

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

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TIARA YACHTS, INC.,

Case No. 1:22-cv-603

Plaintiff/Counter-Defendant,

Honorable Robert J. Jonker

v .

Magistrate Judge Ray Kent

BLUE CROSS BLUE SHIELD OF MICHIGAN,

Defendant/Counter-Plaintiff.

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**PLAINTIFF/COUNTER-DEFENDANT'S MOTION TO COMPEL DISCOVERY**

Plaintiff/Counter-Defendant Tiara Yachts, Inc. ("Plaintiff" or "Tiara Yachts"), through its attorneys, VARNUM LLP, hereby moves this Court for an order compelling Defendant/Counter-Plaintiff Blue Cross Blue Shield of Michigan ("Defendant" or "BCBSM") to supplement its deficient responses to Tiara Yachts' First Set of Interrogatories and produce all responsive documents in response to Tiara Yachts' Amended First Set of Requests for Production of Documents. In support of this Motion, Plaintiff submits and incorporates the accompanying brief by reference.

Accordingly, Plaintiff respectfully requests that the Court enter an Order: (A) compelling, within fourteen (14) days of the order, BCBSM to further supplement its responses to Interrogatory Nos. 1, 3, 5-7, and 11, and to produce all responsive, non-privileged documents responsive to Tiara Yachts' Amended First Set of Requests for Production of Documents; (B) award Tiara Yachts its reasonable expenses, including attorneys' fees, pursuant to Federal Rule 37(a)(5); and (C) grant Tiara Yachts any other relief this Court deems equitable and just to remedy BCBSM's discovery abuses.

Respectfully submitted,

**VARNUM LLP**

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Dated: January 28, 2026

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**PLAINTIFF/COUNTER-DEFENDANT'S BRIEF IN SUPPORT OF ITS**  
**MOTION TO COMPEL DISCOVERY**

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## **I. INTRODUCTION**

BCBSM remains noncompliant with its discovery obligations. The impediment to discovery in this case has never been the number of requests; it is BCBSM's recurring refusal to provide critical discoverable information within its exclusive possession and control. Prior motion practice, months of meet-and-confer efforts, and court-ordered conferences have not changed the bottom line: BCBSM is still withholding critical discoverable evidence and imposing its own unilateral limits on Tiara Yachts' requests—jeopardizing the current discovery schedule and prejudicing Tiara Yachts. Given Tiara Yachts' upcoming expert disclosure and report deadline of February 28, 2026, it can no longer tolerate any further delays or continue the back-n-forth charades of attempting to confer and obtain BCBSM's acquiescence in providing relevant and discoverable information.<sup>1</sup>

To date, BCBSM has only produced approximately 92 records in response to a *single* document request. The Rules require complete, timely production; yet BCBSM's piecemeal and obstructive tactics violate the most basic principles of civil discovery, prejudice Tiara Yachts, and continue to prolong this litigation. Accordingly, the Court should compel immediate, complete production.

## **II. RELEVANT BACKGROUND**

### **A. BCBSM'S HISTORY OF CONCEALING EVIDENCE IN DISCOVERY.**

BCBSM's present discovery posture fits a familiar pattern. As Tiara Yachts' prior motion explained (ECF No. 87, PageID.1432-33), BCBSM has a long record of obstructing discovery and concealing evidence. In fact, a prior federal court in a substantially similar case saw right through

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<sup>1</sup> To that end, Tiara Yachts will be seeking BCBSM's concurrence in jointly amending the upcoming deadlines in the scheduling order. However, if the parties are unable to reach agreement, Tiara Yachts will then need to file a motion to amend the scheduling order.

BCBSM's prejudicial tactics *compelling BCBSM to produce much of the same categories of information at issue in this case*. See e.g., Order, *Comau v. BCBSM*, No. 19-cv-12623 (E.D. Mich., April 19, 2021) (ECF No. 87-1, PageID.1447-49) (ordering BCBSM to produce all claims data, materials concerning non-customer-specific overpayments, pre-2014 documents, and all requested Dennis Wegner materials). Indeed, in *Comau* BCBSM eventually "produced over 20,000 documents" in discovery. (Ex. C to Tiara Yachts' Initial Motion to Compel, ECF No. 87-3, PageID.1490-1498). The same intervention is warranted in this case.

**B. TIARA YACHTS SUES BCBSM FOR ITS ERISA VIOLATIONS.**

Tiara Yachts sponsors a self-funded ERISA health benefit plan ("Plan") through which Tiara Yachts—not an insurer—pays for its employees' healthcare claims. See Compl. ¶¶1-12, (ECF No. 1, PageID.1-3). In doing so, Tiara Yachts, like most self-funded employers, contracts with a claims administrator to adjudicate, process, and pay all healthcare claims in exchange for a fee, and to otherwise receive various other administrative services. *Id.* at ¶12 (PageID.3).

Here, Tiara Yachts engaged BCBSM as its Plan's claim's administrator. *Id.* at ¶1 (PageID.1). Pursuant to an administrative services contract ("ASC"), Tiara Yachts deposited plan assets into a BCBSM-controlled bank account ("Plan Assets") and BCBSM had broad discretionary authority and control over the administration of the Plan, including the adjudication and payment of claims from Plan Assets, which makes BCBSM an ERISA fiduciary. *Id.*, ¶¶15-21, 24-26 (PageID.3-4); *Tiara Yachts, Inc. v. BCBSM*, 138 F.4th 457, 466 (6th Cir. 2025).

Previously unknown to Tiara Yachts, BCBSM's claims-processing systems have long suffered from defects that predictably inflate, misdirect, and overpay claims. Compl. ¶¶37-108, ECF No. 1 (PageID.6-16). These are not isolated errors; rather, as detailed in the Complaint, one of BCBSM's prior employees (Dennis Wegner) uncovered these defects and filed a whistleblower lawsuit over the fact that BCBSM's systems are inherently flawed and BCBSM has knowingly

paid grossly inflated and improper healthcare claims since at least 1997, while at the same time concealing these failures from its customers (including Tiara Yachts). *Id.*

For example, one of BCBSM's flawed systems (known as its NASCO system) used programming referred to as "flip logic" which allowed healthcare "providers [to] bill and get fully reimbursed for highly inflated cost of services." *Id.* ¶50 (PageID.7). In 2016 alone, this flawed system resulted in BCBSM processing \$26.7 million in payments on \$30.5 million in charges, when proper processing would have limited BCBSM's ASC customer exposure to \$7.1 million—***a \$23 million difference.*** *Id.*, ¶55, (PageID.8); ECF No. 1-4, PageID.41. BCBSM knows that a majority, if not all, of its self-funded non-auto customers—including Tiara Yachts—have been impacted by this systems flaw, as BCBSM maintains a list of the very customers affected by this problem (*Id.* ¶¶46-47 (PageID.7)); but BCBSM has never informed these customers, including Tiara Yachts, of such issues. ***Accordingly, and as detailed below, Tiara Yachts is rightfully seeking discovery on BCBSM's internal records on Dennis Wegner's and its own internal investigations into its flawed claims systems.***

As further revealed in the *Comau* case, additional flaws in BCBSM's claims processing systems exist including, but not limited to: unbundling, upcoding, departures from standard guidelines, and excessive overpayments. *Id.* ¶¶101-108 (PageID.15-20). Rather than fix any of these defects, BCBSM implemented its "Shared Savings Program" (the "SSP") which incentivizes BCBSM to engage in substantial self-dealing to profit from the errors its own claims processing systems create. *Id.* ¶¶70, 86 (PageID.9, 12); *Tiara Yachts*, 138 F.4th at 470. As confirmed by the Sixth Circuit, such classic self-dealing violates ERISA's duties of loyalty, prudence and prohibited transaction rules. *Tiara Yachts*, 138 F.4th at 468.

C. **TIARA YACHTS SERVED BASIC INTERROGATORIES AND DOCUMENT REQUESTS.**

Against that backdrop, Tiara Yachts served BCBSM with eleven, rudimentary interrogatories on August 4, 2025, seeking, among other things:

- Interrog. No. 1: Identification of all post-complaint filing communications that BCBSM had with any person or entity (whether internal or external) about Tiara Yachts or any of the allegations in the complaint.
- Interrog. No. 3: Identification of all claims related to Tiara Yachts and its Plan, where BCBSM found the provider was overpaid; and a description of what, if anything, was done by BCBSM in response.
- Interrog. Nos. 5-6: Identification of the ways in which Tiara Yachts and its Plan were impacted by BCBSM's flawed claims processing systems (including 'flip logic') along with specifying which claims were impacted.
- Interrog. No. 7: identification of the specific claims for which BCBSM retained a fee pursuant to the SSP; and
- Interrog. No. 11: Identification of all BCBSM reports, communications, and investigation into issues and concerns raised by BCBSM employees since January 1, 2017, including those concerns discussed in Exhibit A and Exhibit C to Tiara Yachts' Complaint (ECF No. 1-2, PageID.25-29).

*See* Initial Set of Discovery Requests (ECF No. 87-4, PageID.1504-25).

Separately, and following this Court's Order on October 9, 2025, Tiara Yachts served on BCBSM twenty-two amended requests for production of documents. *See* 10/23/2025 Amended RFPs, **Exhibit A**. These revised requests fall into several categories of information squarely within BCBSM's possession and control:

- **Claims data:** A complete set of Tiara Yachts' and its Plan's claims data and the data dictionaries needed to read it (RFP Nos. 1–2).
- **Provider disputes, policies, and training:** Routine communications with providers about disputed amounts, along with BCBSM's written policies, practices, systems, and employee training for identifying excessive, duplicative, or improper claims (RFP Nos. 3–5).
- **Internal investigations and related communications:** internal emails and documents concerning Dennis Wegner's previously raised concerns to BCBSM

leadership; any internal investigations or communications among identified BCBSM personnel regarding such concerns; and any directives instructing Wegner to cease investigating (RFP Nos. 6–8).

