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*Counsel for Petitioner*

**EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA**

SCOTT J. KIPPER, COMMISSIONER OF  
INSURANCE, STATE OF NEVADA,  
  
Petitioner,  
  
vs.  
  
FRIDAY HEALTH PLANS OF NEVADA, INC.,  
  
Defendant.

CASE NO. A-23-871639-C  
DEPARTMENT 18  
  
**[NO HEARING REQUESTED]**

**MOTION TO APPROVE RATES OF THE ROSNER LAW GROUP**

Petitioner, SCOTT J. KIPPER, COMMISSIONER OF INSURANCE, STATE OF NEVADA, as Receiver (“Receiver”) for FRIDAY HEALTH PLANS OF NEVADA, INC. (“Friday Health”), by and through his counsel, the law firm of Greenberg Traurig, LLP, moves for an order approving, ratifying, and confirming the rates of the Rosner Law Group to assist the Receiver as Special Counsel in proceedings in the Chancery Court of Delaware. Additionally, the Receiver moves for an order approving a procedure for paying invoices for such services in the future without pre-approval by the Court, with these paid invoices to be included alongside the statutorily required quarterly status reports.

1 This motion is based on the papers and pleadings on file, the attached memorandum of  
2 points and authorities, and any oral argument the Court permits on this matter.

3 DATED this 1st day of November, 2023 GREENBERG TRAURIG, LLP

4 */s/ Kara B. Hendricks*

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10 *Counsel for Petitioner*

11 **MEMORANDUM OF POINTS AND AUTHORITIES**

12 **I. INTRODUCTION & FACTUAL BACKGROUND**

13 Due to Friday Health Plans of Nevada, Inc.’s (“Friday Health”) rapidly declining financial  
14 condition, the Commissioner of Insurance petitioned this Court for an order appointing him as the  
15 Receiver of Friday Health to oversee Friday Health’s operations and conserve or rehabilitate it. On  
16 June 12, 2023, the Court entered its Order Granting Petition for Appointment of Commissioner as  
17 Receiver (the “Receivership Order”). On July 25, 2023, the Court entered an Order finding Friday  
18 Health to be insolvent and ordering it into liquidation as of September 1, 2023.

19 The Receiver seeks the Court to approve the rates of the law firm of Rosner Law Group  
20 (“Rosner Law”), who the Receiver retained in connection with a proceeding occurring in the  
21 Chancery Court of Delaware due to concerns that the proceeding may impact assets of Friday  
22 Health. See Declaration of Darren Ellingson (“Ellingson Decl.”), attached as **Exhibit 1**, ¶ 3.  
23 Specifically, Friday Health’s parent company, Friday Health Plans Management Services  
24 Company, Inc. (“FHP MSC”),<sup>1</sup> and FHP MSC’s parent company, Friday Health Plans, Inc.

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28 <sup>1</sup> FHP MSC and Friday Health were parties to a certain Management Services Agreement, in which FHP  
MSC managed all of Friday Health’s business activities in Nevada, including, among other things, billing,  
accounts receivable services, and claims administration.

1 (“FHP”),<sup>2</sup> have initiated proceedings in Delaware and are seeking to assign certain assets, some of  
2 which belong to Friday Health. *Id.*, ¶ 4. FHP and FHP MSC have moved for an “Assignment for  
3 the Benefit of the Creditors,” proceeding, also known as “ABC proceeding(s),” which is an  
4 alternative to formal bankruptcy that allows a debtor to transfer its assets to a trust for liquidating  
5 and distributing. *Id.*, ¶ 5. Friday Health maintains that some of the assets identified in the ABC  
6 proceedings belong to Friday Health and are governed by NRS 696B and this Court’s Receivership  
7 Order. As such, the Receiver believes it is necessary to have counsel represent Friday Health in the  
8 ABC proceeding. It is anticipated that legal efforts therein will including filing a motion to dismiss  
9 and/or stay the ABC proceedings. If such a motion is not granted, counsel therein will monitor the  
10 proceedings and take necessary action to protect Friday Health and assets of the Nevada  
11 receivership.

12 Pursuant to NRS 696B.255(1) and NRS 696B.290(6), the Receiver retained the law firm of  
13 the Rosner Law Group (“Rosner Law”) to assist the Receiver in connection with the ABC  
14 proceedings occurring in Delaware involving Friday Health’s assets. For efficiency purposes and  
15 to conserve costs, the Receiver has retained Rosner Law in coordination with other Friday Health  
16 Receivers to protect the various rights of the individual states. **Ex. 1**, Ellingson Decl., ¶ 6. Each  
17 receivership estate involved has agreed to coordinate costs incurred in connection with the ABC  
18 proceeding and anticipates similar arguments related to the same.<sup>3</sup> *Id.* Through this motion, the  
19 Receiver seeks approval of Rosner Law’s rates and seeks Court approval of the process and  
20 procedure utilized to pay the same as the case moves forward.

