

JAN 30 2017

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY JMS

1 In the Matter of )  
2 )  
3 )  
4 **Compass Cooperative Health Plan, Inc.** )  
5 **dba Meritus Health Partners, in Liquidation** )  
6 **(NAIC No. 14676)** )  
7 \_\_\_\_\_ )  
8 Petitioner.

Docket No. 17A-013-INS

ORDER RELEASING  
DEPOSIT

9 Arizona Revised Statutes ("A.R.S.") § 20-588(A)(3) provides that upon application to  
10 and written order of the Director of Insurance, deposited funds shall be released and returned  
11 upon proper order of a court of competent jurisdiction to the receiver, conservator, rehabilitator  
12 or liquidator of the insurer, or to any other properly designated official or officials who succeed  
13 to the management and control of the insurer's assets.

FINDINGS OF FACT

14 1. Compass Cooperative Health Plan, Inc. dba Meritus Health Partners, in  
15 Liquidation ("Petitioner"), an Arizona domiciled health care services organization, received its  
16 certificate of authority to transact insurance in Arizona on May 28, 2013. By order of the  
17 Superior Court of Arizona, County of Maricopa (hereinafter "Receivership Court") in Case No.  
18 CV2016-011872, Petitioner was placed in liquidation on August 10, 2016.

19 2. Petitioner currently has deposits with the Department of Insurance in the  
20 approximate amounts of \$3.4 million pursuant to A.R.S. § 20-1069(A) and \$619,552 pursuant  
21 to A.R.S. § 20-1056(C).

22 3. On January 11, 2017, the Receivership Court issued *Order Re Petition No. 6 For*  
23 *Release Of Special Deposits Held By Compass Cooperative Health Plan, Inc., dba Meritus*  
24 *Health Partners* ordering the Director of the Arizona Department of Insurance to release the full  
amount of the deposited funds to the Petitioner.

1 **CONCLUSIONS OF LAW**

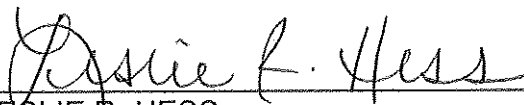
2 1. The Director has no personal liability for the release of such deposit so made by  
3 her in good faith as provided in A.R.S. § 20-588(B).

4 2. The Petitioner is entitled to the release of the deposits pursuant to A.R.S. § 20-  
5 588(A)(3).

6 **ORDER**

7 THEREFORE, IT IS ORDERED that (i) the deposit in the amount of approximately  
8 \$3,405,430 for the benefit of Petitioner's enrollees for the purpose of funding benefits in  
9 accordance with A.R.S. § 20-1069(A); and (ii) the deposit in the amount of approximately  
10 \$619,553 for the benefit and protection of persons covered by Petitioner in accordance with  
11 A.R.S § 20-1056(C) shall be released to Petitioner.

12 Dated this 27<sup>th</sup> day of January, 2017.

13   
14 \_\_\_\_\_  
15 **LESLIE R. HESS**  
16 **Interim Director of Insurance**

17 COPY of the foregoing mailed/delivered  
18 this 30<sup>th</sup> day of January, 2017, to:

19 Joel A. Glover  
20 Justin J. Henderson  
21 Lewis Roca Rothgerber Christie LLP  
22 201 East Washington Street, Suite 1200  
23 Phoenix, Arizona 85004-2595

24 Darren Ellingson, Special Deputy Receiver  
Meritus Health Partners, in Liquidation  
Raintree Corporate Center I  
15333 North Pima Road, Suite 305  
Scottsdale, Arizona 85260

1 Sheri W. Shudde, Deputy Receiver  
Mary Kosinski, Regulatory Legal Affairs Officer  
2 Kurt A. Regner, CFE, Assistant Director  
Cary W. Cook, Chief Financial Compliance Officer  
3 Arizona Department of Insurance  
2910 N. 44<sup>th</sup> Street, Suite 210  
4 Phoenix, AZ 85018

5 Maidens Schuerer

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24