

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

SUPREME JUDICIAL COURT FOR
SUFFOLK COUNTY NO. SJ-2000-003

LINDA_L. RUTHARDT, as she is
COMMISSIONER OF INSURANCE of the
COMMONWEALTH OF MASSACHUSETTS,

Plaintiff,

v.

HARVARD PILGRIM HEALTH CARE, INC.,
PILGRIM HEALTH CARE, INC., and
HARVARD PILGRIM HEALTH CARE OF
NEW ENGLAND, INC.,

Defendants.

**TEMPORARY INJUNCTION AND ORDER
APPOINTING TEMPORARY RECEIVER**

This matter came before the Court upon a verified complaint praying for appointment of a temporary receiver and for a temporary injunction to which the defendants assented. Upon consideration thereof, it is ORDERED, ADJUDGED AND DECREED, UNTIL FURTHER ORDER OF THIS COURT, that:

1. Linda L. Ruthardt, as the Commissioner of Insurance of the Commonwealth of Massachusetts, and her successors in office ("Commissioner"), is hereby appointed

as the Temporary Receiver of Harvard Pilgrim Health Care, Inc., Pilgrim Health Care, Inc., and Harvard Pilgrim Health Care of New England, Inc. (collectively, "HPHC") for the purposes of rehabilitating HPHC and conserving its assets pursuant_ to G.L. c. 176G, § 20, and G.L. c. 175, § 180B.

2. The Commissioner, as Temporary Receiver, is directed to take immediate control of the property and assets of HPHC and to administer them under the general supervision of this Court and to report to the Court within thirty days as to proposed further action.

3. HPHC, its directors, officers, employees and agents are hereby enjoined from further proceeding with the business of HPHC, except upon the order or direction of the Temporary Receiver.

4. All providers who provide services or supplies to HPHC members shall keep open and continue to provide services and supplies to HPHC members and to provide full access to medical records during the period of the Temporary Receivership in order to avert the potential public health care disruption that would arise in the event that HPHC members were unable to obtain medical services and supplies.

5. Obligations incurred on behalf of HPHC after entry of this Order and during the period of Temporary

Receivership shall have administrative expense priority and may be paid before payment of obligations incurred prior to entry of this Order.

6. To the full extent of the jurisdiction of the Court and the comity to which the orders of the Court are entitled, all persons are hereby enjoined and restrained from instituting or continuing to prosecute any suit, action or other proceeding against HPHC, its directors, officers, employees or agents, or against the Commissioner as Temporary Receiver of HPHC; or from executing or issuing or causing the execution or issuance of any writ, process, summons, attachment, subpoena, replevin, execution or other proceeding for the purpose of impounding or taking possession of or interfering with any property owned by or in the possession of HPHC, or owned by HPHC and in the possession of any of its directors, officers, employees or agents, or owned by HPHC and in the possession of the Commissioner as Temporary Receiver; and

7. To the full extent of the jurisdiction of the Court and the comity to which the orders of the Court are entitled, all persons are enjoined and restrained from taking any action that would close or threaten to close HPHC's facilities or limit, in any way, the uninterrupted provision of medical and health care services and supplies

at HPHC's facilities or through the providers who provide services and supplies to HPHC members.

8. Pursuant to G.L. c. 175, § 179 and § 180B, the Commissioner, as Temporary Receiver, is authorized to Employ or to continue to employ such special counsel, including counsel in other jurisdictions, and consultants as she deems necessary, and to fix and pay or to continue to fix and pay the compensation of such special counsel and consultants and all other necessary expenses of taking possession of HPHC and of conducting this proceeding out of the funds or assets of HPHC as appropriate.

9. The Commissioner, as Temporary Receiver, is authorized to take such other action as she deems appropriate to effectuate the purposes of the order.

10. The Court retains jurisdiction to issue such further orders as may be appropriate.

By the Court (MARSHALL,
C.J.

Maura S. Doyle, Clerk

Entered: January 4, 2000