

## Client Screening Request

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### - Client Screening Report

Request Date:

12/9/2016

Additional CC:

Discipline \*:

Employee Benefits

Company Name:

Aultcare Health Plans



Moody's Rating:

None

Requestor:

Bill McKinley;



D & B Credit Score Class:

1 (Low risk of severe payment delinquency ove  
Assigned to Aultman Health Foundation

A.M. Best Rating:

B++ (Good)

Assigned separately to Aultcare Insurance Company

On High Risk Client List?

Yes  No

D & B Financial Stress Class:

2 (Low to medium risk of severe financial stress ove  
Aultman Health Foundation

WorldCheck Rating:

- N/A
- Criminal
- Money Laundering
- Terrorism
- Corruption
- 

### Ownership:

Aultcare Health Plans (also: Aultcare) ("AHP") is a tradestyle referring to three entities: Aultcare Corporation (a.k.a. Aultcare), a non-profit insurer est. 1985; Aultcare Insurance Company (a.k.a. Aultcare Prime Time Health Plan; Aultcare HMO; Aultcare), a for-profit insurer est. 1989; and Aultcare Health Insuring Corporation, a non-profit insurer est. 2013. All are based in Canton, Ohio.

Ohio Secretary of State records do not list a parent for the three entities comprising AHP. However, news sources consistently refer to the AHP entities as being subsidiaries of Aultman Health Foundation, which operates Canton's Aultman Hospital.

### Officers:

I profiled these officers using the LexisNexis database, Factiva, and Google News. In 1994, a Rick L. Haines filed an unspecified civil suit against the City of Akron, Ohio and several of its employees. Further details are not available. I have not found any adverse media attention or other compelling evidence of involvement in litigation.

- **President & CEO:** Rick L. Haines - A Bloomberg profile of Mr. Haines: <http://www.bloomberg.com/research/stocks/private/person.asp?personId=47205833&privCapId=6476331&previousCapId=6476331&previousTitle=AultCare%20Corporation>
- **CFO:** George Film - Mr. Film's LinkedIn profile: <https://www.linkedin.com/in/george-film-59287a27>

Prior Health Risk Assessment:  Yes  No

### Noteworthy News:

A scan using the Factiva and Google news databases produces no worrisome coverage of Aultcare-branded entities. Some litigation involving the insurers and Aultman Health Foundation has received media attention -- this is outlined in the following section.

Our prospective client's news page: <http://aultcare.com/News>

### Litigation History:

My search using the LexisNexis database and online news sources has not produced any published cases or news items that should adversely affect our prospective engagement. Two high profile disputes are outlined below. There are over two hundred dockets returned in the Lexis database that involve an Aultcare-branded entity. In the interest of time, I have narrowed these dockets using additional search terms: "actuarial," "fiduciary," and "fraud." This has not produced anything of concern.

- **March 2016:** In a decision stemming from a wrongful death suit involving Aultman Hospital, the Ohio Supreme Court ruled that any data kept by a health care provider, regardless of purpose of location, is a medical record that must be released to a patient or family member. At issue was the status of heart rhythm strips that Aultman Hospital had argued were risk management tools and not medical records. (*The Columbus Dispatch*, March 24, 2016)
- **May 2010:** Mercy Medical Center sued Aultman Health Foundation, alleging that it illegally diverted patients to AHP and Aultman Hospital, causing Mercy \$110 million in damages. The plaintiff was awarded \$6.1 million, and this was upheld on appeal in 2013. (*CantonRep*, March 13, 2013, accessible here: <http://www.bloomberg.com/research/stocks/private/person.asp?personId=47205833&privCapId=6476331&previousCapId=6476331&previousTitle=AultCare%20Corporation>; *CantonRep*, May 5, 2010, accessible here: <http://www.cantonrep.com/x359588120/Aultman-CEO-tells-his-side-of-story>)

#### Comments:

My research has not produced any red flags regarding AHC or Aultman Health Foundation, its apparent parent. The foundation has received a very strong Credit Score Class of "1," derived from 62 recorded vendor payment experiences. Aultcare Corp. has received a mid-grade Credit Score Class of "3," which is derived from a more inconclusive 11 payment experiences. (We prefer to have at least 20 recorded payments from our prospective clients, for the sake of predictive reliability.) I have also attached Dun & Bradstreet reports for Aultcare Insurance and Aultcare Health Insuring Corp. These are both provisional reports not containing any vendor payment data.

All said, you may wish to request a retainer given the inconclusive vendor payment information for the entities comprising AHC. If Aultman Health Foundation is the entity that will be paying us, you may not consider one to be needed. I'll leave this to your best judgment. Please let me know if there is anything that I can do to be of help.

Grant

[grant.huling@milliman.com](mailto:grant.huling@milliman.com)

 AultCare Corp. D&B Report.pdf  
230.95 KB

 AultCare Insurance Company D&B Report.pdf  
198.07 KB

 AultCare Health Insuring Corp. D&B Report.pdf  
177.26 KB

 Aultman Health Foundation D&B Report.pdf  
266.77 KB

Add attachment

#### - Screening Details

**Screener \*:**

[Grant Huling\\_\(Contractor\);](#)



**Completed Date:**

12/15/2016

**Report Status:**

New  Pending  Secondary-Review  
 Secondary-Screen  Sent/Complete  
 Cancel

**Due Date:**



**Health Risk Assessment Form Returned:**

Yes  No

**Client Risk Assessment Statement:**

Conditional Acceptance  
 Non-Acceptance  
 Standard Acceptance

#### - Data from Consultant

**Date \*:**

12/9/2016

**Client \*:**

AultCare Health Plans

**Discipline(s) Involved \*:**

Casualty  
 Employee Benefits  
 Health  
 Life

**Client Status \*:**

New Client  Existing Client  
 RMAP Referral

**Client Website URL (if known):**

<http://>

**Casualty consultants: please indicate if this is an 'existing client' being screened to comply with discipline periodic screening requirements.**

**Type of Client \*:**

- Public sector/government
- Publicly traded company
- Private company
- New Entity (less than 1 year old)
- Captive Insurance Company

**Client Location \*:**

- US
- International

**Consultant \*:****Names/Titles of Officers (if known):****For international screens, please select 'INTL'****State \*:****HQ Address:**

2600 Sixth Street S.W.

Canton, Ohio 44710

**Do you know of any litigation or other issues of which we should be made aware \*:** Yes  No**Additional Comments to Aid the Screening:**

Click here to attach a file

Add Attachment

**\* -indicates required field**