



CLERK OF THE COURT

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IN THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
CLARK COUNTY, NEVADA

STATE OF NEVADA, EX REL.)	Case No. A-15-725244-C
COMMISSIONER OF INSURANCE, IN HER)	
OFFICIAL CAPACITY AS STATUTORY)	Dept. No. 1
RECEIVER FOR DELINQUENT DOMESTIC)	
INSURER,)	
Plaintiff,)	
)	
vs.)	
)	
NEVADA HEALTH CO-OP,)	
)	
Defendant.)	
)	
)	
)	

SECOND STATUS REPORT

COME NOW, Commissioner of Insurance and Receiver ("Receiver"), Barbara D. Richardson, and CANTILO & BENNETT, L.L.P., Special Deputy Receiver ("SDR" - SDR and Receiver are referred to collectively herein as "Receiver"), and file this Second Status Report in the above-captioned receivership.

Office of the Attorney General
555 E. Washington Avenue, Suite 3900
Las Vegas, Nevada 89101

I. INTRODUCTION AND HISTORICAL BACKGROUND

Nevada Health CO-OP ("NHC," or "the CO-OP") is a state-licensed health insurer, formed in 2012 as a Health Maintenance Organization ("HMO"), with a Certificate of Authority granted by the State of Nevada Division of Insurance effective January 2, 2013. NHC was formed under a provision of the Patient Protection and Affordable Care Act ("ACA") providing for the formation of Consumer Operated and Oriented Plans ("CO-OPs"). Having received from the Centers for Medicare and Medicaid Services ("CMS") of the United States Department of Health and Human Services ("HHS") a start-up loan of \$17,080,047, and a "solvency" loan of \$48,820,349, NHC was required to operate as a non-profit, consumer-driven health plan for the benefit of the public. The CO-OP's primary business was to provide ACA-compliant health coverage to residents of Nevada, and it operated its business for the benefit of Nevadans within the state, save for certain arrangements to provide nationwide health coverage to Nevadans traveling outside the state in certain circumstances. NHC began selling products on and off the Silver State Health Insurance Exchange (the "Exchange") on January 1, 2014. Its products include individual, small group, and large group managed care coverages.

NHC is a Qualified Non-Profit Health Insurance Issuer as described in Internal Revenue Code 501(c)(29), and thereby entitled to exemption from federal income tax. Applicable law requires that no part of NHC's net earnings inure to the benefit of any private shareholder or individual, except that the organization is permitted by the ACA to use any profits to lower premiums, improve benefits, or improve the quality of health care delivered to its members. NHC is likewise disallowed, as a condition of its tax exemption, from dedicating a substantial part of its activities to attempts to influence legislation, or participate or intervene in political campaigns. NHC does not have a corporate parent.

A July 2015, report from the HHS Office of Inspector General ("OIG") revealed that 21 of the 23 CO-OPs in operation nationwide, including NHC, had incurred net losses as of December 31, 2014. The OIG expressed belief in this report that the conspicuously low rates of enrollment for the CO-OPs, in many cases far lower than initial projections, would limit the

1 ability of these plans to repay the applicable start-up and solvency loans given by CMS. By a
2 letter to members and interested parties dated August 25, 2015, NHC's executive leadership
3 indicated that it had been decided, via an August 15, 2015, vote of the Board of Directors,
4 that health insurance policies would no longer be offered after December 31, 2015, and that
5 the CO-OP would voluntarily cease operations after that date. Two of the members of the
6 Board of Directors resigned on September 29, 2015, and the remaining board members
7 consented to NHC being placed in receivership via unanimous vote shortly thereafter.

8 On October 1, 2015, this Court issued its Order Appointing the Acting Insurance
9 Commissioner, Amy L. Parks as Temporary Receiver of NHC Pending Further Orders of the
10 Court and Granting Temporary Injunctive Relief Pursuant to NRS 696B.270 (the "Temporary
11 Receivership Order"). Further, on October 14, 2015, the Receivership Court entered its
12 Permanent Injunction and Order Appointing Commissioner as Permanent Receiver of
13 Nevada Health CO-OP (the "Permanent Receivership Order"), appointing the law firm of
14 CANTILO & BENNETT, L.L.P. as SDR of NHC, in accordance with Chapter 696B of the Nevada
15 Revised Statutes.

