

Date: Monday, March 21, 2022

RE: Clover Health Partners, LLC -- Response to GMCB 2022 Reporting Requirements

Hi Russ,

I wanted to follow-up regarding the recommendations made by the GMCB staff to the Board during last Wednesday's meeting. Clover Health reviewed the recommendations and continues in its desire to be a good partner with the State. Below are responses to the recommendations that hopefully will provide the GMCB and its staff with the additional information it believes is necessary to provide appropriate oversight of Clover Health's operation as a DCE in Vermont.

- **Clover Health provides to GMCB its shared savings, segmented for VT:** CMS only reports shared savings on an aggregate DCE basis. Within 14 days after Clover Health Investments, Corp. ("CHIC") publicly reports the aggregate shared savings that CMS owes CHP or aggregate shared loss that CHP owes CMS, CHP can provide such aggregate shared savings/loss, divided by the total number of CHP aligned beneficiaries, multiplied by the total number of CHP aligned beneficiaries affiliated with Vermont Participant Providers.
- **Clover Health provides to GMCB its quality reporting, segmented for VT but with appropriate restrictions to protect patient confidentiality:** CMS does not provide quality reporting segmented by state or other geography. Within 14 days after CMS publicly releases CHP's final total quality score, CHP can provide that quality score to GMCB.
- **Collect audited financials indicating CHP's balance sheet, and statement of operations contributions; submit a standalone audit for CHP if available. (NOTE: during the presentation the staff said they would revise this recommendation based on the supplemental submission we provided that included auditor's notes):** CHP can provide publicly reported unaudited financial results for CHIC's Direct Contracting operating segment akin to those referenced in CHP's responses to GMCB's prior questions. See CHP's response to Question 1 of Section 4 of GMCB's original questionnaire. CHP can also provide publicly reported audited financial results for CHIC. Note that CHP is fully consolidated into CHIC and is in-scope under CHIC's integrated audit.
- **Clover Health provides to GMCB semi annual updates on any material pending legal actions taken against the ACO or its affiliates, or against any members of the ACO's executive leadership team or Board of Directors related to their duties, and any such actions known to be contemplated by government authorities:** CHIC is required to report in its 10-Q and 10-K filings "any material pending legal proceedings, other than ordinary routine litigation incidental to the business to which [it] or any of its subsidiaries is a party or which any of their property is the subject" CHP can direct GMCB to the pertinent sections of the most recent such filing on a semi-annual basis.

Additionally, I believe your team was going to revise at least the financial recommendation in light of the additional information provided by Clover Health in advance of last week's meeting. Could you forward any revised recommendations?

I am available tomorrow/Tuesday to talk through this at your convenience.

Best,

Dave

David O. Ault
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