

**SUPERIOR COURT FOR THE DISTRICT OF COLUMBIA**  
**Civil Division**

DISTRICT OF COLUMBIA,  
Department of Insurance, Securities  
and Banking,

Petitioner,

v.

D.C. CHARTERED HEALTH PLAN,  
INC.,

Respondent.

Civil Action No.: 2012 CA 008227 2

Judge: Melvin R. Wright

Calendar No.: 15

Next Scheduled Event: 6/20/13, 9:30

Expedited Status Conference  
Requested

**ORDER APPROVING THE ASSET PURCHASE AGREEMENT, PLAN OF  
REORGANIZATION AND RELATED MATTERS**

On February 22, 2013, Daniel L. Watkins, as Special Deputy to the Rehabilitator of D.C. Chartered Health Plan, Inc. in Rehabilitation (Chartered), filed a *Second Status Report, Request for Expedited Status Conference and Petition for Order Approving the Asset Purchase Agreement, Plan of Reorganization and Related Matters* (Petition). Pursuant to the Emergency Consent Order of Rehabilitation entered by the Court on October 19, 2012 and D.C. Official Code § 31-1312, the Petition asked the Court to enter an order approving the Asset Purchase Agreement (Agreement) with AmeriHealth District of Columbia, Inc. (AmeriHealth), the Plan of Reorganization for Chartered (Plan of Reorganization) and the opt-out procedure that would streamline the assignment of Chartered's provider agreements to AmeriHealth. The Petition also asked the Court to enter an order terminating Chartered's eleven (11) executive employment agreements and Chartered's liabilities under such agreements, as of the closing date of the Agreement.

The Court held a status conference on the Petition on March \_\_, 2013. Having considered the Petition, being fully advised and determining that there is no just reason for delay, the Court finds that all relief requested in the Petition should be granted. In addition, the Court finds that the Agreement, if closed, would prevent serious disruption for Chartered's enrollees, address the interests of Chartered's employees and provide funds that will help Chartered satisfy its liabilities. The Court further finds that the Agreement and Plan of Reorganization are necessary and appropriate and are fair and equitable to all parties concerned.

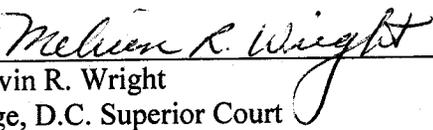
Except as otherwise specifically provided herein, all provisions of the Court's Emergency Consent Order of Rehabilitation entered October 19, 2012, remain in full force and effect, and the Court retains jurisdiction in this matter to enforce this Order and for the purpose of granting such other and further relief as may be required to give effect to the transactions contemplated by the Agreement and Plan of Reorganization.

Upon consideration of the Petition, the Asset Purchase Agreement and the Plan of Reorganization, and the entire record herein, it is the 1<sup>ST</sup> day of March, 2013,

1. ORDERED: That the Agreement and Plan of Reorganization are approved pursuant to Chapter 13 of the D.C. Official Code, generally, and D.C. Official Code § 31-1312(e), specifically. Pursuant to the Agreement and Plan of Reorganization, AmeriHealth will purchase only certain assets and assume certain liabilities of Chartered, all of which are specifically identified in the Agreement. Those assets and liabilities of Chartered that are not listed, respectively, for purchase and assumption by AmeriHealth will remain with Chartered. Among other things, AmeriHealth will not assume Chartered's liability for provider claims incurred prior

to the anticipated transfer of Chartered's Medicaid contract to AmeriHealth. No person or entity shall have any recourse, remedy or other right of recovery against AmeriHealth for the payment of a liability that remains with Chartered;

2. FURTHER ORDERED: That the Rehabilitator is authorized to give Chartered's providers notice that their provider contracts will be assigned to AmeriHealth unless they opt-out within fifteen (15) days from the date of such notice. Any provider that does not opt out within that period is hereby deemed to have consented to the assignment;
3. FURTHER ORDERED: That Chartered's eleven (11) executive employment agreements and Chartered's liabilities under such contracts are terminated as of the closing of the Agreement;
4. This is entered as a final Order.

  
Melvin R. Wright  
Judge, D.C. Superior Court

Copies to:

E. Louise R. Phillips  
Assistant Attorney General  
Office of the Attorney General  
441 Fourth Street, N.W., Ste. 630S  
Washington, D.C. 20001  
[louise.phillips@dc.gov](mailto:louise.phillips@dc.gov)

William P. White, Commissioner  
c/o Thomas M. Glassic, General Counsel,  
DISB, Office of the General Counsel  
810 First St., NE, Suite 701  
Washington, D. C. 20002  
[Thomas.Glassic@dc.gov](mailto:Thomas.Glassic@dc.gov)

Charles T. Richardson, Esquire  
FAEGRE BAKER DANIELS LLP  
1050 K Street NW  
Suite 400  
Washington, DC 20001  
[crichardson@faegredb.com](mailto:crichardson@faegredb.com)

David Killalea, Esquire  
MANATT, PHELPS & PHILLIPS, LLP  
700 12<sup>th</sup> Street, NW, Suite 1100  
Washington, DC 20005-4075  
[dkillalea@manatt.com](mailto:dkillalea@manatt.com)

Steven I. Glover, Esquire  
GIBSON, DUNN & CRUTCHER  
1050 Connecticut Avenue, NW  
Washington, D. C. 20036  
[siglover@gibsondunn.com](mailto:siglover@gibsondunn.com)