16 The Permanent Receivership Order, *inter alia*:

17 (1) Required that the Receiver take immediate and exclusive possession and
18 control of the Property of NHC, including all assets, books, records, property (real and
19 personal), ownership rights (choate or inchoate), legal or equitable of any kind or nature,
20 except as she may deem in the best interest of the receivership estate;

21 (2) Enjoined and restrained all persons, corporations, partnerships, associations
22 and all other entities wherever located from interfering in any manner with the Receiver's
23 possession of the Property or her title to or right therein and from interfering in any manner
24 with the conduct of the receivership;

25 (3) Permanently enjoined and restrained all providers of health care services from
26 seeking payment from any member or enrollee for an amount owed by NHC, interrupting or
27 discontinuing the delivery of health care services to such members or enrollees during the
28 period for which they have paid the required premium, seeking additional or unauthorized

1 payment from such members beyond the payments authorized by prior agreements, or
2 interfering in any manner with the efforts of the Receiver to assure that NHC members or
3 enrollees in good standing receive the health care services to which they are entitled, and;

4 (4) Enjoined and restrained all landlords, vendors, and parties to executory
5 contracts with NHC from discontinuing services to, or disturbing the possession of premises
6 and leaseholds, including of equipment and other personal property, on account of amounts
7 owed prior to the beginning of the receivership, provided that these parties are paid within a
8 reasonable time for expenses properly incurred for premises, goods, or services rendered on
9 or after the date of the receivership.

10 The Receiver and the SDR continue to file quarterly status reports, as ordered by this
11 Court.

12 II. RECEIVERSHIP ADMINISTRATION

13 A. Completion of Business Relating to Plan Year 2015

14 The last status report was filed on January 13, 2016, and since that date, receivership
15 staff have been working towards the resolution of several record-keeping, regulatory
16 reporting, and claims adjudication matters relating to NHC's prior business in plan year 2015.
17 As explained in the First Status Report, for the protection of NHC's enrollees and the
18 insurance-buying public, it was deemed necessary to ensure the continuation of insurance
19 coverage for plan members through the end of 2015, the health plan's final year.

20 Although NHC's practice was to bill for medical coverage prior to the coverage month,
21 the CO-OP accepted premium payments for delinquent accounts up to one month, and in the
22 case of recipients of the Advanced Premium Tax Credit ("APTC") two months, following the
23 beginning of the billed-for month of coverage. As medical coverage was generally provided
24 until December 31, 2015, the estate followed the prior-established practice of receiving
25 premium payments, except on behalf of terminated accounts, up to the end of day on
26 February 29, 2016. In certain special circumstances, such as in the case of successful
27 appeals lodged with CMS or the resolution of pending enrollment disputes, the SDR has
28

1 accepted payments past this deadline, but the SDR remains confident that the number of
2 such special circumstances is small in comparison to the entire health plan population.

3 The NHC Provider Care Team continues its work to address provider questions and
4 concerns related to the receivership, and related claims issues. Over the last several
5 months, the Receiver has received notice of a number of healthcare providers engaging
6 collection agencies or similar entities in efforts to obtain amounts they claim they are owed for
7 services rendered to NHC enrollees during plan year 2015. It is, and has been, the
8 Receiver's position that these actions violate the terms of the Permanent Receivership Order,
9 which disallows and enjoins physicians, hospitals, other licensed medical practitioners,
10 patient care facilities, diagnostic and therapeutic facilities, pharmaceutical companies or
11 managers, and any other entity which has provided or agreed to provide health care services
12 to members or enrollees, directly or indirectly, pursuant to any contract, agreement, or
13 arrangement, from attempting to collect payment from any member or enrollee for an amount
14 owed by NHC.

