

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

**NOTICE OF ENTRY OF STIPULATED JUDGMENT**

NOW INTO COURT, through undersigned counsel, comes James Donelon, Commissioner of Insurance for the State of Louisiana, in his capacity as Rehabilitator, (hereinafter referred to as "the Commissioner"), and Billy Bostick, Court appointed Receiver, of Louisiana Health Cooperative, Inc. in Rehabilitation ("LAHC"), who hereby gives NOTICE of the stipulated judgment entered in the matter of "Health Republic Insurance Company v. the United States", case number 1:16-cv-00259-MMS, on the docket of the United States Court of Federal Claims on July 23, 2020, for payment by the United States to LAHC of the Risk Corridor amounts agreed to by the United States and LAHC as due to LAHC in the amount of Sixty Three Million Three Hundred Thirty One Thousand One Hundred Forty Seven and 11/100 (\$63,331,147.11) Dollars less offsets of Seventeen Million, Four Hundred Six Thousand Two Hundred Thirty Five and 22/100 (\$17,406,235.22) Dollars for an agreed upon total payment due to LAHC from the United States in the amount of Forty Five Million Nine Hundred Twenty Four Thousand Nine Hundred Eleven and 89/100 (\$45,924,911.89) Dollars. See **Exhibit A**.

**BACKGROUND**

- 1) 3/31/2017 This Court granted the LAHC Motion to Approve Addendum to Contract for Professional Services of Walters, Papillion, Thomas Cullens, LLC to expand the scope of the firm's services to include, among other things, the pursuit of LAHC's Risk Corridor recovery.
- 2) 4/3/2017 LAHC filed Notice of Intent to Participate in Class Action Lawsuit For Recovery of Risk Corridor Payments Owed to LAHC in the Health Republic Insurance Company class action suit. See **Exhibit B**.
- 3) 4/27/2020 The United States Supreme Court ruled in "Maine Community Health Options v. United States", No. 18-1023, that the ACA Risk Corridor statutes created a Government obligation to pay insurers the full amount due under the relevant statutes of the Affordable Care Act.
- 4) 7/23/2020 After remand, the United States Court of Federal Claims in case number 16-259C entered an order directing entry of judgment as agreed to in the amount of Seventeen Million Four Hundred Six Thousand Two Hundred

Thirty and 22/100 (\$17,406,235.22) Dollars against LAHC owed by LAHC by offset to the United States for amounts due under the LAHC federal Start-Up Loan and various other ACA payables and judgment in favor of the class in the amount of Seventeen Billion, Four Hundred Six Million, Two Hundred Thirty Five and 22/100 (17,406,235.22) Dollars for payment of Risk Corridor amounts due, with attorneys fees and costs to be determined after the court order briefing schedule to be completed by September 3, 2020. See **Exhibit A**.

As yet, no definitive date has been set for payment of the agreed upon amount due to LAHC from the United States for the LAHC Risk Corridor claim.

Respectfully Submitted,

**BURGLASS & TANKERSLEY, LLC**

**JEFF LANDRY**

LOUISIANA ATTORNEY GENERAL

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

#### EXHIBITS

- Exhibit A** July 23, 2017 stipulated judgment entered in the matter of "Health Republic Insurance Company v. the United States", case number 1:16-cv-00259-MMS, on the docket of the United States Court of Federal Claims
- Exhibit B** LAHC Notice of Intent to Participate in Class Action Lawsuit For Recovery of Risk Corridor Payments Owed to LAHC in the Health Republic Insurance Company class action suit filed on April 3, 2017

#### 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, this 3rd day of August, 2020.

  
Sue Buser