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Reviewer: Alexa G.

STATE OF RHODE ISLAND
PROVIDENCE, S.C.

SUPERIOR COURT

Neighborhood Health Plan of Rhode Island,

Plaintiff,

v.

State of Rhode Island; Executive Office of Health and Human Services; and Kristen Sousa, in her official capacity as interim Secretary of the Executive Office of Health and Human Services,

Defendants.

C.A. No. PC-2026-_____

COMPLAINT

Plaintiff Neighborhood Health Plan of Rhode Island ("Neighborhood"), a not-for-profit health plan serving the State's most vulnerable residents, brings this Complaint against Defendants State of Rhode Island, Executive Office of Health and Human Services ("EOHHS"), and Kristen Sousa, in her official capacity as interim Secretary of EOHHS (collectively, the "State"), to enforce the State's obligation to reconcile and pay what it owes under two contracts: the Contract for Rhody Health Options Services, dated November 1, 2013 and amended from time to time through September 30, 2018 (the "Unity Contract"), and the contract for the Medicare-Medicaid demonstration known as INTEGRITY, dated 2016 and amended and restated from time to time through its expiration on December 31, 2025 (the "Integrity Contract") (together, the "Contracts").

INTRODUCTION

1. The Contracts set out a simple arrangement. Neighborhood would cover the care of Rhode Island's most vulnerable Medicaid members, including nursing home residents and adults who rely on long-term services and supports to remain at home. In return, the State would pay Neighborhood a fixed monthly capitation payment for each member, set by the member's

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rate cell, and would reconcile and correct those payments whenever its own records lagged behind the care members actually received.

2. The State controls every step of that payment process. It enrolls members, assigns each member's rate cell, runs the data systems that drive payment, and issues the payments. Neighborhood cannot enroll a member, change a rate cell, or correct the State's data. Therefore, placing members in the correct rate cell is critical in compensating Neighborhood.

3. Neighborhood met its obligations under the Contracts. For years, it paid for nursing home care and long-term services as members needed them, without waiting for the State's data systems to catch up.

4. The State's data systems did not catch up. Its eligibility and payment systems failed, and the State left members in incorrect, lower-paying rate cells for months or longer, failed to timely enroll others, and never completed the reconciliations the Contracts require. The State has acknowledged its reconciliation problems since at least 2018, and when it reconciled a limited sample of members, it found large underpayments. Yet it has refused to reconcile the rest, most recently rejecting an audit that would cover all members and all years under the Contracts.

5. Neighborhood believes that a complete reconciliation will show that the State owes it more than $100,000,000. Neighborhood asks the Court to require the State to complete the reconciliations, or to have them completed under the Court's supervision, and to pay what the Contracts require.

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PARTIES

6. Plaintiff Neighborhood Health Plan of Rhode Island is a Rhode Island non-profit corporation, with a principal office located at 910 Douglas Pike, Smithfield, Rhode Island.

7. Defendant State of Rhode Island is a State and body politic located in the United States of America.

8. Defendant Executive Office of Health and Human Services is a cabinet-level agency of the State of Rhode Island, created by R.I. Gen. Laws § 42-7.2-2, with its principal office in Cranston, Rhode Island.

9. Defendant Kristen Sousa is the interim Secretary of EOHHS and is sued in her official capacity, pursuant to R.I. Gen. Laws § 42-7.2-1 *et seq.*, including § 42-7.2-4, which makes the Secretary responsible for "supervising the executive office of health and human services …."

10. Together, the State is responsible for administering, performing, and paying under the Contracts.

JURISDICTION AND VENUE

11. The Court has jurisdiction over this matter pursuant to R.I. Gen. Laws §§ 8-2-13 and 8-2-14.

12. Venue is proper in Providence County pursuant to R.I. Gen. Laws § 9-4-4.

13. Venue in Providence County is also required by the Unity Contract. Section 3.02.04 provides that Neighborhood "agrees and submits to the jurisdiction of the courts of the State of Rhode Island and agrees that venue for any legal proceeding against the State regarding this Agreement shall be filed in the Superior Court of Providence County."

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THE FACTS

A. Neighborhood Provides Managed Health Care for Rhode Island's Most Vulnerable Medicaid Members

14. Medicaid is the public health insurance program for low-income Rhode Islanders, and EOHHS is the State agency that runs that program in Rhode Island. For most of its Medicaid members, the State does not pay providers directly. Instead, the State contracts with health plans to cover the administrative and medical expenses of those members. The health plan builds the network of providers, manages the members' care, and pays the providers' bills. The State pays the health plan for its services.