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26 <sup>2</sup> FHP and Friday Health were parties to a certain Tax Sharing Agreement, in which FHP managed all of  
27 Friday Health’s tax reporting obligations, including the receipt of tax refunds belonging to Friday Health.

28 <sup>3</sup> Friday Health is also working collaborative with other receivership estates to streamline and share costs  
for certain administrative expenses and will provide additional details regarding any administrative expenses  
incurred in the quarterly status reports filed in this matter.

1 **II. LEGAL ANALYSIS**

2 **A. Approval of Fees.**

3 NRS Chapter 696B is the statutory framework for receivership actions involving delinquent  
4 insurers. Under NRS 696B, the Commissioner, as Receiver, may employ counsel as the Receiver  
5 considers necessary. NRS 696B.255(1). The Receiver must fix the compensation for such counsel,  
6 to be paid from the insurer’s money or assets, subject to approval by the Court. *Id.* Further, the  
7 Receiver’s actions are subject to Court oversight, as the statutes require the Receiver to file reports  
8 on at least a quarterly basis. NRS 696B.290(7). The status reports must detail “the insurer’s affairs  
9 under the receivership” and “progress being made in accomplishing the objectives of the  
10 receivership.” *Id.* Such reports, and all actions detailed therein, are subject to the Court’s approval.  
11 *Id.*

12 The Receiver seeks the Court’s approval of Rosner Law’s proposed rates for legal services.  
13 The Receiver negotiated and approved Rosner Law’s rates at a discounted rate. Rosner Law will  
14 provide legal services to the Receiver and SDR, as may be necessary, for claims, asset recovery,  
15 and other legal consultation services. Rosner Law’s rates are as follows:

<b><u>Timekeeper:</u></b>	<b><u>Hourly Billing Rates:</u></b>
Frederick B. Rosner	\$425.00
Scott J. Leonhardt	\$400.00
Zhao (Ruby) Liu	\$350.00

21 Pursuant to a shared services agreement, Friday Health will contribute to legal expenses on  
22 a pro rata basis, sharing the same with other receivership estates where regulatory action has ensued  
23 against related companies. *See Ex. 1*, Ellingson Decl., ¶ 7. Rosner Law is a boutique litigation  
24 firm based in Delaware that concentrates on complex bankruptcy actions. *Id.*, ¶ 8. The receivership  
25 estates and the Receiver selected Rosner Law based on its experience, expertise, and ability to  
26 adequately represent the Receiver in connection with the ABC proceeding. *Id.*, ¶ 9. The  
27 receivership estates and the Receiver negotiated Rosner Law’s rates. *Id.*, ¶ 10. Rosner Law’s rates

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1 are fair and reasonable given the complexity of the issues presented and the Delaware forum. *Id.*  
2 Where practical Greenberg Traurig will assist Rosner Law on Nevada specific issues.

3 **B. Approval of Process for Payment Moving Forward.**

4 The Nevada Commissioner of Insurance as Receiver, pursuant to NRS 696B.255(1), has  
5 approved Rosner Law’s rates. The Receiver requests approval to pay Rosner Law going forward  
6 without pre-approval by the Court, with those paid invoices to be submitted in the Receiver’s  
7 quarterly status reports to the Court for in camera review.<sup>4</sup> Submitting such invoices with quarterly  
8 reports will allow this Court to monitor the status of work performed by Rosner Law and is  
9 consistent with the approval process used in this case and other receivership matters filed in the  
10 Eighth Judicial District Court, including Case No. A-15-725244-C, Department No. 1, Case  
11 No. A- 19,787325-B, Department No. 27, and Case No. A-19-791409- C, Department No. 16.

