

1 **FAEGRE BAKER DANIELS LLP**
1700 Lincoln Street, Suite 3200
2 Denver, Colorado 80203

3 **Joel A. Glover** (State Bar No. 034018)
Direct Dial: 303.607.3648
4 Direct Fax: 303.607.3600
5 Email: Joel.Glover@FaegreBD.com

6 Attorneys for Receiver

7
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 MERITUS
15 MUTUAL HEALTH PARTNERS, an
Arizona corporation; and
16 COMPASS COOPERATIVE HEALTH
PLAN, INC., dba MERITUS HEALTH
PARTNERS, an Arizona corporation,

17 Defendants.
18

No. CV2016-011872

PETITION NO. 26

**REPORT ON NOTICE TO
CLAIMANTS**

(Assigned to The Honorable
Daniel Martin)

19 Keith Schraad, Interim Director of Insurance, as Receiver (hereinafter “Receiver”)
20 of Compass Cooperative Mutual Health Network, Inc. doing business as Meritus Mutual
21 Health Partners (“Meritus Mutual”) and Compass Cooperative Health Plan, Inc. dba
22 Meritus Health Partners (“MHP”) (collectively referred to as the “Meritus Companies”),
23 appointed pursuant to A.R.S. § 20-611, *et seq.*, hereby submits this Report on Notice
24 Claimants.

25 1. On or about December 11, 2018, the Receiver filed Petition No. 26, the
26 Request for Hearing and Setoff Related to Claims of the United States, along with
27 Exhibit 1 through 7 and a Proposed Order Scheduling Hearing Regarding Requested Claim
28

1 Determination and Setoff Related to Claims of the United States (collective “Petition
2 No. 26”).

3 2. Notice of Petition 26 was provided to the Master Service List via regular
4 mail.

5 3. Additionally, under these specific circumstances, the Receiver provided
6 further notice of Petition No. 26 to claimants that submitted the specific Proofs of Claim
7 that are the subject of Petition No. 26 via emails and via overnight deliveries sent on
8 December 13, 2018, December 14, 2018 and December 21, 2018, consistent with the
9 emails attached in Exhibit A.

10 Dated this 21st day of December, 2018.

11 FAEGRE BAKER DANIELS LLP

12 By: /s/ Joel Glover (#034018)
13 Joel A. Glover

14 *Attorneys for Receiver*

15
16
17 COPY of the foregoing mailed this
18 21st day of December, 2018 to the
19 attached Master Service List

20 /s/ Brenda McHenry
21 Brenda McHenry

1 SUPERIOR COURT OF ARIZONA

2 COUNTY OF MARICOPA

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

5 **MASTER SERVICE LIST**

6 Keith Schraad, Receiver
7 Interim Director
8 Arizona Department of Insurance
9 100 North 15th Avenue, #102
Phoenix, Arizona 85007

10 Liane Kido, Deputy Receiver
11 Arizona Department of Insurance
12 100 North 15th Avenue, #102
Phoenix, Arizona 85007

13 Lynette Evans, Assistant Attorney General
14 Office of the Attorney General
15 1275 West Washington Street
16 Phoenix, Arizona 85007
Attorneys for Arizona Department of Insurance

17 Richard G. Erickson
18 Robert F. Kethcart
19 Snell & Wilmer L.L.P.
20 One Arizona Center
21 400 East Van Buren
Phoenix, Arizona 85004
Attorneys for Defendants

22 Richard J. Voth, Sr.
23 P.O. Box 3970
Pinetop, Arizona 85935

24 Larry Aldrich, Executive Chairman
25 Employers Health Alliance of Arizona
26 7520 East McLellan Lane
Scottsdale, Arizona 85250

1 Christophe Burusco
2 Sidley Austin LLP
3 555 West 5th Street, 40th Floor
4 Los Angeles, California 90013
5 *Attorneys for Care1st Health Plan Administrative Services, Inc.*

6 Matthew A. Clemente
7 Sidley Austin LLP
8 One South Dearborn
9 Chicago, Illinois 60603
10 *Attorneys for Care1st Health Plan Administrative Services, Inc.*

11 Michael Surguine, Executive Director
12 Arizona Life & Disability
13 Insurance Guaranty Fund
14 2910 North 44th Street, Suite 201 (2nd Floor)
15 Phoenix, Arizona 85018

16 Darren Ellingson
17 Special Deputy Receiver
18 Raintree Corporate Center I
19 15333 North Pima Road, Suite 305
20 Scottsdale, Arizona 85260