15. Neighborhood is one of those plans. Rhode Island's community health centers founded Neighborhood in December 1993 as a not-for-profit health plan for the patients they served. In 1994, Neighborhood enrolled its first members.

16. As the State expanded Medicaid coverage to new groups of Rhode Islanders, Neighborhood partnered with the State to cover them. It began enrolling pregnant women and children. In 2000, it was the only health plan willing to serve children in the State's foster care system. In 2003, it became the first plan to enroll children with special health care needs. Later, the State turned to Neighborhood to cover adults who depend on nursing home care and long-term services. Neighborhood also offered the State's only plan integrating Medicare and Medicaid coverage for Rhode Islanders eligible for both.

17. More than thirty years after its founding, Neighborhood serves approximately one in five Rhode Islanders (its "members"), and most of its members receive coverage through Medicaid. Neighborhood insures approximately 60 percent of Rhode Islanders with low incomes, disabilities, or other special needs.

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B. The State Controls Enrollment, Rate Cell Assignment, and Payment

18. Neighborhood's partnership with the State rests on a basic arrangement. The State decides who is eligible for Medicaid and enrolls them with Neighborhood. Neighborhood covers the members and arranges and pays for their medical care. In return, the State pays Neighborhood a fixed monthly payment, often referred to as a capitation payment, for each member. Because members' eligibility and needs frequently change over time, and the State does not timely enter those changes into its computer database, the arrangement requires a reconciliation where the State looks back, corrects its records, and pays Neighborhood what it is owed.

19. Because some members require more care than others, the State sorts members into payment categories, called rate cells. A healthy adult living at home is in a lower-paying rate cell. A member who needs daily help, such as home health care or assisted living, is in a higher-paying rate cell. Those services are known as long-term services and supports ("LTSS"). A member who lives in a nursing home is in one of the highest-paying rate cells. The difference between rate cells can be thousands of dollars per member, per month.

20. The State decides who enrolls with Neighborhood and the assigned rate cell for each member. It does so through two State computer systems.

21. The first is the State's eligibility system, originally known as the Unified Health Infrastructure Project ("UHIP") and later rebranded "RIBridges." Applications for Medicaid, including applications for long-term services and supports, are submitted through or entered into UHIP/RIBridges. The State determines eligibility using that system and related systems, and it records its decisions there. Those decisions include whether a person is eligible for a Medicaid program and the appropriate rate cell. The State, not Neighborhood, processes applications,

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enters that information, makes eligibility determinations, and sets the rate cell. UHIP/RIBridges, and the payments it drives, are only as accurate as the data the State enters.

22. The second system is EOHHS's Medicaid Management Information System ("MMIS"), which is the State's payment system. MMIS records each member's enrollment and rate cell. When the State determines eligibility in UHIP/RIBridges, it sends that determination to MMIS, which creates the member's enrollment record, with the program codes and dates that determine the member's rate cell.

23. MMIS drives the payment to Neighborhood. The State regularly sends Neighborhood an electronic benefit enrollment and maintenance file, known as an "834 file," that lists the members attributed to Neighborhood and the capitation code, or "cap code," in which each member is enrolled. The cap code identifies the member's rate cell. The State then pays Neighborhood according to the cap codes in MMIS.

24. Neighborhood cannot correct or modify data in UHIP/RIBridges or MMIS, and it cannot enroll members, assign codes, or ensure timely and correct inputs in UHIP/RIBridges or MMIS. Neighborhood only sees the results in the 834 file and in the payment it ultimately receives. Neighborhood must compare each 834 file against its own records, member by member, to discover and identify underpayments by the State.

25. That burden should never have fallen on Neighborhood. The State controls the reconciliation process, and the Contracts make the State responsible for adjusting past payments when its data lags or is faulty.

26. The Contracts allocated the risk of enrollment errors, whatever the cause, to the State. The Contracts require Neighborhood to cover care when members need it, including nursing home care and long-term services at home, without waiting for the State's data system to

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catch up. In return, the Contracts require the State to reconcile its payments, adjust them retroactively when a member's enrollment or rate cell changes or is incorrectly entered, and pay Neighborhood what it is owed.

27. The State did not reconcile its records or its payments to Neighborhood. Even when the State did reconcile, it often failed to update eligibility in a timely manner. When a member's circumstances changed, such as a move into a nursing home or a new need for long-term services at home, the State often failed to enter the data and change the member's rate cell, leaving Neighborhood paying for a higher level of care without the required reimbursement from the State.

