



1 **SR**

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16 **IN THE EIGHTH JUDICIAL DISTRICT COURT**

17 **CLARK COUNTY, NEVADA**

18 STATE OF NEVADA, EX REL.)	CASE NO. A-15-725244-C
19 COMMISSIONER OF INSURANCE, IN HER)	
20 OFFICIAL CAPACITY AS STATUTORY)	DEPARTMENT 1
21 RECEIVER FOR DELINQUENT DOMESTIC)	
22 INSURER,)	
)	
23)	
24)	
25)	
26)	
27)	
28)	
Plaintiff,)	
)	
vs.)	
)	
NEVADA HEALTH CO-OP,)	
)	
Defendant.)	

29 **TWENTY-NINTH STATUS REPORT**

30 COME NOW, Commissioner of Insurance Barbara D. Richardson in her capacity as Receiver of
31 Nevada Health CO-OP (“NHC,” or the “CO-OP”), and CANTILO & BENNETT, L.L.P., Special Deputy
32 Receiver (“SDR” - SDR and the Commissioner as Receiver are referred to collectively herein as
33 “Receiver”) and file this Twenty-Ninth Status Report in the above-captioned receivership.

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1 **I. INTRODUCTION AND HISTORICAL BACKGROUND**

2 The CO-OP is a state-licensed health insurer, formed in 2012 as a Health Maintenance
3 Organization, with a Certificate of Authority granted by the State of Nevada Division of Insurance
4 effective January 2, 2013. NHC was an Internal Revenue Code 501(c)(29) Qualified Non-Profit Health
5 Insurance Issuer, entitled to tax exemption by the Internal Revenue Service. NHC was formed under a
6 provision of the Patient Protection and Affordable Care Act (“ACA”) providing for the formation of
7 Consumer Operated and Oriented Plans. Having received from the Centers for Medicare and Medicaid
8 Services (“CMS”) of the United States Department of Health and Human Services (“HHS”) a start-up
9 loan of \$17,080,047, and a “solvency” loan of \$48,820,349, NHC was required to operate as a non-
10 profit, consumer-driven health insurance issuer for the benefit of the public. The CO-OP’s primary
11 business was to provide ACA-compliant health coverage to residents of Nevada, and it operated its
12 business for the benefit of Nevadans within the state, save for certain arrangements to provide nationwide
13 health coverage to Nevadans traveling outside the state in certain circumstances. NHC began selling
14 products on and off the Silver State Health Insurance Exchange (the “Exchange”) on January 1, 2014.
15 Its products included individual, small group, and large group health care coverages.

16 On October 1, 2015, this Court issued its Order Appointing the Acting Insurance Commissioner,
17 Amy L. Parks as Temporary Receiver of NHC Pending Further Orders of the Court and Granting
18 Temporary Injunctive Relief Pursuant to NRS 696B.270. Further, on October 14, 2015, the Receivership
19 Court entered its Permanent Injunction and Order Appointing Commissioner as Permanent Receiver of
20 Nevada Health CO-OP, appointing the law firm of CANTILO & BENNETT, L.L.P. as SDR of NHC, in
21 accordance with Chapter 696B of the Nevada Revised Statutes.

22 Via a Notice of Substitution of Receiver dated April 6, 2016, the Deputy Attorney General
23 informed interested parties of the substitution of Commissioner Barbara D. Richardson, in place and
24 stead of former Acting Commissioner Amy L. Parks, as the Receiver of NHC. This substitution of
25 Receiver was subsequent to Commissioner Richardson’s appointment as Commissioner of Insurance for
26 the State of Nevada.

27 This Court, through its Final Order Finding and Declaring Nevada Health CO-OP to be Insolvent
28 and Placing Nevada Health CO-OP into Liquidation (the “Final Order”) dated September 20, 2016,

1 adjudged NHC to be insolvent on grounds that it was unable to meet obligations as they mature. The
2 Final Order also authorized the Receiver to liquidate the business of NHC and wind up its ceased
3 operations pursuant to applicable Nevada law. The Receiver has since transitioned the receivership
4 estate from rehabilitation to liquidation.

