

**STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

**In Re: Senior Housing of New Hampshire, Inc.
Docket No.: Ins. No. 23-034-EP**

**ORDER TO SHOW CAUSE
AND
NOTICE OF HEARING**

The New Hampshire Insurance Department ("NHID") orders Senior Housing of New Hampshire, Inc., d/b/a Meredith Bay Colony Club ("Respondent") to show cause why the New Hampshire Insurance Commissioner should not find that Respondent's liquid reserves do not comply with NH RSA 420-D:8. In support of the Order to Show Cause and pursuant to RSA 420-D:16, RSA 541-A:31, RSA 400-A:17 *et seq.* and Ins Chapter 200, the NHID states as follows:

1. Respondent operates a New Hampshire based continuing care community ("CCC") facility, doing said business under the name Meredith Bay Colony Club.
2. Pursuant to NH RSA 420-D:8, CCCs operating a facility in this state must keep liquid reserves equal to 12 months' principal and interest payments plus that portion of 2 months' operating expenses which relates to life care residents.
3. Based on reports Respondent provided to NHID beginning in 2021, the NHID alleges that Respondent has failed to meet its liquid reserve requirements under RSA 420-D:8 and alleges that Respondent's reserves have continued to diminish and remain below the required threshold to the present day.
4. A failure to meet liquid reserve requirements under RSA 420-D:8 represents a serious threat to the financial well-being of the community and its residents.
5. The specific issues that must be decided are the following:
 - A. Whether Respondent violated NH RSA 420-D:8, by failing to keep liquid reserves equal to 12 months' principal and interest payments plus that portion of 2 months' operating expenses which relates to life care residents.
6. The NHID reserves the right to amend this statement of issues upon reasonable notice to the Commissioner (or his designated Representative) and Respondent.
7. Based upon the above, it is ordered:

- A. An adjudicative proceeding shall be commenced for the purpose of resolving the issues articulated above pursuant to NH RSA 420-D:16, RSA 541-A:31, RSA 400-A:17:6, *et seq.*, and Ins 200. To the extent that the Department's rules do not address an issue of policy or procedures, the Department shall apply the N.H. Department of Justice Rules, Jus Part 800.
- B. The Respondent shall appear at Department on **Thursday, October 19, at 10:00 AM** at the Department's office located at 21 South Fruit Street, Suite 14, in Concord New Hampshire to participate in this adjudicative proceeding and, if deemed appropriate, be subject to a finding that a receivership is appropriate. Respondent's failure to appear at the time and place specified above may result in the hearing being held *in absentia* pursuant to RSA 400-A:19, VII, and judgment may be imposed without further notice or an opportunity to be heard. The parties may agree to a resolution of these proceedings at any time to eliminate the need for oral hearing.
- C. James Fox, Esq. is appointed to act as Hearing Officer in this matter with all the authority within the scope of RSA 400-A:19 and Ins 203.01.
- D. Sandra Barlow shall serve as clerk to the Hearing Officer. The parties should direct all communications to Ms. Barlow, whose contact information is:

Sandra Barlow, Clerk
New Hampshire Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301
Tel: (603) 271-2033
Fax: (603)271-1406
Email: sandra.l.barlow@ins.nh.gov

- E. The Respondent has the right to be represented by a lawyer in this proceeding. However, the Respondent shall bear the cost of retaining said lawyer. Should the Respondent elect to retain a lawyer, the Respondent's lawyer shall file a Notice of Appearance with Ms. Barlow, and said lawyer should do so at the earliest possible date. A copy of the NHID's Notice of Appearance form is enclosed with this Order.
- F. Any party may request a transcript of the proceeding. The party requesting a transcript of the proceedings shall file a written request for a certified court reporter with the Hearing Officer at least 10 days prior to the scheduled hearing date. The

costs incurred for the services of a certified court reporter shall be borne by the requesting party.

- G. Joshua Hilliard, Esq. shall serve as staff advocate representing the interests of the NHID.
- H. All routine procedural inquiries may be made by contacting Sandra Barlow, Hearing Clerk, New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord NH 03301, (603) 271-2033, but that all other communications with the Hearing Officer and the Commissioner shall be in writing and filed as provided above. *Ex parte* communications are forbidden by statute and the Department's rules.
- I. A copy of this hearing notice shall be served upon Respondent by certified mail addressed to the mailing address on file with New Hampshire Insurance Department. *See*, RSA 400-A:14.

It is **SO ORDERED**.

NEW HAMPSHIRE INSURANCE DEPARTMENT

Date: 10/6/23



David J. Bettencourt
Insurance Commissioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing Order to Show Cause and Notice of Hearing was sent this date by first-class mail, postage prepaid, and by certified mail, return receipt requested, to the Respondent's counsel, Mark S. McCue, Esq. at 650 Elm Street, Manchester, NH 03101-2596 and via e-mail to mmccue@hinckleyallen.com.

Date: 10/6/23



Joshua S. Hilliard, Esq.
Compliance & Enforcement Counsel

NEW HAMPSHIRE INSURANCE DEPARTMENT

ATTORNEY APPEARANCE or WITHDRAWAL

Docket No. (if known): _____

Respondent Name or Case Name: _____

☐ **APPEARANCE**

Please **ENTER** my appearance as
Counsel for _____

☐ I confirm that neither I nor any member of my
law firm have been retained by the Department
of Insurance or the Commissioner of Insurance.

☐ **WITHDRAWAL**

Please **WITHDRAW** my appearance as
Counsel for _____

☐ Notice of Withdrawal sent to my client on:
_____ at the following address:

I hereby certify that I provided a copy of this original request to the Department and a copy to all other
known parties to this matter in accordance with Ins 204.09.

Signed: _____

Name: _____ **NH Bar #:** _____

Firm Name: _____ **Email: (see also below)** _____

Physical Address: _____

Mailing Address (if different): _____

Phone: _____

Email Consent: ☐ By checking this box, I consent to delivery by email in accordance with Ins 204.09(c).
Please send communications and documents to the above email address.

Date: _____ **Signature:** _____

***If you do not consent to delivery by email, all communications will be sent to you by personal delivery
at your physical address or by United States Postal Service first class mail to your mailing address.***