- **System design, NASCO flip logic, and customer disclosures:** Standard manuals and guides describing how BCBSM's systems process claims (including its NASCO "flip logic" program); materials from BCBSM "workgroups" investigating any claim system issues, including as applied to Tiara Yachts; any cost/benefit analyses; system-change histories; or disclosures to self-funded customers, including Tiara Yachts, about issues with BCBSM's systems (RFP Nos. 9–13).
- **Rule 26 documents:** All documents identified in BCBSM's initial disclosures (RFP No. 14).
- **Provider arrangements and Inter-Plan activity:** The fee schedules or negotiated agreements BCBSM had with providers who submits claims to Tiara Yachts' Plan, and any Inter-Plan Provider Investigation Requests exchanged between BCBSM and another Blue Cross related entity (i.e., the host plan) (RFP Nos. 15–16).
- **Account-management communications:** Ordinary account-team communications and the referenced script used with customer groups concerning any BCBSM system issues (RFP Nos. 17–18).
- **Payment Integrity and Shared Savings Program:** Design and operation materials, BCBSM's decision-making for SSP, Tiara Yachts-specific communications about scope, fees, and disclosures, and calculations of any claimed savings or avoided costs, including methodology and retained amounts (RFP Nos. 19–22).

**D. BCBSM PROVIDED DEFICIENT INTERROGATORY RESPONSES AND HAS FAILED TO PRODUCE ALMOST ANY REQUESTED RECORDS.**

In response to Tiara Yachts' *initial* discovery requests, BCBSM served only boilerplate objections, failed to produce even a single document or substantively answer the interrogatories, and moved for a protective order. (ECF No. 82). Because Tiara Yachts believed BCBSM's motion lacked any legal merit and was otherwise accompanied by the lack of *any* documents whatsoever, Tiara Yachts simultaneously moved to compel BCBSM's production. (ECF No. 86). The Court referred these competing motions to Magistrate Judge Kent, and at the October 7 hearing, Magistrate Judge Kent did not consider the substantive merits of either side's submitted briefing;

instead, the Court focused *solely* on the number of requests as the perceived impediment. Transcript, (ECF No. 108, PageID.1832-1834).

The number of requests, however, has never been the problem. As Tiara Yachts made clear in its prior briefing, BCBSM was previously ordered to produce nearly *all of the same categories of information* that Tiara Yachts sought in both its initial requests and amended requests. (ECF No. 87, PageID.1431; Ex. A to ECF No. 87-1, PageID.1447-1449). In other words, BCBSM *not only has all of the information Tiara Yachts is requesting* but was actually previously ordered to produce it; and is intentionally withholding it in this case in violation of the Federal Rules. In fact, in *Comau*, BCBSM proudly proclaimed that "it ha[d] produced over 20,000 documents" in discovery. (Ex. C to Tiara Yachts' Initial Motion to Compel, ECF No. 87-3, PageID.1490-1498). Despite this, the Court focused on the number of requests as being the initial deciding issue in the prior briefing; the real issue, however, is that BCBSM is unilaterally imposing its own limitations on Tiara Yachts' requests (just like it attempted to do so in *Comau*) to delay producing relevant and discoverable evidence, and avoid reaching the merits of this case.

BCBSM's obstruction has become even more clear given its interrogatory responses—particularly Nos. 1, 3, 5-7, and 11—remain deficient, despite being more than four months past due. 11/24/2025 BCBSM's Supplemental Responses, **Exhibit B**. Likewise, BCBSM's recent answers to Tiara Yachts' amended RFPs largely follow the form of its initial answers by stating boilerplate objections and arbitrarily imposing unilateral limitations, while failing to produce any responsive records. 11/24/2025 BCBSM's Answers to Amended RFPs, **Exhibit C**. To date, BCBSM has produced only 92 records in response to request No. 14. *Id.* at No. 14 (*the only BCBSM answer directing Tiara Yachts to "see the documents produced with these responses"*).



BCBSM's justifications for failing to produce any other responsive records relating to Tiara Yachts' remaining twenty-one requests are largely based upon the following positions: (1) BCBSM will not produce any claims data (or other related records) whatsoever until Tiara Yachts agrees with BCBSM's own self-imposed limitations on the scope of the relevant data fields; (2) BCBSM categorically refuses to produce documents relating to Dennis Wegner's investigations and litigation; (3) BCBSM refuses to produce records concerning other customer issues with its claims processing systems or its SSP, or in regard to BCBSM's decision-making regarding such systems and programs; and (4) BCBSM will not produce any records prior to 2014. *Id.* Additionally, BCBSM has ***not*** filed or moved for a protective order under Fed. R. Civ. P. 26(c) to seek relief from having to comply with each of Tiara Yachts' requests.

**E. MEET-AND-CONFER EFFORTS HAVE BEEN EXHAUSTED AND UNPRODUCTIVE.**

In light of BCBSM's deficient responses, Tiara Yachts has repeatedly sought to meet-and-confer to resolve such issues. Among other meetings and correspondences taking place over the last few months, Tiara Yachts notes the following:

- **Letter August 22, 2025:** Tiara Yachts wrote BCBSM, before any discovery responses were even due, to reiterate that the request for "complete" claims data means *every* claim and data field.
- **Letter October 13, 2025:** Tiara Yachts restated its request for complete claims data and proposed in-person meet-and-confer dates.
- **In-Person Meet-and-Confer November 3, 2025:** Pursuant to this Court's Order (ECF No. 109), the parties met in-person, after Tiara Yachts served its Amended RFPs. BCBSM was unprepared to address the substance of any potential objections and would not commit to dates for interrogatory supplementation.
- **Letter November 7, 2025:** Tiara Yachts noted BCBSM's unpreparedness at the November 3, 2025, meet-and-confer and failure to commit to dates for providing complete interrogatory responses. It further restated Tiara Yachts' request for complete claims data.

- **Letter November 12, 2025:** Tiara Yachts noted BCBSM's failure to timely supplement interrogatory responses. Tiara Yachts again reiterated its request for *all* claims data and proposed a November 25 meet-and-confer.
- **Letter December 1, 2025:** Tiara Yachts summarized various open discovery issues, including that BCBSM still had produced no claims data with its November 24, 2025, responses.
- **Second Meet-and-Confer December 15, 2025:** The parties met via videoconference and failed to resolve any of BCBSM's objections to the Amended RFPs. After the meeting, BCBSM circulated a "94-field" list for the claims data it would agree to produce, arguing it would be "more than enough" for Tiara Yachts' expert.
- **Letter December 23, 2025:** Tiara Yachts sent a detailed meet-and-confer letter cataloging remaining discovery disputes, including refuting that the suggested 94-field list for claims data is sufficient, noting BCBSM's improper refusal to produce pre-2014 materials and its categorical resistance to provide system-wide Flip Logic and SSP records that do not name Tiara Yachts.
- **Letter January 16, 2026:** BCBSM responded to Tiara Yachts' December 23 letter, confirming its objections that are the subject of this motion, and despite appearing agreeable to most of the requested data fields, chose to deliberately withhold key fields such as the "Billed Amount," the "Approved Charge Amount," and the "Discount Amount," among other fields.

Compiled Letters, **Exhibit D**.

BCBSM's counsel has also previously indicated that even if the parties could reach an agreement on the relevant fields and scope of claims data (which they cannot), BCBSM would still need *six to eight weeks* to produce any claims data—which jeopardizes the current discovery deadlines as Tiara Yachts' *completed* expert reports and disclosures are due **February 28, 2026** (less than 8 weeks away from today's date). (ECF No. 80.).

### **III. ARGUMENT**

#### **A. GOVERNING LEGAL STANDARDS.**

Under the Federal Rules, "Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case[.]" Fed. R. Civ. P. 26(b)(1). A matter is "relevant" for purposes of Rule 26(b)(1), if it "is reasonably calculated

to lead to the discovery of admissible evidence." *Martinez v. McGraw*, 581 F. App'x 512, 517 (6th Cir. 2014). "The scope of discovery . . . is traditionally quite broad," *Lewis v. ACB Bus. Servs., Inc.*, 135 F.3d 389, 402 (6th Cir. 1998), designed to ensure "the gravamen of the dispute [is] brought frankly into the open for the inspection of the court," *Swierkiewicz v. Sorema N.A.*, 534 U.S. 506, 512-13 (2002). The modern discovery system makes trial "less a game of blind man's bluff and more a fair contest with the basic issues and facts disclosed to the fullest practicable extent." *U.S. v. Procter & Gamble Co.*, 356 U.S. 677, 682 (1958).

**B. BCBSM'S RESPONSES TO INTERROGATORIES NOS. 1, 3, 5-7, AND 11 ARE INSUFFICIENT AS A MATTER OF LAW.**

A party is required to provide "full and complete responses" to interrogatories. *Barron v. Univ. of Mich.*, 613 Fed. App'x 480, 484 (6th Cir. 2015). "[I]ncomplete and unhelpful answers that give [the opposing party] little ability to respond and build their case" are categorically insufficient. *Miller v. Joaquin*, 431 F. Supp. 3d 906, 922 (E.D. Mich. 2019); *see also Bass v. Jostens, Inc.*, 71 F.3d 237, 242 (6th Cir. 1995).

Rather than comply with the Rules, BCBSM responded to many of Tiara Yachts' interrogatories with boilerplate objections, a unilateral time cutoff, and virtually no substantive answers for Interrogatory Nos. 1, 3, 5—7, and 11. *See* 11/24/2025 BCBSM's Supplemental Responses, **Exhibit B**. Indeed, BCBSM objected to nearly every interrogatory as overly broad, unduly burdensome, and/or not proportional—without any explanation, much less the required specific showing, usually by affidavit, of why the demand is unreasonably burdensome. *Trier v. Genesee Cty.*, No. 2:17-CV-10236, 2017 WL 5897057, at \*3 (E.D. Mich. Aug. 2, 2017) ("a party objecting to a request . . . as unduly burdensome must submit affidavits or other evidence to substantiate its objections.").

It also imposed a July 1, 2016–April 16, 2021, scope-limitation without this Court's approval or any factual or legal basis to support such limitations. **Exhibit B**, Nos. 1, 3, 5-7. As explained below (III.D.), such time constraints are not only improper, but do not excuse BCBSM from substantively responding.<sup>2</sup> While BCBSM could request the Court's protection for information outside this cherry-picked timeframe, it has not done so with respect to Tiara Yachts' Amended RFPs under Fed. R. Civ. P. 26(c).

BCBSM also repeatedly invokes Rule 33(d), claiming that production of Tiara Yachts' claims data constitutes a "complete answer." **Exhibit B**, Nos. 1, 3, 5-7. That position fails for two reasons. *First*, to date, ***BCBSM has not produced any of Tiara Yachts' claims data*** whatsoever; so, these responses remain deficient. *Second*, the interrogatories seek BCBSM's own narrative explanations as the claims data cannot reveal any of BCBSM's internal determinations, rationales, program decisions, or fee-retention decisions.

