

Return Date: No return date scheduled  
Hearing Date: No hearing scheduled  
Courtroom Number: No hearing scheduled  
Location: No hearing scheduled

FILED  
6/29/2020 10:54 AM  
DOROTHY BROWN  
CIRCUIT CLERK  
COOK COUNTY, IL  
2020CH04431

9609350

# EXHIBIT

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FILED DATE: 6/29/2020 10:54 AM 2020CH04431

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT, CHANCERY DIVISION**

<b>PEOPLE OF THE STATE OF ILLINOIS, <u>ex rel.</u>,</b>	)	<b><u>This Proceeding is</u></b>
<b>ROBERT H. MURIEL, DIRECTOR OF THE</b>	)	<b><u>Confidential Under</u></b>
<b>ILLINOIS DEPARTMENT OF INSURANCE,</b>	)	<b><u>215 ILCS 5/188.1 and</u></b>
	)	<b><u>pursuant to Court order</u></b>
<b>Plaintiffs,</b>	)	
	)	
<b>v.</b>	)	<b>No. 2020 CH 04431</b>
	)	
<b>NEXTLEVEL HEALTH PARTNERS, INC.,</b>	)	
<b>An Illinois domestic Health Maintenance Organization,</b>	)	
	)	
<b>Defendant.</b>	)	

**DECLARATION OF THE ACTING SPECIAL DEPUTY  
CONSERVATOR IN SUPPORT OF JOINT MOTION FOR  
AN ORDER AUTHORIZING AND APPROVING THE CONSERVATOR’S  
APPROVAL OF MEMBER TRANSFER AGREEMENT AND TRANSACTION**

I, J. Kevin Baldwin, being duly sworn, deposes, and says pursuant to 735 ILCS 5/1-109:

1. I am the Acting Special Deputy Conservator (“Special Deputy”) of Next Level Health Partners, Inc. (“NextLevel”).
2. I am more than 18 years old and reside in Illinois.
3. I submit this declaration (the “Declaration”) in my professional capacity as Special Deputy to Robert H. Muriel, Director of Insurance of the State of Illinois, solely in his capacity as statutory and court-affirmed Conservator of NextLevel, and with the intent to bind any successor receiver of NextLevel, regardless whether as conservator, rehabilitator, or liquidator, in support of Agreed Motion for an Order Authorizing and Approving the

Conservator's approval of the Member Transfer Agreement and the Transaction (the "Motion"),<sup>1</sup> filed contemporaneously herewith.

4. Except as otherwise indicated, all facts set forth herein are based upon my personal knowledge or my discussions with representatives of NextLevel and Meridian. If called as a witness, I would testify to and in accord with the facts stated in this Declaration, and believe that I could do so competently.

5. I have reviewed, or caused staff under my supervision and direction to review and they have apprised me of, the proposed membership transfer and the transactions contemplated by the Member Transfer Agreement by and among NextLevel, its corporate parent NextLevel Health Innovations, Inc., and Meridian (the "Agreement") and other Transaction Documents (as defined in the Agreement, which Agreement when executed shall be substantially in the form submitted to me; collectively, the "Transaction"), the Declaration of Dr. Cheryl Whitaker in Support of the Motion, the Declaration of Glenn A. Giese in Support of the Motion, the materials contained in the Conservator's file that were prepared by NextLevel under confidentiality, the most recent publicly filed quarterly and annual financial statements of NextLevel, and other documents and material provided by NextLevel with respect to the Transaction, and the proposed court order related to the Transaction ("Order").

6. I have received and reviewed the Centene Corporation ("Centene") application for approvals under the Illinois HMO Act and Article XIII of the Illinois Insurance Code.

7. I affirmatively state that I (a) have knowledge that an event described in 215 ILCS 5/35A-30 with respect to NextLevel has occurred; (b) have reviewed and determined in the

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or the Agreement (as defined below), as applicable.

exercise of my discretion that the Agreement and Transaction are fair and reasonable; and  
(c) understand the Board of Directors of NextLevel to have appropriately exercised its business judgment in approving the Agreement and Transaction.

