

Petition 70; Declaration Exhibit A-2  
Meritus Mutual Health Partners, in Liquidation (MM)  
Report on Estate Assets  
Prepared as of September 15, 2025

|                                                      |              |
|------------------------------------------------------|--------------|
| Remaining Balance of Estate Assets:                  | \$ 2,190,415 |
| MINUS RLF Payment:                                   | \$ 75,000    |
| MINUS Projected Administrative Expenses pre-Closing: | \$ 250,000   |
| MINUS GA Administrative Fee:                         | \$ 25,000    |
| Plus Transfer from MHP for Class 8 Distribution:     | \$ 7,947,867 |
| Balance of Assets for Distribution:                  | \$ 9,788,282 |

\*Amount estimated as of September 15, 2025 and subject to change and adjustment in amounts that are not anticipated to be material or to substantively impact the distribution allocation herein.

| <b>Claim Priority Level</b>          | <b>Number of Claims</b> | <b>Amount of Claims</b>                                                              | <b>Proposed Limited Payments and Estate Balance</b>                                                            |
|--------------------------------------|-------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Class 1<br>Administrative            | 1                       | \$10,338<br>PAID                                                                     | Remaining Balance Due = \$0                                                                                    |
| Class 2<br>Guaranty Association      | 1                       | \$3,659,548<br>PAID                                                                  | Remaining Balance Due = \$0                                                                                    |
| Class 3<br>Provider – Out of Network | 2                       | 1,243<br>PAID                                                                        | Remaining Balance Due = \$0                                                                                    |
| Class 4<br>US Government             | *                       | ACA: \$755,917<br>OFFSET                                                             | *See Note 6. Class 4 Claims already adjudicated, determined and paid by offset.                                |
| Class 5<br>Employees                 | None                    | None                                                                                 | None                                                                                                           |
| Class 6<br>State Taxes               | 1                       | \$11,848<br>PAID                                                                     | Remaining Balance Due = \$0                                                                                    |
| Class 7<br>Providers – In Network    | None                    | None                                                                                 | None                                                                                                           |
| Class 8<br>General Creditors         | 1                       | \$14,808<br>PAID                                                                     | Remaining Balance Due = \$0                                                                                    |
| Class 9<br>Untimely POCs             | None                    | None                                                                                 | None.                                                                                                          |
| Class 10<br>Surplus Notes            | 1                       | \$93,826,261<br>To Be Paid: \$9,788,282<br>Amount of Unsatisfied Claim: \$84,037,979 | Pro rata allocation<br>\$9,788,282/\$93,826,261 = 10.43%<br>Percentage of Unsatisfied Class 10 Claims = 89.57% |

Remaining Unsatisfied Class 10 Claims at Closing: **\$84,037,979.**

MM Estate Assets Report

Page 1

DMS\_US.367806883.1

### **Notes Re Meritus Mutual's Estate Assets and Final Claim Payments:**

1. Liquidation Plan. The Receiver's Claims Adjudications reported on herein were made subject to and in accordance with the Order re: Petition No. 7, Order Approving Liquidation Plan.
2. Receivership Act. References to the Receivership Act are to the version of the Receivership Act in force at the time of the commencement of the Receivership proceedings. Subsequent amendments and/or modifications of the Receivership Act are not applicable unless retroactivity is expressly declared therein. A.R.S. § 1-244.
3. Class 1 Claims – Administrative Expenses. Administrative expenses of the Receiver that continue to be incurred subject to and in accordance with the Receivership Act and orders of the Receivership Court are not included. Payments to consultants are subject to the reporting process as previously ordered by this Court, with compensation rates subject to Court approval.
4. Class 2 Claims – Guaranty Associations. The Receiver previously made an Early Access Distribution pursuant to A.R.S. § 20-647 in the full amount of the Guaranty Association claim. Once that Early Access Distribution is determined to be final, no further payments would be made to the Guaranty Association.
5. Receivership Liquidation Fund. Pursuant to A.R.S. § 20-648, the Receiver previously made payments to the Receivership Liquidation Fund in accordance with the Receivership Court's Order Regarding Petition No. 4, Regarding Receivership Liquidation Fund Per A.R.S. § 20-648. To the extent additional payments to the Receivership Liquidation Fund are anticipated, the Receiver reserves all rights to update and/or modify applicable financial reporting as necessary or appropriate under the circumstances.
6. Prior Determination – U.S. Claims. All claim amounts related to the United States, including but not limited to claims from the Center for Medicare and Medicaid Services ("CMS") have been fully and finally determined based on Order re Petition No. 26 Granting Claim Determination and Setoff Related to Claims of the United States (the "Setoff Order") and Order Approving Petition No. 50 – Unopposed Petition to Approve Settlement with United States Related to Claims Under the Affordable Care Act (the "Settlement Order"). Pursuant to the Setoff Order and Settlement Order, all Class 4 Claims have been fully and finally paid via offset. The remaining Surplus Note claims, Class 10 Claims attributable to Meritus Health Partners have not yet been paid and are not subject to offset. For completeness, this Exhibit reports on the numbers but the figures are not subject to further review and approval in light of the Setoff Order and Settlement Order already entered by this Court.
7. Federal Government Release Program. The United States Government offers a release program in which, upon request, the United States Government reviews potential claims against insurers in liquidation and, depending on the circumstances, may enter into a

release with such insurers. Here, the release program is not applicable in light of the release already agreed to by the United States and approved in the Settlement Order which, among other things, provides as follows:

Upon entry of judgment and Meritus' receipt of payment, the United States releases, waives, and abandons all claims, counterclaims, and offsets against Meritus arising out of, related to, or otherwise that were asserted, could have been asserted, or may be asserted in the future in the POCs (including but not limited to, any related claims for costs, expenses for costs, expenses, interest, and damages of any sort), with the exception that the United States shall retain its claims asserted in the POCs for the Surplus Notes accorded as Class 10 priority level claims under A.R.S. § 20-629 as provided for in the Receivership Claims Order. The United States further stipulates that it will not dispute or object to Meritus' allocation of payment of the judgment between the Meritus entities (or their estates) in this case, Daniels v. United States, No. 19-1499C, or otherwise, so long as such allocation is approved by the Receivership Court.

8. Undeliverable Notices of Determination. For any Notice of Determination that was undeliverable, the Receiver made reasonable efforts under the circumstances to locate the correct address of the Claimant. Where no correct address could be located, the Receiver's Adjudication of Claim is deemed unopposed. The Receiver will seek to confirm the correct contact information before any payments would be made and if the Claimant cannot be located then the respective amounts would be handled as unclaimed property under Arizona law.
9. Amount of Unsatisfied Claim. The amount identified as the Amount of Unsatisfied Claim remains unpaid as an unsatisfied obligation. Nothing shall be construed as a reduction of indebtedness in that regard.
10. Class 10 Distribution. The final Class 10 Distribution in the amount of \$9,788,282 will be paid by Meritus Mutual utilizing the Distribution Agreement subject to Receivership Court approval.