

19TH JUDICIAL DISTRICT COURT FOR THE PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

NUMBER: 641 928

SECTION: 26

JAMES J. DONELON
COMMISSIONER OF INSURANCE FOR THE STATE OF LOUISIANA

VERSUS

LOUISIANA HEALTH COOPERATIVE, INC.

FILED: _____

DEPUTY CLERK

MOTION TO APPROVE LAHC SETTLEMENTS WITH THE ROUND TWO LAHC SETTLING PROVIDERS (#88 to 177) AND TO FILE SETTLEMENT DOCUMENTS UNDER SEAL

NOW INTO COURT, through undersigned counsel comes James J. Donelon, Commissioner of Insurance for the State of Louisiana as Rehabilitator of Louisiana Health Cooperative, through the Commissioner's Court-approved Receiver, Billy Bostick ("LAHC"), who seeks an order of this Court approving the settlement of LAHC with the Round Two of LAHC Settling Providers who have agreed to and executed LAHC Settlement Documents with LAHC ("Round Two LAHC Settling Providers"), number 88 to 177, as shown on **Exhibit A**, as legal and binding as to all outstanding claims for health care services pursuant to the Order of this Court on December 3, 2018 approving the LAHC Settlement Plan, which settlement is consistent with the documents previously approved by this Court for the LAHC Settlement Plan.

LAHC further requests that a copy of the agreed upon settlements documents for the Round Two LAHC Settling Providers with all agreed and executed documents be filed under seal due to the confidential claims and payment information contained therein as was approved by this Court for the Round Two Approved LAHC Settlements, all as is more fully shown in the memorandum in support of this motion which is attached hereto and incorporated herein.

The LAHC Settling Providers included in Round Two include LAHC Settling Providers #88 to 177 shown on the attached **Exhibit A**. Approval of the Round Two LAHC Settlements will bring the total owed by LAHC for these 177 Agreed Upon LAHC Settlements to slightly over \$20.2 million in total settlement amounts to be paid by LAHC, which represents over eighty five (85%) percent of the total amount LAHC owes to all LAHC providers including the 87 LAHC Settlement Agreements previously approved by the Court in Round One and those in Round Two submitted for this Court's approval. The Early Payment Amounts owed to the Round One and Round Two LAHC Settling

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Providers will be approximately \$7.5 million for which payment can be due to the receipt and court approval of the LAHC federal release. The Round Two LAHC Settling Providers, 88 to 177, include the following:

- 88) Abbeville General Hospital
- 89) Acadiana Otolaryngology
- 90) Acadiana Radiology Group LLC
- 91) Advance Surgical Care of BR
- 92) Aegis Sciences Corporation
- 93) Allens Family Practice
- 94) Ambry Genetics Corp
- 95) Amy Schunemeyer MD
- 96) Anesthesia Associates of Opelousas
- 97) Anesthesiology Group Associates
- 98) Anthon Chiropractic Care
- 99) Assurerx Health Inc
- 100) Atluri & Associates, LLC
- 101) Azar Eye Clinic
- 102) Baptist Beaumont Hospital
- 103) Baton Rouge Behavioral Hospital
- 104) Baton Rouge Radiology Group
- 105) Baton Rouge Urology Group
- 106) Blaine Borders MD
- 107) Brass Surgery Center
- 108) Breast Specialists of Baton Rouge
- 109) Caillet F. Clayton, MD
- 110) Cardio-Vascular Specialty Care
- 111) Carmichaels Cashway
- 112) Cecilia Cuntz MD
- 113) Corwin Thomas MD
- 114) Damon Cudihy MD
- 115) Dermatology Clinic
- 116) Dr Chalasani & Associates
- 117) Eagan Healthcare (Egan)
- 118) East Feliciana Primary Care
- 119) EBI
- 120) ENT Clinic
- 121) ENT Medical Center
- 122) Family Doctor Clinic Thibodeaux
- 123) Foot and Ankle Institute
- 124) Franklin Foundation Hospital
- 125) Gastroenterology Group AMC
- 126) Glenwood Regional Medical Center
- 127) Health Park Medical Center
- 128) Health Quest PT
- 129) Healthremede
- 130) Iberia Comprehensive Community
- 131) Infusion Partner
- 132) Inns Community Health
- 133) Internal Medicine and Pediatrics
- 134) Internal Medicine Clinic of Tangipahoa
- 135) Interventional Pain Institute
- 136) Iteld Bernstein
- 137) Jefferson Liner Jr. MD
- 138) Jill Gibson MD
- 139) Joe Gannon D
- 140) Kenneth Odinet DDS MD