Altogether, BCBSM's responses to Nos. 1, 3, 5-7 and 11 remain deficient and because they have been pending for more than four months, judicial intervention is needed to compel BCBSM to provide complete answers.

**C. BCBSM'S FAILURE TO PRODUCE DOCUMENTS AND SELF-IMPOSED LIMITATIONS ON DISCOVERY ARE IMPROPER.**

**1. With the Court's Confidential Protective Order Entered, BCBSM's Confidentiality Excuse is Moot.**

On January 13, 2026, the Court entered the parties' stipulated Qualified Protective Order Concerning Confidentiality (ECF No. 123). Because BCBSM has tethered some of its non-production to the absence of an "appropriate [confidentiality] protective order," that rationale no

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<sup>2</sup> Tiara Yachts notes the date ranges imposed by BCBSM are inconsistent: its answers to the interrogatories use July 1, 2016, while its answers to the amended RFPs use July 1, 2014—further demonstrating its arbitrariness. *Compare Exhibit B with Exhibit C.*

longer exists. *See* 11/24/2025 BCBSM's Supplemental Responses, **Exhibit B**. Accordingly, discovery should proceed immediately under the protective order; but to date, BCBSM has not supplemented or provided any additional records.

## **2. Tiara Yachts' Complete Claims Data Must Be Produced.**

Complete claims data is essential in this ERISA fiduciary case—it is "the who, what, when, where, and why" of BCBSM's claims processing. Compl. ¶¶ 87-90 (ECF No. 1, PageID.12). From the beginning, Tiara Yachts has requested a complete dataset. (ECF No. 87-4, PageID.1519, RFP No. 31); 10/23/2025 Amended RFPs, **Exhibit A**, Nos. 1-2. Tiara Yachts has been unmistakable in its ongoing request for this information:

### **August 22, 2025**

Fifth, I have been through the production of claims data by BCBSM many times. BCBSM has a track record of not responding completely. We have asked for "a complete electronic set of all of the Claims data...." By "complete" we mean everything: every claim, every field, etc. In the past BCBSM has tried to say some fields are not necessary. We disagree. Besides, the easiest thing for BCBSM is to produce everything, not write a program to produce less than everything. Tiara Yachts has a February 28 deadline for expert reports. The very first step in getting ready to meet that deadline is to obtain all claims data. If there is anything to discuss to make that happen in a timely fashion, please let me know so we can schedule a prompt telephone call or video conference. My intention is to get all claims data promptly. (I should add that the claims data is not something that can be produced piecemeal or in tranches. That opens the door to errors when the data has to be combined. We need all claims data all at once and on time.)

### **November 12, 2025**

From day one—and emphasized in my August 22, 2025, letter—we have asked for "a complete electronic set of all of the Claims data." By "complete" we "mean[t] everything: every claim, every field, etc." BCBSM has produced nothing, forcing motion practice. It is disingenuous for you to say we have not said what claims data we want. We want it all. And we have said many times that we want it all: we asked for all of it in our August 8 discovery requests; this point was stated explicitly in my August 22 letter; and it was reiterated at our first meet-and-confer on September 8; in our motion to compel; and even last week during our meeting.

### **December 23, 2025**

Second, with respect to claims data, we have reviewed the 90-plus fields your team provided on December 15, 2025, and wish to note the following continuing objection as well as identify additional fields directly responsive to our outstanding discovery requests. As noted in our prior requests and correspondence—and without waiver of any and all rights or outstanding discovery requests—we maintain that Tiara Yachts' request to BCBSM to produce *all* available claims data fields is the most efficient and fair path forward and is necessary for BCBSM to meet its discovery obligations under the Federal Rules and avoid the element of prejudice to Tiara Yachts.

**Exhibit D.** Nevertheless, BCBSM refuses to produce complete claims data and insists on limiting its production to only the fields it prefers—asserting, for example, that several fields are "duplicative" or "not pertinent." But that is not how discovery works under Rule 26.

*First*, the claims data is Tiara Yachts' own data. It is indisputably discoverable and necessary to adjudicate claims of systemic overpayment, fiduciary breach, causation, loss, and the scope of BCBSM's self-dealing. Courts routinely compel complete datasets in analogous cases. *See e.g.*, ECF No. 87-1, PageID.1447-49 (Order from *Comau* compelling complete production of the claims data). *Second*, ERISA's disclosure regimes obligate BCBSM to make such information available to Tiara Yachts. *See e.g.*, 29 U.S.C. § 1108(b)(2)(B)(iv); 29 U.S.C. § 1185m(a)(1)(A)-(B). *Lastly*, a full production is not unduly burdensome as BCBSM routinely supplies hundreds of fields to third-party auditors and consultants for similarly situated self-funded plans. 11/12/2025 Letter, **Exhibit D**.

While BCBSM's latest letter from January 16 (**Exhibit E**) purports to demonstrate BCBSM acquiescing to Tiara Yachts' persistent requests regarding its claims data, it falls short in several ways. BCBSM's latest proposal conveniently omits agreeing to provide several essential payment related fields (i.e., "Billed Amount"; "Approved Charge Amount," and "Discount Amount"), among others. BCBSM's counsel claims that any fields it is withholding are for legitimate reasons because they are "duplicative" or "not pertinent" to this case. But such determinations of relevancy are not for BCBSM to unilaterally make, and regardless Tiara Yachts has no assurance that BCBSM's labels truly reflect duplicative content, given no data dictionaries have been produced. If two fields truly are duplicative, then producing both imposes virtually no additional burden. Moreover, as first predicted by Tiara Yachts' counsel in its August 22, 2025, letter—the easiest thing to do is produce everything:

all of the Claims data....” By “complete” we mean everything: every claim, every field, etc. In the past BCBSM has tried to say some fields are not necessary. We disagree. Besides, the easiest thing for BCBSM is to produce everything, not write a program to produce less than everything. Tiara Yachts has a February 28 deadline for expert reports. The very first step in getting ready to meet that deadline is to obtain all claims data. If there is anything to discuss to

08/22/2025, **Exhibit D**.

Accordingly, Rule 26(b)(1) favors disclosure of all of Tiara Yachts' claims data in these circumstances. And BCBSM's remedy, if any, was to seek a protective order under 26(c) with a particularized showing, which it has not done.

### **3. All Documents Relating to Dennis Wegner's Investigation Must Be Produced.**

BCBSM categorically refuses to produce documents relating to Dennis Wegner's investigations, asserting they are not relevant and concern a "separate lawsuit" with no connection to Tiara Yachts. **Exhibit C**, Nos. 6-8. That stance cannot be squared with Rule 26(b)(1) or the prior discovery order in *Comau*. The Wegner records and communications relating to his investigation and lawsuit—even those involving other customers—are directly relevant because they bear on: (1) the existence and scope of BCBSM's wrongdoing; (2) the design and reach of BCBSM's uniform systems applied across customers, including Tiara Yachts; and (3) BCBSM's concealment even after specific defects were identified. *State Farm Mut. Auto. Ins. Co. v. Angelo*, No. 19-10669, 2020 WL 6608887, at \*2 (E.D. Mich. Nov. 12, 2020) (explaining that communications and data, regardless of the specific insurer, can show "the existence and scope of the fraud scheme; the operation of the predetermined treatment protocol; and the role of each participant in the scheme"). Indeed, the BCBSM systems and failures that Mr. Wegner investigated in the context of other BCBSM self-funded customers are *the same systems and flaws* that give rise to Tiara Yachts' Complaint. Compl. ¶¶ 37-65, ECF No. 1 (PageID.6-9).



Additionally, the requested Wegner materials are proportional to the needs of the case. Fed. R. Civ. P. 26(b)(1). Such evidence will show BCBSM's knowing concealment of any pervasive, improper claims-handling practices and are, therefore, highly probative of knowledge and intent. That is precisely why, in *Comau*, the Court ordered BCBSM to produce substantial discovery concerning non-Comau related overpayments and all materials related to Mr. Wegner's investigations and litigation. ECF No. 87-1, PageID.1447-49. The same reasoning applies here.

**4. Documents Regarding BCBSM's Claims Processing Systems and Shared Savings Program Must Be Produced.**

The gravamen of Tiara Yachts' Complaint is that BCBSM first squandered Plan Assets through systemic flaws in its defective claims processing system and then profited off its misconduct by retaining a fee for catching its own error under the SSP. *Tiara Yachts*, 138 F.4th at 468. Accordingly, Tiara Yachts' Request Nos. 1-18 seek various types of information about BCBSM's claims processing systems, including design and operation, internal investigations, implementation of NASCO flip logic (including as applied to Tiara Yachts), changes in design, and disclosures to customers regarding implications, among other information. **Exhibit A** (RFP Nos. 1-18). Separately, Request Nos. 19-22 target documents related to the SSP, including its design and implementation, rationale, and implications and calculations regarding Tiara Yachts' assets. *Id.* (RFP Nos. 19-22).

BCBSM cannot cabin its production to a narrow sliver of Tiara Yachts-only documents. *See e.g.*, **Exhibit C** (RFP Nos 13, 17, 18, 19, and 20) (objecting because, among other things, BCBSM has unilaterally determined that any records about its "general decision-making process" to implement its claims processing systems or SSP are not relevant in this case and any records involving the flaws or investigations of those systems concerning other BCBSM customers are not relevant). Indeed, because both the allegations and exhibits (internal BCBSM emails) to Tiara



Yachts' complaint establish BCBSM's flaws were system-wide affecting nearly every ASC customer, such documents undisputedly are discoverable as they bear directly on: (1) how BCBSM's claims processing systems or SSP related programs were conceived, marketed, priced, implemented, and internally evaluated, regardless of the customer; (2) whether BCBSM dealt with its customer's plan assets (including Tiara Yachts) in its own interest; and (3) the quantum of loss suffered by its customers (particularly those by Tiara Yachts).

**D. BCBSM'S ARTIFICIAL DATE LIMITATION IS IMPROPER.**

Lastly, BCBSM's global effort to impose a July 1, 2014 (or 2016) limitation on discovery is not a valid objection. If BCBSM believed a temporal limitation was needed, its remedy was to move for a protective order and demonstrate good cause under Rule 26(c). It did not do so. Instead, it unilaterally announced a cutoff aimed at excluding responsive materials.

