

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

STIPULATION FOR ENTRY OF JUDGMENT

To finally resolve the risk corridors claims of Plaintiffs, Molina Healthcare of California, Inc., Molina Healthcare of Florida, Inc., Molina Healthcare of Michigan, Inc., Molina Healthcare of New Mexico, Inc., Molina Healthcare of Ohio, Inc., Molina Healthcare of Texas, Inc., Molina Healthcare of Utah, Inc., Molina Healthcare of Washington, Inc., and Molina Healthcare of Wisconsin, Inc. (“Molina”) against the United States, and to permit the entry of a consolidated final judgment on those claims in Case No. 17-097 and entry of partial final judgment on those risk corridors claims in Case No. 18-333, it is hereby stipulated and agreed between the Parties:

1. The Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (2010), 124 Stat. 119, and the Health Care Reconciliation Act of 2010, Pub. L. No. 111-152 (2010),

124 Stat. 1029 (collectively, the “ACA”) created several interrelated programs to expand access to affordable health insurance coverage.

2. Section 1342 (42 U.S.C. § 18062) of the ACA created the risk corridors program. Section 1402 (42 U.S.C. § 18071) authorizes cost-sharing reductions (“CSRs”), and Section 1412 (42 U.S.C. § 18082) authorizes advance payment of CSRs.

3. In Case No. 17-097, on January 23, 2017, Molina filed a Complaint in this Court seeking risk corridors damages under section 1342 of the ACA for benefit years 2014 and 2015. The Complaint asserts five counts, each asserting a separate theory for damages arising under section 1342 of the ACA (Count II was not asserted by all plaintiffs).

4. In Case No. 18-333, on March 5, 2018, Molina filed a Complaint in this Court seeking, along with claims under sections 1402 and 1412 of the ACA for CSR payments, risk corridors damages for claims under section 1342 of the ACA for benefit year 2016. The Complaint in Case No. 18-333 asserts four risk corridors counts, each asserting a separate theory for damages arising under section 1342 of the ACA.

5. On April 27, 2020, the United States Supreme Court held that section 1342 of the ACA “created an obligation neither contingent on nor limited by the availability of appropriations or other funds,” that the obligation was not affected by subsequently-enacted legislation, and that the “petitioners may seek to collect payment through a damages action in the Court of Federal Claims.” *Maine Community Health Options v. United States*, 140 S. Ct. 1308, 1323, 1331 (2020).

6. The Parties agree that the Supreme Court’s decision in *Maine Community Health Options* entitles Molina to receive payment of damages from the United States under ACA section 1342 for risk corridors benefit years 2014, 2015, and 2016 in the total amount of \$128,149,834.14 (“Stipulated Damages Amount”). The Parties further agree that this payment resolves entirely the

Complaint in Case No. 17-097 and partially resolves the Complaint in Case No. 18-333 for all risk corridors claims counts seeking damages under section 1342 of the ACA.

7. Accordingly, the Parties jointly request that the Court enter final judgment in favor of Molina in the total damages amount of \$128,149,834.14 on Count I of the Complaint in Case No. 17-097 (damages for risk corridors benefit years 2014 and 2015) and on Count I of the Complaint in Case No. 18-333 (damages for risk corridors benefit year 2016).

8. Upon the Court's entry of judgment as requested above, the Parties further jointly request that the Court dismiss Counts II, III, IV and V of the Complaint in Case No. 17-097 with prejudice and Counts II, III and IV of the Complaint in Case No. 18-333 with prejudice.

9. Upon entry of final judgment and receipt of full payment by Molina of the Stipulated Damages Amount above, Molina Healthcare of California, Inc. (HIOS no. 18126), Molina Healthcare of Florida, Inc. (HIOS no. 54172), Molina Healthcare of Michigan, Inc. (HIOS no. 40047), Molina Healthcare of New Mexico, Inc. (HIOS no. 19722), Molina Healthcare of Ohio, Inc. (HIOS no. 64353), Molina Healthcare of Texas, Inc. (HIOS no. 45786), Molina Healthcare of Utah, Inc. (HIOS no. 18167), Molina Healthcare of Washington, Inc. (HIOS no. 84481), Molina Healthcare of Wisconsin, Inc. (HIOS no. 52697), and any and all of each named Plaintiff's affiliated entities, release the United States, its agencies, instrumentalities, officers, agents, employees, and servants, from all claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Molina Healthcare of California, Inc. (HIOS no. 18126), Molina Healthcare of Florida, Inc. (HIOS no. 54172), Molina Healthcare of Michigan, Inc. (HIOS no. 40047), Molina Healthcare of New Mexico, Inc. (HIOS no. 19722), Molina Healthcare of Ohio, Inc. (HIOS no. 64353), Molina Healthcare of Texas, Inc. (HIOS no. 45786), Molina Healthcare of Utah, Inc. (HIOS no. 18167), Molina Healthcare of Washington, Inc. (HIOS

no. 84481), Molina Healthcare of Wisconsin, Inc. (HIOS no. 52697), and any and all of each named Plaintiff's affiliated entities, has asserted, could have asserted, or may assert in the future against the United States its agencies, instrumentalities, officers, agents, employees, and servants, arising under Section 1342 of the ACA.

Dated: June 17, 2020

Respectfully submitted,

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