

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

BLUE CROSS AND BLUE SHIELD)
OF VERMONT)
)
Plaintiff,)
)
v.) No. 18-241C
) Senior Judge Wolski
THE UNITED STATES OF AMERICA,)
)
Defendant.)

STIPULATION FOR ENTRY OF FINAL JUDGMENT

To finally resolve the claims of Plaintiff Blue Cross and Blue Shield of Vermont (“BCBSVT”), against the United States, and to permit the entry of final judgment on Plaintiff’s claims, 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.
3. On February 15, 2018, BCBSVT filed a Complaint in this Court seeking risk corridors damages under section 1342 of the ACA for benefit years 2015 and 2016. Plaintiff does not assert any claim for risk corridors for CY 2014. The Complaint asserts four counts, each asserting a separate theory for damages arising under section 1342 of the ACA.
4. 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).

5. The Parties agree that the Supreme Court’s decision in *Maine Community Health Options* entitles BCBSVT to receive payment of damages from the United States under ACA section 1342 for risk corridors benefit years 2015 and 2016 in the total amount of \$11,095,529.37 (“Stipulated Damages Amount”). The Parties further agree that receipt of this full payment will resolve entirely the Complaint in this case.

6. Accordingly, the Parties jointly request that the Court enter final judgment in favor of BCBSVT in the total damages amount of \$11,095,529.37 on Count I of the Complaint.

7. Upon the Court’s entry of final judgment as requested above, the Parties further jointly request that the Court dismiss Counts II, III and IV of the Complaint with prejudice.

8. Upon entry of final judgment and receipt of full payment by BCBSVT of the Stipulated Damages Amount above, BCBSVT (HIOS no. 13627), and any and all of the 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 BCBSVT (HIOS no. 13627), and any and all of the 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: July 6, 2020

Respectfully submitted,

MICHAEL GRANSTON
Deputy Assistant Attorney General

RUTH A. HARVEY
Director

Commercial Litigation Branch

KIRK T. MANHARDT
Deputy Director

/s/ Marc S. Sacks
MARC S. SACKS
Commercial Litigation Branch
Civil Division
United States Department of Justice
P.O. Box 875
Ben Franklin Station
Washington D.C. 20044
Tel. (202) 307-1104
Fax (202) 514-9163
marcus.s.sacks@usdoj.gov

ATTORNEYS FOR
THE UNITED STATES

s/ Lawrence S. Sher
Lawrence S. Sher (D.C. Bar No. 430469)
REED SMITH LLP
1301 K Street NW
Suite 1000-East Tower
Washington, DC 20005
Telephone: 202.414.9200
Facsimile: 202.414.9299
Email: lsher@reedsmith.com

Of Counsel:

Conor M. Shaffer (PA Bar No. 314474)
REED SMITH LLP
Reed Smith Centre
225 Fifth Avenue, Suite 1200
Pittsburgh, PA 15222
Telephone: 412.288.3131
Facsimile: 412.288.3063
Email:cshaffer@reedsmith.com

Counsel for Plaintiff