

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

LOCAL INITIATIVE HEALTH
AUTHORITY FOR LOS ANGELES
COUNTY,

Plaintiff,

vs.

THE UNITED STATES,

Defendant.

No. 1:17-cv-1542-TCW
(Judge Wheeler)

JOINT STATUS REPORT

Pursuant to the Court’s February 18, 2020 order (ECF No. 53), the parties respectfully submit this Joint Status Report following CMS’ completion of its administrative reconciliation of Cost Sharing Reduction (CSR) amounts calculated for Plaintiff Local Initiative Health Authority for Los Angeles County (L.A. Care) for benefit year 2019.

On February 14, 2019, the Court granted partial summary judgment to L.A. Care. The Court held that the Government violated the express terms of the Affordable Care Act (“ACA”) and breached an implied contract with L.A. Care to make advance cost-sharing reduction (“CSR”) payments in 2017 and 2018. ECF No. 32. On November 18, 2019, this Court directed entry of a Rule 54(b) judgment in favor of L.A. Care for benefit years 2017 and 2018 in the amount of \$ 17,798,929.13. ECF No. 46, 47.¹ The Court declined to enter judgment for benefit year 2019 at that time because HHS had not yet completed its administrative reconciliation for

¹ Defendant has appealed the Rule 54(b) Judgment, and that appeal has been stayed but remains pending.

2019, and Defendant asserted that the damages for 2019 were not final. ECF No. 46. The parties filed a Joint Status Report requesting to report to the Court jointly, within 14 days of L.A. Care's receipt of its 2019 reconciled CSR amounts from CMS, the proposed next steps in the litigation. ECF No. 52. The Court granted this request in its February 18, 2020 Order. ECF No. 53.

On June 30, 2020, CMS sent to L.A. Care its Report for Cost-Sharing Reduction Data Submission for the 2019 Benefit Year and 2018 Benefit Year Restatement ("2019 CSR Report") setting forth the final reconciled amount of CSRs owed to L.A. Care for benefit year 2019: \$16,750,089.68. The parties stipulate that, if the Court were to enter judgment pursuant to its February 14, 2019 opinion (ECF No. 32), the quantum of damages for unpaid CSR payments that the Defendant owes L.A. Care is \$16,750,089.68 for 2019.

Based on the Plaintiff's previous motions (ECF Nos. 23, 40) and the Court's prior Orders (ECF No. 32 and 46), Plaintiff respectfully requests that the Court enter final judgment for Plaintiff on the 2019 CSR damages Defendant owes L.A. Care in the amount of \$16,750,089.68. Defendant does not oppose entry of final judgment in this damages amount based on the Court's prior Orders, but reserves its right to appeal that judgment.

Dated: July 13, 2020

Respectfully submitted,

s/ Lawrence S. Sher
Lawrence S. Sher (D.C. Bar No. 430469)

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