5 The Receiver continues to file quarterly status reports as ordered by this Court.

6 **II. RECEIVERSHIP ADMINISTRATION**

7 **Receivership Administrative Services and Oversight**

8 CANTILO & BENNETT, L.L.P., as SDR of NHC, manages the receivership estate and conducts its
9 affairs. PALOMAR FINANCIAL, LC (“Palomar”), an affiliate of the SDR, performs administration,
10 information technology, and other related services for the Receiver under the supervision of the SDR.
11 The Receiver has included an informational copy, as **Exhibit 1** to this Twenty-Ninth Status Report of
12 the invoices approved or paid to the SDR and other receivership consultants since the last status report
13 to this Court.¹

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16 ¹ The *in camera* materials are being submitted in a separate envelope that reflect paid invoices.

17 Certain billings submitted to the Court are appropriate for *in camera* review (as opposed to being made
18 part of a public filing). More particularly, and as discussed in further detail below, certain consultants in this
matter are providing expert witness related services. As such, the billing entries relating thereto should be
considered confidential and/or otherwise not subject to discovery.

19 In this regard, courts have held that the bills of legal counsel and experts may be withheld from legal
20 discovery and are not subject to legal disclosure, as this information may provide indications or context concerning
potential litigation strategy and the nature of the expert services being provided. *See, e.g., Avnet, Inc. v. Avana*
21 *Technologies Inc.*, No. 2:13-cv-00929-GMN-PAL, 2014 WL 6882345, at *1 (D. Nev. Dec. 4, 2014) (finding
that billing entries were privileged because they reveal a party’s strategy and the nature of services provided);
22 *Fed. Sav. & Loan Ins. Corp. v. Ferm*, 909 F.2d 372, 374-75 (9th Cir. 1990) (considering whether or not fee
information revealed counsel’s mental impressions concerning litigation strategy). Other courts that have
23 addressed this issue have recognized that the “attorney-client privilege embraces attorney time, records and
statements to the extent that they reveal litigation strategy and the nature of the services provided.” *Real v. Cont’l*
Grp., Inc., 116 F.R.D. 211, 213 (N.D. Cal. 1986).

24 The *in-camera* review should apply not only to documentation concerning attorneys’ fees, but it also
25 extends to “details of work revealed in [an] expert’s work description [which] would relate to tasks for which she
[or he] was compensated[,]” a situation which is “analogous to protecting attorney-client privileged information
26 contained in counsel’s bills describing work performed.” *See DaVita Healthcare Partners, Inc. v. United States*,
128 Fed. Cl. 584, 592-93 (2016); *see also Chaudhry v. Gallerizzo*, 174 F.3d 394, 402 (4th Cir. 1999) (recognizing
27 that “correspondence, bills, ledgers, statements, and time records which also reveal the motive of the client in
seeking representation, litigation strategy, or the specific nature of the services provided, such as researching
28 particular areas of law,” are protected from disclosure) (quoting *Clarke v. Am. Commerce Nat’l Bank*, 974 F.2d
127, 129 (9th Cir. 1992)).

1 **Resolution of Outstanding Receivership Matters**

2 ***Claims Adjudications & Distributions***

3 Notices of Claim Determination (“NCDs”) were mailed for healthcare claims previously
4 submitted by providers to NHC’s Javelina Claims Processing Database (the “Provider Claims”). The
5 total allowed amount of these approved Provider Claims is approximately \$33.7 million. The NHC
6 members also received NCDs that showed them the amount that the SDR has approved to be paid to
7 their providers, and the amount of member responsibility (*i.e.*, the co-pays, deductibles, and
8 coinsurance), if any, that they may owe on their providers’ outstanding claims. The SDR received
9 approval from the Court to make a distribution of certain estate assets for the partial payment of these
10 Provider Claims, which have been classified by the SDR as claims made under NHC policies pursuant
11 to NRS 696B.420(1)(b).²

12 As previously reported, the SDR must collect certain necessary documentation from the
13 providers in advance of making any claim payments. Five hundred and eighteen (518) providers have
14 submitted the necessary documentation and have received a distribution payment. However, the
15 remaining 1,265 providers either did not respond or sent back defective paperwork. The SDR will
16 continue necessary follow-up with these providers to collect the necessary paperwork so that
17 distributions can be made.

