

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

HIGHMARK, INC, *et al.*,

Plaintiffs,

v.

THE UNITED STATES,

Defendant.

No. 20-1686 C
Judge Kaplan

JOINT STATUS REPORT

Pursuant to the Court's February 16, 2024 order (ECF No. 63), 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 January 26, 2024 Joint Status Report (ECF No. 62), 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 23, 2022, with leave of this Court, the Plaintiffs filed an Amended Complaint to recover CSR payments due to Plaintiffs for 2018-21. On February 16, 2024, the Court ordered the parties to file a joint status report on or before March 26, 2024.

Pursuant to the Court's February 16, 2024 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 most recently 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. The timeline Defendant proposed for data gathering and verification process with plaintiffs is underway, and the United States must now obtain approval from the authorized representative of the Attorney General. Therefore, the settlement agreement and approval process for these CSR cases 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, May 27, 2024.

March 26, 2024

Respectfully submitted,

/s/ Lawrence S. Sher

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CERTIFICATE OF SERVICE

I hereby certify that on March 26, 2024 a copy of the foregoing Joint Status report was filed electronically with the Court's Electronic Case Filing (ECF) system. I understand that notice of this filing will be sent to all parties by operation of the Court's ECF system.

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