs into the Guaranty Association, in case the worst happens, and Friday [Health Plans] isn't able to make it. As we sit here right now, Friday Health, from what we can see in their financial situation, Friday Health, the Colorado-licensed company, is well-capitalized.

"We're concerned if Friday and Bright don't make it and they go into insolvency and or Friday fails and goes into insolvency this year, we're worried they won't be able to make their Risk Adjustment Payments in Colorado, and if they don't make their Risk Adjustment Payments, we're worried it could actually lead to other insurance companies failing," Conway added.

The scenario the state wants to avoid is the cascading effect one insurance company's failure might have on others and to protect consumers' health insurance coverage.

Vince Plymell from the division offered this description of these payments,

"Risk Adjustment Payments are payments from the insurers who end up with lower-risk enrollees (so, healthier people) that are made to plans with higher-risk enrollees (sicker people). It spreads the financial risk across the companies."

According to Conway, the proposed legislation would allow funds from the insolvent company to be used for other insurance companies to cover their Risk Adjustment Payment liabilities and keep them solvent.

"We're concerned that some companies or a company that has a fairly substantial risk adjustment receivables if they're not paid, if Bright and Friday fail, that could take down other insurance companies as well, and then, John, we are worried about and we are trying to stop with this legislation is a cascading effect of insurance companies failing, leading to possible provider failures as well," he said.

The Valley Courier gave Friday Health Plans CEO Beth Bierbower the opportunity to comment on this article, and on her behalf, Columbia Clancy responded, "We respectfully decline the opportunity."

☰ ALAMOSA NEWS (/)



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Insurance Commissioner Places Friday Health Under Supervision

For Immediate Release:
April 5, 2023

Insurance Commissioner Places Friday Health Under Supervision

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OKLAHOMA CITY – Oklahoma Insurance Commissioner Glen Mulready announced today that he has placed Friday Health Plans of Oklahoma, Inc. (Friday Health) under supervision of the Oklahoma Insurance Department (OID). Friday Health is a health maintenance organization domiciled and licensed only in Oklahoma.

Commissioner Mulready stated, “The decision to place Friday Health under supervision was not taken lightly. However, given the company’s financial situation, we determined this was the best action to protect policyholders and ensure their claims are paid.”

Friday Health is a subsidiary of the Friday Health group. The Friday Health group is Colorado-based and provides health coverage to individuals and families in multiple states. The company was founded in 2015 and had been operating the Friday Health Plans of Oklahoma HMO since 2019.

The OID has been monitoring the declining financial situation with the Friday Health group over the past year and has been in regular communication with their leadership team since late 2022 when several executive members were replaced.

The Agreed Order of Supervision requires Friday Health to continue processing and servicing its claims and members, including making timely payments during supervision. In addition, Friday Health shall demonstrate an attainable path to achieve necessary and sufficient capital and surplus as required by the Oklahoma Insurance Code.

Commissioner Mulready will designate an experienced supervisor to oversee and monitor Friday Health’s finances and claims handling to ensure members, creditors, and the public are protected.

Commissioner Mulready added, “Our primary focus is to ensure that the members of Friday Health receive the coverage and benefits they are entitled to. I will work closely with the supervisor to ensure that happens.”

For more information, members of Friday Health Plans of Oklahoma, Inc. should visit the OID website at www.oid.ok.gov or call the OID Consumer Assistance Division at 1-800-522-0071. To view the final order, click here: [23-0152-SOL State v. Friday Health Plans of Oklahoma, Inc.](#)

Questions or comments should be directed to
Chief of Communications, Liz Heigle
Liz.Heigle@oid.ok.gov | (405) 819-2221

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