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SUPERIOR COURT OF ARIZONA
COUNTY OF MARICOPA

STATE OF ARIZONA, *ex rel.*
BARBARA D. RICHARDSON, Executive
Deputy Director of Insurance,

Plaintiff,

vs.

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

Defendants.

No. CV2016-011872

PETITION NO. 68

**PETITION TO ACCEPT THIRTY-
FOURTH STATUS REPORT FOR
THE PERIOD ENDING MARCH 31,
2025**

(Assigned to The Honorable
Dewain Fox)

Darren Ellingson, in his capacity as the Special Deputy Receiver of Compass Cooperative Mutual Health Network, Inc. doing business as Meritus Mutual Health Partners (“Meritus Mutual”) and Compass Cooperative Health Plan, Inc. doing business as Meritus Health Partners (“MHP”) (collectively referred to as the “Meritus Companies”), appointed pursuant to A.R.S. § 20-611, *et seq.*, hereby petitions the Court for entry of the Order re Petition No. 68 to Accept Thirty-Fourth Status Report for the Period Ending March 31, 2025 for the reasons set forth herein.

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

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 Fourth Status Report for the Period Ending March 31, 2025 (“Petition”) after the quarter
12 end of the prior period ending March 31, 2025. Unless the Court otherwise orders, the
13 Special Deputy Receiver anticipates filing these reports effective each calendar quarter
14 end.

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

17 **Summary of Services/Tasks**

18 4. The services and tasks performed during the reporting period (First Quarter
19 of 2025) include the following:

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

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

26 c. Partial Distribution. Partial distributions have been made to creditors
27 of MHP and Meritus Mutual as approved by the Court.
28

1 d. Accounting Services and General Accounting and Administrative.

2 The Receiver continued additional work on the accounting for the Meritus Companies in
3 liquidation, including identifying assets, claims and liabilities on a liquidation basis. As
4 part of the accounting work, the Receiver continued to implement and account for the
5 Receivership Liquidation, the Setoff involving CMS, and the Return of Excess Premiums,
6 among other things.

7 e. Final Accounting. Preparation of the final accounting and order

8 closing the estate subject to certain remaining steps is ongoing.

9 **Summary of Payments**

10 5. Legal Counsel. During the reporting period, the total amounts (fees and
11 expenses) that have been paid to Faegre Drinker Biddle & Reath LLP as legal counsel are
12 \$11,303.85 for Meritus Mutual and \$11,303.85 for MHP for a combined amount of
13 \$22,607.70. Work was performed and invoices were submitted for additional services and
14 amounts during the reporting period but not paid until after March 31, 2025. Because of
15 the timing, those payments will be referenced in the next status report.

16 6. Special Deputy Receiver. During the reporting period, the total amounts
17 (fees and expenses) that have been paid to the Special Deputy Receiver are \$6,130.00 for
18 Meritus Mutual and \$6,070.00 for MHP for a combined amount of \$12,200.00. Work was
19 performed and invoices were submitted for additional services and amounts during the
20 reporting period but not paid until after March 31, 2025. Because of the timing, those
21 payments will be referenced in the next status report.

22 7. Regulatory Services Group. During the reporting period, payments were not
23 made to the Regulatory Services Group. To the extent work was performed and invoices
24 were submitted for additional services and amounts during the reporting period but not
25 paid until after March 31, 2025, those payments will be referenced in the next status report.

WHEREFORE, the Receiver requests that the Court enter the Order re Petition No. 68 Accepting Thirty-Fourth Status Report for the Period Ending March 31, 2025 in the form lodged concurrently with this Petition after expiration of the objection period.

Dated this 12th day of June, 2025.

FAEGRE DRINKER BIDDLE & REATH LLP

/s/ Joel Glover (#034018)

Joel A. Glover

Attorneys for Receiver

COPY of the foregoing mailed this
12th day of June, 2025 to the
attached Master Service List

/s/ Christine Goyer

Christine Goyer

SUPERIOR COURT OF ARIZONA

COUNTY OF MARICOPA

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

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