# IN THE UNITED STATES COURT OF FEDERAL CLAIMS

HIGHMARK, INC, et al.,

Plaintiffs.

v.

No. 20-1686 C Judge Kaplan

THE UNITED STATES,

Defendant.

### **JOINT STATUS REPORT**

Pursuant to the Court's May 28, 2024 order (ECF No. 67), 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 28, 2024 Joint Status Report (ECF No. 66), 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 May 28, 2024, the Court ordered the parties to file a joint status report on or before July 26, 2024.

Pursuant to the Court's May 28, 2024 order, the parties respectfully submit this Joint Status Report. Counsel for the parties have reached an 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 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.

The parties have prepared, reviewed and exchanged a draft settlement agreement template to be used for settlement in these CSR cases. Plaintiffs and Defendant have now agreed upon a methodology to be used that will allow Defendant to verify the reconciled CSR damages amounts owed to Plaintiffs in the settlement of this case. After Plaintiffs provide Defendant with certain CSR-related financial information for the benefit years in question, Defendant will review and verify that information within 30 days and then Plaintiffs will have the option of participating in the proposed settlement process or continuing instead with the litigation. If Plaintiffs decide to participate, counsel of record for Defendant will recommend the settlement for approval by 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 Tuesday, September 24, 2024.

July 26, 2024

### /s/ Lawrence S. Sher

Lawrence S. Sher (D.C. Bar No. 430469) WINSTON & STRAWN LLP 1901 L Street NW

Washington, DC 20036 Telephone: 202.282-5000 Facsimile: 202.282.5100 Email: Lsher@winston.com

Attorneys for Plaintiffs

Respectfully submitted,

#### BRIAN M. BOYNTON

Principal Deputy Assistant Attorney General

# PATRICIA M. McCARTHY Director

## /s/ Claudia Burke

CLAUDIA BURKE Deputy Director

### /s/ David M. Kerr

DAVID M. KERR
Senior Trial Counsel
Commercial Litigation Branch
Civil Division
U.S. Department of Justice
P.O. Box 480
Ben Franklin Station
Washington, DC 20044
Telephone: (202) 307-3390
Email: David.M.Kerr@usdoj.gov

#### OF COUNSEL:

ALBERT S. IAROSSI Assistant Director Civil Division U.S. Department of Justice

Attorneys for Defendant

## **CERTIFICATE OF SERVICE**

I hereby certify that on July 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 with be sent to all parties by operation of the Court's ECF system.

/s/ Lawrence S. Sher Lawrence S. Sher (D.C. Bar No. 430469) WINSTON & STRAWN LLP 1901 L Street NW Washington, DC 20036 Telephone: 202.282-5000

Facsimile: 202.282.5100 Email: Lsher@winston.com

Attorneys for Plaintiffs