28. For example, consider a Neighborhood Unity member who lives at home and needs no long-term services. The State assigns the member to the low-paying community rate cell. The member falls, breaks a hip, and moves into a nursing home, where the member then stays. Neighborhood pays the nursing home for every day that member is there. The Contracts require the State to assign the member to the nursing home rate cell. But the State frequently failed to change the rate cell for months, and sometimes not at all, leaving Neighborhood substantially underpaid for every month the member remained in the wrong rate cell. The difference could be as much as $4,500 per month for this member. The State also underpaid Neighborhood in situations where the member began receiving long-term services at home, rather than in a nursing home.

C. The State's Data Systems Failed

29. The State launched UHIP/RIBridges in September 2016 after spending hundreds of millions of dollars to build it, and the launch failed almost immediately. The failures were widely reported in the press: lengthy delays in payments, problems verifying eligibility, and an

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extensive backlog of applications that affected thousands of Rhode Islanders. Within months of the launch, the State admitted that "UHIP is not working."

30. The State apologized to Rhode Islanders for the rollout and said the system suffered from "defective functionality, incomplete interfaces, engines that still aren't working."

31. The State's system failures incapacitated the exact mechanism that determined Neighborhood's payments. In an April 2017 progress report to the Governor, the State acknowledged that "issues with system communication between MMIS and RI Bridges" had left thousands of cases requiring manual reconciliation between UHIP/RIBridges and MMIS just to establish eligibility.

32. The State's Auditor General, in its Single Audit Reports covering fiscal years 2016 and 2017, reported that eligibility data in UHIP/RIBridges did not match the payment data in MMIS, that the discrepancies were growing, and that their causes remained undetermined. As of June 30, 2017, MMIS listed 16,000 more Medicaid recipients than UHIP/RIBridges when they should have matched. The Auditor General also found that the State failed to make timely eligibility determinations for Medicaid applicants who needed long-term services and supports.

33. In March 2019, then-Governor Gina Raimondo announced that Deloitte Consulting LLP—the company that designed UHIP/RIBridges—would pay the State $50 million in cash as part of a contract extension under which the State agreed not to sue Deloitte for past problems with the system.

34. Before UHIP, the State generally processed applications for long-term care within about 90 days. After UHIP launched, the State often took twelve to eighteen months to process long-term care applications.

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35. The effect of that backlog was severe and long-lasting. By early 2019, the State remained unable to approve nursing home Medicaid applications within 90 days, and hundreds of eligibility determinations remained overdue.

36. The State knows that its systems produced enrollment errors affecting Neighborhood. In 2018, in the actuarial certification it wrote into Amendment No. 9 to the Unity Contract, the State acknowledged that it "has identified and is working **to resolve reconciliation issues** between its eligibility and enrollment systems." (Emphasis added.) Eight years later, the State still **has not reconciled the payments**.

D. The State's Integrated Care Initiative

37. The Unity Contract and the Integrity Contract established the two phases of the State's Integrated Care Initiative ("ICI"). The ICI was built for adults on Medicaid who need long-term care and for adults eligible for both Medicare and Medicaid. It sought to bring together under one plan their primary care, acute care, behavioral health care, and long-term services and supports. The State rolled out the ICI in two phases.

38. Phase I was the Rhody Health Options program ("RHO"). Neighborhood provided RHO coverage, for Medicaid benefits only, under the Unity Contract.

39. Phase II, the INTEGRITY program, added Medicare benefits. Under Phase I, Neighborhood covered only the Medicaid benefits for a member eligible for both Medicaid and Medicare, and the member received Medicare benefits separately. INTEGRITY brought both under one roof: a member eligible for both Medicare and Medicaid who enrolls in INTEGRITY receives both sets of benefits from Neighborhood.

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40. Phase II is governed by a three-way contract among the State, the federal Centers for Medicare & Medicaid Services ("CMS"), and Neighborhood. Like the Unity Contract, it pays Neighborhood a fixed monthly amount for each member to cover that member's care.

41. The two phases were part of a single State initiative, and INTEGRITY followed the structure the Unity Contract had established. The State sorted the same kinds of members into the same kinds of rate cells using the same eligibility system, UHIP/RIBridges. The errors the State's system made under the Unity Contract carried into INTEGRITY, and they continued there.

