



1 **SR**
2 MARK E. FERRARIO, ESQ.
3 Nevada Bar No. 01625
4 DONALD L. PRUNTY, ESQ.
5 Nevada Bar No. 08230
6 **GREENBERG TRAUIG, LLP**
7 10845 Griffith Peak Drive
8 Suite 600
9 Las Vegas, Nevada 89135
10 Telephone: (702) 792-3773
11 Facsimile: (702) 792-9002
12 Emails: ferrariom@gtlaw.com
13 pruntyd@gtlaw.com

14 *Counsel for Scott Kipper, Commissioner of*
15 *Insurance, as the Permanent Receiver for Nevada Health CO-OP*

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 HIS)
20 OFFICIAL CAPACITY AS STATUTORY) DEPARTMENT 21
21 RECEIVER FOR DELINQUENT DOMESTIC)
22 INSURER,)
23)
24 Plaintiff,)
25)
26 vs.)
27)
28 NEVADA HEALTH CO-OP,)
29)
30 Defendant.)

31 **THIRTY-FIFTH STATUS REPORT**

32 COME NOW, Commissioner of Insurance Scott Kipper¹ in his capacity as Receiver of Nevada
33 Health CO-OP (“NHC,” or the “CO-OP”), and CANTILO & BENNETT, L.L.P., Special Deputy Receiver
34 (“SDR” - SDR and the Commissioner as Receiver are referred to collectively herein as “Receiver”) and
35 file this Thirty-Fifth Status Report in the above-captioned receivership.

36 _____
37 ¹ Barbara D. Richardson resigned from her position as Commissioner of Insurance effective
38 December 30, 2022. Scott Kipper assumed the role of Nevada Insurance Commissioner in February 2023.
Pursuant to NRCP 25(d), when a public officer ceases to hold office while an action is pending, “[t]he officer’s
successor is automatically substituted as a party.”

1 **I. INTRODUCTION AND HISTORICAL BACKGROUND**

2 The CO-OP was 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 This Court, through its Final Order Finding and Declaring Nevada Health CO-OP to be Insolvent
23 and Placing Nevada Health CO-OP into Liquidation (the “Final Order”) dated September 20, 2016,
24 adjudged NHC to be insolvent on grounds that it was unable to meet obligations as they mature. The
25 Final Order also authorized the Receiver to liquidate the business of NHC and wind up its ceased
26 operations pursuant to applicable Nevada law. The Receiver has since transitioned the receivership
27 estate from rehabilitation to liquidation.

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

II. RECEIVERSHIP ADMINISTRATION

Receivership Administrative Services and Oversight

CANTILO & BENNETT, L.L.P., as SDR of NHC, manages the receivership estate and conducts its affairs. PALOMAR FINANCIAL, LC (“Palomar”), an affiliate of the SDR, performs administration, information technology, and other related services for the Receiver under the supervision of the SDR. The Receiver has included an informational copy, as **Exhibit 1** to this Status Report of the invoices approved or paid to the SDR and other receivership consultants since the last status report to this Court.²

Resolution of Outstanding Receivership Matters

Claims Adjudications & Distributions

Notices of Claim Determination (“NCDs”) were mailed for healthcare claims previously submitted by providers to NHC’s Javelina Claims Processing Database (the “Provider Claims”). The total allowed amount of these approved Provider Claims is approximately \$33.7 million. The NHC members also received NCDs that showed them the amount that the SDR approved to be paid to their providers, and the amount of member responsibility (*i.e.*, the co-pays, deductibles, and coinsurance), if any, that they may owe on their providers’ outstanding claims. The SDR received approval from the

² The *in camera* materials are being submitted in a separate envelope that reflect paid invoices.

Certain billings submitted to the Court are appropriate for *in camera* review (as opposed to being made 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.

In this regard, courts have held that the bills of legal counsel and experts may be withheld from legal 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 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); *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 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).

The *in-camera* review should apply not only to documentation concerning attorneys’ fees, but it also 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 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 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 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 Court to make a distribution of certain estate assets for the partial payment of these Provider Claims,
2 which have been classified by the SDR as claims made under NHC policies pursuant to
3 NRS 696B.420(1)(b).³ To the extent that funds are not used for these Provider Claims, they retain their
4 classification as general assets of the Receivership available to pay other expenses.

5 As previously reported, the SDR must collect certain necessary documentation from the
6 providers in advance of making any claim payments. Five hundred and twenty-two (522) providers have
7 submitted the necessary documentation and have received a distribution payment. However, the
8 remaining one thousand two-hundred sixty one (1,261) providers either did not respond or sent back
9 defective paperwork. The Receiver in his discretion has not paid these claims for lack of the proper
10 documentation. The Receiver is seeking further litigation recoveries to enable additional provider claim
11 distributions and anticipates further payment for these provider claims subject to receiving proper
12 documentation.