18 The SDR also mailed NCDs for those Proofs of Claim submitted to the SDR relating to Policy
19 Claims (*i.e.*, Class B claims pursuant to NRS 696B.420(1)(b)). The total allowed amount for the
20 members’ claims, \$5,102.64, is subject to a potential small increase as two NCD appeals have been filed
21 and remain pending.

22 In addition to the two member appeals described above, there are twenty-eight (28) outstanding
23 appeals sent by NHC members of the NCDs that were mailed for outstanding healthcare claims
24 submitted by providers to NHC’s Javelina Claims Processing Database.³ The Receiver will request by
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26 ² As detailed in the Receiver’s Seventeenth Status Report, within the section of the report titled “Sale of
27 Risk Corridors Receivable,” the Court entered an order permitting the distribution of certain funds on October 16,
2019.

28 ³ Members received a copy of the claim determinations that were sent to their providers, so that the
members could see any denied claims, and the deductible, co-pay, and coinsurance that was applied to each of the

1 separate motion that the Court set a hearing for the remaining appeals, pursuant to NRS 696B.330.

2 There are fifty-one proofs of claim (“POC”) assigned to a priority Class “C” (*i.e.*,
3 NRS 696B.420(1)(c)) or lower.⁴ The SDR has now issued NCDs to nearly all of these claimants. It
4 appears unlikely at this time that the estate will have sufficient assets to make distributions to claims
5 assigned priority below Class B.

6 ***CMS Receivables***

7 As explained in prior status reports, and throughout the pendency of the receivership, the
8 Receiver has worked to resolve certain outstanding matters relating to the collection of amounts due
9 under the various federal receivables programs, of which the CO-OP was a participant, and which are
10 administered primarily by CMS. The recovery of these assets will allow the SDR to make further claim
11 payments to estate creditors. The Receiver also disputed the government’s asserted right to be paid
12 ahead of all other creditors in the estate (including providers and members). CMS maintained the
13 position that any monies deemed owed to NHC (and thus the receivership estate) are to be offset against
14 the amounts CMS asserts it is owed under the start-up loan awarded to NHC. CMS offset approximately
15 \$12.9 million against the start-up loan that should have instead been paid to NHC. When the full amount
16 of 2014 - 2015 Risk Corridors payments (*i.e.*, not just the prorated amount⁵) are included in the total,
17 NHC is owed over \$55 million for CMS Receivables.⁶

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20 allowed provider claims (*i.e.*, the amount of the member’s responsibility on each claim) and have an opportunity
21 to appeal.

21 ⁴ This does not include a claim by the U.S. Department of Health and Human Services, which the SDR
22 has previously reported to this Court. The government did not file an appeal of the SDR’s determination of its
23 claim.

23 ⁵ Due to a shortfall in risk corridor collections, CMS asserted it could only pay a prorated percentage of
24 issuers’ 2014 Risk Corridors payments and that it would use all collections in subsequent years towards the 2014
25 payments (*i.e.*, they are unable to make payments for the subsequent years at all). DEP’T OF HEALTH &
26 HUMAN SERVICES & CENTERS FOR MEDICARE & MEDICAID SERVICES (“CMS”), CCIIO
27 MEMORANDUM, RISK CORRIDORS PAYMENT AND CHARGE AMOUNTS FOR THE 2015 BENEFIT
28 YEAR (November 18, 2016) (available at <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/2015-RC-Issuer-level-Report-11-18-16-FINAL-v2.pdf>); CMS, CCIIO MEMORANDUM,
RISK CORRIDORS PAYMENT AND CHARGE AMOUNTS FOR THE 2016 BENEFIT YEAR (November 15,
2017) (available at <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/Risk-Corridors-Amounts-2016.pdf>).