The Federal Rules make clear that relevance and proportionality—not a party's preference—define the temporal scope of discovery. Courts routinely reject arbitrary date limitations where materials outside the proposed window may illuminate the conduct at issue, the parties' knowledge, the mechanics of the challenged practices, and/or the scope of any concealment. *See e.g., Cratty v. City of Wyandotte*, 296 F. Supp. 3d 854, 859 (E.D. Mich. 2017) (requiring production of documents "without any time-period limitation"); *United States v. Quicken Loans Inc.*, No. 16-CV-14050, 2017 WL 2306444, at \*2 (E.D. Mich. May 26, 2017) ("It is not uncommon for relevant information to be discoverable, even if such information falls outside the timeframe of actionable activity set out in a complaint. . . .").

This Court has already recognized that BCBSM's time-bar arguments (mirroring its unilateral discovery date limitation) are not ripe without a developed, complete factual record—***a record discovery alone can create***. Transcript, at 9:12-17 (ECF No. 81, PageID.130). Allowing BCBSM to withhold pre-July 2014 documents would undermine that ruling by forcing a

limitations decision without the evidence necessary to decide it. The proper course is, instead, to compel production of all responsive answers without BCBSM's artificial cutoff, while reserving BCBSM's limitations defenses for resolution on a full evidentiary record.

**IV. CONCLUSION**

For the reasons stated herein, Tiara Yachts requests that this Court grant its Motion to Compel.

Respectfully submitted,

**VARNUM LLP**

*Attorneys for Tiara Yachts, Inc.*

Dated: January 28, 2026

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# EXHIBIT A

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

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TIARA YACHTS, INC.,

Case No.1:22-cv-603

Plaintiff/Counter-Defendant,

Honorable Robert J. Jonker

v.

Magistrate Judge Ray Kent

BLUE CROSS BLUE SHIELD OF MICHIGAN,

Defendant/Counter-Plaintiff.

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**TIARA YACHTS, INC.'S AMENDED FIRST SET OF  
REQUESTS FOR PRODUCTION OF DOCUMENTS  
TO BLUE CROSS BLUE SHIELD OF MICHIGAN**

Tiara Yachts, Inc. (“Plaintiff” or “Tiara Yachts”), pursuant to the Court’s October 9, 2025, Order (ECF No. 109), submits the following requests for production of documents under Fed. R. Civ. P. 34 to Defendant Blue Cross and Blue Shield of Michigan (“Defendant” or “BCBSM”). BCBSM is required to answer and supplement these requests for production of documents in full compliance with those rules.

**GENERAL DEFINITIONS**

Except as specifically noted in a particular discovery request, the following definitions shall apply to each of the following terms throughout these discovery requests:

1. “Document” or “documents” means anything covered by Fed. R. Civ. P. 34(a).
2. “Defendant,” “BCBSM,” “you,” and “your” means or refers to Blue Cross and Blue Shield of Michigan; its employees, agents, attorneys, representatives, subsidiaries, and accountants; and every person or entity that possesses information or documents on behalf of Blue Cross and Blue Shield of Michigan.

3. “Communication” or “communications” means any spoken or written transfer of information or documents from one or more persons to one or more other persons.

4. “Person” or “persons” means and includes, without limitation, any natural person, firm, association, organization, partnership, business trust, corporation, limited liability company, public entity, or any other type of entity

5. “Identity” or “identify,” when used with reference to a natural *person*, means to state with respect to such person:

- a. His or her name.
- b. His or her present residence address and telephone number.
- c. The identity of the person or entity by whom he or she is employed, or with whom he or she is affiliated.
- d. His or her title, duty, or position at his or her place or place of employment/affiliation.
- e. His or her past and present relationships to Defendant.

Once a person has been identified, it is sufficient thereafter when identifying that person merely to state his/her/its name.

6. “Identity” or “identify,” when used with respect to a *document*, means to assign a unique alpha-numeric designation to such document and to state:

- a. The type of document (letter, memorandum, etc.).
- b. The identity of the author/addressor of the document.
- c. The identity of the addressee of the document.
- d. The identity of all recipients of indicated or blind copies.
- e. Its date.
- f. Its subject matter.
- g. The total number of pages.
- h. The identity of all attachments or appendices.
- i. The identity of all persons to whom it or its contents were distributed, shown, or explained.
- j. The identity of the present custodian.
- k. The identity of each natural person whose testimony could be used to authenticate the document.

All subsequent references to a document once identified may be made by stating the document identification number assigned by you pursuant to the above instruction.

7. “Identity” or “identify,” when used with reference to a *communication*, means to:
- a. Identify the person or persons making or originating the communication.
  - b. Identify the person or persons to whom or in whose presence the communication was made.
  - c. State when and where the communication was made.
  - d. Identify all documents that embody, relate to, or refer to the communication.
  - e. State the substance of the communication.

For each communication for which a claim of privilege or work-product is made, respond to sub-parts a through e above; state the subject matter of the communication; identify all persons to whom some or all of the contents of the communication were communicated; and state the nature of the privilege or work-product claim asserted.

8. “Identity” or “identify,” when used with respect to a *fact* or *reason*, means to state for each such fact or reason:

- a. All events, conditions, data observations, or states of affairs that support or relate to the fact or reason.
- b. All subsidiary facts, data, or observations from which or by which the fact or reason is observed, inferred, or detected.
- c. The logical reasoning by which the fact or reason is inferred from subsidiary events, conditions, observations, data, or states of affairs.
- d. All corroborating facts, reasons, or data.

9. “Identify” or “identify,” when used with respect to a *Claim* or *Claims* means to state:

- a. the claim(s) number;
- b. the billed amount(s);
- c. the amount(s) paid;
- d. the reason for any discount, network rate, or repricing that was applied (or not applied); and
- e. whether any subsequent negotiation or refund request was made.

10. The words “any,” “each,” “all,” and “every,” include the singular and the plural, and they shall be deemed interchangeable.

11. When an inquiry is made for information related to an occurrence “between” two dates, the inquiry seeks information for the period including the years or dates designated.

12. As used herein, the singular includes the plural and the plural includes the singular. Similarly, words of one gender shall be deemed to include words of all genders.

13. The term “Complaint” as used hereafter shall mean, unless otherwise specifically noted, the Complaint filed by Plaintiff in the captioned matter.

### **SPECIAL DEFINITIONS**

1. “ASC” shall mean the Administrative Services Contract entered into by and between Tiara Yachts, Inc. and BCBSM, together with all schedules, amendments, riders, renewals, exhibits, or other modifications during the Contractual Period.

2. “**Claim(s)**” means any request for payment or reimbursement of medical, hospital, pharmaceutical, or other health-related expenses incurred by an Enrollee from a Provider, as further defined in the parties’ former ASC.

3. “**Claims Data**” means all Claim level data fields, identifiers, and other information, maintained by BCBSM on behalf of the Plan related to any Claims including but not limited to: claims numbers, member numbers, claim status, dates of service, billed charges, allowed amounts, approved amounts, deductible amount, copay amount, coinsurance amount, paid amounts, member responsibility, network status, provider identifiers, participating status, payee direction, revenue code, provider network indicators, type of service, place of service, shared savings program fees and discounts, all procedure codes, all DRG or HCPCS (or other similar standardized or uniform)

codes, all diagnosis codes, all reporting codes, all procedure codes and modifiers, all ICD procedure codes, all processed codes, all remark fields, and any flags or codes used in adjudication.

4. “**Contractual Period(s)**” means from January 1, 2006 until December 31, 2018, and any run-out period for claims incurred during that period.

5. “**Employee**” as defined in the parties’ former ASC, means the following who were eligible and enrolled for coverage, (i) employees as designated by the Plan; (ii) if applicable, retirees and their surviving spouses as designed by the Plan; and (iii) COBRA beneficiaries.

6. “**Enrollee**” as defined in the parties’ former ASC, means an individual who is enrolled in Tiara’s self-funded health benefit Plan, either as an Employee, spouse, or as a dependent of an Employee.

7. “**Plan**” means the S2 Yachts, Inc. Employee Benefit Plan, including any successor or predecessor plan, sponsored by Tiara Yachts.

8. “**Provider**” means any healthcare provider or facility that submits claims to BCBSM to be paid.

### **INSTRUCTIONS**

1. Each Discovery Request is to be answered separately in writing. However, if the answer to any Discovery Request would be the same as the answer to any other Discovery Request, the answer may be incorporated by reference thereto.

2. In answering these Discovery Requests, you are required to furnish such information in answer thereto as is available to you or that is available to or could be obtained by BCBSM from its subsidiaries, affiliates, employees, agents, representatives, sureties, or indemnitors.



3. All electronically stored information (ESI) and computerized information or records must be produced in its native format and with a load file set that ties together the native file, text, and metadata. Paper documents, including notes or spreadsheets in paper form, shall be produced as Single-page Group IV TIFF images at 300 x 300 dpi resolution for black and white pages or single-page JPEG images at 300 x 300 dpi resolution for color pages. The production shall be searchable and shall include the appropriate Load/Utilization files which will, at a minimum, contain the following fields:

- a. Beginning Production Number
- b. Ending Production Number
- c. Beginning Attachment Production Number
- d. End Attachment Production Number
- e. Custodian/Source
- f. Confidentiality
- g. Document Type
- h. Document Properties
- i. Page Counts
- j. Created Date
- k. Last Modified Date
- l. OCR .TXT file
- m. MD5 Hash

4. If you know of the existence, past or present, of any document described in a document request but are unable to produce such document because it is not presently in your possession, custody or control, you shall so state in your response to such request, and you shall identify such document, and the individual(s) in whose possession, custody or control the document was last known to reside. If such document no longer exists, state when, how and why such document ceased to exist.

5. These Discovery Requests shall be deemed continuing so as to require you to file supplementary answers if you obtain further or different information between the time of answering these Discovery Requests and the time of trial.

6. If, because of a claim of attorney-client privilege, work product, or other protection, you withhold from production any document called for by these document requests, please provide a written schedule or log setting forth for each document withheld the following information:

- a. The nature of the privilege claimed (e.g., attorney-client, work product, etc.).
- b. The name of any attorney with respect to whom the privilege is claimed.
- c. The basis for claiming the privilege as to the specific information or document involved.
- d. The author, addressee, persons to whom copies were furnished, and date.
- e. A description of the subject matter of each such document.
- f. The current custodian of each copy of the document.

### **REQUESTS FOR PRODUCTION OF DOCUMENTS**

1. Produce a complete set of all electronic Claims Data relating to the Claims submitted, processed, adjudicated, paid, adjusted, or otherwise administered by BCBSM on behalf of Tiara Yachts and its Plan during the Contractual Periods.