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

17 Including the two member objections described above, there are twenty-eight (28) unresolved
18 and outstanding objections sent by NHC members of the NCDs that were mailed pertaining to
19 outstanding healthcare claims submitted by providers to NHC's Javelina Claims Processing Database.⁴
20 The Receiver will request by separate motion that the Court set a hearing for the remaining appeals,
21 pursuant to NRS 696B.330.

22 ///

23 ///

25 ³ As detailed in the Receiver's Seventeenth Status Report, within the section of the report titled "Sale of
26 Risk Corridors Receivable," the Court entered an order permitting the distribution of certain funds on October 16,
2019.

27 ⁴ Members received a copy of the claim determinations that were sent to their providers, so that the
28 members could see any denied claims, and the deductible, co-pay, and coinsurance that was applied to each of the
allowed provider claims (*i.e.*, the amount of the member's responsibility on each claim) and have an opportunity
to appeal.

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

5 ***CMS Receivables***

6 As explained in prior status reports, and throughout the pendency of the receivership, the
7 Receiver has worked to resolve certain outstanding matters relating to the collection of amounts due
8 under the various federal receivables programs, of which the CO-OP was a participant, and which are
9 administered primarily by CMS. The recovery of these assets will allow the SDR to make further claim
10 payments to estate creditors—to include the payment of additional provider claim distributions. The
11 Receiver also disputed the government’s asserted right to be paid ahead of all other creditors in the estate
12 (including providers and members). CMS maintained the position that any monies deemed owed to
13 NHC (and thus the receivership estate) are to be offset against the amounts CMS asserts it is owed under
14 the start-up loan awarded to NHC. CMS offset approximately \$12.9 million against the start-up loan
15 that should have instead been paid to NHC. When the full amount of 2014 - 2015 Risk Corridors
16 payments (*i.e.*, not just the prorated amount⁶) are included in the total, NHC is owed over \$55 million
17 for CMS Receivables.⁷

18 On November 30, 2021, the U.S. Court of Federal Claims granted the Receiver’s Motion for
19 Summary Judgment and found in favor of the Receiver on questions of debt, rights to offset, and claim

20 ⁵ This does not include a claim by the U.S. Department of Health and Human Services, which the SDR
21 has previously reported to this Court. The government did not file an appeal of the SDR’s determination of its
22 claim.

23 ⁶ 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>).

⁷ 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. A portion of the total Risk Corridors receivables will be due
NHC, as well as the full portion of non-Risk Corridors receivables owed by CMS.

1 and issue preclusion matters.⁸ The parties were ordered to, and did, file a joint stipulation on an agreed-
2 upon sum for the damages. The U.S. Court of Federal Claims entered judgment in favor of the Receiver
3 on January 4, 2022. The United States filed a Notice of Appeal of the Court’s judgment on March 4,
4 2022, and its opening brief was filed on July 8, 2022. The Court’s opinion and additional developments
5 in this matter are detailed further below.

6 **Engagement of Additional Legal Counsel**

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

11 **Asset Recovery Action Against Various Professionals and Other Firms Who Performed Services 12 for and on Behalf of NHC**

13 As previously reported by the Receiver, the Asset Recovery Action has now been fully settled
14 among all parties, and the action by the Receiver is now closed. Those interested should refer to
15 previously filed status reports (available at www.nevadahealthcoop.org) for historical information about
16 the Asset Recovery Action.

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

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

24 In Counts I through IV, the CFC Complaint prays for relief in the form of an award of damages
25 and monetary relief equal to the difference between the amount NHC actually received in payments
26 under Sections 1342, 1341, 1343, and 1401 of the ACA – the statutes which describe and enact the Risk
27 Corridors, transitional reinsurance, risk adjustment, and cost sharing reduction programs respectively –

28 ⁸ *Richardson v. United States*, No. 18-1731C, 2021 WL 5625391 (Fed. Cl. Nov. 30, 2021).

1 and the amount NHC should have received under those laws. Count V (breach of contract by offset) and
2 Count VI (illegal exaction) plead alternate theories for recovery of money damages resulting from the
3 United States, through its agents at HHS and CMS, offsetting payments that CMS owed to NHC against
4 funds NHC allegedly owed to the government under the CO-OP start-up loan (the “Loan Agreement”).

