

**SUPERIOR COURT FOR THE DISTRICT OF COLUMBIA**  
**Civil Division**

DISTRICT OF COLUMBIA,  
Department of Insurance, Securities  
and Banking,

Petitioner,

v.

D.C. CHARTERED HEALTH PLAN, INC.,

Respondent.

Civil Action No. 2012 CA 008227 2  
Judge Judith Bartnoff  
Calendar 15  
Next Event: Status Hearing  
July 21, 2016 at 10:00 a.m.

**PETITION FOR APPROVAL OF PAYMENT FOR**  
**FIFTH SET OF PROVIDER CLAIM APPEALS AND**  
**RECONCILIATION OF PRIOR CLAIM APPEAL PAYMENTS**

D.C. Chartered Health Plan, Inc., acting through its Special Deputy to the Rehabilitator (“Chartered”), respectfully petitions this Court to enter the requested Order approving the issuance of payments totaling **\$52,308.94**, for healthcare providers’ approved claims; and approving prior payments of \$179,928.19 in order to reconcile previous Court orders authorizing claim payments with the actual *pro rata* payments made to providers, as described further below and as summarized in the attached **Exhibit 1**.

**Background**

By order dated August 22, 2013, the Court approved the Settlement Agreement Between Chartered and the District of Columbia (the “Settlement”). In accord with the Settlement, the Special Deputy calculated that each provider could be paid 83.88% of its total claims from the settlement proceeds, which percentage reflected each provider’s *pro rata* share of the \$48 million settlement based on \$57.22 million in total claims owed by Chartered to healthcare providers as of September 9, 2013 (the “*Pro Rata* Calculation Date”). See Special Deputy to the Rehabilitator’s Seventh Status Report, at 5 (Sept. 23, 2013). The Court subsequently approved the same 83.88% *pro rata* payment for four separate submissions of claims and claim appeals

which were determined after the *Pro Rata* Calculation Date. In each subsequent submission, the Special Deputy identified a total approved claim amount and sought the Court's authorization to pay the pro-rated 83.88% share of those claims.

### **Outstanding Claim Appeals**

Late last year, AmeriHealth, Chartered's Third Party Administrator for claim processing and administration, adjudicated an additional 32 provider claim appeals totaling \$43,657.77 that have not previously been submitted to the Court for approval. The appeals were based on claims submitted prior to the August 31, 2013 claim bar date but were initially denied in whole or in part. The providers appealed and subsequently had their claims approved in whole or in part after by AmeriHealth. To ensure that all Priority Class 3 claimants receive the same *pro rata* payment on their claims, the Special Deputy seeks the Court's approval to pay these providers their 83.88% *pro rata* share of their approved claims, or \$36,620.15 (83.88% of \$43,657.77).

### **Reconciliation of Prior Claim Appeals**

In reviewing the financial records of amounts paid to Chartered providers on the four previous submissions for approval to pay claims and claim appeals determined after the *Pro Rata* Calculation Date, the Special Deputy identified some errors and discrepancies in the total claim amounts submitted to and approved by the Court, including the total *pro rata* payments actually made to providers. Upon investigation, the Special Deputy determined that the correct *pro rata* rate of 83.88% was used but was applied to claims that had already been calculated at the *pro rata* share amount. In essence, the *pro rata* rate was applied twice, which resulted in a lower dollar amount being submitted for approval. This Petition also seeks the Court's approval to pay those providers their full 83.88% *pro rata* share.

Specifically, the four previous applications submitted to the Court had claims totaling \$1,141,184.48 and sought court approval to pay a total *pro rata* share amount of \$957,129.56.

The correct total claim amount for the four previous applications should have been \$1,374,282.80, for which \$1,137,057.75 would have been the correct total 83.88% *pro rata* share approved for payment. A reconciliation is needed to approve the \$179,928.19 difference between the total claim amounts previously approved by the Court and the 83.88% *pro rata* share payment amounts due to the providers. In this regard, because Chartered's TPA has already paid the providers their full 83.88% *pro rata* share pursuant to the Court's prior approval, no additional payments will be necessary. Rather, the Special Deputy only seeks to have the total *pro rata* share amount of \$1,137,057.75 retroactively approved to reflect the additional \$179,928.19 in payments made to these providers.

The attached Exhibit 1 summarizes the amounts previously submitted to the Court, the correct amounts that should have been submitted, and the actual 83.88% *pro rata* payments made. The Special Deputy can provide additional back-up documentation on the claims totaled in the summary, if desired by the Court.

WHEREFORE, Chartered petitions this Court to enter the requested Order approving the issuance of **\$52,308.94** in payments for the 83.88% *pro rata* share of provider claims and claim appeals approved by AmeriHealth, DentaQuest and the Special Deputy Rehabilitator in this Fifth Set of Provider Claim and Appeals, and to approve the total *pro rata* share amount of \$1,137,057.75 for the four previous submissions.

Date: July 11, 2016

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Attorneys for the Rehabilitator and the Special  
Deputy to the Rehabilitator

CERTIFICATE OF SERVICE

I hereby certify that on this 11<sup>th</sup> day of July, 2016, a copy of the foregoing *Petition for Approval of Payment for Fifth Set of Provider Claim Appeals and Reconciliation of Prior Claim Appeal Payments*, and proposed order, was filed and served by email upon:

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**SUPERIOR COURT FOR THE DISTRICT OF COLUMBIA**

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DISTRICT OF COLUMBIA  
Department of Insurance, Securities  
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D.C. CHARTERED HEALTH PLAN, INC.,

Respondent.

Civil Action No.: 2012 CA 008227 2  
Judge: Judith Bartnoff  
Calendar No.: 15  
Next Scheduled Event: Status Hearing  
October 22, 2015, at 10:00 a.m.

**[PROPOSED] ORDER APPROVING PAYMENT FOR  
FIFTH SET OF PROVIDER APPEALS AND  
RECONCILIATION OF PRIOR CLAIM APPEAL PAYMENTS**

On July 11, 2016, D.C. Chartered Health Plan, Inc., acting through its Rehabilitator, Special Deputy to the Rehabilitator and their attorneys (“Chartered”), filed a *Petition for Approval of Payment for Fifth Set of Provider Claim Appeals and Reconciliation of Prior Claim Appeal Payments*. The Petition asked the Court to enter an order approving the payment of provider claim appeals in the 83.88% *pro rata* share approved on all other provider claims and to reconcile the total Court authorized payments with actual payments made to providers for approved claims and claim appeals.

Upon consideration of the Petition and the entire record herein, it is this \_\_\_\_ day of \_\_\_\_\_, 2016,

1. ORDERED: That payment by the Special Deputy of \$52,308.904 for the 83.88% *pro rata* share of provider claim appeals is APPROVED; and

2. ORDERED: That the Special Deputy's total *pro rata* claim payment amount for the four prior Orders is retroactively revised to \$1,137,057.75 and APPROVED;  
and
3. This is entered as a final Order.

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Judge Judith Bartnoff  
Signed in Chambers

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E. Louise R. Phillips, Esq.

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# **EXHIBIT 1**