8. Pursuant to the authority granted under the Order of Conservation of Assets and Injunctive Relief and 215 ILCS 5/188.1, I have approved NextLevel and its officers, directors, and shareholders entering into the Agreement and consummating the Transaction.

9. I believe that it is in the best interests of NextLevel: (i) to enter into the Agreement and consummate the Transaction with Meridian Health Plan of Illinois, Inc., an Illinois domestic health maintenance organization (“Meridian”); and (ii) to promptly consummate the transfer of the Transferred Covered Members and sale of the Transferred Information to Meridian.

10. Subject to this Court’s approval or non-disapproval of the exercise of my discretion to do so, I will agree and covenant on behalf of the Conservator of NextLevel, including any successor Rehabilitator or Liquidator of NextLevel: (i) not to, directly or indirectly, commence, maintain, assert, authorize, support, participate in (other than as a defendant), fund, assent to or consent to any demand, claim, charge, action, suit, investigation, legal proceeding (whether at law or in equity), petition, complaint, notice of violation, arbitration or other litigation or similar proceeding, whether civil, criminal, administrative, arbitral or investigative (“Claim”) against NextLevel, NextLevel Health Innovations, Inc., Centene or Meridian, their respective corporate parents, subsidiaries and affiliates, and each of their respective officers, directors, agents, attorneys, representatives shareholders or any of their related parties (NextLevel, NextLevel Health Innovations, Inc., Centene or Meridian and all such persons and entities are the “Protected Parties”) arising out of or related in any way to the

Transaction; and (ii) not to assist, directly or indirectly, any third party in commencing, maintaining, asserting, authorizing, supporting, participating in (other than as a defendant), funding, assenting to or consenting to any Claim against the Protected Parties arising out of or related in any way to the Transaction.

11. Subject to this Court's approval of the exercise of my discretion to do so, I will also agree and covenant on behalf of the Conservator of NextLevel, including any successor rehabilitator or liquidator, not to, and will not, in any such case directly or indirectly sell, transfer, assign, hypothecate, pledge, grant a participation interest in, or otherwise dispose of (other than to release such Claim), any right, title, or interest in respect of any Claim against the Protected Parties, as applicable, in whole or in part, arising out of or related in any way to the Transaction.

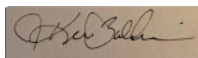
12. I understand that 215 ILCS 5/204, including specifically 215 ILCS 5/204(m)(A) and (C), constitute defenses to preference actions, fraudulent transfers and fraudulent conveyances, arising out of or relating to transactions such as the Agreement and Transaction that are approved by the Director in his capacity as regulator, and, to the extent that the statute is applicable, would preclude the Director in his capacity as statutory rehabilitator or liquidator from seeking to avoid any part of the Transaction as a preference, fraudulent transfer, or fraudulent conveyance or seeking or requiring any additional consideration from the Protected Parties.

13. I understand that the Protected Parties would not have entered into the Agreement and would not consummate the Transaction absent the determinations and covenant to be provided and referenced herein, and the findings of fact, conclusions of law, and other relief set forth in the Order.

14. In deciding to enter into the Transaction, I understand that the Protected Parties have relied upon this Declaration (including, without limitation, the covenants described herein), and confirm that the covenant and determinations set forth herein are affirmative acts by the Conservator.

I declare under penalty of perjury under the laws of the State of Illinois that, to the best of my knowledge, information, and belief, and after reasonable inquiry, the foregoing is true and correct.

Dated: [●]



Digitally signed by J. Kevin Baldwin  
Date: 2020.06.26 09:46:18 -05'00'

By: J. Kevin Baldwin, Acting Special Deputy Conservator to Robert H. Muriel, Director of Insurance of the State of Illinois solely in his capacity as statutory Conservator of NextLevel Health Partners, Inc.