Clerk of the Superior Court
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Filing ID 19489588 FAEGRE DRINKER BIDDLE & REATH LLP 1 1144 15<sup>th</sup> Street, Suite 3400 Denver, Colorado 80202 2 **Joel A. Glover** (State Bar No. 034018) 3 Direct Dial: 303.607.3648 Direct Fax: 303.607.3600 4 Email: Joel.Glover@Faegredrinker.com 5 Attorneys for Receiver 6 7 SUPERIOR COURT OF ARIZONA 8 COUNTY OF MARICOPA 9 10 STATE OF ARIZONA. ex rel. No. CV2016-011872 BARBARA D. RICHARDSON, Executive 11 Deputy Director of Insurance, **PETITION NO. 66** 12 Plaintiff, PETITION TO ACCEPT THIRTY-13 THIRD STATUS REPORT FOR THE COMPASS COOPERATIVE MUTUAL PERIOD ENDING DECEMBER 31, 14 HEALTH NETWORK, INC., dba MERITUS 2024 MUTUAL HEALTH PARTNERS, an 15 (Assigned to The Honorable Arizona corporation; and Dewain Fox) COMPASS COOPERATIVE HEALTH 16 PLAN, INC., dba MERITUS HEALTH PARTNERS, an Arizona corporation, 17 Defendants. 18 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. 66 to Accept Thirty-Third Status Report for the Period Ending 25 December 31, 2024 for the reasons set forth herein. 26 In an Order dated August 10, 2016, this Court placed Meritus Mutual and 1. 27 MHP into receivership under orders of liquidation. 28

- 2. On August 24, 2016, this Court entered Order Re Petition No. 1 Petition for Entry of Order Approving Compensation for Special Deputy Receiver and for Legal Counsel.
- a. Pursuant to Paragraph 3(c) of that Order, the Receiver is required to make periodic filings, initially quarterly, of a Petition to Accept Status Report, which filing is required to include amounts paid to the Special Deputy Receiver and to legal counsel during the period along with a brief summary of services and/or tasks performed during the period and other matters as requested by the Court.
- b. In order to provide such report for the prior period, consistent with Paragraph 3(c), the Special Deputy Receiver is submitting this Petition to Accept Thirty-Third Status Report for the Period Ending December 31, 2024 ("Petition") after the quarter end of the prior period ending December 31, 2024. Unless the Court otherwise orders, the Special Deputy Receiver anticipates filing these reports effective each calendar quarter end.
- 3. This Petition along with the Status Report included herein is submitted in accordance with those requirements.

## **Summary of Services/Tasks**

- 4. The services and tasks performed during the reporting period (Fourth Quarter of 2024) include the following:
- a. Meritus ACA Suits and Settlement. The two lawsuits and related disputes involving the Affordable Care Act have been resolved via settlement and the Receiver has received the settlement payment from the United States Government.
- b. Proof of Claim ("POC") Process and Provider Payment Process. The Receiver continued implementation of the POC process as ordered by this Court with respect to the claim adjudication process.
- c. Partial Distribution. Work continued on the strategy and procedure for making a partial distribution to certain policyholders, subject to Court approval.

- d. Accounting Services and General Accounting and Administrative. The Receiver continued additional work on the accounting for the Meritus Companies in liquidation, including identifying assets, claims and liabilities on a liquidation basis. As part of the accounting work, the Receiver continued to implement and account for the Receivership Liquidation, the Setoff involving CMS, and the Return of Excess Premiums, among other things.
- e. Final Accounting. Preparation of the final accounting and order closing the estate subject to certain remaining steps is ongoing.

## **Summary of Payments**

- 5. Legal Counsel. During the reporting period, the total amounts (fees and expenses) that have been paid to Faegre Drinker Biddle & Reath LLP as legal counsel are \$2,961.75 for Meritus Mutual and \$3,040.25 for MHP for a combined amount of \$6,002.00. Work was performed and invoices were submitted for additional services and amounts during the reporting period but not paid until after December 31, 2024. Because of the timing, those payments will be referenced in the next status report.
- 6. Special Deputy Receiver. During the reporting period, the total amounts (fees and expenses) that have been paid to the Special Deputy Receiver are \$7,065.00 for Meritus Mutual and \$7,190.00 for MHP for a combined amount of \$14,255.00. Work was performed and invoices were submitted for additional services and amounts during the reporting period but not paid until after December 31, 2024. Because of the timing, those payments will be referenced in the next status report.
- 7. Regulatory Services Group. During the reporting period, the total amounts (fees and expenses) that have been paid to the Regulatory Services Group are \$780.00 for Meritus Mutual and \$780.00 for MHP for a combined amount of \$1,560.00. To the extent work was performed and invoices were submitted for additional services and amounts during the reporting period but not paid until after December 31, 2024, those payments will be referenced in the next status report.

1	WHEREFORE, the Receiver requests that the Court enter the Order re Petition
2	No. 66 Accepting Thirty-Third Status Report for the Period Ending December 31, 2024 in
3	the form lodged concurrently with this Petition after expiration of the objection period.
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7	Dated this 13 <sup>th</sup> day of March, 2025.
8	FAEGRE DRINKER BIDDLE & REATH LLP
9	<u>/s/ Joel Glover (#034018)</u> Joel A. Glover
10	Attorneys for Receiver
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14	COPY of the foregoing mailed this
15	13th day of March, 2025 to the
16	attached Master Service List
17	/s/ Christine Goyer
18	Christine Goyer
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## SUPERIOR COURT OF ARIZONA 1 COUNTY OF MARICOPA 2 3 No. CV2016-011872 (Assigned to The Honorable Dewain Fox) 4 MASTER SERVICE LIST 5 6 Barbara D. Richardson, Receiver The Arizona Department of Insurance 7 and Financial Institutions 100 North 15th Avenue, #102 8 Phoenix, Arizona 85007 (Per request, distribution by email only to Liane.Kido@difi.az.gov.) 9 10 Liane Kido, Deputy Receiver Arizona Department of Insurance and Financial Affairs 11 100 North 15th Avenue, #102 Phoenix, Arizona 85007 12 (Per request, distribution by email only to Liane.Kido@difi.az.gov.) 13 Lynette Evans Public Law Section 14 Office of the Attorney General 15 2005 N. Central Avenue Phoenix, AZ 85004 16 Attorneys for Arizona Department of Insurance (Per request, distribution by email only to Lynette. Evans@azag.gov.) 17 18 Richard G. Erickson Robert F. Kethcart 19 Snell & Wilmer L.L.P. One Arizona Center 20 400 East Van Buren Phoenix, Arizona 85004 21 Attorneys for Defendants 22 Larry Aldrich, Executive Chairman 23 Employers Health Alliance of Arizona 7520 East McLellan Lane 24 Scottsdale, Arizona 85250 25 26 27

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11	(Per request, distribution by email only to <u>Glen.Gabrielson@difi.az.gov</u> .)
12	Darren Ellingson
13 14	Special Deputy Receiver 3212 N. 70th Street, Unit 1007
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