#### **RESPONSE:**

2. Produce a full and complete copy of BCBSM's data field dictionary(ies) necessary to interpret and define each claim identifier or claim detail field that BCBSM uses for all Claims, including but not limited to providing the Field Name, the Descriptive Name, the Cobol Name, the Cobol Format, the Position, the Type, the Source, the Revision History and Comments (including Revision Date), the Definition, the Business Rule(s), the Valid Value(s), the Notes, and any other information BCBSM maintains in any facility, professional, medical, and/or pharmacy dictionary.

#### **RESPONSE:**

3. For all Claims associated with Tiara Yachts during the Contractual Periods, produce all documents, including communications, between BCBSM and any Provider involving BCBSM disputing the amount being sought by the Provider, Employee, or Enrollee.

#### **RESPONSE:**

4. Produce copies of all of BCBSM's written policies, practices, or systems used to identify excessive, duplicative, or improper claims submitted by Providers, Employees, or Enrollees.

#### **RESPONSE:**

5. Produce all documents evidencing the internal training, instructions, or directives BCBSM gives or has given to its employees about identifying or responding to excessive claims or improper claims, whether due to fraud, mistake, waste, or abuse, submitted by Providers, Employees, or Enrollees in its claims processing systems.

**RESPONSE:**

6. Produce all documents, including internal BCBSM communications, that reference, concern, discuss, consist of, summarize, or otherwise embody Dennis Wegner's research or investigation into the excessive payments made by BCBSM to Providers via its claims processing systems, including but not limited to emails from Dennis Wegner to his supervisors evidencing him raising concerns or "alert[ing]" BCBSM regarding its systems claims processing errors. *See Exhibit D to Complaint*, *Wegner v. BCBSM*, No 19-001808-CD (Wayne Cnty. Cir. Ct.) (ECF No. 1-5, PageID.45-50).

**RESPONSE:**

7. Produce all documents, including internal BCBSM communications by, to, or between any of the following individuals—Rod Begosa, Jeffrey Connolly, Robert Hopper, Lori Shannon, Gary Gavin, David Malik, Ken Dallafior, Dianne Malmgren, and/or Kimberly Jones-Schneider—evidencing their knowledge or communications with or about the allegations or concerns raised by Dennis Wegner regarding BCBSM's claims processing systems, including any systems causing the payment of excessive or improper claims to Providers. *See e.g., Exhibit A and Exhibit C to Complaint*, (ECF No. 1-2, PageID.26-29; 1-4, PageID.41-43).

**RESPONSE:**

8. Produce all documents, including internal BCBSM communications, involving BCBSM directing Dennis Wegner to cease inquiring about the number or amounts of claims for which Providers, Employees, or Enrollees were being reimbursed, to "stand down," or to refrain in any way from alerting any BCBSM customers, including Tiara Yachts, of excessive or improper claims submitted by Providers, Employees, or Enrollees.

**RESPONSE:**

9. Produce all documents, including internal BCBSM communications, about the design and operation of BCBSM's claims processing system(s)—including but not limited to training manuals, explanations for customers, and software guides for its NASCO flip logic system for out-of-state or non-participating provider ("non-par") claims—that BCBSM used to process Tiara Yachts' and the Plan's Claims.

**RESPONSE:**

10. Produce all documents, including internal BCBSM communications, involving BCBSM's internal investigation into its claims processing system(s) that BCBSM used to process Tiara Yachts' and the Plan's Claims, including the communications and documents shared or generated by the BCBSM "workgroup" (or any other established BCBSM committees, action teams, or groups of individuals) who identified at least 201 BCBSM customers impacted by the NASCO flip logic system and/or the "Non Par Pay Sub Blue Card Claims" issues as discussed in *Exhibit A and Exhibit C to Complaint*, (ECF No. 1-2, PageID.26-29; 1-4, PageID.41-43).

**RESPONSE:**

11. Produce all documents, including internal BCBSM communications and cost/benefit analysis, about the implementation of the NASCO flip logic system for out-of-state or non-participating provider (“non-par”) claims, that BCBSM used to process Tiara Yachts’ and/or the Plan’s Claims.

**RESPONSE:**

12. Produce all documents, including internal BCBSM communications and cost/benefit analysis, about any changes BCBSM made between 1997 and present to the design or operation of its claims processing system(s), including its NASCO flip logic system for out-of-state or non-participating provider (“non-par”) claims, that BCBSM used to process Tiara Yachts’ and/or the Plan’s Claims.

**RESPONSE:**

13. Produce all documents and communications reflecting BCBSM’s disclosure of the implications of its NASCO flip logic system or “Non Par Pay Sub Blue Card Claims” issues as discussed in **Exhibit C** to Tiara Yachts’ Complaint (ECF No. 1-4, PageID.41-43), to BCBSM’s self-funded ASC customers, including Tiara Yachts.

**RESPONSE:**

14. Produce all documents in your possession that you have identified in your Rule 26(a)(1) initial disclosures, including but not limited to the following records (which are repeated here for purposes of ease of reference): all of Tiara Yachts’ electronic Claims Data; the full and final settlement and release of claims that Tiara Yachts executed; all documents that comprise of the ASC, including all schedules, renewals, and any amendments; all ASC Billing Reports for Tiara Yachts; all monthly invoices sent to Tiara Yachts; all annual and quarterly settlements concerning Tiara Yachts and its Plan; all documents describing BCBSM’s policies and practices for claims processing and payment; all documents describing BCBSM’s Payment Integrity Services, including its Shared Savings Program; all disclosures of the Shared Savings Program; and any documents produced by any party or non-party that BCBSM has in its possession related to this matter.

**RESPONSE:**

15. Produce a copy of the fee schedule or negotiated agreement (or similar document) that BCBSM had with each Provider that submitted Claims related to Tiara Yachts and its Plan, for the Contractual Periods.

**RESPONSE:**

16. Produce all documents and communications evidencing any Provider Investigation Request, as that term may be used by the Blue Cross Blue Shield Association (“BCBSA”) Inter-Plan Programs Manual, that BCBSM sent to any Par/Host Plan, as that term is commonly used by entities apart of the BCBSA, for any Provider that provided services to an Enrollee of Tiara Yachts’ Plan.

**RESPONSE:**

17. Produce all documents and communications from January 1, 2017 to present between every member and employee, current and former, of the account management team or “cross functional stakeholders” who discussed or communicated about the concerns or investigation into the BCBSM system issues outlined in Robert Hopper’s Sept. 12, 2017, e-mail bates stamped BCBSM-Comau 00029292 and attached as **Exhibit A** to Tiara Yachts’ Complaint (ECF No. 1-2, PageID.26-28).

**RESPONSE:**

18. Produce all documents and communications from January 1, 2017 to present regarding the “scrip for account management team to follow in their conversation with groups” as referenced in the Sept. 12, 2017, E-mail from Robert Hopper, bates stamped BCBSM-Comau 00029292, **Exhibit A** to Tiara Yachts’ Complaint (ECF No. 1-2, PageID.26-28).

**RESPONSE:**

19. Produce all documents and communications evidencing the design and operation of BCBSM’s Payment Integrity Services (including but not limited to those services identified in the Payment Integrity: Ensuring the Accuracy of Claims Presentation attached as **Exhibit F** to Complaint, ECF No. 1-7, PageID.62-72) which BCBSM employed on behalf of Tiara Yachts and its Plan.

**RESPONSE:**

20. Produce all documents and communications, including internal communications, regarding BCBSM’s decision to implement its Shared Savings Program (“SSP”) with respect to its self-funded customers.

**RESPONSE:**

21. Produce all documents and communications during the Contractual Period among BCBSM employees with account responsibility for Tiara Yachts and its Plan concerning the SSP as applied to Tiara Yachts, including but not limited to the scope of services, fee retention, disclosures to Tiara Yachts.

**RESPONSE:**

22. Produce all documents and communications from the inception of BCBSM’s SSP showing BCBSM’s calculation of any alleged cost savings or “avoided costs” attributed to its Payment Integrity Services or SSP activity for Tiara Yachts, including the methodology used, the claim populations included, and the portion retained by BCBSM.

**RESPONSE:**

Respectfully submitted,

**VARNUM LLP**

*Attorneys for Tiara Yachts, Inc.*

Dated: October 23, 2025

By: /s/ Perrin Rynders

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# EXHIBIT B

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN

TIARA YACHTS, INC.,

Plaintiff,

v.

Case No. 1:22-cv-603

Hon. Robert J. Jonker

Mag. Ray Kent

BLUE CROSS BLUE SHIELD  
OF MICHIGAN,

Defendant.

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**DEFENDANT’S SUPPLEMENTAL ANSWERS TO PLAINTIFF’S FIRST SET OF  
INTERROGATORIES**

Defendant Blue Cross Blue Shield of Michigan (“BCBSM”), with the assistance of counsel, states as follows for its Supplemental Answers to Plaintiff’s First Set of Interrogatories:

**ANSWERS**

1. Since July 1, 2022, identify every communication BCBSM had with any Person who has provided a statement or information related in any way to any of the allegations contained in the Complaint, including, for each communication, the name of the Person contacted and the date, time, length, and content of each such communication.

**ANSWER:** BCBSM objects to this interrogatory as overly broad, unduly burdensome, and not proportional to the needs of this case to the extent it seeks “every communication” since July 1, 2022 with “any Person who has provided a statement or information.” Additionally, Tiara Yachts’ claims are based entirely on actions that occurred between July 1, 2016, the statute of repose cutoff, and April 16, 2021, the date Tiara Yachts signed its final settlement with BCBSM. Any communications after that date are irrelevant to Tiara Yachts’ claims. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no



compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

Further, July 1, 2022 is the date Tiara Yachts filed its Complaint. Many communications BCBSM had after that date regarding Tiara Yachts would be protected by the attorney-client privilege or work product doctrine. While the interrogatory primarily encompasses information that would be included in a privilege log, requesting that BCBSM even conduct a custodial search for communications responsive to this interrogatory, given their lack of relevance and privileged nature, would be unduly burdensome and not proportional to the needs of this case.

**SUPPLEMENTAL ANSWER:** Subject to and without waiving its objections, BCBSM has confirmed, based on the investigation it has conducted to date, that no responsive, non-privileged communications exist.

2. Identify the persons most knowledgeable about BCBSM's claims processing systems, including those used in connection with BCBSM's Shared Savings Program and claims processing logic systems (including, its NASCO platform).