⁶ NHC sold a portion, but not all, of its interest in the Risk Corridors receivables, as detailed in the
Receiver’s Seventeenth Status Report to this Court.

1 On November 30, 2021, the U.S. Court of Federal Claims granted the Receiver’s Motion for
2 Summary Judgment and found in favor of the Receiver on questions of debt, rights to offset, and claim
3 and issue preclusion matters.⁷ The parties were ordered to, and did, file a joint stipulation on an agreed-
4 upon sum for the damages. The U.S. Court of Federal Claims entered judgment in favor of the Receiver
5 on January 4, 2022. The United States filed a Notice of Appeal of the court’s judgment on March 4,
6 2022, and its opening brief was filed on July 8, 2022. The court’s opinion and additional developments
7 in this matter are detailed further below.

8 **Engagement of Additional Legal Counsel**

9 The Receiver has engaged the law firm of Greenberg Traurig LLP (“Greenberg Traurig”), as
10 outside counsel in various litigation matters. As reported in the prior status report, the Receiver has
11 retained the Lewis Roca firm as conflicts counsel and to address other matters that may arise in which
12 Greenberg Traurig is not representing the receivership estate.

13 **Continuation of the Asset Recovery Action Against Various Professionals and Other Firms Who**
14 **Performed Services for and on Behalf of NHC**

15 On August 25, 2017, Counsel for the Receiver filed in Clark County District Court a complaint
16 (Case No. A-17-760558-C in Department No. 18) against various persons, third-party vendors, and
17 professional service firms which are alleged to have contributed to NHC’s losses by, among other things,
18 failing to adhere to applicable standards of professional care and requirements imposed by law,
19 misrepresentation concerning quality and standard of care for services performed, and breaches of
20 contract, duty, and implied covenants of good faith and fair dealing (the “Asset Recovery Action”). The
21 complaint names, among others, NHC’s former actuaries, accountants, auditors, and providers of certain
22 business operations and utilization review services, as well as those individuals who specifically
23 performed, or who were in the role of supervising the performance of, those services. The complaint
24 also names several NHC former directors and executive management.

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28 ⁷ Richardson v. United States, No. 18-1731C, 2021 WL 5625391 (Fed. Cl. Nov. 30, 2021).

1 The procedural history of this litigation and the results of the most significant dispositive motions
2 and proceedings are provided in further detail in the recent 28th status report to this Court. More recently,
3 settlements have been reached with the remaining defendants or the remaining defendants have been
4 dismissed without prejudice.

5 In August 2022, pursuant to a mediation, Dennis T. Larson, Martha Hayes and Larson & Co.
6 P.C. (the “Larson Defendants”) and the Receiver settled the Asset Recovery Case as to the Larson
7 defendants. The Larson Defendants and the Receiver entered into an agreement, subject to the Asset
8 Recovery court’s approval of a motion for good faith settlement. A Motion for Good Faith Settlement
9 was filed on October 6, 2022, and was heard on October 17, 2022. All remaining parties filed Notice of
10 Non-Oppositions to the Motion for Determination of Good Faith Settlement. An order granting the
11 motion for determination of good faith settlement was entered on October 19, 2022. A stipulation and
12 order of dismissal of the Larson with prejudice was entered on December 12, 2022. A copy of the
13 confidential settlement agreement with the Larson defendants is included in the *in camera* submission
14 accompanying this Status Report as **Exhibit 2**.

15 In November 2022, the Receiver entered into a final settlement agreement with InsureMonkey
16 and Alex Rivlin (the “InsureMonkey Defendants”) . A copy of the confidential settlement agreement
17 with the InsureMonkey Defendants is included in the *in camera* submission accompanying this Status
18 Report as **Exhibit 3**. On December 13, 2022, the Receiver filed a Notice of Dismissal, dismissing
19 defendants Milliman, Inc., Johnathan L. Shreve and Mary Van Der Heijde (the “Milliman Defendants”)
20 without prejudice. With the dismissal of the Milliman Defendants, no other defendants remain in the
21 Asset Recovery Action and the Receiver is in the process of closing the case.