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

8 On November 30, 2021, the U.S. Court of Federal Claims issued its Opinion and Order, denying
9 the government’s motion to dismiss and concluding *inter alia* that the Government’s offsets were
10 improper, and that the Receiver was entitled to summary judgment on Counts I through V¹¹ of his CFC
11 Complaint. *Richardson v. United States*, No. 18-1731C, 2021 WL 5625391, at *7 (Fed. Cl. Nov. 30,
12 2021). The U.S. Court of Federal Claims ordered that the Receiver is entitled to judgment as a matter
13 of law on his claims and that on or before December 30, 2021, the parties should file a joint stipulation
14 or joint status report, indicating an agreed-upon sum for the purpose of entry of final judgment. The
15 Receiver worked with counsel for the Government to prepare a Joint Status Report, filed on
16 December 30, 2021, wherein the parties agreed that the amount of the judgment should be
17 \$55,504,468.39 and that there were no remaining unresolved issues that would prevent entry of final
18 judgment. Accordingly, on December 31, 2021, the U.S. Court of Federal Claims directed judgment in
19 favor of the Receiver in the amount of \$55,504,468.39. On January 4, 2022, U.S. Court of Federal
20
21

22 ⁹ 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 ¹⁰ 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 ¹¹ 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 Claims entered judgment for the Receiver for \$55,504,468.39. The Government filed a Notice of Appeal
2 of this judgment on March 4, 2022.

3 On July 8, 2022, the United States filed its Opening Brief for the United States in the above-
4 described appeal, setting forth its legal arguments in support, *inter alia*, of maintaining an offset of
5 amounts owed under the Risk Corridors program against those amounts ostensibly owed to it under the
6 CO-OP loan program. Subsequent to a Notice of Non-Compliance, the government again filed its
7 Opening Brief for the United States on July 18, 2022, and then again on July 19, 2022, such re-filing
8 containing non-substantive corrections per the United States. A Corrected Opening Brief for the United
9 States was filed as of July 22, 2022. The Receiver filed a Response Brief on October 17, 2022. The
10 United States requested and was granted an extension of time to file its reply and did file its Reply Brief
11 on December 5, 2022. On December 12, 2022, the parties filed their Joint Statement of Compliance
12 with Federal Circuit Rule 33(a)(2) stating that settlement discussions have been conducted, but the
13 discussions have not been successful. Oral Argument was previously set for September 6, 2023, but
14 was re-set due to scheduling conflicts. The Federal Circuit heard oral arguments in this matter on
15 January 11, 2024, and the matter is now under review for a further decision by the Court. As of the
16 writing of this status report, the Federal Circuit has not yet entered its decision.

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

18 On December 14, 2021, the Receiver filed a complaint in the Eighth Judicial District Court, Case
19 No. A-21-845440-B, against WellHealth Medical Associates, PLLC, Medsource Management Group,
20 LLC, and certain individual persons or estates of persons formerly or currently in positions of authority
21 and responsibility within these organizations, for the recovery of amounts which the NHC alleges is
22 owed in connection with certain illegal transactions which took place with NHC in health plan years
23 2014 and 2015, as well as certain related improper business transactions which involved the transfer of
24 CO-OP funds to persons, and through mechanisms, which did not comply with the relevant laws and
25 regulations. This case was initially filed in Department 5, but has been reassigned to Department 31.

26 On August 8, 2022, the parties filed a Stipulation and Order allowing the Receiver to Amend the
27 Complaint, providing additional arguments and causes of action; alongside this, Plaintiff filed the First
28 Amended Complaint in this action. Following some motion practice between the parties as covered in

1 prior status reports, the case remains pending between the parties. Discovery was in progress and was
2 set to be completed by July 12, 2024. The trial of this case was set on a five-week trial stack for
3 October 7, 2024. The parties met and conferred and agreed to submit the case to mediation. A stipulation
4 and proposed order to stay the case for mediation was submitted on October 5, 2023, and the stay has
5 since expired. The parties were not able to mediate and discovery in the case continued.

6 On November 16, 2023, the Court entered its *Findings of Fact, Conclusions of Law, and Order*
7 *Denying Defendant Nino Pedrini’s Motion to Dismiss Based on Contractual Limitations or, in the*
8 *Alternative, for Violation of the Statute of Limitations or, in Further Alternative, for Failure to State a*
9 *Claim*. Also on November 16, 2023, the Court denied defendant Pedrini’s *Motion for Reconsideration*
10 *to Denial of His Motion to Dismiss Based on Contractual Limitations or, in the Alternative, for Violation*
11 *of the Statute of Limitations or, in Further Alternative, for Failure to State a Claim*. On January 12,
12 2024, Defendant Pedrini filed his *Answer to Plaintiff’s Complaint and Joinder in Counterclaim*.

