

**THE FIRST JUDICIAL DISTRICT OF PENNSYLVANIA  
COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY  
TRIAL DIVISION – CIVIL**

**ADMINISTRATIVE DOCKET No. 03 of 2018**

In re: *Healthcare Providers Insurance Exchange (HPIX)*

**ORDER**

**AND NOW**, this 14th day of March, 2018, upon consideration of the attached Order of Liquidation involving *Healthcare Providers Insurance Exchange (HPIX)* issued by the Commonwealth Court of Pennsylvania on January 12, 2018, it is hereby *Ordered* and *Decreed* that all cases in which *Healthcare Providers Insurance Exchange (HPIX)* is a named party shall be placed in deferred status until further notice.

It is further *Ordered* and *Decreed* that all actions currently pending against any insured of *Healthcare Providers Insurance Exchange (HPIX)* shall be placed in deferred status until further notice.

**BY THE COURT:**

/s/ **Jacqueline F. Allen**

---

**JACQUELINE F. ALLEN**  
Administrative Judge  
Trial Division

/s/ **Idee C. Fox**

---

**IDEE C. FOX**  
Supervising Judge  
Trial Division - Civil Section

This Administrative Order is issued in accordance with the April 11, 1986 order of the Supreme Court of Pennsylvania, Eastern District, No. 55 Judicial Administration, Docket No. 1; and with the March 26, 1996 order of the Supreme Court of Pennsylvania, Eastern District, No. 164 Judicial Administration, Docket No. 1, as amended. This Order shall be filed with the Office of Judicial Records in a docket maintained for Orders issued by the First Judicial District of Pennsylvania, and one certified copy of this Order shall be filed with the Administrative Office of Pennsylvania Courts. Two certified copies of this Order, and a copy on a computer diskette, shall be distributed to the Legislative Reference Bureau for publication in the *Pennsylvania Bulletin*, shall be published in *The Legal Intelligencer*, and will be posted on the First Judicial District's website at <http://courts.phila.gov>. Copies shall be submitted to *American Lawyer Media*, the *Jenkins Memorial Law Library*, and the Law Library for the First judicial District of Pennsylvania.

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Jessica K. Altman	:	
Acting Insurance Commissioner	:	
of the Commonwealth of	:	
Pennsylvania,	:	
Plaintiff	:	
v.	:	
Healthcare Providers Insurance	:	
Exchange,	:	
Defendant	:	No. 1 HPI 2017

**MEMORANDUM and LIQUIDATION ORDER**

AND NOW, this 12th day of January, 2018, upon consideration of the “Petition for Review in the Nature of a Complaint for Order of Liquidation” (Petition for Liquidation) filed by Jessica K. Altman, Acting Insurance Commissioner of the Commonwealth of Pennsylvania, for the liquidation of Healthcare Providers Insurance Exchange (HPIX) pursuant to Article V of The Insurance Department Act of 1921 (Act),<sup>1</sup> on the grounds of HPIX’s consent to liquidation and its insolvency, it is hereby ORDERED that:

1. The Petition for Liquidation is GRANTED, and HPIX is ordered to be liquidated pursuant to Article V of the Act (Article V).
2. Acting Insurance Commissioner, Jessica K. Altman, and her successor in office, if any, is hereby appointed Statutory Liquidator of HPIX and

---

<sup>1</sup> Act of May 17, 1921, P.L. 789, *as amended*. Article V was added by the Act of December 14, 1977, P.L. 280, *as amended*, 40 P.S. §§ 221.1 – 221.63.

directed to take possession of HPIX's property, business and affairs in accordance with Article V and to administer them pursuant to the orders of this Court.

3. The Liquidator is hereby vested with all the powers, rights and duties authorized under Article V and other applicable statutes and regulations.