22 **Opinion and Order in the Action Against the United States in the Court of Federal Claims**

23 On November 8, 2018, the Receiver filed a Complaint in the United States Court of Federal
24 Claims (“CFC Complaint”) against the United States for monetary amounts owed to NHC under the
25 Consumer Operated and Oriented Plan program organized pursuant to the ACA. The Receiver
26 determined that such litigation was necessary in order to advance the interests of the receivership estate’s
27 creditors and to protect and conserve assets that rightfully belong to the estate (*i.e.*, over \$55M, as
28 mentioned in the “CMS Receivables” section, *supra*).

1 In Counts I through IV, the CFC Complaint prays for relief in the form of an award of damages
2 and monetary relief equal to the difference between the amount NHC actually received in payments
3 under Sections 1342, 1341, 1343, and 1401 of the ACA – the statutes which describe and enact the Risk
4 Corridors, transitional reinsurance, risk adjustment, and cost sharing reduction programs respectively –
5 and the amount NHC should have received under those laws. Count V (breach of contract by offset) and
6 Count VI (illegal exaction) plead alternate theories for recovery of money damages resulting from the
7 United States, through its agents at HHS and CMS, offsetting payments that CMS owed to NHC against
8 funds NHC allegedly owed to the government under the CO-OP start-up loan (the “Loan Agreement”).

9 The United States filed a motion to dismiss, and the Receiver filed a cross-motion for partial
10 summary judgment in the U.S. Court of Federal Claims.⁸ Oral argument on the motions was held on
11 May 24, 2021, and supplemental legal authority was noticed to the court.⁹

12 On November 30, 2021, the U.S. Court of Federal Claims issued its Opinion and Order, denying
13 the government’s motion to dismiss and concluding *inter alia* that the Government’s offsets were
14 improper, and that the Receiver was entitled to summary judgment on Counts I through V¹⁰ of her CFC
15 Complaint. *Richardson v. United States*, No. 18-1731C, 2021 WL 5625391, at *7 (Fed. Cl. Nov. 30,
16 2021). The U.S. Court of Federal Claims ordered that the Receiver is entitled to judgment as a matter
17 of law on her claims and that on or before December 30, 2021, the parties should file a joint stipulation
18 or joint status report, indicating an agreed-upon sum for the purpose of entry of final judgment. The
19 Receiver worked with counsel for the Government to prepare a Joint Status Report, filed on
20 December 30, 2021, wherein the parties agreed that the amount of the judgment should be

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22 ⁸ A detailed procedural summary of the various motions filed in this matter, and the United States
Supreme Court’s rulings in related cases, can be found in the previous 24th Status Report to this Court.

23 ⁹ On May 17, 2021, the Federal Circuit upheld on appeal the Court of Federal Claims decision in favor
24 of the Liquidator of Colorado Health (a CO-OP program insurer), and held that (1) the Colorado set off statute
did not afford a right to the United States to offset the risk adjustment debt of the insolvent Colorado insurer
25 against HHS reinsurance debt, (2) the United States did not have an equitable right to offset risk adjustment debt,
(3) the ACA and HHS regulations implementing the ACA did not preempt Colorado law fixing creditors’ rights
26 during insolvency, (4) a significant conflict did not exist between an identifiable federal policy or interest and the
operation of state law, (5) the Court of Federal Claims fulfilled its obligations under the Tucker Act; and (6) the
27 Court of Federal Claims could enter judgment against the United States. *Conway v. United States*, 997 F.3d 1198
(Fed. Cir. 2021).

28 ¹⁰ As Counts V and VI presented alternate legal theories for the recovery of the same amounts sought in
Counts II–IV, it was not necessary for the U.S. Court of Federal Claims to address Count VI.

