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5 *Attorneys for Receiver*

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8 SUPERIOR COURT OF ARIZONA

9 COUNTY OF MARICOPA

10 STATE OF ARIZONA, *ex rel.*  
11 KEITH SCHRAAD, Interim Director  
of Insurance,

12 Plaintiff,

13 vs.

14 COMPASS COOPERATIVE MUTUAL  
HEALTH NETWORK, INC., dba  
15 MERITUS MUTUAL HEALTH  
PARTNERS, an Arizona corporation; and  
16 COMPASS COOPERATIVE HEALTH  
PLAN, INC., dba MERITUS HEALTH  
17 PARTNERS, an Arizona corporation,

18 Defendants.

No. CV2016-011872

**PETITION NO. 20**

**PETITION TO ACCEPT REPORT  
ON CLAIMS**

(Assigned to The Honorable  
Daniel Martin)

19  
20 Keith Schraad, Interim Director of Insurance, as Receiver (hereinafter “Receiver”)  
21 of Compass Cooperative Mutual Health Network, Inc. doing business as Meritus Mutual  
22 Health Partners (“Meritus Mutual”) and Compass Cooperative Health Plan, Inc. dba  
23 Meritus Health Partners (“MHP”), appointed pursuant to A.R.S. § 20-611, *et seq.*, hereby  
24 petitions the Court for entry of the Order re Petition No. 20 Accepting Report on Claims,  
25 for the reasons set forth herein.

26 . . .

1           1.       In an Order dated August 10, 2016, this Court placed Meritus Mutual and  
2 MHP into receivership under orders of liquidation.

3           2.       On March 8, 2017, this Court entered the Order Approving Liquidation  
4 Plan which, among other things, (i) established May 5, 2017 as the deadline for proofs of  
5 claim and (ii) established a procedure for adjudication of provider claims.

6           3.       Pursuant to that Order, the Receiver provided notice of the claims filing  
7 deadline and the Proof of Claim Form (“POC”).

8           4.       On September 20, 2017, the Receiver filed Petition No. 14, the Status  
9 Report on Claims Adjudication and Request for Order Regarding Future Claims Reports.

10          5.       On September 25, 2017, the Court entered its Order Accepting Status  
11 Report on Claims Adjudication and Granting Order Regarding Future Claims Reports.  
12 Among other things, that Order required the Receiver to file a status report regarding the  
13 claims of providers, enrollees, insureds and the Arizona Fund based on the processes and  
14 procedures being implemented under the Liquidation Plan. This Petition provides that  
15 status update.

16          6.       With respect to Meritus Mutual, as of March 12, 2018, the status of the  
17 claims filing is as follows:

18               Total Amount of Benefits Paid by Arizona Fund to Providers:

19                       \$2,882,666.89

20               Number of Providers Paid:

21                       460

22               Remaining Claims with No Response from Providers:

23               The Receiver has sent the following claimants a POC package and has sent them  
24 one follow-up notice. As of March 12, 2018, there has been no response.

25                       Amount: \$458,151.75

26                       Number of Providers: 150

1           7.       With respect to MHP, as of March 12, 2018, the status of the claims filing  
2 is as follows:

3           Total Amount of Provider Claims Subject to a Signed POC:

4                     \$8,619,407.52

5           Number of Providers:

6                     279

7           Remaining Claims with No Signed POC Received:

8           The Receiver has adjudicated the claims in this category but has not received a  
9 signed POC from the respective providers.

10                    Amount: \$1,203,296.69

11                    Number of Providers: 586

12           \* Note that, of the 586 Providers, 374 represent POC packages that were sent with  
13 a \$0 payment because of claims that did not qualify for coverage, including, for  
14 example, ineligible members, duplicative claims, etc.

