



Notice of Receivership

Meritus Health Partners, in Receivership

Meritus Mutual Health Partners, in Receivership

Background

On Wednesday, August 10, 2016, the Maricopa Superior Court, in Cause No. CV 2016-022872, issued an Order for Appointment of Receiver and Injunction (“Receivership Order”) against Compass Cooperative Health Plan, Inc., a health care services organization doing business as Meritus Health Partners, and Compass Cooperative Mutual Health Network, Inc., a disability insurer doing business as Meritus Mutual Health Partners that was approved to operate as a consumer operated and oriented health plan in the State of Arizona by the Center for Medicare & Medicaid Services. Collectively, Meritus Health Partners and Meritus Mutual Health Partners are referred to as “Meritus”.

Under the Receivership Order, the Interim Director of the Department of Insurance was appointed as receiver and liquidator (“Receiver”) of Meritus and was ordered to take possession of the assets of the companies (wherever located) and to administer the assets under the orders of the Court. The Receiver has been vested by operation of law with the title to all of the property, contracts and rights of action, and books and records of Meritus and has been ordered to liquidate Meritus. Pursuant to Court Order, all persons are enjoined from commencing, prosecuting or enforcing any suit or proceeding against Meritus or any of its assets and from interfering with the Receiver’s appointment and taking control of the property and assets of Meritus.

What is the financial responsibility of members?

Members continue to be responsible for premiums, deductibles, co-payments and co-insurance payments. **Arizona law prohibits a provider contracted with Meritus Health Partners from billing the member for any other amount. Providers found to be in violation may be subject to treble damages.**

What effect will the Receivership have on insurance policies that were issued by Meritus?

All Meritus policies were cancelled as of year-end 2015 and no new insurance coverage was issued after January 1, 2016. After December 31, 2015, Meritus member benefits were not active.

What does the Receivership mean for providers?

Providers with unpaid claims for services that were covered under Meritus Health Partners insurance policies will need to participate in the statutory proof of claims process. Additional information on the proof of claims and the claims bar deadline will be made available by the Receiver in the future.

Providers with unpaid claims for services that were covered under Meritus Mutual Health Partners may be entitled to coverage from the Arizona Life and Disability Insurance Guaranty Fund subject to applicable statutory limitations. The Receiver will coordinate with the Arizona Life and Disability Insurance Guaranty Fund regarding provider claims that may be entitled to coverage. You do not need to contact the Guaranty Fund if you already have a claim on file with Meritus Mutual Health Partners.

How can I submit claims against Meritus?

All claims against Meritus must be submitted in accordance with a statutory proof of claim process. If you have already submitted your claims to Meritus, no further action is required at this time. Additional information on the proof of claims and the claims bar deadline will be made available by the Receiver in the future. Please monitor the Meritus website at meritusaz.com for updated information.

Who can I contact if I have other questions?

Call us toll-free (855) 755.2700 or (602) 957.2113.
You can also email your questions to complaints@meritusaz.com.

Darren Ellingson
Special Deputy Receiver
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