21 Banner Health
22 Patient Financial Services
23 Attn: Anna Rosalez, Manager
24 525 West Brown Road, Third Floor
25 Mesa, Arizona 85201

26 S. David Childers
27 Kutak Rock LLP
28 8601 North Scottsdale Road, Suite 300
Scottsdale, Arizona 85253

Ortencia Solis
Arrowhead Pediatrics
Billing Department Insurance Rejections
17215 North 72nd Drive
Building D, Suite 140B
Glendale, Arizona 85308

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Debbie Bailey
Cactus Children’s Clinic, PC
5940 West Union Hills Drive
Suite D100
Glendale, Arizona 85308

Monica Gaspari
Billing Office Supervisor
Pima Heart Physicians
3709 North Campbell Avenue
Suite 201
Tucson, Arizona 85719

United States Department of Justice
40 North Central Avenue, #1800
Phoenix, Arizona 85004

U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

United States Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

U.S. Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244

Sinead Baldwin
1200 Brickell Avenue
PH 2000
Miami, Florida 33131
Attorneys for HealthSouth Rehabilitation Hospital

Jill Wright
Parallon
1100 Charlotte Avenue
Suite 1600
Nashville, Tennessee 37203

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D.B. Udall
Udall Law Firm LLP
4801 East Broadway Boulevard
Suite 400
Tucson, Arizona 85711
Attorneys for Sarah McMahon

Susan Sweat
Ambulance Billing Office Supervisor
Bullhead City Fire Department
1260 Hancock Road
Bullhead City, Arizona 86442

Justin J. Henderson
Lewis Roca Rothgerber Christie LLP
201 East Washington Street, Suite 1200
Phoenix, Arizona 85004-2595
Attorneys for Receiver

Exhibit A

Glover, Joel A.

From: Glover, Joel A.
Sent: Thursday, December 13, 2018 11:48 AM
To: Elizabeth.parish@cms.hhs.gov; Angela.Belgrove@hhs.gov; Marcus.S.Sacks@usdoj.gov; Matthew.Lynch@cms.hhs.gov; Leslie.Stafford@hhs.gov; Sharon.Williams@usdoj.gov
Subject: Meritus Mutual and Meritus Health Plans - Notice Regarding Proof of Claim
Attachments: Petition No. 26 - Petition for Claims Determination and Setoff.pdf; Meritus Setoff Petition exhibits.zip; Petition No. 26 - Petition for Claims Determination and Setoff.pdf

This firm is legal counsel to the Receiver of Compass Cooperative Health Plan, Inc., dba Meritus Health Partners, in Receivership (MHP) and Compass Cooperative Mutual Health Network, Inc. dba Meritus Mutual Health Partners, in Receivership (Meritus Mutual).

In order to provide notice to you regarding the Proofs of Claim you have submitted in the receivership, we are sending the following to you via email and overnight delivery.

Petition No. 26

Request for Hearing, Claim Determination and Setoff Related to Claims of the United States (PDF file)

Exhibits 1 through 7 (zip file)

Proposed Order Scheduling Hearing Regarding Requested Claim Determination and Setoff Related to Claims of the United States (PDF file)

If you have any questions or would like to discuss, please feel free to contact me.

Sent via email to:

Elizabeth E. Parish (Elizabeth.parish@cms.hhs.gov)

(While Jeffrey Grant was identified in the Proof of Claim, pursuant to instructions from an email dated November 17, 2017, we have substituted Ms. Parish for Mr. Jeffrey Grant. Let us know if that is not correct.)

Angela M. Belgrove (Angela.Belgrove@hhs.gov)

Marc S. Sacks, Esq., Trial Attorney, Civil Division (Marcus.S.Sacks@usdoj.gov)

Matthew Lynch, Director, Insurance Program Group (Matthew.Lynch@cms.hhs.gov and Leslie.Stafford@hhs.gov)

Sharon C. Williams, Esq. (Sharon.Williams@usdoj.gov)

Sent via overnight delivery to:

Elizabeth E. Parish
Acting Director, Payment Policy & Financial Management Group

U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop WB 22-75
Windsor Mill, MD 21244

Angela M. Belgrove
Office of the General Counsel, Region IX
90 7th Street, Suite 4-500
San Francisco, CA 94103-6705

Matthew Lynch (and Leslie Stafford)
Director, Insurance Program Group
Center for Consumer Information and Insurance Oversight
U.S. Department of Health and Human Services, CMS
7500 Security Blvd., WB-22-75
Baltimore, MD 21244

Marc S. Sacks, Esq.
Trial Attorney, Civil Division
U.S. Dep't of Justice
1100 L. St. NW Rm. 10058
Washington, DC 20005

The United States
Sharon C. Williams, Esq.
1100 L St., N.W., Room 10016
Washington, DC 20005

Glover, Joel A.