15           8.       With respect to the Providers that failed to respond to the Receiver's two  
16 POC communications, those Providers have been sent a third notice advising them that  
17 the Receiver has determined their claim amount to be zero. As part of that notice, the  
18 Providers are advised that they may file a written objection within thirty (30) days after  
19 the date of the notice. Objections, if any, will be handled on a case-by-case basis.

20           9.       While it is believed that the majority of claims of providers, enrollees,  
21 insureds and the Arizona Fund have been processed under the Liquidation Plan, the  
22 information provided in this status update is interim and the information may be updated.  
23 Claims are continuing to be processed and adjudicated under the Liquidation Plan.

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WHEREFORE, the Receiver requests that the Court enter the Order re Petition No. 20 Accepting Report on Claims in the form lodged concurrently with this Petition after expiration of the objection period.

Dated this 22nd day of March, 2018.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: /s/ Justin J. Henderson (#026930)  
Joel A. Glover  
Justin J. Henderson  
*Attorneys for Receiver*

COPY of the foregoing mailed this 22nd day of March, 2018 to the attached Master Service List

/s/ C.J. Scruggs  
C.J. Scruggs

1 SUPERIOR COURT OF ARIZONA

2 COUNTY OF MARICOPA

3 No. CV2016-011872 (Assigned to The Honorable Daniel Martin)

4 **MASTER SERVICE LIST**

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25 United States Attorney General  
U.S. Department of Justice  
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15 MERITUS MUTUAL HEALTH  
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16 COMPASS COOPERATIVE HEALTH  
PLAN, INC., dba MERITUS HEALTH  
17 PARTNERS, an Arizona corporation,

18 Defendants.

No. CV2016-011872

**ORDER RE PETITION NO. 20  
ACCEPTING REPORT ON  
CLAIMS**

(Assigned to The Honorable  
Daniel Martin)

19  
20 Keith Schraad, Interim Director of the Arizona Department of Insurance, as  
21 Receiver of Compass Cooperative Mutual Health Network, Inc. doing business as  
22 Meritus Mutual Health Partners (“Meritus Mutual”) and Compass Cooperative Health  
23 Plan, Inc., dba Meritus Health Partners (“MHP”), having filed Petition No. 20 – Petition  
24 to Accept Report on Claims and good cause appearing therefor,

25 . . .

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**IT IS ORDERED:**

The Report on Claims as filed by the Receiver of Meritus Mutual and MHP,  
having been reviewed and considered by the Court, is hereby accepted.

ENTERED this \_\_\_\_ day of \_\_\_\_\_, 2018.

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The Honorable Daniel Martin  
Maricopa County Superior Court Judge

## Scruggs, Colleen

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**From:** CustomerService=turbocourt.com@smtp.turbocourt.com on behalf of TurboCourt  
Customer Service <CustomerService@TurboCourt.com>  
**Sent:** Thursday, March 22, 2018 2:20 PM  
**To:** Scruggs, Colleen; azturbocourt@lrrc.com  
**Subject:** AZTurboCourt E-Filing Courtesy Notification

PLEASE DO NOT REPLY TO THIS EMAIL.

A party in this case requested that you receive an AZTurboCourt Courtesy Notification.

AZTurboCourt Form Set #2565001 has been DELIVERED to Maricopa County - Superior Court.

You will be notified when these documents have been processed by the court.

Here are the filing details:

Case Number: CV2016-011872 (Note: If this filing is for case initiation, you will receive a separate notification when the case # is assigned.)

Case Title: State Of Arizona, Et.Al. Vs. Compass Cooperative M

Filed By: Justin J Henderson

AZTurboCourt Form Set: #2565001

Keyword/Matter #: 302377-00001

Delivery Date and Time: Mar 22, 2018 2:19 PM MST

Forms:

Summary Sheet (This summary sheet will not be filed with the court. This sheet is for your personal records only.)

Attached Documents:

Petition: Petition No. 20 - Petition to Accept Report on Claims

Proposed Order/Judgment (Supporting): Order re Petition No. 20 Accepting Report on Claims