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5 *Attorneys for Receiver*

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8 SUPERIOR COURT OF ARIZONA

9 COUNTY OF MARICOPA

10 STATE OF ARIZONA, *ex rel.*
11 KEITH SCHRAAD, Interim Director
of Insurance,

12 Plaintiff,

13 vs.

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

18 Defendants.

No. CV2016-011872

PETITION NO. 21

**PETITION TO ACCEPT SIXTH
STATUS REPORT FOR THE
PERIOD ENDING MARCH 31,
2018**

(Assigned to The Honorable
Daniel Martin)

19
20 Keith Schraad, Interim Director of Insurance, as Receiver (hereinafter “Receiver”)
21 of Compass Cooperative Mutual Health Network, Inc. doing business as Meritus Mutual
22 Health Partners (“Meritus Mutual”) and Compass Cooperative Health Plan, Inc. dba
23 Meritus Health Partners (“MHP”), appointed pursuant to A.R.S. § 20-611, *et seq.*, hereby
24 petitions the Court for entry of the Order Accepting Sixth Status Report for the Period
25 Ending March 31, 2018 for the reasons set forth herein.

26 . . .

1 associated with processing the provider claims in order to implement the claims process
2 with the providers.

3 c. As part of the POC Process and processing the provider claims, the
4 Receiver prepared and filed the status update regarding the claims by providers,
5 enrollees, insureds and the Arizona Fund in accordance with Order Re Petition No. 14
6 Accepting Status Report on Claims Adjudication and Granting Order Regarding Future
7 Claim Reports.

8 d. Accounting Services and General Accounting and Administrative.
9 The Receiver contracted with Regulatory Services Group, subject to this Court's May 23,
10 2017 Order Re Petition No. 11 Approving Rates for Accounting Services. During the
11 first quarter of 2018, additional work continued to be done on the accounting of the
12 Meritus Companies in Liquidation, including work on a liquidation balance sheet.

13 e. Third Party Documents. The Receiver previously issued several
14 demands to third parties requesting production of documents. The Receiver continued
15 the review and evaluation of the documents that have been produced along with
16 documents otherwise in the possession of Meritus, which combined total more than
17 14,000 documents.

18 f. Claims Involving Federal Government. The Receiver continued to
19 review and consider claims against and asserted by the Federal Government associated
20 with the Affordable Care Act. That review included, among other things, review of the
21 other litigation around the country involving other co-ops.

22 Summary of Payments

23 5. Legal Counsel. During the reporting period, the total amounts (fees and
24 expenses) that have been paid to legal counsel are \$23,445.00 for Meritus Mutual and
25 \$23,747.74 for MHP for a combined amount of \$47,192.74. Work was performed and
26 invoices were submitted for additional services and amounts during the reporting period

1 but not paid until after March 31, 2018. Because of the timing, those payments will be
2 referenced in the next status report.

3 6. Special Deputy Receiver. During the reporting period, the total amounts
4 (fees and expenses) that have been paid to the Special Deputy Receiver are \$9,735 for
5 Meritus Mutual and \$8,790 for MHP for a combined amount of \$18,525. Work was
6 performed and invoices were submitted for additional services and amounts during the
7 reporting period but not paid until after March 31, 2018. Because of the timing, those
8 payments will be referenced in the next status report.

9 7. Regulatory Services Group. During the reporting period, no payments were
10 made to the Regulatory Services Group. Work may have been performed and invoices
11 submitted for additional services and amounts during the reporting period but not paid
12 until after March 31, 2018. Because of the timing, any related payments would be
13 referenced in the next status report.

14 WHEREFORE, the Receiver requests that the Court enter an Order Accepting
15 Sixth Status Report for the Period Ending March 31, 2018 in the form lodged
16 concurrently with this Petition after expiration of the objection period.

17 Dated this 11th day of May, 2018.

18 LEWIS ROCA ROTHGERBER CHRISTIE LLP

19 By: /s/ Justin J. Henderson (#026930)

20 Joel A. Glover

21 Justin J. Henderson

Attorneys for Receiver

22 COPY of the foregoing mailed this
23 11th day of May, 2018 to the
24 attached Master Service List

25 /s/ C.J. Scruggs

26 C.J. Scruggs

1 SUPERIOR COURT OF ARIZONA

2 COUNTY OF MARICOPA

3 No. CV2016-011872 (Assigned to The Honorable Daniel Martin)

4 **MASTER SERVICE LIST**

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11 KEITH SCHRAAD, Interim Director
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15 MERITUS MUTUAL HEALTH
PARTNERS, an Arizona corporation; and
16 COMPASS COOPERATIVE HEALTH
PLAN, INC., dba MERITUS HEALTH
17 PARTNERS, an Arizona corporation,

18 Defendants.

No. CV2016-011872

**ORDER RE PETITION NO. 21
ACCEPTING SIXTH STATUS
REPORT FOR THE PERIOD
ENDING MARCH 31, 2018**

(Assigned to The Honorable
Daniel Martin)

19
20 Keith Schraad, Interim Director of the Arizona Department of Insurance, as
21 Receiver of Compass Cooperative Mutual Health Network, Inc. doing business as
22 Meritus Mutual Health Partners (“Meritus Mutual”) and Compass Cooperative Health
23 Plan, Inc., dba Meritus Health Partners (“MHP”), having filed Petition No. 21 for entry of
24 an Order Accepting Sixth Status Report for the Period Ending March 31, 2018 and good
25 cause appearing therefor,

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IT IS ORDERED:

The Sixth Status Report for the Period Ending March 31, 2018, as filed by the Receiver of Meritus Mutual and MHP, having been reviewed and considered by the Court, is hereby accepted.

ENTERED this ____ day of _____, 2018.

The Honorable Daniel Martin
Maricopa County Superior Court Judge

Scruggs, Colleen

From: CustomerService=turbocourt.com@smtp.turbocourt.com on behalf of TurboCourt
Customer Service <CustomerService@TurboCourt.com>
Sent: Friday, May 11, 2018 2:19 PM
To: Scruggs, Colleen; azturbocourt@lrrc.com
Subject: AZTurboCourt E-Filing Courtesy Notification

PLEASE DO NOT REPLY TO THIS EMAIL.

A party in this case requested that you receive an AZTurboCourt Courtesy Notification.

AZTurboCourt Form Set #2626067 has been DELIVERED to Maricopa County - Superior Court.

You will be notified when these documents have been processed by the court.

Here are the filing details:

Case Number: CV2016-011872 (Note: If this filing is for case initiation, you will receive a separate notification when the case # is assigned.)

Case Title: State Of Arizona, Et.Al. Vs. Compass Cooperative M

Filed By: Justin J Henderson

AZTurboCourt Form Set: #2626067

Keyword/Matter #: 302377-00001

Delivery Date and Time: May 11, 2018 2:18 PM MST

Forms:

Summary Sheet (This summary sheet will not be filed with the court. This sheet is for your personal records only.)

Attached Documents:

Petition: Petition No. 21 - Petition to Accept Sixth Status Report for the Period Ending March 31, 2018

Proposed Order/Judgment (Supporting): Order re Petition No. 21 Accepting Sixth Status Report for the Period Ending March 31, 2018