### **ASSETS OF THE ESTATE**

4. The Liquidator is vested with title to all property, assets, contracts and rights of action (assets) of HPIX of whatever nature and wherever located, as of the date of filing the Petition for Liquidation. All assets of HPIX are hereby found to be *in custodia legis* of this Court, and this Court asserts jurisdiction as follows: (a) *in rem* jurisdiction over all assets wherever they may be located and regardless of whether they are held in the name of HPIX or in any other name; (b) exclusive jurisdiction over all determinations as to whether assets belong to HPIX or to another party; (c) exclusive jurisdiction over all determinations of the validity and amounts of claims against HPIX; and (d) exclusive jurisdiction over the determination of the priority of all claims against HPIX.

5. To protect the assets of the HPIX Estate and facilitate this liquidation, the Liquidator is directed to:

- a) Inform all banks, investment bankers, companies, other entities or other persons having in their possession the property of HPIX, that they must deliver these assets immediately to the Liquidator, and not disburse, convey, transfer, pledge, assign, hypothecate, encumber or in any manner dispose of the same without the prior written consent of the Liquidator.

b) Inform all attorneys employed by or retained by HPIX or performing legal services for HPIX as of the date of this Order that, within 30 days of notification, they must report to the Liquidator the name, company, claim number (if applicable) and status of each matter they are handling on behalf of HPIX; the full caption, docket number and name and address of opposing counsel in each case; an accounting of any funds received from or on behalf of HPIX for any purpose and in any capacity; and, further, that the Liquidator need not make payment for any unsolicited report.

c) Inform any entity that has custody or control of any data processing equipment and records, including all types of electronically stored information, belonging to HPIX, to transfer custody and control of this equipment and information to the Liquidator, upon her request.

d) Inform any entity furnishing claims processing or data processing services to HPIX to maintain such services and transfer any such accounts to the Liquidator, upon her request.

6. HPIX's directors, officers and employees shall: (a) surrender peaceably to the Liquidator the premises where HPIX conducts its business; (b) deliver all keys or access codes thereto and to any safe deposit boxes; (c) advise the Liquidator of the combinations and access codes of any safe or safekeeping devices of HPIX or any password or authorization code or access code required for access to data processing equipment and to access the files and data stored or saved thereon; (d) identify and deliver to the Liquidator all the assets, books, records, files, credit cards, and other property of HPIX in their possession or control, wherever located;

(e) cease transacting business on behalf of HPIX; and (f) advise and cooperate with the Liquidator in winding up the affairs of HPIX.


### **NOTICE OF LIQUIDATION**

7. In addition to the notice requirements of Section 524 of Article V, 40 P.S. § 221.24, regarding the expediency and manner of the Liquidator's notice, as well as the requirement that claimants be notified that they are required to file their claims with the Liquidator along with proper proofs thereof as mandated by Section 538 of Article V, 40 P.S. § 221.38, and keep the Liquidator informed of any change in address, the Liquidator shall publish notice in newspapers of general circulation where HPIX has its principal places of business that: (a) explains the procedure by which claims against the estate of HPIX may be submitted to the Liquidator; (b) provides the address of the Liquidator's office for the submission of claims; and (c) notifies the public of the right to present a claim, or claims, to the Liquidator. The Liquidator's notice shall not establish a deadline for the filing of proofs of claim.

8. Within thirty (30) days of giving notice of the Order of Liquidation, as set forth in Section 524 of Article V, 40 P.S. § 221.24, and of the procedures for filing claims against the Estate of HPIX, the Liquidator shall file a report with the Court demonstrating, in reasonable detail, the date and manner notice was given.

**DISTRIBUTION OF ESTATE ASSETS**

9. Any and all distribution of assets pursuant to Sections 544 and 546 of Article V, 40 P.S. §§ 221.44, 221.46, including those in payment for costs and expenses of Estate administration, shall be made under the direction and approval of the Court.



P. Kevin Brobson, Judge

**Certified from the Record**

**DEC 28 2017**

**And Order Exit**