15 As information is received that former NHC plan members are being subjected to
16 collection actions, receivership staff are quick to respond by reaching out to the providers and
17 members as necessary to notify and inform them of the Permanent Receivership Order and
18 its requirements. The Receiver is following carefully the progress of these collection actions,
19 and if such actions are properly enjoined by the Order and are not suspended after notice is
20 given, the Receiver reserves all legal and equitable remedies available to ensure compliance
21 with this Court's orders.

22 As part of resolving NHC's 2015 business, and in order to secure the estate's right to
23 claim against the several federal receivables programs in place as part of the ACA CO-OP
24 system, the receivership estate is required to submit to CMS, *inter alia*, medical service
25 utilization data (including claims expenses and associated costs), demographic and risk
26 group data (e.g., diagnostic codes and modifiers), and information concerning enrollment
27 status for several of NHC's 2015 health plans. These submissions are part of the various
28 federal programs in which NHC, as a Qualified Non-Profit Health Insurance Issuer,

1 participates. The federal programs include, *inter alia*, Cost Sharing Reduction, Federal
2 Transitional Reinsurance, Risk Adjustment, and Risk Corridor. As discussed in the First
3 Status Report, expected payments under these programs, which require these mandatory
4 report submissions, form a substantial part of NHC's complete financial picture. To aid the
5 Receiver in the preparation, development, and submission of these reports, the SDR has
6 obtained the services of several third-parties with substantial regulatory and industry
7 experience. While the required data submissions are complex and must comply with detailed
8 guidelines that have historically been challenging for NHC, substantial progress is being
9 made under intense efforts instituted by the SDR. Absent an extension or further guidance
10 from CMS, submissions relating to the Federal Transitional Reinsurance and Risk Adjustment
11 are due on April 30, 2015, and data submissions relating to the Risk Corridor are due on July
12 31, 2015.

13 The Receiver has engaged (or continued the engagement of) the following third
14 parties to perform services for the NHC receivership estate:

- 15 1. Change Healthcare Solutions, LLC to perform paper claims scanning services.
- 16 2. Eldorado, a division of Mphasis Corporation, to provide a hosting service for
17 claims data and related information.
- 18 3. Truven Health Analytics, Inc. to assist with Cost Sharing Reduction reporting to
19 CMS.
- 20 4. Indegene Healthcare to serve as the third-party submitter, as required by CMS,
21 of risk adjustment and reinsurance data to the CMS EDGE server.
- 22 5. The Jacobson Group to provide claims adjustment staffing support to the NHC
23 claims department.

24 Additionally, and as referenced in the First Status Report, as the receivership
25 continues its resolution of 2015 business, the Receiver has found it necessary, in light of the
26 receivership estate's very limited financial resources, to exercise her powers as provided for
27 in paragraph 14(p) of the Permanent Receivership Order to disavow certain CO-OP
28 agreements deemed not to be in the best interests of the receivership estate. Most of these

1 agreements concern third-party vendor and administrative services no longer essential to
2 NHC's present functions, or that assume operations continuing into the future beyond what
3 the SDR has determined necessary to wind down the receivership. The Receiver has
4 delivered appropriate notices to the affected parties, specifying the contracts, agreements, or
5 understandings to be disavowed, and informing such parties of their continuing right to assert
6 claims arising from such disavowals against the receivership estate in due course.

7 Although the new health plan year has already begun, and the special enrollment
8 period extended to former NHC plan members to obtain replacement coverage by February
9 29, 2016, has already elapsed, the receivership maintains customer service and telephone
10 call answering functions, as well as dedicated enrollment and account staff, to resolve
11 whatever enrollment issues remain. After receivership, the Receiver continued the services
12 of a third-party vendor, Insure Monkey, to provide member, provider, and claims support
13 functions, and these vendor functions were subsequently wound down to just include
14 customer service support functions for members and providers. The customer support
15 functions of Insure Monkey are expected to be phased out in the near future to save
16 receivership costs.