**ANSWER:** BCBSM objects to this interrogatory as vague and virtually impossible to answer with respect to the phrase “the persons most knowledgeable about BCBSM’s claims processing systems.” BCBSM’s claims processing systems are an extremely complex network of programs. Hundreds of BCBSM employees are responsible for overseeing countless aspects of these systems.

Subject to and without waiving its objections, based on the information BCBSM has been able to obtain through the reasonable investigation it has conducted to date, Kimberly Jones-

Schneider and Paul Ozdarski are likely the most knowledgeable people within BCBSM regarding BCBSM's claims processing in connection with the Shared Savings Program and logic systems.

3. Identify all Claims during the Contractual Period related to Plaintiff and its Plan where you identified a Provider was overpaid, and for each particular Claim explain how the overpayment was discovered and what, if anything, was done in response.

**ANSWER:** BCBSM objects to this interrogatory as overly broad because it seeks information from outside the time period applicable to Tiara Yachts' claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period "to avoid unnecessary burden and expense"); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) ("This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back" before the statute of limitations period "is warranted"); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery "[i]n view of the applicable limitations period for Plaintiffs' claims, and considering that the scope of discovery must be proportional to the needs of the case"). BCBSM further objects to the term "overpaid" as vague and ambiguous.

BCBSM further objects to this interrogatory as overly broad and unduly burdensome, as Tiara Yachts has failed to identify any of its claims it believes were "overpaid."

BCBSM also objects to this interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, and/or any other privilege or protection.

Subject to and notwithstanding its objections, BCBSM agrees to search for and produce, subject to an appropriate protective order, all of Tiara Yachts' electronic claims data from July 1, 2016 through April 16, 2021. Pursuant to FRCP 33(d), the burden of deriving or ascertaining the

answer to Tiara Yachts' question will be substantially the same for both BCBSM and Tiara Yachts, and BCBSM's production of Tiara Yachts' claims data is a complete answer to this interrogatory. BCBSM agrees to meet and confer with Tiara Yachts on agreed-upon search terms and will produce responsive, relevant, non-privileged documents identified by those agreed-upon search terms. BCBSM further agrees to meet and confer with Tiara Yachts to discuss appropriate limits for the remaining requests.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM's objections, BCBSM has been unable, to date, to locate any instances in which it previously identified a claim by Tiara Yachts or the Plan as having been "overpaid." Its investigation is ongoing and will ultimately include an analysis of Tiara Yachts' claims data that is accessible without undue burden, once it is compiled, in combination with documents such as the benefits design documents applicable to Tiara Yachts.

4. Identify each Person responsible for the design and implementation of BCBSM's 1997 claims "processing logic," pursuant to which BCBSM began paying the charged amount for certain claims submitted by out-of-state non-participating providers to which a member had been referred by a participating provider and any documents related in any way to the design and implementation of such amended claims processing logic. See Complaint, **Exhibit C** (ECF No.1-4, PageID.40-43).

**ANSWER:** BCBSM objects to this interrogatory as vague and ambiguous to the extent it is unclear what is meant by "BCBSM began paying the charged amount for certain claims submitted by out-of-state non-participating providers to which a member had been referred by a participating provider." BCBSM further objects to this interrogatory to the extent it improperly seeks documents that are more appropriate for a production request. BCBSM further objects to this interrogatory as overly broad and irrelevant to the extent it seeks information not related to the issues in this matter and requires BCBSM to seek information that is almost three decades old. BCBSM further objects

to this interrogatory as overly broad because it seeks information from outside the time period applicable to Tiara Yachts' claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period "to avoid unnecessary burden and expense"); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) ("This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back" before the statute of limitations period "is warranted"); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery "[i]n view of the applicable limitations period for Plaintiffs' claims, and considering that the scope of discovery must be proportional to the needs of the case").

Further, the original design of BCBSM's claims processing logic is not relevant to any of Tiara Yachts' claims. Requiring BCBSM to search through records that are at least 28 years old to identify every single person responsible for designing that processing logic and every document related to it in any way would be unduly burdensome and not proportional to the needs of this case.

Subject to and without waiving its objections, BCBSM has identified individuals who are knowledgeable regarding BCBSM's claims processing system in connection with the Shared Savings Program and logic systems. BCBSM refers Tiara Yachts to its answer to Interrogatory No. 2.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM's objections, based on the investigation it has conducted to date, BCBSM has been unable to identify any current BCBSM employees who were responsible for the design and implementation of BCBSM's claims-processing logic related to non-participating providers. Additionally, BCBSM identifies Annette Sabatella as an individual with limited knowledge of flip logic based upon her involvement with a work group related to non-participating providers.

5. Identify and describe every way in which Plaintiff and its Plan was impacted by BCBSM's claim processing logic (its flip logic system), as discussed in **Exhibit A** and **Exhibit C** to Plaintiff's Complaint (ECF No. 1-2, PageID.25-29, BCBSM-Comau 00029292-00029295; ECF No. 1-4, PageID.40-43, BCBSM-Comau 00029315-29317).

**ANSWER:** BCBSM objects to this interrogatory to the extent the phrase “impacted by BCBSM’s claims processing logic” is vague and ambiguous. BCBSM further objects to this interrogatory as overly broad and unduly burdensome. BCBSM’s claims processing systems are made up of an extremely complex network of programs used to process claims, and every one of the millions of claims submitted is “impacted” in some manner by BCBSM’s processing logic.

BCBSM further objects to this interrogatory to the extent it seeks information from outside the time period applicable to Tiara Yachts’ claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

BCBSM further objects to this interrogatory as overly broad and unduly burdensome, as Tiara Yachts has failed to identify any of its claims that were allegedly impacted by “flip logic.” BCBSM also objects to this request as vague, as BCBSM does not have or utilize a “flip logic system.”

Subject to and notwithstanding its objections, BCBSM agrees to search for and produce, subject to an appropriate protective order, all of Tiara Yachts’ electronic claims data from July 1,

2016 through April 16, 2021. Pursuant to FRCP 33(d), the burden of deriving or ascertaining the answer to Tiara Yachts' question will be substantially the same for both BCBSM and Tiara Yachts, and BCBSM's production of Tiara Yachts' claims data is a complete answer to this interrogatory. BCBSM agrees to meet and confer with Tiara Yachts on agreed-upon search terms and will produce responsive, relevant, non-privileged documents identified by those agreed-upon search terms.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM's objections, every claim relating to Tiara Yachts and its Plan would be "impacted by" BCBSM's claim processing logic in some manner. Answering this interrogatory will likely not be possible until BCBSM has compiled Tiara Yachts' claims data that is accessible without undue burden, subject to the objections and limitations identified in response to Amended RFP No. 1.

6. Identify every Claim relating to Plaintiff and its Plan, by unique claim number, that was impacted by BCBSM's claims processing logic, as discussed in Exhibit C to Plaintiff's Complaint (ECF No. 1-4, PageID.40-43, BCBSM-Comau 00029315-29317), including identifying any documents or communications relating to the analysis or investigation of such impact.

**ANSWER:** BCBSM objects to this interrogatory to the extent the phrase "impacted by BCBSM's claims processing logic" is vague and ambiguous. BCBSM further objects to this interrogatory to the extent the phrase "unique claim number" is vague. BCBSM's claims processing systems are made up of an extremely complex network of programs used to process claims, and every one of the millions of claims submitted is "impacted" in some manner by BCBSM's processing logic.

BCBSM objects further because this interrogatory seeks information from outside the time period applicable to Tiara Yachts' claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to

limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”). Finally, BCBSM objects to this interrogatory to the extent it is duplicative of Interrogatory No. 5.

Subject to and notwithstanding its objections, BCBSM agrees to search for and produce, subject to an appropriate protective order, all of Tiara Yachts’ electronic claims data from July 1, 2016 through April 16, 2021. Pursuant to FRCP 33(d), the burden of deriving or ascertaining the answer to Tiara Yachts’ question will be substantially the same for both BCBSM and Tiara Yachts, and BCBSM’s production of Tiara Yachts’ claims data is a complete answer to this interrogatory. BCBSM agrees to meet and confer with Tiara Yachts on agreed-upon search terms and will produce responsive, relevant, non-privileged documents identified by those agreed-upon search terms.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM’s objections, every claim relating to Tiara Yachts and its Plan would be “impacted by” BCBSM’s claim processing logic in some manner. Answering this interrogatory will likely not be possible until BCBSM has compiled Tiara Yachts’ claims data that is accessible without undue burden, subject to the objections and limitations identified in response to Amended RFP No. 1.

7. Identify every Claim during the Contractual Period relating to Plaintiff and its Plan, by unique claim number, for which BCBSM retained a fee pursuant to the Shared Savings Program.

**ANSWER:** BCBSM objects to this interrogatory to the extent the phrase “unique claim number” is vague. BCBSM further objects to this interrogatory to the extent the phrase “retained a fee” is vague and ambiguous. BCBSM further objects to this interrogatory because it seeks information from outside the time period applicable to Tiara Yachts’ claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

Subject to and notwithstanding its objections, BCBSM agrees to search for and produce, subject to an appropriate protective order, all of Tiara Yachts’ electronic claims data from July 1, 2016 through April 16, 2021. Pursuant to FRCP 33(d), the burden of deriving or ascertaining the answer to Tiara Yachts’ question will be substantially the same for both BCBSM and Tiara Yachts, and BCBSM’s production of Tiara Yachts’ claims data is a complete answer to this interrogatory. BCBSM agrees to meet and confer with Tiara Yachts on agreed-upon search terms and will produce responsive, relevant, non-privileged documents identified by those agreed-upon search terms.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM’s objections, BCBSM agrees to provide information showing all administrative fees charged to Tiara Yachts in connection with the Shared Savings Program.



8. Identify, and describe in detail, all cost management services and programs within BCBSM's base administrative fee, that BCBSM provided to Plaintiff and its Plan prior to implementing the Shared Savings Program, and any documents reflecting such services.

**ANSWER:** BCBSM objects to this interrogatory as vague and ambiguous, as the phrase “cost management services” is undefined and subject to multiple interpretations. BCBSM objects to this interrogatory because it seeks information from outside the time period applicable to Tiara Yachts’ claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

BCBSM objects further to the portion of this interrogatory that seeks identification of “any documents reflecting such services.” Courts routinely find that document requests such as this (BCBSM treats this portion of the interrogatory as a document request pursuant to FRCP 33(d)) are inherently overbroad and fail to describe the documents sought with reasonable particularity, in violation of FRCP 34(b)(1)(A).

