

**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF STATE**  
**BUREAU OF SECURITIES REGULATION**

**IN THE MATTER OF**  
**Property-Liability Trust, Inc.**

**Order**

**WHEREAS**, pursuant to N.H. RSA 5-B, Property and Liability Trust, Inc. (“PLT”) is a pooled risk management program regulated by the Department of State through the New Hampshire Bureau of Securities Regulation (the “Bureau”); and

**WHEREAS**, PLT placed itself into voluntary runoff in October of 2013 when it entered into an agreement with HealthTrust, Inc. (“HealthTrust”) by which all of the assets and liabilities of PLT were assumed by HealthTrust on or about January 10, 2014 and by which HealthTrust was to administer the run-off of PLT; and

**WHEREAS**, on February 7, 2014, the Bureau filed an administrative action against both PLT and HealthTrust challenging the legality of the October 2013 agreement between PLT and HealthTrust; and

**WHEREAS**, pursuant to an order dated April 29, 2014 from the New Hampshire Department of Labor (“Labor”), PLT is required to run-off its currently existing liabilities under its property and liability, workers compensation, and unemployment compensation lines of coverage and PLT expects to commence run-off July 1, 2016; and

**WHEREAS**, on July 21, 2014, prior to a hearing on the merits regarding the Bureau’s February 7, 2014 administrative action against PLT and HealthTrust, the parties entered into a Consent Decree resolving the Bureau’s administrative matter and effectively reversing the agreement between HealthTrust and PLT; and

**WHEREAS**, certain provisions of the Consent Decree continued PLT’s run-off and only permitted PLT to emerge from run-off if PLT petitioned a hearing officer to permit resumption of underwriting based on PLT’s financial viability without subsidization from any other entity; and

**WHEREAS**, On June 30, 2015, PLT filed a petition to issue new and renewal coverages; and

**WHEREAS**, on November 21, 2015, the hearing officer issued an order, which has become final, denying PLT's petition to issue new and renewal coverages holding that PLT had "not shown by a preponderance of the evidence that it 'has sufficient viability to allow it to issue and honor said policies or renewals without subsidization by . . . any other entity'"; and

**WHEREAS**, actuarial and financial information available to the Bureau indicates that PLT will not have sufficient assets to pay property and casualty claims in run-off beginning in July of 2017; and

**WHEREAS**, the Bureau believes that PLT's assets must be preserved, to the extent possible, to ensure these assets are available to pay property and casualty claims during run-off; and

Based on the foregoing, it is hereby **ORDERED** that:

1. PLT's operations under this Administrative Order shall maximize and prioritize the timely and full payment of the property and casualty claims of PLT members.
2. PLT shall immediately take all necessary measures to reduce its operating expenses.
3. Not later than May 31, 2016, PLT shall submit for the Bureau's consideration and approval the identity of a third party administrator proposed together with a firm quoted price to take over claims administration not later than July 1, 2016. ,
4. Not later than May 10, 2016, PLT shall prepare and submit to the Bureau and the Commissioner of Labor a revised operating budget that contemplates the introduction of the TPA and limits other operating expenses to no more than \$10,000 monthly.
5. Not later than May 10, 2016 and monthly thereafter, PLT shall prepare and submit to the Bureau a report detailing budgeted versus actual expenses.
6. This Administrative Order shall take effect immediately and shall remain in effect until June 30, 2016, unless amended or rescinded by the Bureau.

Dated: 4.26.16

  
Barry J. Glennon, Director  
N.H. Bureau of Securities Regulation