13 On December 12, 2023, the parties stipulated and agreed to consolidating the two related cases,
14 *State of Nevada, ex rel., Commissioner of Insurance, Barbara Richardson in her official capacity as*
15 *Receiver for Nevada Health Co-Op v. Nino Pedrini*, Case No. A-22-860744-C (the “*Pedrini Action*”),
16 and *State of Nevada, ex rel., Commissioner of Insurance, Barbara Richardson in her official capacity*
17 *as Receiver for Nevada Health Co-Op v. WellHealth Medical Associates*, Case No. A-21-845440-B (the
18 “*WellHealth Action*”). Both cases arise out of the same series of transactions and occurrences, and
19 involve common questions of law and fact. Based on the foregoing, the Court exercised its discretion
20 and consolidated the Pedrini Action (Case No. A-22-860744-C) into the WellHealth Action (Case
21 No. A- 21-845440-B) on December 12, 2023.

22 The Receiver filed his *Motion for Partial Summary Judgment Against Defendant Wellhealth*
23 *Medical Associates (Volker), PLLC dba Wellhealth Quality Care* on March 29, 2024. On April 15, 2024,
24 the Receiver filed notice with the Court that no opposition to the motion had been filed by any party,
25 and requesting the Court therefore grant the Receiver’s motion for partial summary judgment. Also on
26 April 15, 2024, the Receiver filed a *Motion for Leave to File Second Amended Complaint* (“*Motion for*
27 *Leave to Amend*”) in the Wellhealth Action, and on April 29, 2024, Defendants Medsource Management
28 Group, LLC, Robert Baratta, and Nino Pedrini filed an opposition to said motion.

1 A hearing on the Receiver’s *Motion for Leave to File Second Amended Complaint* was set for
2 May 21, 2024. However, on April 17, 2024, Wellhealth Medical Associates, PLLC, f/d/b/a Wellhealth
3 Quality Care, and f/d/b/a Wellhealth Medical Associates (Volker), PLLC filed for bankruptcy under
4 Chapter 7 of Title 7 of the United States Code in the United States Bankruptcy Court for the District of
5 Nevada (Case No. 24-11839). The Court did not vacate the aforementioned May 2, 2024, hearing on the
6 Receiver’s *Motion for Partial Summary Judgment*, but did use the hearing to inquire as to the parties’
7 positions on the scope of the bankruptcy’s automatic stay. The Court also asked the parties to meet and
8 confer as to whether the May 21, 2024, hearing on the Receiver’s *Motion for Leave to Amend* should be
9 vacated. On May 17, 2024, the parties advised the Court that they had met and conferred and agreed
10 that the case is stayed for all purposes at this time because of the automatic stay. 11 U.S.C. § 362. Until
11 the Bankruptcy Court lifts the stay, this case and any pending hearings, such as the May 21, 2024,
12 hearing, may not proceed. The Bankruptcy case is in its initial stages. A creditors meeting was held on
13 May 20, 2024.

14 **Current Receivership Assets**

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

18 1. The currently available, unrestricted cash assets of the CO-OP as of April 30, 2024, were
19 approximately \$1,041,919. The majority of NHC’s currently available and liquid assets are held in bank
20 deposits.

21 2. The financial information of NHC in this Thirty-Fifth Status Report provides estimates.
22 NHC’s financials may materially vary depending upon the estate’s receipt of the promised federal
23 receivables payments under the various ACA programs described in this report, and future litigation
24 recoverables.

25 3. The Receiver is including, as **Exhibit 2** attached hereto, a cash flow report for NHC for
26 the period covering the inception of the receivership through April 30, 2024. This report reflects a
27 summary of disbursements and collections made by NHC during this period.

28 ///

1 **CONCLUSION**

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

5 DATED this 28th day of May 2024.

6 Respectfully submitted:

7 Scott Kipper, Commissioner of Insurance of
8 the State of Nevada, in his Official Capacity as
9 Statutory Receiver of Delinquent Domestic
10 Insurer

11 By: */s/ Cantilo & Bennett, L.L.P.*

12 Special Deputy Receiver
13 By Its Authorized Representative
14 MARK F. BENNETT

15 Respectfully submitted by:

16 GREENBERG TRAUIG, LLP

17 */s/ Donald L. Prunty*

18 MARK E. FERRARIO, ESQ.
19 Nevada Bar No. 01625
20 DONALD L. PRUNTY, ESQ.
21 Nevada Bar No. 08230
22 10845 Griffith Peak Drive, Suite 600
23 Las Vegas, Nevada 89135
24 Emails: ferrariom@gtlaw.com
25 pruntyd@gtlaw.com

26 *Counsel for Scott Kipper,*
27 *Commissioner of Insurance, as the*
28 *Permanent Receiver for Nevada Health CO-*
OP

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on the **28th day of May 2024**, a true and correct copy of the foregoing **THIRTY-FIFTH 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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

INDEX OF EXHIBITS		
EXHIBIT	DESCRIPTION	BATES RANGE
Exhibit 1	Summaries	001-020
Exhibit 2	Cash Flow Analysis	021-022

Exhibits may be requested by contacting the Special Deputy Receiver at 512-478-6000