17 In cases where NHC members have a right to receive premium refunds, such as in the
18 case where they have successfully appealed an earlier enrollment determination and have
19 their account status adjusted retroactively, these refunds are being processed and disbursed
20 in due course as returns of unearned premiums. The Receiver continues to adjudicate and
21 pay premium refunds to members.

22 **B. Ongoing Receivership Considerations**

23 As was explained in the First Status Report, certain severe circumstances concerning
24 the health or quality of life of a member being under threat, or other exigent circumstances
25 existing that posed potential harm, have resulted in the Receiver's determination that certain
26 ad hoc payments to providers should be made in order to maintain otherwise irreplaceable
27 health care, such as vital oncology services, psychological and behavioral health, life-
28 sustaining prescriptions, and to prevent, if possible, balance billing to NHC's members that

1 cannot be otherwise resolved. It has become receivership practice, in these cases, to
2 condition such payments on the provider's acquiescence to a "claw-back" agreement,
3 permitting the Receiver after notice and hearing to seek to recover from the provider any
4 sums as ordered by the Receivership Court.

5 The decision to make these payments in the interest of certain of NHC's providers and
6 members under hardship necessarily takes into account the December 23, 2015, letter from
7 CMS which provided notice to the Receiver that CMS was terminating, effective December
8 21, 2015, the loan agreement held between NHC and CMS. Through this letter, CMS
9 accelerated the loan payments, declaring that the remaining unpaid loan balance, together
10 with all interest thereon, fees, costs, and expenses were immediately due and payable by
11 NHC, without further notice or right to cure. This letter therefore placed the Receiver on
12 notice of a claim of the United States government against the assets of an insolvent person
13 or entity.

14 As was addressed in part in the First Status Report, a claim of the United States is
15 generally entitled, pursuant to 31 U.S. Code section 3713 (also known as the "Federal Priority
16 Act," hereinafter "FPA"), to priority over and above most other claims against a receivership
17 estate. There are several exceptions to this general rule. For instance, a Receiver may
18 afford priority, over claims of the United States, to the claims of policyholders and to the costs
19 and expenses of administering the receivership.¹ However, the issue of whether the FPA
20 may be preempted for the purpose of paying *provider* claims ahead of the claims of the
21 federal government may be an unsettled legal question.

22 In order to obtain clarification concerning the Receiver's rights and obligations under
23 Nevada's state receivership statutes and related laws, the Receiver filed a Motion for Order
24 Authorizing Payments (the "Hardship Payments Motion") with this Court, dated February 19,
25 2016, and filed February 22, 2016, seeking, *inter alia*, a judicial determination that the
26 Receiver, pursuant to NRS 696B.330, as well as paragraphs 8 and 14(n) of the Permanent
27

28 ¹ U.S. Dep't of Treasury v. Fabe, 508 U.S. 491, 493-94, 113 S.Ct. 2202, 124 L.Ed.2d 449 (1993).

1 Receivership Order, is permitted to establish a procedure for the orderly disposition or
2 resolution of claims or controversies involving the receivership or the receivership estate.
3 The Hardship Payments Motion also sought judicial authorization, pursuant to paragraphs
4 14(n) and 17(b) of the Permanent Receivership Order, to continue paying such hardship
5 claims that the Receiver deemed appropriate, as well as ratification of such hardship
6 payments already made, and affirming the Receiver's continuing power to pay the same.

7 After a short and uncontested hearing held on February 24, 2016, this Court entered
8 its Order Granting Special Deputy Receiver, Cantilo & Bennett, L.L.P.'s First Motion, On
9 Order Shortening Time, for Order Authorizing Payments, which granted the Hardship
10 Payments Motion in all respects. This Order approving the Hardship Payments Motion
11 became final and unappealable on March 28, 2016. In substance, the Order approved the
12 relief requested in the Hardship Payments Motion for a finding that the FPA had no
13 applicability to the CMS claims under its loan agreements with NHC, and that payments on
14 those loans, whether directly or by offset, must be subordinated to the payment of, *inter alia*,
15 member and provider claims. The Order also authorized the Receiver, under the legal
16 authorities described in the prior paragraph, to establish such procedures as in her discretion
17 are deemed necessary and appropriate for the orderly disposition or resolution of claims or
18 controversies involving the receivership or the receivership estate, including the development
19 of a Receivership Claims and Appeal Procedure. Having received the necessary
20 authorization, the Receiver continues to make any such hardship payments in conformity with
21 applicable law.