From: Glover, Joel A.
Sent: Friday, December 14, 2018 1:40 PM
To: Elizabeth.parish@cms.hhs.gov; Angela.Belgrove@hhs.gov; Marcus.S.Sacks@usdoj.gov; Matthew.Lynch@cms.hhs.gov; Leslie.Stafford@hhs.gov; Sharon.Williams@usdoj.gov
Subject: RE: Meritus Mutual and Meritus Health Plans - Notice Regarding Proof of Claim
Attachments: Order re Petition 26 Scheduling Hearing.pdf

Attached is a copy of the Order Re Petition No. 26 Scheduling Hearing Regarding Requested Claim Determination and Setoff Related to Claims of the United States. The hearing is scheduled for March 8, 2019.

A copy is also being sent via overnight delivery.

From: Glover, Joel A.
Sent: Thursday, December 13, 2018 11:48 AM
To: Elizabeth.parish@cms.hhs.gov; Angela.Belgrove@hhs.gov; Marcus.S.Sacks@usdoj.gov; Matthew.Lynch@cms.hhs.gov; Leslie.Stafford@hhs.gov; Sharon.Williams@usdoj.gov
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U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop WB 22-75
Windsor Mill, MD 21244

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1100 L. St. NW Rm. 10058
Washington, DC 20005

The United States
Sharon C. Williams, Esq.
1100 L St., N.W., Room 10016
Washington, DC 20005

Glover, Joel A.

From: Glover, Joel A.
Sent: Friday, December 21, 2018 12:40 PM
To: Elizabeth.parish@cms.hhs.gov; Angela.Belgrove@hhs.gov; Marcus.S.Sacks@usdoj.gov; Matthew.Lynch@cms.hhs.gov; Leslie.Stafford@hhs.gov; Sharon.Williams@usdoj.gov
Subject: RE: Meritus Mutual and Meritus Health Plans - Notice Regarding Proof of Claim
Attachments: Petition 26 - Minute Order - Hearing March 8, 2019.pdf; Order as Entered - Petition No. 26 - Claims Determination and Setoff.pdf

Attached please find copies of the following orders:

Minute Order dated 12/18/2018

Amended Order Re Petition No. 26 – Scheduling Hearing Regarding Requested Claim Determination and Setoff Related to Claims of the United States

We are also sending these via overnight delivery. It appears that there may have been a delivery error with respect to the prior overnight delivery to Ms. Parish so we are including another copy of Petition 26, with exhibits, in that delivery.

Sincerely,

Joel A. Glover

Partner

joel.glover@FaegreBD.com Download vCard
D: +1 303 607 3648

Faegre Baker Daniels LLP

3200 Wells Fargo Center | 1700 Lincoln Street | Denver, CO 80203-4532, USA

From: Glover, Joel A.
Sent: Friday, December 14, 2018 1:40 PM
To: Elizabeth.parish@cms.hhs.gov; Angela.Belgrove@hhs.gov; Marcus.S.Sacks@usdoj.gov; Matthew.Lynch@cms.hhs.gov; Leslie.Stafford@hhs.gov; Sharon.Williams@usdoj.gov
Subject: RE: Meritus Mutual and Meritus Health Plans - Notice Regarding Proof of Claim

Attached is a copy of the Order Re Petition No. 26 Scheduling Hearing Regarding Requested Claim Determination and Setoff Related to Claims of the United States. The hearing is scheduled for March 8, 2019.

A copy is also being sent via overnight delivery.

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Sent: Thursday, December 13, 2018 11:48 AM
To: Elizabeth.parish@cms.hhs.gov; Angela.Belgrove@hhs.gov; Marcus.S.Sacks@usdoj.gov; Matthew.Lynch@cms.hhs.gov; Leslie.Stafford@hhs.gov; Sharon.Williams@usdoj.gov
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Matthew Lynch, Director, Insurance Program Group (Matthew.Lynch@cms.hhs.gov and Leslie.Stafford@hhs.gov)

Sharon C. Williams, Esq. (Sharon.Williams@usdoj.gov)

Sent via overnight delivery to:

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Acting Director, Payment Policy & Financial Management Group
U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop WB 22-75
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Sharon C. Williams, Esq.
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Washington, DC 20005

SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY

CV 2016-011872

12/18/2018

HONORABLE DANIEL G. MARTIN

CLERK OF THE COURT
J. Eaton
Deputy

STATE OF ARIZONA, et al.