42. The State labeled each rate cell with a cap code, and it used the same codes and meaning in both phases. Unity codes start with "RO" and INTEGRITY codes start with "IC." A code ending in 30 or 40 is for a member identified as having, respectively, a severe and persistent mental illness or an intellectual or developmental disability. A code ending in 50 is for a member who receives long-term care at home or in the community. A code ending in 60 is for a member who has been in a nursing home for more than 90 days. A code ending in 70 is for a member who lives in the community and receives no long-term care.

E. Under the Unity Contract, the State Failed to Move Nursing Home Residents into the Nursing Home Rate Cell

43. Long-term care was at the center of what Neighborhood agreed to cover in Phase I.

44. The State paid Neighborhood by "premium rating group," and the rating groups follow the care the member receives. When the Unity Contract began, the State paid about $4,649 per month for "members receiving long-term services and supports in a nursing home" (cap code RO60), about $2,306 for "members receiving long-term services and supports in the

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community" (RO50), and about $119 for "members residing in the community with no long-term services and supports" (RO70).

45. The State defined the nursing home rating group, RO60, as "LTC (NH >90 Days)," meaning long-term care for a member who has lived in a nursing home for more than 90 days. The rate cells were meant to follow where each member actually lives and the care the member receives, not when the State updates its records to reflect that status. When the State left a nursing home resident in an incorrect rate cell, it paid Neighborhood a fraction of the rate for that member's care.

46. The Unity Contract gave EOHHS "sole authority for determining eligibility for LTSS," including nursing home care. It required the State to notify Neighborhood of a member's financial eligibility within thirty days. The State should have known which Unity members were living in nursing homes, and for how long, because it had the information it needed to assign members to the correct rate cells.

47. Because only the State could adjust its records, the State was required to reconcile its capitation payments when it discovered errors. In fact, the State may audit to verify "proper payments by the State to Contractor," and "[i]n the event that audits discover underpayment to Contractor, the State will process a corrective payment within thirty (30) days."

48. The State often failed to move Unity members into RO60, the nursing home rate cell. Instead, the State kept paying Neighborhood under community cap codes, most often RO70, the code for a member living at home with no long-term care at all.

49. Neighborhood identified many members one by one, using its claims for custodial nursing home services, and calculated for each member the difference between what the State paid and the nursing home rate for members in custodial care for 90 days or more.

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50. Neighborhood brought these underpayments to the State and asked the State to reconcile as the Unity Contract required. The State still has not done so.

51. In Amendment No. 9 to the Unity Contract, the State's actuary reported that "[t]he State has become aware that there is a growing number of Community members being transferred to a Nursing Home with long-term stays, **with their pay level enrollment remaining in the Community rate cell**." (Emphasis added.) The actuary called it "a systems and process issue that can be remedied" and adjusted the rates "in anticipation of the issue being fixed and individuals being moved into the correct rate cells in the future." The State never fixed the issue, and it never reconciled the payments it made.

52. The Unity Contract ran through September 30, 2018. Neighborhood kept pressing and continues to press the State to conduct a reconciliation, correct the rate cells, and address any underpayments. The State still has not reconciled its payment obligations.

F. Under the Integrity Contract, the State Underpaid for Members in Nursing Homes and Members Receiving Long-Term Care at Home

53. INTEGRITY began enrolling members in July 2016. Under the Integrity Contract, Neighborhood covered long-term services and supports for INTEGRITY members, both in nursing homes and at home.

54. Because INTEGRITY covered both Medicare and Medicaid benefits, Neighborhood was paid differently than under the Unity Contract. Rather than a single capitation payment from the State, Neighborhood received three monthly payments for each INTEGRITY member: two from CMS for federal Medicare benefits, and one from EOHHS for state Medicaid benefits, which the Integrity Contract calls the "Medicaid Component." This claim concerns only the Medicaid Component.

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55. The State pays the Medicaid Component "based on the rate cell of the Enrollee." The Integrity Contract defines each rate cell by where the member lives and the care the member receives. The community rate cell (IC70) is for "[i]ndividuals who are living in the community and not receiving LTSS." The community long-term care rate cell (IC50) is for "[i]ndividuals who are living in the community and receiving LTSS." And the nursing home rate cell (IC60) is for "[i]ndividuals receiving LTSS in a nursing facility and have been in a nursing facility for more than 90 Consecutive Days."