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- 141) Kongara & Associates
- 142) LA Dermatology Associates
- 143) Lady of the Sea Medical Center
- 144) Lahaye Center for Advance Eye
- 145) Lake Area Medical Center
- 146) Louisiana Anesthesiology Group
- 147) Louisiana Urology
- 148) LSUHSCS Clinics
- 149) Mary Christian MD
- 150) Med Trans Corp Flightcare
- 151) Mid Louisiana Anesthesia
- 152) Moreau Physical Therapy
- 153) Nath & Associates
- 154) Neuroscience and Pain Institute
- 155) Nicole Fabre MD
- 156) Opelousas Orthopedic
- 157) Paradigm Health System
- 158) Patient First Rural
- 159) Percival Dyer
- 160) Pontchartrain Hem Onc
- 161) Prism Medical
- 162) Promise Healthcare
- 163) Reddy Family Medicine
- 164) Regional Eye Surgery Center
- 165) Regional Radiology
- 166) Renal Associates
- 167) Robert Veith MD
- 168) Sleep Management LLC
- 169) South Louisiana Anesthesiology
- 170) Southeast Community
- 171) The Family Clinic
- 172) Van Meter Emergency
- 173) Vascular Specialty Center
- 174) Williamson Eye Center
- 175) Womans Asst Center Phys
- 176) Womans Clinic of Monroe
- 177) Woodlake Addiction Recovery

See attached **Exhibit A**, as well as the Order of May 20, 2019 approving the LAHC Settlements with the Round One LAHC Settling Providers, attached as **Exhibit B**.

The Round Two LAHC Settlements (# 88 to #177) represent approximately \$1 million, of which about \$600,000 is due by LAHC for Agreed Upon Early Settlements. See **Exhibit A**. The Round One LAHC Settlements (#1 to 87) represent approximately \$19 million, of which about \$6.8 million are for Agreed Upon Early Settlements. See **Exhibit B**. Approval of this motion will permit payment of nearly \$7.5 million in Early Payments to the 177 Court approved LAHC Settling Providers in Round One and Round Two.

It should be noted that as per the order of this Court of December 3, 2018, LAHC payments can be made only based on available funds and based upon receipt of a waiver from the federal government (United States Department of Justice) of all federal claims for which a

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super-priority has been asserted. The federal release was obtained on September 9, 2019 and approved by this Court on September 11, 2019. Exhibit C. The federal release permits payment of all LAHC Class 1, 2, 3, and 4 claims in preference to the claims of the United States under La. R.S. 22:254(G), which includes claims of LAHC Providers for covered benefits – the class 3 claims of LAHC providers, as well as the class 4 claims for premium refunds.¹

LAHC seeks further approval from this Court to begin making payment for all Court-approved LAHC Settlements under the terms of the LAHC Settlement Plan previously approved by this Court, the Round One and Round Two LAHC Settling Provider, which authorizes payment of Early Settlement Amounts (and later Residual Payments on a pro rata basis based on the availability of LAHC funds).

On May 20, 2019, in a prior order this Court ruled that LAHC can begin making payments of the Agreed Upon Early Settlement Amounts to the First Round LAHC Settling Providers once the federal release was obtained from the United States Department of Justice, based on sufficient LAHC funds are available for payment, which ruling should now also extend to the Round Two LAHC Settling Providers.² Based on this, LAHC is working to begin payment of the Early Payment Amounts of all court approved LAHC Settlements under the LAHC Settlement Plan (the 87 LAHC Settlements approved in Round One and the additional Round Two LAHC Settlements submitted herein), bringing the total number of LAHC ready for payment from LAHC of the Agreed Upon Early Payment Amounts to 177.

The May 20, 2019 order of this Court also provided that LAHC is permitted to provide all further notice of all communications with LAHC Settling Providers, including motions and orders, notices, payment advices and the likes, by electronic transmission (e-mail) where possible and by United States Mail only where electronic transmission (email) is not available, and/or by posting notice to:

<http://www.lidi.la.gov/industry/financial-regulation/receivership/louisiana-health-cooperative>,

¹ The United States has asserted a super-priority claim as to the class 5 claims of “all other creditors” which include all general creditor claims pursuant to 31 USC 3713, which means that no LAHC general creditor claims can be paid until all amounts owed by LAHC to the Federal Government have been satisfied, which the Federal Government claims are in excess of \$66 million and increasing due to penalties and interest.

² The order of May 20, 2019 states in pertinent part:

IT IS FURTHER ORDERED that LAHC be and hereby is authorized to begin making payments of the Agreed Upon Early Settlement Amounts to the First Round of LAHC Settling Providers identified above once a federal release is obtained from the United States Department of Justice and sufficient LAHC funds are available to pay all such amounts. See Exhibit B.