12 **II. CONCLUSION**

13 Based on the foregoing, the Receiver respectfully requests that this Court approve the rates  
14 of Rosner Law.

15 Additionally, the Receiver respectfully requests the ability to pay Rosner Law at the  
16 approved rates going forward without the need to file a separate motion seeking pre-approval of the  
17

18 <sup>4</sup> Certain billings submitted to the Court are appropriate for *in-camera* review (as opposed to being  
19 made part of a public filing). The invoices and billing entries relating thereto should be considered  
20 privileged, confidential, or otherwise not subject to discovery. In this regard, courts have held that the bills  
21 of legal counsel and experts may be withheld from legal discovery and are not subject to legal disclosure, as  
22 this information may provide indications or context concerning potential litigation strategy and the nature  
23 of the expert services being provided. *See, e.g., Avnet, Inc. v. Avana Technologies Inc.*, No. 2:13-cv-00929-  
24 GMN-PAL, 2014 WL 6882345, at \*1 (D. Nev. Dec. 4, 2014) (finding that billing entries were privileged  
because they reveal a party’s strategy and the nature of services provided); *Fed. Sav. & Loan Ins. Corp. v.*  
*Ferm*, 909 F.2d 372, 374-75 (9th Cir. 1990) (considering whether fee information revealed counsel’s mental  
impressions concerning litigation strategy). Other courts addressing this issue recognized that the “attorney-  
client privilege embraces attorney time, records and statements to the extent that they reveal litigation  
strategy and the nature of the services provided.” *Real v. Cont’l Grp., Inc.*, 116 F.R.D. 211, 213 (N.D. Cal.  
1986).

25 The *in-camera* review should apply not only to documentation concerning attorney’s fees, but it also  
26 extends to “details of work revealed in [an] expert’s work description [which] would relate to tasks for which  
27 she [or he] was compensated[.]” a situation which is “analogous to protecting attorney-client privileged  
28 information contained in counsel’s bills describing work performed.” *See DaVita Healthcare Partners, Inc.*  
*v. United States*, 128 Fed. Cl. 584, 592-93 (2016); *see also Chaudhry v. Gallerizzo*, 174 F.3d 394, 402 (4th  
Cir. 1999) (recognizing that “correspondence, bills, ledgers, statements, and time records which also reveal  
the motive of the client in seeking representation, litigation strategy, or the specific nature of the services  
provided, such as researching particular areas of law,” are protected from disclosure) (quoting *Clarke v. Am.*  
*Commerce Nat’l Bank*, 974 F.2d 127, 129 (9th Cir. 1992)).

1 same and instead including such information with the required quarterly status reports submitted to  
2 this Court.

3 DATED this 1st day of November, 2023

GREENBERG TRAURIG, LLP

4 */s/ Kara B. Hendricks*

5 MARK E. FERRARIO, ESQ.

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1 **CERTIFICATE OF SERVICE**

2 Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on **this 1st day of**  
3 **November 2023**, I caused a true and correct copy of the foregoing **MOTION TO APPROVE**  
4 **RATES OF THE ROSNER LAW GROUP** to be filed with the Clerk of Court using the Odyssey  
5 e-FileNV Electronic Service system and served on all parties with an email address on record,  
6 pursuant to Administrative Order 14-2 and Rule 9 of the N.E.F.C.R.

7 */s/ Evelyn Escobar-Gaddi*  
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9 An employee of Greenberg Traurig, LLP

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<b>INDEX OF EXHIBITS</b>		
<b>EXHIBIT</b>	<b>DESCRIPTION</b>	<b>BATES RANGE</b>
<b>1</b>	DECLARATION OF DARREN ELLINGSON IN SUPPORT OF MOTION TO APPROVE RATES OF ROSNER LAW GROUP	001-003



# EXHIBIT 1

# EXHIBIT 1

Declaration of Darren Ellingson

1 **DECL**

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16 *Counsel for Petitioner*

17 **EIGHTH JUDICIAL DISTRICT COURT**

18 **CLARK COUNTY, NEVADA**

19 SCOTT J. KIPPER, COMMISSIONER OF  
20 INSURANCE, STATE OF NEVADA,

21 Petitioner,

22 vs.

23 FRIDAY HEALTH PLANS OF NEVADA, INC.,

24 Defendant.

25 CASE NO. A-23-871639-C  
26 DEPARTMENT 18

27 **DECLARATION OF DARREN  
28 ELLINGSON IN SUPPORT OF  
MOTION TO APPROVE RATES  
OF ROSNER LAW GROUP**

I, Darren Ellingson, declare as follows:

1. I am over eighteen years of age and competent to testify to the matters stated herein based on personal knowledge.

2. I am the Managing Partner of Ellingson & Associates, LLC and have been appointed Special Deputy Receiver of Friday Health Plans of Nevada, Inc. I make this Declaration in support of the Receiver’s Motion to Approve Rates of the Rosner Law Group (“Motion”).

3. The Nevada Commissioner of Insurance as Receiver (“Receiver”) retained the Rosner Law Group (“Rosner Law”) to assist with a proceeding occurring in the Chancery Court of Delaware due to concerns that the proceeding may impact Friday Health’s assets.