56. As the parties negotiated the Integrity Contract, the State struggled to launch UHIP/RIBridges. Neighborhood told EOHHS that the State's delayed eligibility determinations were already causing significant underpayments under the Unity Contract. EOHHS directed Neighborhood to meet its members' needs and assured Neighborhood that a reconciliation would settle any rate cell discrepancies. So the parties defined the rate cell by the member's actual circumstances, such as living in a nursing home, and not by the State's inaccurate and often tardy rate cell assignments.

57. The Integrity Contract reflected that understanding. The 2015 memorandum of understanding that preceded it had tied the long-term care rate cells to the State's front-end eligibility determinations. The Integrity Contract did not. It defined those rate cells by where members live and the services they receive.

58. Under the Integrity Contract's rates, the IC50 and IC60 rate cells paid far more than the IC70 community rate.

59. As under the Unity Contract, the rate cell follows the care the member actually receives. When a member moves into a nursing home or begins receiving long-term care at

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home, the payment must change with the member: "The Medicaid Component of the Capitation Rates will be updated following a change in an Enrollee's status relative to the rate cells."

60. Only the State could make that change. The State assigned each member's rate cell through its own system: "RI EOHHS will use its eligibility system to determine an Enrollee's Medicaid Component rate cell." That system is UHIP/RIBridges. The State also "is responsible for all level of care determinations and redeterminations." When a member's care changed, the Integrity Contract required the State to update the member's rate cell and pay Neighborhood for the care the member actually received.

61. Neighborhood's coverage obligations did not wait for the State to finish its data entry or processing. Neighborhood paid for nursing home care and long-term services at home before the State changed the members' rate cells. This made reconciliation critically important.

62. In Section 4 of the Integrity Contract, the State agreed: "When there are delays in changes to an Enrollee's Medicaid Component rate in RI EOHHS' eligibility system, RI EOHHS will adjust past Medicaid Component payments as needed."

63. The Integrity Contract requires a reconciliation process. It calls for "a process to reconcile Enrollment and Capitation Payments" that accounts for "[t]ransitions between rate cells" and "[r]etroactive changes in eligibility, rate cells, or Enrollee contribution amounts."

64. The Integrity Contract made the State responsible for addressing and correcting data entry delays, but those delays were not a reason for Neighborhood to deny care to vulnerable members who required it. Neighborhood "shall pay for all Covered Services for Enrollees without regard to timeliness of the adjustment." And the State "shall assure correct payment to the Contractor for any retroactive Enrollment adjustments."

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65. That was the contractual agreement. Neighborhood would pay for the care first, however long the State took to catch up, and the State would pay Neighborhood correctly once it did.

66. Neighborhood provided that care to the members. But the State never caught up.

67. Under the Integrity Contract, the State repeated the same failures: it did not move members into IC60 (even though they were receiving long-term nursing home care), left members receiving long-term services and supports in the IC70 community rate cell rather than IC50, and failed to pay one or more months of capitation for other members.

68. When the State did reconcile payments for a limited sample of affected members, it found massive underpayments. The parties reviewed the sample of affected members, comparing the care each member received, the member's rate cell, and the State's payments, all in accordance with the kind of reconciliation the Contracts required of the State all along. That reconciliation revealed widespread errors resulting in large underpayments. Thousands of other members with the same problems remain unreconciled, and the State continues to refuse to meet its obligation to reconcile.

69. The State's failure to reconcile cost Neighborhood more than unpaid capitation. Year after year, Neighborhood has had to dedicate staff to tracking members, building member-level files, trying to identify underpayments, and urging the State to correct its errors. Neighborhood has incurred millions in costs trying to address the State's mistakes, errors, and delays.

70. Neighborhood anticipates that a proper reconciliation will demonstrate that the State owes Neighborhood more than $100,000,000.

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COUNT I
(Breach of Contract, Including the Implied Covenant of Good Faith and Fair Dealing – Unity Contract)

71. Neighborhood repeats and realleges each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

72. The Unity Contract is a valid and enforceable contract between Neighborhood and the State. The Unity Contract included an implied duty of good faith and fair dealing.

73. Neighborhood performed its obligations under the Unity Contract. It paid for the nursing home care of Unity members who moved into nursing homes, and it reported to EOHHS on members living in nursing homes, including their length of stay.

74. The State breached the Unity Contract. Among other things, it failed to move members who had lived in a nursing home for more than 90 days into RO60, failed to timely process those members' eligibility and changes in status, failed to pay Neighborhood the nursing home rate for those members, failed to make adjustments for member reconciliations in the month following their discovery, failed to process corrective payments after the underpayments were identified, and has never completed the reconciliation the Unity Contract requires.