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which ruling should now also extent to the Round Two LAHC Settling Providers.³

WHEREFORE, mover prays for an order approving the settlements agreed to by LAHC and each of the Round Two LAHC Settling Providers, number 88 to 177, identified above and on attached **Exhibit A**, as shown in the LAHC Settlement documents attached hereto and ordering that each of the LAHC Settlement documents for the Round Two LAHC Settling Providers be filed with the Court under seal due to the confidential claims and payment information contained therein, that the Court authorize LAHC to begin making payments of the Agreed Upon Early Settlement Amounts to the Round One and Round Two LAHC Settling Providers based on the receipt and court approval of the federal release agreed to by the United States Department of Justice, as well as the current availability of sufficient LAHC funds for payment of all such amounts, and that the Court permit notice of all further communications with LAHC Settling Providers, including this motion and order, notices, payment advices, payment and the like, by electronic transmission (e-mail) where possible and by United States Mail only where electronic transmission (email) is not available, and or by posting notice to:

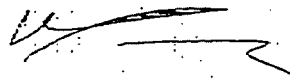
<http://www.lti.la.gov/industry/financial-regulation/receivership/louisiana-health-cooperative>,

and for all other appropriate relief.

Respectfully Submitted,

BURGLASS & TANKERSLEY, LLC

**JEFF LANDRY
LOUISIANA ATTORNEY GENERAL**



BY: _____

BY: _____

**SUE BUSER (#18151)
DENNIS J. PHAYER, ESQ. (#23747)
5213 Airline Drive
Metairie, Louisiana 70001-5602
Phone: (504) 836-2220
Telefax: (504) 836-2221**

**MICHAEL CHARLES GUY (#25406)
ASSISTANT ATTORNEY GENERAL
P.O. Box 94005
Baton Rouge, LA 70904
(225) 326-6400**

**Attorneys for JAMES J. DONELON, Commissioner of Insurance for the State of Louisiana
as Rehabilitator of Louisiana Health Cooperative, Inc. in Rehabilitation**

CERTIFICATE OF SERVICE

I hereby certify that I have not served a copy of the foregoing pleading on any counsel in these proceedings because there are no other parties in these proceedings and that a copy of this

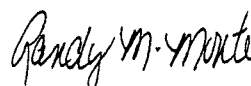
³ The order of May 20, 2019 states in pertinent part:

IT IS FURTHER ORDERED that LAHC be and hereby is permitted to provide notice of all further communications with LAHC Settling Providers, including this motion and order, notices, payment advices, payment, and the like, by electronic transmission (e-mail) where possible and by United States Mail only where electronic transmission (email) is not available. See Exhibit B.

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signed order approving this motion will be forwarded by electronic communication (email) where possible and/or by U.S. mail where not possible to send by email to each of the Round Two LAHC Settling Providers shown above through its authorized representative upon receipt of same, this ~~24th~~ day of ~~September~~ September, 2019.

Sue Busser

EXHIBITS

- Exhibit A List of Round Two LAHC Settling Providers, numbers 88 to 177
- Exhibit B Order of May 20, 2019 approving the Round One LAHC Settlements to LAHC Settling Providers 1 to 87
- Exhibit C Order of September 12, 2019 approving the federal release between LAHC and the United State of America
- Exhibit D Copies of each of the Round Two LAHC Agreed Upon executed LAHC Settlement documents, number 88 to 177 – **FILED UNDER SEAL**

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COMMISSIONER OF INSURANCE FOR THE STATE OF LOUISIANA
VERSUS
LOUISIANA HEALTH COOPERATIVE, INC.

FILED: _____

DEPUTY CLERK

ORDER

The Court considering the Motion To Approve LAHC Settlements with the Round Two LAHC Settling Providers (#88-177) and To File Settlement Documents Under Seal, and finding that mover is entitled to the relief granted,

IT IS HEREBY ORDERED that the Motion To Approve LAHC Settlements with the Round Two LAHC Settling Providers and To File Settlement Documents Under Seal be and hereby is **GRANTED**.

IT IS FURTHER ORDERED that the LAHC Settlements reached between Louisiana Health Cooperative, Inc. in Rehabilitation ("LAHC") and the following Round Two LAHC Settlement Providers, numbers 88 to 177, be and hereby are approved and made legal and binding as to the outstanding claims for health care services of each listed entity as per the terms of each LAHC settlement documents with the Round Two LAHC Settling Providers identified, which are filed herewith under seal:

- 88) Abbeville General Hospital
- 89) Acadiana Otolaryngology
- 90) Acadiana Radiology Group LLC
- 91) Advance Surgical Care of BR
- 92) Aegis Sciences Corporation
- 93) Allens Family Practice
- 94) Ambry Genetics Corp
- 95) Amy Schunemeyer MD
- 96) Anesthesia Associates of Opelousas
- 97) Anesthesiology Group Associates
- 98) Anthon Chiropractic Care
- 99) Assurerx Health Inc
- 100) Atluri & Associates, LLC
- 101) Azar Eye Clinic
- 102) Baptist Beaumont Hospital
- 103) Baton Rouge Behavioral Hospital
- 104) Baton Rouge Radiology Group
- 105) Baton Rouge Urology Group
- 106) Blaine Borders MD
- 107) Brass Surgery Center
- 108) Breast Specialists of Baton Rouge

