

Health Care One, LLC
Elite Business Solutions, Inc.
Receivership – Answers to Consumers’ Most Frequently Asked Questions

Revised and Updated as of May 20, 2011

What Happened to Health Care One (“HCO”) and Elite Business Solutions (“Elite”)?

HCO and Elite were both sued by the U.S. Federal Trade Commission which alleged that they both engaged in deceptive trade practices in selling their healthcare discount programs. HCO sold these products under the name “Health Care One”. Elite sold similar products under the names “Elite Healthcare”, “Easy Life Healthcare”, and “Republic Healthcare”. As an initial step, the court entered a Temporary Restraining Order which prohibited them from using any deceptive practices in the future. The Court also froze their bank accounts and funds and appointed a Temporary Receiver who took control of the business operations of both companies.

In August-September, 2010, the Court entered Preliminary Injunctions as to HCO, Elite and their associated entities and appointed a Permanent Receiver who has since disbanded all their operations and shut down their offices.

For complete details and updates on the receivership go to www.hcoreceiver.com

Are HCO and Elite Still Operating?

The Temporary Receiver immediately suspended all operations at both HCO and Elite. All employees were sent home. All sales and customer service regarding billing, refunds and cancellation activities were also suspended, and all websites de-activated. Customer service was still available through the actual providers of the programs sold by HCO, Elite and its associate entities for at least as long as the programs remained in effect.

The Permanent Receiver has since permanently shut down these businesses.

The primary vehicle for communication with consumers is through the Receiver’s website at www.hcoreceiver.com . Consumers can send questions to the Receiver’s office at info@hcoreceiver.com.

Will HCO or Elite Still Charge My Account Every Month?

No. The merchant accounts of both HCO and Elite have been frozen and no more automatic charges will be made against any consumer accounts.

Am I Still Covered by the Plan I Bought From HCO or Elite?

No. For a period, some of the third party providers deferred cancellation of programs sold through HCO, Elite, et al. in order to minimize consumer harm as the situation was sorted out. But, all such programs have since been cancelled.

If I Cancelled Previously, Will I Get My Refund?

If you gave notice of cancellation before the Temporary Receiver was appointed and within the 30-day period after your enrollment, then you are technically entitled to a refund. The question then is whether HCO or Elite will have enough cash available to pay these refunds. We will not know the answer for some time. It will depend on many factors, a key one being whether the HCO and Elite have adequate funds available.

As Part of the FTC Case, Will there be Refunds?

There has been no decision on this issue. In some cases like this, if the FTC prevails, it may implement a “consumer redress” procedure to compensate – usually through refunds – consumers who purchased products and services. The ultimate dollar amount of any such redress will depend on the amount of funds recovered from the various Defendants. Details on whether redress is available, and in what amount, will not be known for some time. If such a procedure is initiated, consumers will receive a notice setting forth all the details.

What Should I Do Now to Protect My Rights ?

You do not need to take any action right now to protect your rights. A primary goal of the FTC and the receivership is to protect consumers, but the exact procedures for that will evolve over time as the cases progresses. Once those procedures are in place, we will provide the best notice possible to consumers.