

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**October 5, 2011**

<b>IN RE:</b>	)	
	)	
<b>SHOW CAUSE PROCEEDING AGAINST</b>	)	<b>DOCKET NO.</b>
<b>TELECARE, INC. FOR ALLEGED VIOLATIONS</b>	)	<b>95-02660</b>
<b>OF TENN. CODE ANN. § 65-4-125(j) AND TENN.</b>	)	
<b>CODE ANN. § 65-4-301(a)(1)</b>	)	

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**ORDER OPENING DOCKET TO INITIATE SHOW CAUSE  
PROCEEDING AGAINST TELECARE, INC.**

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This matter came before the Tennessee Regulatory Authority (“Authority” or “TRA”) on its own motion at a regularly scheduled Authority Conference held on October 25, 2010 for consideration of whether to open a docket for the purpose of investigating Telecare, Inc. (“Telecare” or the “Company”) and initiating a show cause proceeding for alleged violations of Tenn. Code Ann. § 65-4-125(j) and Tenn. Code Ann. § 65-4-301(a)(1).

**Background**

On September 11, 2009, the Authority received a Notice of Cancellation from Travelers Casualty and Surety Company of America (“Travelers”) regarding bond number 103699239, issued on behalf of Telecare with an effective cancellation date of thirty days from the date of the TRA’s receipt of the letter. TRA Staff contacted Michelle Barnett by telephone on September 11, 2009 and spoke with Ms. Barnett concerning the cancellation of Telecare’s bond. Ms. Barnett indicated she would have the bond renewed before the

expiration date. With no apparent remedial action taken by the Company, the bond subsequently expired pursuant to the notice from Travelers.

Numerous attempts were made by Staff to resolve Telecare's failure to comply with Tenn. Code Ann. § 65-4-125(j). On April 9, 2010, a certified letter was sent to the Company (in care of Michelle Barnett) advising that a new surety bond or letter of credit should be submitted immediately in order for the Company to avoid being placed on a TRA Conference for consideration to cancel its authority to operate for violation of Tenn. Code Ann. § 65-4-125(j). The letter was received and signed for on April 14, 2010 by D. J. Barnett.

Again, no apparent action was taken by Telecare to secure and provide to the TRA a bond or letter of credit in compliance with Tenn. Code Ann. § 65-4-125(j). As a result, Telecare has been in violation of Tenn. Code Ann. § 65-4-125(j) for more than twelve months. Additionally, Telecare is in violation of Tenn. Code Ann. § 65-4-301 for failure to pay the required inspection fees to the Authority, which were due April 1, 2010.

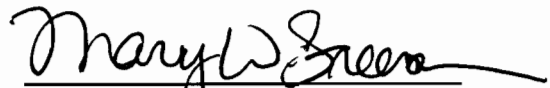
On October 15, 2010, having not received a surety bond or letter of credit from Telecare, a *Notice to Appear* ("Notice") was issued in Docket No. 95-02660. The *Notice* required Telecare to appear before the TRA during its Authority Conference scheduled for Monday, October 25, 2010 at 1:00 p.m. and show cause why the Authority should not proceed to convene a proceeding to impose civil penalties and sanctions, including but not limited to, revocation of Telecare's Certificate of Public Convenience and Necessity, for failure to pay its annual inspection fee pursuant to Tenn. Code Ann. § 65-4-301(a)(1) and failure to have a surety bond or irrevocable letter of credit filed with the Authority as


required by Tenn. Code Ann. § 65-4-125(j). No one appeared on behalf of Telecare before the panel at the October 25, 2010 Authority Conference.

During the October 25, 2010 Authority Conference, the Directors, acting pursuant to Tenn. Code Ann. §§ 65-2-106 and 65-4-125(e), voted unanimously to open a docket for the purpose of further investigation and the initiation of show cause proceedings against Telecare, Inc. for failure to comply with Tenn. Code Ann. §§ 65-4-125(j) and 65-4-301(a)(1). Further, the Authority appointed General Counsel or his designee as Hearing Officer for the purpose of handling preliminary matters and preparing the matter for a hearing.

**IT IS THEREFORE ORDERED THAT:**

1. A docket be opened for the purpose of further action, including the initiation of a show cause proceeding pursuant to Tenn. Code Ann. § 65-2-106, against Telecare, Inc.; and
2. General Counsel or his designee is appointed as Hearing Officer for the purpose of handling preliminary matters and preparing the matter for a hearing.

  
Mary W. Freeman, Chairman

  
Eddie Roberson, Director

  
Sara Kyle, Director