

Pursuant to the Court's July 18, 2023 Order (ECF No. 52), the parties respectfully submit this joint status report. The July 18 Order continued the stay in these proceedings and directed the parties to file a joint status report on August 1, 2023 and every 45 days thereafter.

As stated in the parties' previous 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. Defendant is proposing for the plaintiffs' consideration a process to gather and verify certain relevant data 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 or continuing instead with litigation, subject to the approval process described above.

The parties also continue to work on completing a draft form settlement agreement and release to be used by the parties as a template for each case assuming authorization to settle. Defendant shared the latest 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, and will take additional time to complete.

For the reasons stated above, we respectfully request that the Court continue the stay, and, pursuant to the Court's July 18, 2023 Order, the parties will file a Joint Status Report on or before June 13, 2024 to update the Court on the status of their efforts to fully resolve this matter.

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