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6 Attorneys for Receiver

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8 SUPERIOR COURT OF ARIZONA
9 COUNTY OF MARICOPA

10 STATE OF ARIZONA, *ex rel.*
11 BARBARA D. RICHARDSON, Executive
Deputy 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

18 Defendants.

No. CV2016-011872

PETITION NO. 63

**PETITION TO ACCEPT THIRTY-
FIRST STATUS REPORT FOR THE
PERIOD ENDING JUNE 30, 2024**

(Assigned to The Honorable
Dewain Fox)

19 Darren Ellingson, in his capacity as the Special Deputy Receiver of Compass
20 Cooperative Mutual Health Network, Inc. doing business as Meritus Mutual Health
21 Partners (“Meritus Mutual”) and Compass Cooperative Health Plan, Inc. doing business as
22 Meritus Health Partners (“MHP”) (collectively referred to as the “Meritus Companies”),
23 appointed pursuant to A.R.S. § 20-611, *et seq.*, hereby petitions the Court for entry of the
24 Order re Petition No. 63 to Accept Thirty-First Status Report for the Period Ending
25 June 30, 2024 for the reasons set forth herein.

26 1. In an Order dated August 10, 2016, this Court placed Meritus Mutual and
27 MHP into receivership under orders of liquidation.
28

1 2. On August 24, 2016, this Court entered Order Re Petition No. 1 – Petition
2 for Entry of Order Approving Compensation for Special Deputy Receiver and for Legal
3 Counsel.

4 a. Pursuant to Paragraph 3(c) of that Order, the Receiver is required to
5 make periodic filings, initially quarterly, of a Petition to Accept Status Report, which filing
6 is required to include amounts paid to the Special Deputy Receiver and to legal counsel
7 during the period along with a brief summary of services and/or tasks performed during the
8 period and other matters as requested by the Court.

9 b. In order to provide such report for the prior period, consistent with
10 Paragraph 3(c), the Special Deputy Receiver is submitting this Petition to Accept Thirty-
11 First Status Report for the Period Ending June 30, 2024 (“Petition”) after the quarter end of
12 the prior period ending June 30, 2024. Unless the Court otherwise orders, the Special
13 Deputy Receiver anticipates filing these reports effective each calendar quarter end.

14 3. This Petition along with the Status Report included herein is submitted in
15 accordance with those requirements.

Summary of Services/Tasks

16 4. The services and tasks performed during the reporting period (Second
17 Quarter of 2024) include the following:

18 a. Meritus ACA Suits and Settlement. The two lawsuits and related
19 disputes involving the Affordable Care Act have been resolved via settlement and the
20 Receiver has received the settlement payment from the United States Government.

21 b. Proof of Claim (“POC”) Process and Provider Payment Process. The
22 Receiver continued implementation of the POC process as ordered by this Court with
23 respect to the claim adjudication process.

24 c. Accounting Services and General Accounting and Administrative.
25 The Receiver continued additional work on the accounting for the Meritus Companies in
26 liquidation, including identifying assets, claims and liabilities on a liquidation basis. As
27 part of the accounting work, the Receiver continued to implement and account for the
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1 Receivership Liquidation, the Setoff involving CMS, and the Return of Excess Premiums,
2 among other things.

3 d. Final Accounting. Preparation of the final accounting and order
4 closing the estate subject to certain remaining steps is ongoing.

5 **Summary of Payments**

6 5. Legal Counsel. During the reporting period, the total amounts (fees and
7 expenses) that have been paid to Faegre Drinker Biddle & Reath LLP as legal counsel are
8 \$4,362.00 for Meritus Mutual and \$4,432.00 for MHP for a combined amount of
9 \$8,794.00. Work was performed and invoices were submitted for additional services and
10 amounts during the reporting period but not paid until after June 30, 2024. Because of the
11 timing, those payments will be referenced in the next status report.

12 6. Special Deputy Receiver. During the reporting period, the total amounts
13 (fees and expenses) that have been paid to the Special Deputy Receiver are \$4,832.50 for
14 Meritus Mutual and \$4,832.50 for MHP for a combined amount of \$9,665.00. Work was
15 performed and invoices were submitted for additional services and amounts during the
16 reporting period but not paid until after June 30, 2024. Because of the timing, those
17 payments will be referenced in the next status report.

18 7. Regulatory Services Group. During the reporting period, no payments were
19 made to the Regulatory Services Group. Work may have been performed and invoices
20 submitted for additional services and amounts during the reporting period but not paid
21 until after June 30, 2024. Because of the timing, those payments, if any, would be
22 referenced in the next status report.

23 WHEREFORE, the Receiver requests that the Court enter the Order re Petition
24 No. 63 Accepting Thirty-First Status Report for the Period Ending June 30, 2024 in the
25 form lodged concurrently with this Petition after expiration of the objection period.
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27
28

1 Dated this 9th day of July, 2024.

2 **FAEGRE DRINKER BIDDLE & REATH LLP**

3 /s/ Joel Glover (#034018)

4 Joel A. Glover

5 *Attorneys for Receiver*

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7
8 COPY of the foregoing mailed this
9 9th day of July, 2024 to the
10 attached Master Service List

11 /s/ Christine Goyer

12 Christine Goyer

1 SUPERIOR COURT OF ARIZONA

2 COUNTY OF MARICOPA

3
4 No. CV2016-011872 (Assigned to The Honorable Dewain Fox)

5 **MASTER SERVICE LIST**

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