

**IN THE UNITED STATES COURT
OF FEDERAL CLAIMS**

BLUE CROSS OF CALIFORNIA, *et al.*,

Plaintiffs,

v.

THE UNITED STATES,

Defendant.

No. 20-606 C
Judge Bonilla

JOINT STATUS REPORT

Pursuant to the Court's September 29, 2023 order (ECF No. 50), the parties respectfully submit this joint status report to request that the Court continue the stay of this case for 60 days.

As the parties reported to the Court in their May 24, 2024 Joint Status Report (ECF No. 56), this case is currently stayed because the Government is working with a number of CSR Plaintiffs to determine whether they may efficiently resolve this and other pending CSR matters without further litigation or at least streamline these cases. The parties to a number of these CSR cases, including this one, have stipulated to entry of partial final judgment as to the CSR amounts owed by the Government for 2017. On September 27, 2022, with leave of this Court, the Plaintiffs filed an Amended Complaint to recover CSR payments due to Plaintiffs for 2018-21. On September 29, 2023, the Court ordered the parties to file a joint status report on or before November 28, 2023, and every 60 days thereafter until the stay is lifted or otherwise ordered by the Court.

Pursuant to the Court's September 29, 2023 order, the parties respectfully submit this Joint Status Report. Counsel for the parties have reached a tentative agreement in

principle on a methodology by which the parties believe some of these CSR cases can be settled, including this case. This settlement methodology has been preliminarily reviewed by officials at both the Department of Health and Human Services and the Department of Justice, but the actual settlement of each CSR case applying that methodology must be approved and accepted by Defendant and each participating CSR plaintiff before it can be finally authorized. A process to gather and verify certain relevant data is underway to determine and calculate the damages that may be owed to a given CSR plaintiff insurer for a given year pursuant to the agreed-upon methodology. Once the agreed-upon relevant data is gathered and verified, each plaintiff will have the option of participating in the proposed settlement process, subject to the approval process described above, or continuing instead with litigation. The parties also are working to complete a draft form settlement agreement and release to be used by the parties as a template for each case that the parties have agreed to settle assuming authorization to settle.

Defendant has shared a draft settlement agreement template with plaintiffs on February 27, 2024, and on March 12, 2024, plaintiffs agreed to the latest draft. This draft settlement agreement is now pending final approval by CMS. Plaintiffs have provided Defendant with financial information Defendant has requested in order to verify any settlement amounts due to Plaintiffs in this case. Defendant is reviewing the information Plaintiffs have provided, and expects to send Plaintiffs the proposed final settlement amount owed Plaintiffs within the next couple of weeks. Once the final settlement amount is agreed upon by Plaintiffs, the United States will obtain approval from the authorized representative of the Attorney General. Therefore, the settlement agreement and approval process for this CSR case will take some additional time to

complete. We thus respectfully request that the Court continue the stay in this case for 60 days, until Monday, September 23, 2024.

July 23, 2024

Respectfully submitted,

/s/ Lawrence S. Sher
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