1 \$55,504,468.39 and that there were no remaining unresolved issues that would prevent entry of final
2 judgment. Accordingly, on December 31, 2021, the U.S. Court of Federal Claims directed judgment in
3 favor of the Receiver in the amount of \$55,504,468.39. On January 4, 2022, U.S. Court of Federal
4 Claims entered judgment for the Receiver for \$55,504,468.39. The Government filed a Notice of Appeal
5 of this judgment on March 4, 2022.

6 On July 8, 2022, the United States filed its Opening Brief for the United States in the above-
7 described appeal, setting forth its legal arguments in support, *inter alia*, of maintaining an offset of
8 amounts owed under the Risk Corridors program against those amounts ostensibly owed to it under the
9 CO-OP loan program. Subsequent to a Notice of Non-Compliance, the government again filed its
10 Opening Brief for the United States on July 18, 2022, and then again on July 19, 2022, such re-filing
11 containing non-substantive corrections per the United States. A Corrected Opening Brief for the United
12 States was filed as of July 22, 2022. The Receiver filed a Response Brief on October 17, 2022. The
13 United States requested and was granted an extension of time to file its reply and did file its Reply Brief
14 on December 5, 2022. On December 12, 2022, the parties filed their Joint Statement of Compliance
15 with Federal Circuit Rule 33(a)(2) stating that settlement discussions have been conducted, but the
16 discussions have not been successful. The appeal of the U.S. Court of Federal Claims decision is fully
17 briefed and pending before the Federal Circuit. The Commissioner anticipates oral argument will take
18 place within the first half of 2023.

19 **Civil Action Against WellHealth Medical Associates, Medsource, and Certain Persons**

20 Through the filing of a Complaint dated December 14, 2021, in Case Number A-21-845440-B,
21 in Department 5 of the Eighth Judicial District Court, the Receiver has brought an action against
22 WellHealth Medical Associates, PLLC, Medsource Management Group, LLC, and certain individual
23 persons or estates of persons formerly or currently in positions of authority and responsibility within
24 these organizations, for the recovery of amounts which the NHC alleges is owed in connection with
25 certain illegal, negligent, and intentionally fraudulent transactions which took place with NHC in health
26 plan years 2014 and 2015, as well as certain related business transactions which involved the transfer of
27 CO-OP funds to persons, and through mechanisms, which are not permissible under the relevant laws
28 and regulations.

1 The allegations include, among other things, WellHealth’s entry into an illegal and unapproved
2 services contract with NHC, which, as per the Receiver's allegations, constituted a material shifting of
3 insurance risk from a licensed carrier (here, NHC) to an unlicensed entity acting as a *de facto* insurer
4 (WellHealth). The Defendants in this action have allegedly received millions of dollars from NHC under
5 their illegal business arrangement, and in the provision of services which were not performed to the
6 standard required, or which were performed without necessary licenses or legal authority. The case was
7 reassigned to Department 22 by notice dated January 6, 2022. Subsequent to the conducting and
8 certification of service for defendants on or about April 13, 2022, the WellHealth defendants WellHealth
9 Medical Associates, Medsource Management Group, and Robert Baratta filed, as of May 3, 2022, their
10 Motion to Dismiss for Failure to Comply with Statute of Limitations or, in the Alternative, Motion to
11 Dismiss for Failure to State a Claim. On June 17, 2022, Plaintiff filed her Motion to Amend Complaint.
12 Through a minute order dated July 12, 2022, the court approved the Motion to Amend Complaint. On
13 July 19, 2022, Plaintiff filed her Notice of Withdrawal of Motion to Amend Complaint, stating that she
14 no longer intends to file, and instead seeks to withdraw, her proposed Amended Complaint. The court
15 then rescinded its order via a filing on July 15, 2022. As well, on July 19, 2022, Plaintiff made a
16 Peremptory Challenge as to the judicial officer overseeing the case, with a resulting Notice of
17 Department Reassignment entered on July 20, 2022. On August 8, 2022, Plaintiff filed her Stipulation
18 and Order to Amend Complaint, providing additional arguments and causes of action, after consultation
19 with opposing parties; alongside this, Plaintiff filed her First Amended Complaint in this action.

