

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

MINUTEMAN HEALTH, INC.,)	
)	
Plaintiff,)	No. 16-1418C
)	
v.)	
)	Judge Griggsby
THE UNITED STATES OF AMERICA,)	
)	
Defendant.)	
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STIPULATION FOR ENTRY OF JUDGMENT

To resolve the claims of Plaintiff Minuteman Health Inc. (“Minuteman”) and the defenses of the United States, and to permit the entry of final judgment on those claims and defenses, it is stipulated between the Parties:

STATUTORY BACKGROUND

1. The Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (2010), 124 Stat. 119 (the “ACA”) created several interrelated programs under which the Parties’ respective claims and defenses arise.
2. The ACA created interrelated risk mitigation programs. Specifically, section 1342 (42 U.S.C. § 18062) created the risk corridors program; and section 1343 (42 U.S.C. § 18063) created the risk adjustment program. Under these programs, Minuteman either owes payment to or is owed payment from the United States.

THE PARTIES’ CLAIMS AND DEFENSES

3. On October 27, 2016, Minuteman filed the Complaint in this Court seeking damages under section 1342 of the ACA for the 2014, 2015, and 2016 benefit years. The Complaint asserts five counts, each raising a separate theory for damages arising under section 1342 of the ACA.

4. On July 11, 2019, the Court entered an order that stayed this case. ECF No. 14.

5. On April 27, 2020, the Supreme Court held that section 1342 “created an obligation neither contingent on nor limited by the availability of appropriations or other funds,” that the obligation was not affected by subsequently-enacted legislation, and that the “petitioners may seek to collect payment through a damages action in the Court of Federal Claims.” *Maine Community Health Options v. United States*, 140 S. Ct. 1308, 1323, 1331 (2020). The Parties agree that *Maine Community Health Options* entitles Minuteman to payment under section 1342.

6. The United States asserts a right of offset to collect (or net) debts arising under other ACA programs. Minuteman agrees that amounts owed to the United States shall be offset against payment owed under section 1342 to Minuteman.

STIPULATIONS AS TO DAMAGES

7. The Parties stipulate that Minuteman is entitled to payment from the United States under the risk corridors program (section 1342) for benefit years 2014, 2015 and 2016 in the amount of \$20,099,842.34 and that this payment resolves entirely the Complaint for all counts seeking damages arising under section 1342 of the ACA.

8. The Parties further stipulate that the United States is entitled to payment from Minuteman under the risk adjustment program (section 1343) for benefit year 2017 in the amount of \$50,569,739.11 as recognized in the Order Approving Determination of Claims of the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (Massachusetts Supreme Judicial Court for Suffolk County, Docket no. SJ-2017-0288, May 9, 2019) (the “Allowed Claim”).

9. Accordingly, the Parties jointly request that the Court enter judgment in favor of Minuteman in the amount of \$20,099,842.34 on Count I of the Complaint, and judgment in favor

of the United States in the amount of \$20,099,842.34. The judgment in favor of the United States shall be paid through deduction from the amount owed under this judgment to Minuteman upon submission of the judgments to the Judgment Fund. The net amount payable by the United States to Minuteman pursuant to this judgment is \$0.¹

10. The Parties further request that the Court dismiss Counts II, III, IV, and V of the Complaint with prejudice.

11. Nothing in this Stipulation affects or waives the remaining balance owed by Minuteman to the United States under the Allowed Claim (which includes its remaining risk adjustment program obligation) nor affects nor waives any other claim that the United States has against Minuteman, nor, except as set forth in paragraph 12 below, any claim Minuteman has against the United States.

12. Upon entry of judgment, Minuteman (HIOS Numbers 61163 & 73331), and any and all of Minuteman's affiliated entities, release the United States, its agencies, instrumentalities, officers, agents, employees, and servants, from all claims (including attorney fees, costs, and expenses of every kind and however denominated) that Minuteman (HIOS Numbers 61163 & 73331) and any and all of Minuteman's affiliated entities has asserted, could have asserted, or may assert in the future against the United States its agencies, instrumentalities, officers, agents, employees, and servants, arising under or related to the risk corridors program (section 1342).

¹ As a consequence of the netting of the respective Minuteman and United States judgments, the Parties stipulate that the United States' allowed Class 4 claim of \$75,583,242.45 in the Allowed Claim is reduced by \$20,099,842.34.

Dated: July 22, 2020

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² Acting Assistant Attorney General Ethan P. Davis is recused from this matter.