LYNETTE EVANS

v.

COMPASS COOPERATIVE MUTUAL
HEALTH NETWORK INC, et al.

ANDREW ABRAHAM
JOEL GLOVER
ROBERT F KETHCART
D BURR UDALL
SAMUEL DAVID CHILDERS
JUDGE DANIEL MARTIN

MINUTE ENTRY

Pending before the Court is counsel for the Receiver's Petition No. 26 Request for Hearing, Claim Determination and Setoff Related to Claims of the United States. Good cause appearing,

IT IS ORDERED granting the request.

IT IS FURTHER ORDERED setting the Hearing on **March 8, 2019, at 10:30 a.m.** (time allotted: 30 minutes) all in accordance with the formal written Amended Order RE: Petition No. 26 signed by the Court on December 18, 2018, and filed (entered) by the Clerk on December 18, 2018.

Please note: The Court has signed a paper copy of the order which was originally provided electronically. After the order has been scanned and docketed by the Clerk of Court, copies of this order may be available through ECR online at clerkofcourt.maricopa.gov or through www.AZTurboCourt.gov and from the Public Access Terminals at the Clerk of Court's offices located throughout Maricopa County.

FILED
12-18-18 10:13am
CHRIS DEPOSE, Clerk
By Jason
J. Eaton, Deputy

1 **FAEGRE BAKER DANIELS LLP**
1700 Lincoln Street, Suite 3200
2 Denver, Colorado 80203

3 **Joel A. Glover** (State Bar No. 034018)
Direct Dial: 303.607.3648
4 Direct Fax: 303.607.3600
Email: Joel.Glover@FaegreBD.com

5
6 Attorneys for Receiver

7
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**
15 **HEALTH NETWORK, INC., dba MERITUS**
16 **MUTUAL HEALTH PARTNERS, an**
Arizona corporation; and
17 **COMPASS COOPERATIVE HEALTH**
18 **PLAN, INC., dba MERITUS HEALTH**
PARTNERS, an Arizona corporation,

19 **Defendants.**

No. CV2016-011872

AMENDED ORDER RE
PETITION NO. 26

SCHEDULING HEARING
REGARDING REQUESTED
CLAIM DETERMINATION AND
SETOFF RELATED TO CLAIMS
OF THE UNITED STATES

(Assigned to The Honorable
Daniel Martin)

20
21 **Keith Schraad, Interim Director of the Arizona Department of Insurance, as**
22 **Receiver of Compass Cooperative Mutual Health Network, Inc. doing business as Meritus**
23 **Mutual Health Partners ("Meritus Mutual") and Compass Cooperative Health Plan, Inc.,**
24 **dba Meritus Health Partners ("MHP"), having filed Petition No. 26 – Request for Hearing,**
25 **Claim Determination and Setoff Related to Claims of the United States and good cause**
26 **appearing therfor**

27 ...

1 **IT IS ORDERED:**

2 Hearing.

3 The Receiver has requested a hearing to be scheduled regarding Petition No. 26 at
4 least seventy-five (75) days after the filing date of Petition 26.

5 Accordingly, a hearing in this matter regarding the Receiver's Petition No. 26
6 requesting a Hearing, Claim Determination and Setoff Related to Claims of the United
7 States is scheduled for the following date and time:

8 Date: March 8, 2019

9 Time: 10:30 a.m.

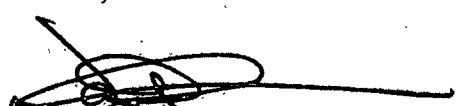
10 Responses and/or Objections.

11 Any response and/or objection to the relief requested in the Receiver's Petition
12 No. 26 must be filed with the Court and served on the Master Service List at least fifteen
13 (15) days before the scheduled hearing.

14 Receiver's Reply.

15 The Receiver may file a reply to the response and/or objection filed, if any, within
16 ten (10) days after such response and/or objection is filed and served.

17
18 ENTERED this 18th day of December, 2018.

19
20 
21 _____
The Honorable Daniel Martin
Maricopa County Superior Court Judge