Subject to and without waiving its objections, BCBSM agrees to search for and produce, subject to an appropriate protective order, Tiara Yachts’ communications (many of which were likely previously shared with Tiara Yachts) and ASC contract documents that sufficiently describe the cost-management services provided to Tiara Yachts before implementation of the Shared

Savings Program but after July 1, 2016. Pursuant to FRCP 33(d), the burden of deriving or ascertaining the answer to Tiara Yachts' question will be substantially the same for both BCBSM and Tiara Yachts, and BCBSM's production of Tiara Yachts' claims data is a complete answer to this interrogatory. BCBSM agrees to meet and confer with Tiara Yachts on agreed-upon search terms and will produce responsive, relevant, non-privileged documents identified by those agreed-upon search terms.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM's objections, the Payment Integrity and other similar services that BCBSM provided before it implemented the Shared Savings Program that were included in the base administrative fee, as applicable to Tiara Yachts, were:

- Provider education: These pre-payment services train providers on the correct way to complete a claim to promote accuracy of claim submissions.
- Primary Editing: These services focus on editing professional and outpatient facility claims as submitted for adherence to BCBSM medical, clinical, and coding guidelines.
- Subrogation: BCBSM provides post-payment subrogation services to identify other party liability (OPL) and third-party liability (TPL), and then investigates and pursues recoveries from such parties.
- Internal data mining: These post-payment services use a combination of technology and expert review to identify and correct payment issues, such as coordination of benefits.
- Credit-balance program: These services involve a dedicated team that works with hospitals' finance departments to detect, analyze, identify, and recover claim payments if a payment was made by other responsible third parties.
- Provider audits: These post-payment services involve a team dedicated to auditing providers to confirm accuracy of billing, coding, medical necessity, and benefit coverages.
- Hold-Harmless Inquiry for Non-Par Balance Billing: If a member received a balance bill *and* contacted BCBSM, the account team determined whether to negotiate or pay the claim at charge. This service was available only to self-funded accounts and was driven at the discretion of the account.

- Detection of fraud, waste, and abuse: These post-payment services involve a team dedicated to the detection of fraud, waste, and abuse by providers.

9. Identify, and describe in detail, all cost management services and programs within BCBSM's base administrative fee, that BCBSM provided to Plaintiff and its Plan after implementing the Shared Savings Program, and any documents reflecting such services, including those services identified in **Exhibit E** and **Exhibit F** of Plaintiff's Complaint (ECF No. 1-6, PageID.51-59, BCBSM-Comau 00019835-00019842; ECF No. 1-7, PageID.60-72, BCBSM-Comau 00029035-00029046).

**ANSWER:** BCBSM objects to this interrogatory as vague and ambiguous, as the phrase “cost management services” is undefined and subject to multiple interpretations. BCBSM objects to this interrogatory because it seeks information from outside the time period applicable to Tiara Yachts’ claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

BCBSM objects further to the portion of this interrogatory that seeks identification of “any documents reflecting such services.” Courts routinely find that document requests such as this (BCBSM treats this portion of the interrogatory as a document request pursuant to FRCP 33(d)) are inherently overbroad and fail to describe the documents sought with reasonable particularity, in violation of FRCP 34(b)(1)(A). BCBSM further objects to this interrogatory to the extent it is

duplicative of Interrogatory No. 8. Finally, BCBSM objects to this interrogatory to the extent it seeks documents that are more appropriate for a production request.

Subject to and without waiving its objections, BCBSM agrees to search for and produce, subject to an appropriate protective order, Tiara Yachts' communications (many of which were likely previously shared with Tiara Yachts) and ASC contract documents that sufficiently describe the cost-management services provided to Tiara Yachts after implementation of the Shared Savings Program through April 16, 2021. Pursuant to FRCP 33(d), the burden of deriving or ascertaining the answer to Tiara Yachts' question will be substantially the same for both BCBSM and Tiara Yachts, and BCBSM's production of Tiara Yachts' claims data is a complete answer to this interrogatory. BCBSM agrees to meet and confer with Tiara Yachts on agreed-upon search terms and will produce responsive, relevant, non-privileged documents identified by those agreed-upon search terms.

**SUPPLEMENTAL ANSWER:** Answering further, still subject to and without waiving BCBSM's objections, the Payment Integrity and other similar services that BCBSM provided after it implemented the Shared Savings Program that were included in the base administrative fee, as applicable to Tiara Yachts, were all of the programs identified in answer to Interrogatory No. 8 except for subrogation and the credit-balance program, which became part of the Shared Savings Program.

10. Identify all third-party vendors whom BCBSM has engaged to provide cost management services and savings programs, including vendors like MultiPlan, as identified in **Exhibit E** and **Exhibit F** of Plaintiff's Complaint (ECF No. 1-6, PageID.51-59, BCBSM-Comau 00019835-00019842; ECF No. 1-7, PageID.60-72, BCBSM-Comau 00029035-00029046).

**ANSWER:** BCBSM objects to this interrogatory as overly broad, unduly burdensome, and irrelevant to the extent it is unlimited in time and seeks information not related to issues in this

litigation. BCBSM objects to this interrogatory as vague and ambiguous, as the phrases “cost management services” and “savings programs” are undefined and subject to multiple interpretations. BCBSM further objects to this interrogatory to the extent it seeks information outside the time period relevant to Tiara Yachts’ claims, July 1, 2016 through April 16, 2021. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

BCBSM further objects to this request to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, and/or any other privilege or protection.

BCBSM further objects to providing information about any vendors who did not provide any services in connection with Tiara Yachts’ ASC, as that vendor information would be inherently irrelevant to Tiara Yachts’ claims in this matter.

Subject to and without waiving its objections, BCBSM has collaborated with Change Healthcare, Optum Insights, Avalon, Multiplan, Cotiviti, ClarisHealth, IAG (Insurance Automation Group), Carelon, Lyric, Healthcare Fraud Shield, and EXL with respect to its Payment Integrity Programs.

11. Identify each and every report, summary, communication, study, or investigation that BCBSM prepared or initiated as a result of the complaints, issues, inquiries, concerns, and

notifications raised by any BCBSM employee since January 1, 2017, regarding BCBSM's claims processing systems, including those concerns discussed in **Exhibit A** and **Exhibit C** to Plaintiff's Complaint (ECF No. 1-2, PageID.25-29, BCBSM-Comau 00029292-00029295; ECF No. 1-4, PageID.40-43, BCBSM-Comau 00029315-29317).

**ANSWER:** BCBSM objects to this request because it seeks documents and information that are neither relevant nor proportional to the needs of this case. BCBSM's internal reports, summaries, communications, studies, and investigations regarding claims processing complaints since January 1, 2017 have no bearing on the only issues in this litigation. *See, e.g., Roe v. Univ. of Cincinnati*, 2025 WL 1696974, at \*4 (S.D. Oh. Jun. 17, 2025) ("Neither UC's methodology for investigating separate claims of sexual misconduct in general nor the Department Education's investigations into UC *over the previous decade* appear to have any proportional bearing on Plaintiffs' theory of liability"). BCBSM further objects to this interrogatory as overly broad and unduly burdensome to the extent it seeks "each and every" report, summary, communication, study, or investigation. Finally, BCBSM objects to this interrogatory to the extent it seeks information that is protected by attorney-client or work-product privileges.

Dated: November 24, 2025

As to objections only:

ALLEN OVERY SHEARMAN STERLING US LLP

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*Attorneys for Defendant*

**VERIFICATION**

I, Kimberly Jones-Schneider, declare under penalty of perjury that I have read Defendant's Supplemental Answers to Plaintiff's First Interrogatories and that, based on the reasonable investigation that has been conducted to date, the statements made in that document are true and accurate to the best of my knowledge, information, and belief.

*Kimberly Jones-Schneider*

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Kimberly Jones-Schneider  
Director, Payment Integrity

Dated: November 24, 2025



# EXHIBIT C

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN

TIARA YACHTS, INC.,

Plaintiff,

v.

Case No. 1:22-cv-603

Hon. Robert J. Jonker

Mag. Ray Kent

BLUE CROSS BLUE SHIELD  
OF MICHIGAN,

Defendant.

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**DEFENDANT BCBSM'S RESPONSES TO PLAINTIFF'S AMENDED FIRST SET OF  
REQUESTS FOR PRODUCTION OF DOCUMENTS**

Defendant Blue Cross Blue Shield of Michigan ("BCBSM"), through counsel, states for its Responses to Plaintiff's First Set of Requests for Production of Documents:

**PRELIMINARY STATEMENT**

The responses and objections set forth below are provided without prejudice to BCBSM's right to amend its responses and objections if additional documents or information come to its attention. This reservation is not to be construed as an undertaking by BCBSM of an affirmative duty to alter, supplement, amend, or otherwise modify these responses and objections in any manner or at any time, except as otherwise required by law. BCBSM's responses and objections to any Request are not an admission that BCBSM accepts or admits the existence of any fact set forth in or assumed by such Request, nor are any responses and objections to any Request an indication that BCBSM agrees with or adopts any characterization or statement within such Request. Any responses and objections to the Requests or any production of documents made by BCBSM will be solely for purposes of this Action. BCBSM does not waive or intend to waive, and instead preserves and intends to preserve: (a) the right to object on any grounds, at any time,

to other discovery requests relating in any way to the subject of the Request to which BCBSM has responded or objected; and (b) the right to object, on any proper ground (including but not limited to grounds of competency, privilege, relevancy, materiality, confidentiality, authenticity, or admissibility) to the use of the responses, documents, or information provided by BCBSM for any purpose, in whole or in part, in any subsequent proceeding, trial, arbitration, mediation, or other alternative dispute resolution in this or any other action. By making these responses and objections, BCBSM does not concede that the documents sought are relevant or proportional to the needs of the Action.

### **OBJECTIONS AND RESPONSES**

1. Produce a complete set of all electronic Claims Data relating to the Claims submitted, processed, adjudicated, paid, adjusted, or otherwise administered by BCBSM on behalf of Tiara Yachts and its Plan during the Contractual Periods.

**RESPONSE:** BCBSM objects to this request as vague and overbroad to the extent it seeks “a complete set of all electronic Claims Data” because that phrase does not describe the documents sought with reasonable particularity, as required under FRCP 34(b)(1)(A). BCBSM also objects to the use of the undefined term “complete” on the basis that it is vague and ambiguous. BCBSM has proposed producing a data set that includes more than 70 data fields and contains all the material information Tiara Yachts will need to assess its claims. Tiara Yachts has insisted that BCBSM produce data from all data fields BCBSM maintains in its claims database. But as BCBSM has explained repeatedly, there are thousands of data fields in its database, and the vast majority do not apply to Tiara Yachts’ claims.