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- 109) Caillet F. Clayton, MD
- 110) Cardio-Vascular Specialty Care
- 111) Carmichaels Cashway
- 112) Cecilia Cuntz MD
- 113) Corwin Thomas MD
- 114) Damon Cudihy MD
- 115) Dermatology Clinic
- 116) Dr Chalasani & Associates
- 117) Eagan Healthcare (Egan)
- 118) East Feliciana Primary Care
- 119) EBI
- 120) ENT Clinic
- 121) ENT Medical Center
- 122) Family Doctor Clinic Thibodeaux
- 123) Foot and Ankle Institute
- 124) Franklin Foundation Hospital
- 125) Gastroenterology Group AMC
- 126) Glenwood Regional Medical Center
- 127) Health Park Medical Center
- 128) Health Quest PT
- 129) Healthremede
- 130) Iberia Comprehensive Community
- 131) Infusion Partner
- 132) Inns Community Health
- 133) Internal Medicine and Pediatrics
- 134) Internal Medicine Clinic of Tangipahoa
- 135) Interventional Pain Institute
- 136) Iteld Bernstein
- 137) Jefferson Liner Jr. MD
- 138) Jill Gibson MD
- 139) Joe Gannon D
- 140) Kenneth Odinet DDS MD
- 141) Kongara & Associates
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- 143) Lady of the Sea Medical Center
- 144) Lahaye Center for Advance Eye
- 145) Lake Area Medical Center
- 146) Louisiana Anesthesiology Group
- 147) Louisiana Urology
- 148) LSUHSCS Clinics
- 149) Mary Christian MD
- 150) Med Trans Corp Flightcare
- 151) Mid Louisiana Anesthesia
- 152) Moreau Physical Therapy
- 153) Nath & Associates
- 154) Neuroscience and Pain Institute
- 155) Nicole Fabre MD
- 156) Opelousas Orthopedic
- 157) Paradigm Health System
- 158) Patient First Rural
- 159) Percival Dyer
- 160) Pontchartrain Hem Onc
- 161) Prism Medical
- 162) Promise Healthcare
- 163) Reddy Family Medicine
- 164) Regional Eye Surgery Center
- 165) Regional Radiology
- 166) Renal Associates
- 167) Robert Veith MD

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- 168) Sleep Management LLC
 - 169) South Louisiana Anesthesiology
 - 170) Southeast Community
 - 171) The Family Clinic
 - 172) Van Meter Emergency
 - 173) Vascular Specialty Center
 - 174) Williamson Eye Center
 - 175) Womans Asst Center Phys
 - 176) Womans Clinic of Monroe
 - 177) Woodlake Addiction Recovery
- See Exhibit A.


IT IS FURTHER ORDERED that each of the executed approved LAHC Settlement documents for Round Two LAHC Settling Providers, number 88 to 177, be filed with the Court under seal due to the confidential claims and payment information contained therein;

IT IS FURTHER ORDERED that LAHC be and hereby is authorized to begin making payments of the Agreed Upon Early Settlement Amounts to the Round One and Round Two LAHC Settling Providers, numbers 1 to 177, as LAHC has determined that there are sufficient LAHC funds are available for payment of all Early Payment amounts to all LAHC Settling Providers and based upon receipt and court approval of the LAHC Federal Release;

IT IS FURTHER ORDERED that LAHC be and hereby is permitted to make all further communications and notices with LAHC Settling Providers, including this motion and order, notices, payment advices, payment and the like, by electronic transmission (e-mail) where possible and by United States Mail only where electronic transmission (email) is not available and/or by posting notice to:

<http://www.idi.la.gov/industry/financial-regulation/receivership/louisiana-health-cooperative>

Baton Rouge, Louisiana, this 02 day of October 2019



 DISTRICT COURT JUDGE RICHARD "CHIP" MOORE, III

I HEREBY CERTIFY THAT ON THIS DAY A COPY OF THE WRITTEN REASONS FOR JUDGMENT / JUDGMENT / ORDER / COMMISSIONER'S RECOMMENDATION WAS MAILED BY ME WITH SUFFICIENT POSTAGE AFFIXED. SEE ATTACHED LETTER FOR LIST OF RECIPIENTS.

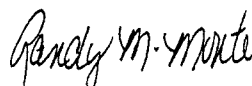
DONE AND MAILED ON October 03, 2019

Kathy W. Spangler
 DEPUTY CLERK OF COURT

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