22 By a letter dated March 8, 2016, CMS informed the Receiver of its decision to
23 implement an "administrative hold" on any funds properly payable to NHC. This letter
24 specified that any payments related to the APTC (including the cost sharing reduction
25 portion), and payments under the Reinsurance, Risk Corridors, and Risk Adjustment
26 programs established in sections 1341, 1342, and 1343 of the ACA, any refunds of
27 reinsurance contributions, and any amounts due to NHC as a result of the Cost Sharing
28 Reduction Reconciliation process set forth in 45 C.F.R. 156.430 were suspended by CMS at

1 the request of the United States Department of Justice. To the Receiver's knowledge, this
2 suspension affects every federal receivables program in which NHC participates.

3 The impact of this administrative payments hold on the expected availability of funds
4 for the receivership estate, and on the estate's ability to project and anticipate NHC's future
5 financial condition, is wide-reaching. The suspension of these reimbursement programs,
6 which are essential to the payment of provider claims, has created uncertainties as to how
7 and when the Receiver may make regular and systematic payments for provider claims. The
8 CMS payment hold does not otherwise affect the receivership estate's ongoing obligation to
9 complete any mandatory regulatory reporting. CMS reimbursements to NHC are essential for
10 the payment of provider claims, and the Receiver has written CMS and requested an
11 explanation of the legal basis for the administrative hold on reimbursements, as well as a
12 timetable for the anticipated duration of this administrative hold.

13 Over the last few months, NHC and the Nevada Division of Insurance ("NDI") have
14 received a series of data requests submitted by the United States Senate Permanent
15 Subcommittee on Investigations. Beginning on November 23, 2015, and then again on
16 February 19, 2016, the Subcommittee requested that NHC provide documents that would
17 assist the Subcommittee in its ongoing investigation into the ACA CO-OPs. These requests
18 included, but were not limited to, requests for the current balance sheet of NHC, total unpaid
19 claims covered or expected to be covered by a health insurance guaranty association,
20 outstanding risk adjustment payments owed by HHS, and consumer complaint data from
21 previous years. NHC has and will continue to work in concert with the Subcommittee to
22 facilitate any requests for information, and will continue to cooperate with further Senate
23 inquiries by the continued submission of timely responses.

24 **Design and Implementation of Wind-Down Plan**

25 As part of the Receiver's orderly wind down of NHC's business operations following
26 the voluntary determination by its management to discontinue health coverages, receivership
27 staff have begun to design and implement a plan to eliminate unnecessary CO-OP functions
28 and save these expenses for the benefit of the estate's creditors. As of the date of filing of

1 this Second Status Report, NHC currently has twenty-one employees, two of whom are
2 employed on a part-time basis. The Receiver cannot at this time comment on the schedule
3 for reducing the number of staff in-force, but remains vigilant in protecting the estate's assets
4 and will, when warranted, take decisive action in bringing the receivership's operations to an
5 expedient conclusion. In service to this, the Receiver reserves the right to disavow or
6 otherwise reject pre-receivership CO-OP agreements as necessary, if in her determination
7 these agreements are not in the estate's best interests.

