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Public Service Commission

August 15, 1997

Mr. William B. Ellinger
Mitchell and Ellinger, P.A.
115 La Grange Avenue, No. 101
La Plata, Maryland 20646

In Re: Docket No. ~~960811~~-TI - Application for certificate to provide interexchange telecommunications service by Health Liability Management Corporation

Dear Mr. Ellinger:

As you know, the Florida Public Service Commission has set Health Liability Management Corporation's protest of the Commission's Order No. PSC-97-0741-FOF-TI, issued June 25, 1997, for hearing on October 22, 1997. In that Order, the Commission denied the company's July 8, 1996, application for certification to provide intrastate interexchange telecommunications service in Florida. I am writing, however, to confirm my suggestion to both you and Dr. Weilert that even now the company has it within its control to avoid the trouble and expense of going to hearing.

ACK _____ Thus far, the financial information that the company has
AFA _____ submitted to Commission staff has not been the sort of information
APP _____ that is necessary for them to determine whether Health Liability
CAF _____ Management Corporation has the financial capability to provide
CMU _____ intrastate interexchange telecommunications service. You will not
CTR _____ that Section 363.337, Florida Statutes, requires that this
EAG _____ Commission grant a certificate of authority to provide intrastate
LEG _____ interexchange telecommunications service only upon a showing by the
LIN _____ applicant that it has "sufficient technical, financial, and
OFC _____ managerial capability to provide such service in the geographic
RCH _____ area proposed to be served." Because Commission staff could not
SEC _____ make a determination in favor of Health Liability Management
WAS _____ Corporation on the strength of the information the company has
OTH _____ submitted, they were left no choice but to recommend to the
Commission that the application be denied.

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I can assure you that if the company were to furnish staff with the necessary information, they would be better able to assess the quality of its application. That information is the following, as a minimum:

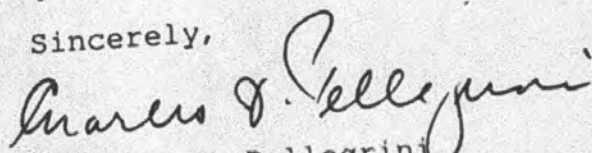
- Health Liability Management Corporation financial statements for the most recent 3 years, including:
 - (i) balance sheet;
 - (ii) income statement; and
 - (iii) statement of retained earnings.

In reviewing the Health Liability Management Corporation Business Plan, I note that Part VIII, Financials, includes balance sheets, statements of operations, statements of changes in retained earnings, statements of cash flows, schedules of cost of sales and services and schedules of selling, general and administrative expenses, with accountant's review reports and notes for 1990-91, 1991-92, and 1992-93. The information for subsequent periods, however, is not of the same quality. If the company would submit the same information for 1993-94, 1994-95, 1995-96, and the six months ended June 30, 1997, as it submitted for the earlier periods, staff would then be able to appropriately determine whether the company has the financial capability to provide and maintain the requested service in the geographic area proposed to be served, as well as to meet lease or ownership obligations.

I would ask the company to submit the new information by August 29, 1997. If that presents a hardship, please let me know.

I thank you in advance for your attention to this matter and I look forward to receiving your positive response.

Sincerely,



Charles J. Pellegrini
Staff Counsel

CJP:clp

cc: Dr. Michael Weilert

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Health Liability Management Corporation
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Ft. Myers, Florida 33905