20 In respect of the First Amended Complaint, Plaintiff also filed a Stipulation and Order to Vacate
21 Hearing on Motion to Dismiss for Failure to Comply with Statute of Limitations or, in the Alternative,
22 Motion to Dismiss for Failure to State a Claim, seeking to avoid such action. On August 23, 2022,
23 opposing counsel filed its Motion to Dismiss First Amended Complaint for Failure to Comply with
24 Statute of Limitations or, in the Alternative, Motion to Dismiss for Failure to State a Claim, requesting
25 a hearing in connection with that pleading. On September 19, 2022, individual defendant Nino Pedrini
26 filed his Motion to Dismiss First Amended Complaint for Failure to Serve and Violation of the Statute
27 of Limitations and Joinder in Defendants WellHealth Medical Associates (Volker) PLLC dba
28 WellHealth Quality Care, Medsource Management Group, LLC, and Robert Baratta’s Motion to Dismiss

1 First Amended Complaint, asserting essentially the same grounds for dismissal of the complaint as other
2 defendants. On September 27, 2022, Plaintiff filed her Opposition to Defendants’ Motion to Dismiss
3 First Amended Complaint for Failure to Comply with Statute of Limitations or, in the Alternative,
4 Motion to Dismiss for Failure to State a Claim, with a hearing on these matters scheduled for October 18,
5 2022. Mr. Pedrini’s Motion was granted on November 14, 2022. However, on December 1, 2022, the
6 Court denied the Motion to Dismiss filed on August 23, 2022, by the other defendants. As the Pedrini
7 motion was granted based on a technical service issue, the claims against him were refiled in a separate
8 complaint which has now been served.¹¹

9 **Current Receivership Assets**

10 The Receiver’s evaluation of the assets and liabilities of the CO-OP is ongoing, and adjusted
11 periodically to accommodate new authorized payments, receipts, and transfers. Below is an overview
12 of some key asset matters thus far identified by the Receiver (other than those already mentioned herein):

13 1. The currently available, unrestricted cash assets of the CO-OP as of November 30, 2022,
14 were approximately \$1,754,503. The majority of NHC’s currently available and liquid assets are held
15 in bank deposits.

16 2. The financial information of NHC in this Twenty-Ninth Status Report provides estimates.
17 NHC’s financials may materially vary depending upon the estate’s receipt of the promised federal
18 receivables payments under the various ACA programs described in this report, and future litigation
19 recoverables.

20 3. The Receiver is including, as **Exhibit 2** attached hereto, a cash flow report for NHC for
21 the period covering the inception of the receivership through November 30, 2022. This report reflects a
22 summary of disbursements and collections made by NHC during this period.

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27 ¹¹ The other defendants being WellHealth Medical Associates (Volker), PLLC dba WellHealth Quality
28 Care, a Nevada Professional Limited Liability Company; Medsource Management Group, LLC, a Nevada Limited
Liability Company; the Estate of Kenneth Warren Volker, M.D., an Individual; and Robert Baratta, an Individual.

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CONCLUSION

The Receiver has submitted this report in compliance with the Receivership Court’s instructions for a status report on NHC. The Receiver requests that the Court approve this Twenty-Ninth Status Report and the actions taken by the Receiver.

DATED this **21st day of December 2022**.

Respectfully submitted:

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

By: */s/ Cantilo & Bennett, L.L.P.*
Special Deputy Receiver
By Its Authorized Representative
MARK F. BENNETT

Respectfully submitted by:
GREENBERG TRAUIG, LLP

/s/ Donald L. Prunty

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

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on the **21st day of December 2022**, a true and correct copy of the foregoing **TWENTY-NINTH STATUS REPORT** was submitted for service using the Odyssey eFileNV Electronic Service system and served on all parties with an email address on record, pursuant to Administrative Order 14-2 and Rule 9 of the N.E.F.C.R. The date and time of the electronic proof of service is in place of the date and place of deposit in the United States mail.

/s/ Evelyn Escobar-Gaddi
An employee of Greenberg Traurig, LLP