8 Certain of the estate's continuing functions, specifically those for the protection of
9 providers' and members' interests, shall continue so long as necessary. The estate's
10 continuing functions are now substantially related to adjudicating a substantial number of
11 unpaid claims. Likewise, and as indicated in the section describing the completion of
12 business relating to plan year 2015, much of the Receiver's and SDR's attention at this time
13 is dedicated to ensuring an accurate and complete submission of the necessary regulatory
14 reporting data mandated under CMS' various federal programs, and in the coordination with
15 third parties to produce records confirming the enrollment and account status of former
16 members, or to resolve whatever formal and informal complaints against the CO-OP remain.
17 If the Receiver determines that the estate would benefit from engaging the services of
18 additional third-party analysts, claims adjudicators, or contractors, then these third parties will
19 be subject to the same rigorous vetting process that has been in place since the beginning of
20 the receivership.

21 As the number of employees declines, as has been anticipated by the Receiver, NHC
22 will likely be relocated to new office facilities. It is expected that the savings in rent, utilities,
23 and maintenance brought by this relocation should justify the cost to administrative efficiency
24 that a relocation of the remaining staff would introduce.

25 **C. Receivership Assets**

26 The Receiver's evaluation of the assets and liabilities of the CO-OP is ongoing, and
27 adjusted periodically to accommodate new events. Below is an overview of some key asset
28 matters thus far identified by the Receiver (other than those already mentioned herein):

1 (1) The potential amount due from reinsurers and reinsurance programs must be
2 further quantified, and there is the potential, as claims are incurred and reported, for
3 substantial amounts to be due the CO-OP from PartnerRe America Insurance Company, its
4 private reinsurer. NHC may also receive an "experience refund" of as much as 35% of net
5 profits, contingent upon a number of conditions. However, because not all medical claims
6 have been finalized, amounts due from reinsurers will need to be further quantified in the
7 future. The Receiver is also taking steps to preserve and enhance reinsurance recoveries for
8 the CO-OP through the expeditious adjudication of NHC's claims.

9 (2) The cash assets of the CO-OP have fluctuated with post-receivership expenses
10 and certain authorized payments to claimants, as well as with the Receiver's receipt of
11 certain prior-owed premiums from certain delinquent plan members for months of health
12 coverage stretching back into 2015. The cash assets of the CO-OP as of February 2016
13 were approximately \$17,346,379. The vast majority of NHC's currently available and liquid
14 assets have been confirmed to consist primarily of bank deposits. NHC's current cash
15 position has decreased since the First Status Report, primarily on account of the hardship
16 payments made to medical and prescription drug providers, and in order to protect plan
17 members from balance billing and due to the costs of administering NHC.

18 (3) As mentioned in a prior section, NHC posted a special deposit of approximately
19 \$750,000 for the benefit of the NDI as a condition of doing business in Nevada. In the future,
20 the Receiver expects to make application for the release of this special deposit plus accrued
21 interest.

22 (4) These updated financials are all estimates, and shall remain so for as long as
23 the amounts the estate expects to receive, from CMS and from other sources, remain
24 uncertain. In addition to the inherent uncertainty of collecting certain promised federal
25 payments, the estate's complete financial picture also depends upon the existing NHC
26 medical claims backlog that remains to be fully adjudicated and approved, with payments to
27 be recorded as liabilities. The resolution of these issues, to the extent required for
28 receivership purposes, remains a top priority. Possible unknowns with a potential material

1 effect on the CO-OP's financial standing include an unpredicted influx of medical claims
2 submitted for the prior plan year (claims may be submitted as long as one (1) year after the
3 date of service in many cases), future litigation and liabilities arising from judgments, and
4 contingent liabilities pending adjudication. Additionally, the amount of funds available to
5 claimants may be adversely affected by the December 23, 2015, notice letter received from
6 CMS terminating NHC's loans and demanding repayment. CMS's potentially heightened
7 claims priority under federal law, as well as the March 8, 2016, letter from CMS suspending
8 payment under any and all federal receivables programs, further complicate the overall
9 financial condition of the estate.

10 (5) The Receiver is still evaluating other potential asset recoveries for the benefit of
11 the receivership estate.

12 (6) Exhibit 1 attached hereto, is a cash flow report for NHC for the time period
13 covering January 1 through February 29, 2016. This report reflects a summary of
14 disbursements and collections made by NHC during this period.

