



GEORGE DALE
Commissioner of Insurance
State Fire Marshal

LEE HARRELL
Deputy Commissioner

STATE OF MISSISSIPPI
Mississippi Insurance Department

501 N. West Street
1001 Woolfolk Building (39201)
Post Office Box 79
Jackson, Mississippi 39205-0079
(601) 359-3569
<http://www.doi.state.ms.us>

FOR IMMEDIATE RELEASE

George Dale, Commissioner of Insurance
Mississippi Department of Insurance
Jackson, Mississippi
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For Additional information, please contact
Deputy Commissioner Lee Harrell
601-359-3572

Commissioner Dale Announces Distribution from MS Managed Care Network, Inc. Including \$630,000.00 to Office of Medicaid

Commissioner of Insurance George Dale announced today that he is making a \$2.2 Million distribution of funds out of Mississippi Managed Care Network, Inc. (Hereinafter "MMCN"). MMCN is an HMO that was taken over by Dale's Office in 2000 due to mismanagement and financial concerns. "At the time that we took control of the HMO, there were not enough funds to pay the outstanding insurance claims." Dale said.

Dale announced that his Office has successfully pursued claims against the former officers and directors for their actions involving the operations of MMCN. Dale's Office recently settled litigation against the officers and directors and is now in the position to make distributions from the HMO to claimants. Two of the officers of MMCN have previously pled guilty to criminal charges brought by the Mississippi Attorney General's Office.

For most providers, these payments will be the second distribution they have received and will constitute 100% of their approved claims. Dale said his Office previously made a distribution in 2001 for 40% of approved claims.

Dale is also pleased to announce that as part of this distribution he will be presenting a check to the Office of Medicaid for approximately \$630,000.00 for moneys that were owed to Medicaid by MMCN. Under these tight budgetary times, Dale said he is glad to be able to help Medicaid and hopes Medicaid will be able to use these funds to obtain additional federal matching funds. "It is my understanding that the Federal Government will match 4 to 1 which means these funds could result in an additional \$2.52 Million to the State Medicaid Program." Dale said.

Dale also will be sending checks to all providers that filed claims with the HMO. This will mean that all providers of this HMO that filed claims will be receiving 100% of their approved claims which is very rare in any type of liquidation or bankruptcy proceeding.

Dale also would like to thank Deputy Commissioner Lee Harrell and Mark Haire, Special Assistant Attorney General, and the Liquidation Staff for their efforts in pursuing this matter.