

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

HEALTH REPUBLIC INSURANCE
COMPANY,

Plaintiff,
on behalf of itself and all others
similarly situated,

vs.

THE UNITED STATES OF AMERICA,

Defendant.

No. 1:16-cv-00259-MMS
(Judge Sweeney)

JOINT STATUS REPORT

Pursuant to the Court’s June 30, 2020 order (Dkt. 77), Plaintiff Health Republic Insurance Company and Defendant United States of America (“government”) submit this joint status report. The parties agree on the amount of the risk corridors payments owed to each class member with respect to all but three class members.¹ For the class members who owe Affordable Care Act debts, the government insists that those debts be offset against those class members’ risk corridors payments. Plaintiffs assert that any such offset would be legally impermissible. As a consequence of both the disputed risk corridors amounts and the offset disputes, the parties cannot agree on the amount of a stipulated judgment for a total of seven class members.²

Accordingly, the parties propose that the “class . . . be divided into subclasses that are

¹ The three class members are Blue Cross and Blue Shield of Florida, Inc. (HIOS ID 16842), Health Options, Inc. (HIOS ID 30252), and Colorado Health Insurance Cooperative, Inc. (HIOS ID 20472).

² The seven class members are Blue Cross and Blue Shield of Florida, Inc. (HIOS ID 16842), Health Options, Inc. (HIOS ID 30252), Colorado Health Insurance Cooperative, Inc. (HIOS ID 20472), Freelancers CO-OP of New Jersey, Inc. (HIOS ID 10191), Louisiana Health Cooperative, Inc. (HIOS ID 67202), Meritus Health Partners (HIOS ID 60761), and Meritus Mutual Health Partners (HIOS ID 92045).

each treated as a class under” Rule 23(c)(5). One subclass could consist of the class members without any dispute with the government. The parties are prepared to enter into a stipulated judgment with respect to this proposed subclass by Friday, July 17. The other subclass could consist of the remaining class members with an ongoing dispute with the government over the amount of the judgment. The parties agree the disputes at issue with this subclass could be resolved through briefing to the Court.

The parties further propose that, on or before Friday, July 17, they submit a joint status report setting forth the remaining legal issues and a short statement of the parties’ respective positions on those issues, as well as the parties’ positions on the treatment of the disputed subclass’s risk corridor claims during the pendency of the subclass’s dispute.

DATED: July 10, 2020

QUINN EMANUEL URQUHART &
SULLIVAN, LLP

s/ Stephen Swedlow

Stephen Swedlow
stephenswedlow@quinnemanuel.com
191 N. Wacker Drive, Suite 2700
Chicago, Illinois 60606
Telephone: (312) 705-7400
Facsimile: (312) 705-7401

J.D. Horton

jdhorton@quinnemanuel.com
Adam B. Wolfson
adamwolfson@quinnemanuel.com
865 S. Figueroa Street
Los Angeles, California 90017
Telephone: (213) 443-3000
Facsimile: (213) 443-3100

Attorneys for Plaintiff Health Republic
Insurance Company and the Class

Respectfully submitted,

MICHAEL GRANSTON
Deputy Assistant Attorney General

RUTH A. HARVEY
Director
Commercial Litigation Branch

KIRK T. MANHARDT
Deputy Director

/s/ Marc S. Sacks

MARC S. SACKS
FRANCES M. MCLAUGHLIN
PHILLIP M. SELIGMAN
TERRANCE A. MEBANE
L. MISHA PREHEIM
Commercial Litigation Branch
Civil Division
United States Department of Justice
P.O. Box 875
Ben Franklin Station
Washington D.C. 20044
Tel. (202) 307-1104
Fax (202) 514-9163
marcus.s.sacks@usdoj.gov

ATTORNEYS FOR THE UNITED
STATES

CERTIFICATE OF SERVICE

I certify that on July 10, 2020, a copy of the attached Joint Status Report was served via the Court's CM/ECF system on all counsel of record.

s/ Stephen Swedlow

Stephen Swedlow