15 **D. Judgments, Default and Pending, and New Proceedings**

16 The Receiver, now and throughout the pendency of receivership proceedings,
17 maintains review of court records and related databases in order to remain periodically
18 apprised of new or forthcoming actions against NHC. As of the date of this report, no
19 material current proceedings or recent judgments have been found.

20 **III. CONCLUSION**

21 Pursuant to NRS 696B.290(7), the Receiver has submitted the aforementioned report
22 and remains available to present further information on any matters in this report as the
23 Receivership Court may deem necessary.

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1 The Receiver requests that the Court approve this Status Report and the actions taken by the
2 Receiver, as well as approve the interim fees and expenses of professionals and deputies
3 employed by the Receiver as set forth herein.

4 DATED this 6th day of April 2016.

5
6 Respectfully submitted:

7
8 Barbara D. Richardson, Commissioner of
9 Insurance of the State of Nevada, in her
10 Official Capacity as Statutory Receiver of
11 Delinquent Domestic Insurer

12 By: /s/ Cantilo & Bennett, L.L.P.
13 Special Deputy Receiver
14 By Its Authorized Representative
15 Patrick H. Cantilo

16 Respectfully submitted by:

17 ADAM PAUL LAXALT
18 Attorney General

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27 *Attorney for Barbara D. Richardson,*
28 *Commissioner of Insurance,*
as the Permanent Receiver for
Nevada Health CO-OP

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I am an employee of the State of Nevada, Office of the Attorney
3 General and that on the 6th day of April, 2016, I served the foregoing **SECOND STATUS**
4 **REPORT** addressed as follows:

5 Barbara D. Richardson, Commissioner
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/s/ Marilyn Millam
An employee of the Attorney General

EXHIBIT “1”

NEVADA HEALTH CO-OP

Updated 3/3/16

Cash Flow Analysis

	Oct	Nov	Dec	Jan	Feb	Mar
Sources & Uses						
Beginning Cash (excl \$760K restricted)	\$ 5,352,417	\$ 11,092,543	\$ 15,329,098	\$ 19,037,300	\$ 18,130,655	\$ 17,346,379
SOURCES:						
Premium Revenue	7,220,986	\$5,109,845	\$5,042,662	\$484,844	\$73,927	
CSR Recoveries	818,021	597,883	813,541	101,426	16,250	
Rx Rebates						
Claims Overpayment Recoveries	80,740	65,018	60,882	25,275	19,071	
PartnerRe 2014 Premium Refund	267,629					
Traditional Reins Recoveries						
FTR Reins Recoveries		735,747				
Risk Corridor 2014			1,158,962	4,910		
Federal Receivables Bridge Loan						
Other	9,200	14,695	2,319	22,949	126,824	
TOTAL SOURCES:	\$8,396,575	\$6,523,188	\$7,078,367	\$639,403	\$236,073	
USES:						
Medical Claims Q4 2015	\$0	\$0	\$0	(\$59,259)		
Rx Claims Q4 2015	(1,366,851)	(1,253,930)	(2,417,352)	-		
Risk Adjustment 2015						
Medical PMPMs Q4	(25,551)	-	(18,416)	\$0		
FTR Reinsurance Premium		(116,046)		(586,981)		
Traditional Reins Premium Q4 2015	(191,622)	(176,924)	(178,772)			
Premium Tax				(294,665)		
Other Admin	(878,728)	(724,831)	(673,497)	(539,347)	(508,682)	
9010 ACA Fee / 720 PCORI Fee	(161,242)					
Other	(32,455)	(14,901)	(82,126)	(65,797)	(168,591)	
Professional Services					(343,075)	
TOTAL USES:	(2,656,449)	(2,286,633)	(3,370,164)	(1,546,049)	(1,020,348)	
Net cash increase for period	\$5,740,126	\$4,236,555	\$3,708,203	(\$906,646)	(\$784,275)	
Cash at end of period	\$ 11,092,543	\$ 15,329,098	\$ 19,037,300	\$ 18,130,655	\$ 17,346,379	