75. The State's actions and failures have damaged Neighborhood.

COUNT II
(Breach of Contract, Including the Implied Covenant of Good Faith and Fair Dealing – Integrity Contract)

76. Neighborhood repeats and realleges each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

77. The Integrity Contract is a valid and enforceable contract among CMS, the State, and Neighborhood, and it governed the parties' relationship continuously from 2016 through December 31, 2025. Under it, the State alone is obligated to pay Neighborhood the Medicaid

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Component of the capitation rate. The Integrity Contract included an implied duty of good faith and fair dealing.

78. Neighborhood performed its obligations under the Integrity Contract. It covered and paid for nursing home care for members who stayed in a nursing facility for more than 90 days, covered and paid for long-term services and supports for members at home and in the community, and referred and reported on those members to EOHHS.

79. The State breached the Integrity Contract. Among other things, it failed to determine each member's rate cell according to where the member lived and the care the member received, failed to update the Medicaid Component following changes in members' status, failed to timely process members' long-term services and supports eligibility, level of care determinations, and changes in status, failed to move members into IC60 and IC50 when they belonged there, failed to pay capitation for months in which members were in the correct rate cell, failed to adjust past Medicaid Component payments when its eligibility system fell behind, and failed to implement, and has never completed, the reconciliation process the Integrity Contract requires.

80. The State's actions and failures have damaged Neighborhood.

COUNT III
(Promissory Estoppel)

81. Neighborhood repeats and realleges each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

82. Over many years, Neighborhood repeatedly asked EOHHS to reconcile and pay the capitation owed. The State repeatedly promised Neighborhood that it would reconcile and pay the capitation owed for the members Neighborhood covered, including when the State's own

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systems and processes had not caught up with those members' care. The State still has not reconciled or paid what it owes.

83. The State reasonably expected its promises to induce Neighborhood to keep covering and paying for the care of nursing home residents and members receiving long-term services and supports, to keep performing under the Contracts, and to forgo other action to collect what it was owed.

84. Neighborhood relied on the State's promises. It continued to cover and pay for these members' care without waiting for the State's systems to catch up, executed amendments to the Contracts, and continued to work with EOHHS to reconcile and resolve the amounts owed rather than pursue other remedies.

85. The State has not kept its promises. Injustice can be avoided only by enforcing them, and Neighborhood has been damaged in an amount to be proven at trial.

COUNT IV
(Unjust Enrichment and Quantum Meruit)

86. Neighborhood repeats and realleges each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

87. Neighborhood conferred a benefit on the State. At the State's direction and for the State's Medicaid members, Neighborhood paid for the care of nursing home residents and members receiving long-term services and supports, discharging obligations the State would otherwise have borne for those members.

88. The State knew of and accepted that benefit. Neighborhood reported these members to EOHHS, member by member. EOHHS reviewed Neighborhood's reports and admitted that members had been placed in the wrong rate cells. Throughout, the State knew that

Neighborhood was paying for these members' care, and it allowed Neighborhood to continue doing so.

89. Neighborhood provided this coverage expecting to be paid for it, and the State knew Neighborhood expected payment.

90. The State retained that benefit without paying its reasonable value and without completing the reconciliation that would measure it. It would be inequitable for the State to keep the benefit of the care Neighborhood paid for without paying Neighborhood for it.

91. Neighborhood is entitled to recover the value of the benefit the State retained or, alternatively, the reasonable value of the coverage Neighborhood provided, in an amount to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, Neighborhood requests that the Court:

A. Enter judgment in its favor and against Defendants on all Counts;

B. Order the State to complete, within a time set by the Court, the reconciliations the Contracts require, produce the results to Neighborhood in this proceeding, and provide Neighborhood a full opportunity to review and, if necessary, challenge those reconciliations;

C. In the alternative, appoint a special master or independent auditor to conduct those reconciliations and give both parties the opportunity to review and challenge the results;

D. Award Neighborhood damages in an amount to be proven at trial based on the underpayments and on the additional costs caused by the State's failure to meet its obligations under the Contracts;

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E. Award Neighborhood prejudgment and post-judgment interest as allowed by law;

F. Award Neighborhood its costs, legal fees, and any other relief available by law; and

G. Grant such other and further relief as the Court deems just, appropriate, and equitable.

Neighborhood Health Plan of Rhode Island,

By Its Attorneys,

/s/ Gerald J. Petros

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