BCBSM objects further to the timeframe proposed in Tiara Yachts’ request because it would impose an undue burden on BCBSM. BCBSM changed many of its data storage practices in 2014 and archived its pre-2014 data. Thus, obtaining data from before 2014 would require not

only data retrieval, but also data restoration. Based on its experience in other cases, the cost of such data restoration would be prohibitive. In addition to this undue burden, Tiara Yachts' proposed timeframe is improper because it extends beyond the period of Tiara Yachts' claims. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period "to avoid unnecessary burden and expense"); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) ("This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back" before the statute of limitations period "is warranted"); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery "[i]n view of the applicable limitations period for Plaintiffs' claims, and considering that the scope of discovery must be proportional to the needs of the case"). BCBSM further objects to the extent this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

Subject to and without waiving its objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce electronic claims data in its possession, custody, or control relating to claims processed on behalf of Tiara Yachts and its Plan from July 1, 2014 through April 16, 2021. Production of this claims data will, however, require agreement on what data fields will be included in the production, and BCBSM agrees to continue conferring with Tiara Yachts to determine what data fields are appropriate.

2. Produce a full and complete copy of BCBSM's data field dictionary(ies) necessary to interpret and define each claim identifier or claim detail field that BCBSM uses for all Claims, including but not limited to providing the Field Name, the Descriptive Name, the Cobol Name, the Cobol Format, the Position, the Type, the Source, the Revision History and Comments (including Revision Date), the Definition, the Business Rule(s), the Valid Value(s), the Notes, and any other information BCBSM maintains in any facility, professional, medical, and/or pharmacy dictionary.

**RESPONSE:** BCBSM objects to the use of the undefined terms “complete” and “data dictionary(ies)” on the basis that they are vague and ambiguous. BCBSM objects further to the extent that Tiara Yachts seeks information regarding data fields within BCBSM’s claims database that are unrelated to Tiara Yachts’ claims data. BCBSM objects further to the extent this request seeks information that BCBSM does not maintain in its ordinary course of business, as the Federal Rules do not require the creation of information in response to a request for production.

Subject to and without waiving these objections, and subject to an appropriate protective order, BCBSM agrees to produce a document that describes each claim identifier or claim detail field with respect to the data fields that the parties ultimately agree on.

3. For all Claims associated with Tiara Yachts during the Contractual Periods, produce all documents, including communications, between BCBSM and any Provider involving BCBSM disputing the amount being sought by the Provider, Employee, or Enrollee.

**RESPONSE:** BCBSM objects to this request to the extent it includes an inappropriate time limitation. BCBSM has agreed to produce Tiara Yachts’ claims data dating back to 2014, as producing claims data from before 2014 would be an undue burden on BCBSM and would be disproportionate to the needs of this case, for the reasons described in BCBSM’s prior responses. Given that this is the relevant and proportionate period for the production of Tiara Yachts’ claims data, BCBSM objects to producing related to claims from before 2014.

Moreover, Tiara Yachts’ proposed timeframe is inappropriate because it extends beyond the period of Tiara Yachts’ claims. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017

WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”). BCBSM further objects to the extent this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

Subject to and without waiving its objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce documents and communications with Providers in its possession, custody, or control from July 1, 2014 through April 16, 2021, in which BCBSM disputed a claimed payment amount associated with Tiara Yachts or its Plan.

4. Produce copies of all of BCBSM’s written policies, practices, or systems used to identify excessive, duplicative, or improper claims submitted by Providers, Employees, or Enrollees.

**RESPONSE:** BCBSM objects to this request to the extent it does not include any time limitations. BCBSM has agreed to produce Tiara Yachts’ claims data dating back to 2014, as producing claims data from before 2014 would be an undue burden on BCBSM and would be disproportionate to the needs of this case, for the reasons described in BCBSM’s prior responses. Given that this is the relevant and proportionate period for the production of Tiara Yachts’ claims data, BCBSM objects to producing policies related to its claims processing systems from before 2014.

BCBSM further objects to the extent this request seeks documents or information that are unrelated to Tiara Yachts, and because the request is vague and ambiguous with respect to the undefined terms “practices” and “systems,” as BCBSM does not understand what Tiara Yachts is asking BCBSM to produce with respect to those items. BCBSM further objects because the terms “excessive, duplicative, [and] improper” are vague and ambiguous.

Subject to and without waiving this objection, BCBSM agrees to search for and produce, subject to an appropriate protective order, documents sufficient to describe its Payment Integrity Systems and other aspects of BCBSM's claims processing systems used to ensure that claims are properly paid, as applied to Tiara Yachts between July 1, 2014 and April 16, 2021.

5. Produce all documents evidencing the internal training, instructions, or directives BCBSM gives or has given to its employees about identifying or responding to excessive claims or improper claims, whether due to fraud, mistake, waste, or abuse, submitted by Providers, Employees, or Enrollees in its claims processing systems.

**RESPONSE:** BCBSM objects because the internal training and instructions it provides to its employees regarding claims processing are not relevant or proportional to Tiara Yachts' claims. *See, e.g., Roe v. Univ. of Cincinnati*, 2025 WL 1696974, at \*4 (S.D. Ohio June 17, 2025) ("Neither UC's methodology for investigating separate claims of sexual misconduct in general nor the Department Education's investigations into UC *over the previous decade* appear to have any proportional bearing on Plaintiffs' theory of liability"). Regardless of how BCBSM trains its employees, it either breached fiduciary duties to Tiara Yachts or it did not (it did not). Internal training will not make either fact more or less likely.

In addition, BCBSM objects to this request as vastly overbroad, unduly burdensome, harassing, and not proportional to the needs of the case because it purports to request virtually unlimited documentation regarding BCBSM's training practices, without reasonable limitations.

BCBSM further objects to the extent this request seeks documents or communications that are protected from disclosure by the attorney-client privilege or work-product doctrine. BCBSM further objects because the terms "Providers, Employees, [and] Enrollees," as used in this request are vague and undefined. BCBSM further objects to the extent the terms "excessive claims" and "improper claims" are vague, ambiguous, and undefined.

BCBSM also objects to this request to the extent it does not include any time limitations. BCBSM has agreed to produce Tiara Yachts' claims data dating back to 2014, as producing claims data from before 2014 would be an undue burden on BCBSM and would be disproportionate to the needs of this case. Given that this is the relevant and proportionate time period for the production of Tiara Yachts' claims data, BCBSM objects to producing information related to its claims processing systems from before 2014. BCBSM further objects to the extent this request seeks documents or information unrelated to Tiara Yachts' claims.

6. Produce all documents, including internal BCBSM communications, that reference, concern, discuss, consist of, summarize, or otherwise embody Dennis Wegner's research or investigation into the excessive payments made by BCBSM to Providers via its claims processing systems, including but not limited to emails from Dennis Wegner to his supervisors evidencing him raising concerns or "alert[ing]" BCBSM regarding its systems claims processing errors. *See Exhibit D to Complaint. Wegner v. BCBSM*, No 19-001808-CD (Wayne Cnty. Cir. Ct.) (ECF No. 1-5, PageID.45-50).

**RESPONSE:** BCBSM objects to this request as vastly overbroad, unduly burdensome, harassing, and not proportional to the needs of the case because it purports to request virtually unlimited documentation and information, without any limitation connecting the information sought to the claims and defenses in this case. Courts routinely hold that document requests seeking "all documents relating to" a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2005) ("it has been held that documents requests seeking 'any and all' documents 'relating to' are overly broad"); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request "must describe with reasonable particularity each item or category of items to be inspected." *Donnelly*, 2005 WL 8167556, at \*1.



In addition, BCBSM objects to the use of the undefined terms “research” and “investigation” as vague and ambiguous. BCBSM further objects to the extent this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

BCBSM objects further because the express language of this request relates entirely to a separate matter that has no connection to Tiara Yachts. There is no non-public information with any probative value regarding whether, as Tiara Yachts claims in this action, BCBSM breached any fiduciary duty to Tiara Yachts. *See Wilson v. Plastic Omnium Auto Exteriors, L.L.C.*, 2014 WL 5460634, at \*2 (E.D. Mich. Oct. 27, 2014) (to be discoverable, information must have “some probative value in proving or disproving a claim or defense”). Further, Dennis Wegner had no relationship with Tiara Yachts during the time he was employed at BCBSM. BCBSM also objects because this request assumes facts that have never been established (and cannot be established), as Tiara Yachts’ attempts to tie its claims to those made by Dennis Wegner rest on known misunderstandings and misrepresentations related to BCBSM’s claims processing systems.

7. Produce all documents, including internal BCBSM communications by, to, or between any of the following individuals—Rod Begosa, Jeffrey Connolly, Robert Hopper, Lori Shannon, Gary Gavin, David Malik, Ken Dallafior, Dianne Malmgren, and/or Kimberly Jones Schneider—evidencing their knowledge or communications with or about the allegations or concerns raised by Dennis Wegner regarding BCBSM’s claims processing systems, including any systems causing the payment of excessive or improper claims to Providers. *See e.g., Exhibit A and Exhibit C to Complaint*, (ECF No. 1-2, PageID.26-29; 1-4, PageID.41-43).

**RESPONSE:** BCBSM objects to this request because courts routinely hold that document requests seeking “all documents relating to” a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) (“it has been held that documents requests seeking ‘any and all’ documents ‘relating to’ are overly broad”); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich.

Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request “must describe with reasonable particularity each item or category of items to be inspected.” *Donnelly*, 2005 WL 8167556, at \*1.

In addition, BCBSM objects to the use of the undefined term “concerns” as vague and ambiguous. BCBSM further objects to the extent this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

BCBSM objects further because the express language of this request relates entirely to a separate matter that has no connection to Tiara Yachts. There is no non-public information with any probative value regarding whether, as Tiara Yachts claims in this action, BCBSM breached any fiduciary duty to Tiara Yachts. *See Wilson v. Plastic Omnium Auto Exteriors, L.L.C.*, 2014 WL 5460634, at \*2 (E.D. Mich. Oct. 27, 2014) (to be discoverable, information must have “some probative value in proving or disproving a claim or defense”). Further, Dennis Wegner had no relationship with Tiara Yachts during the time he was employed at BCBSM. BCBSM also objects because this request assumes facts that have never been established (and cannot be established), as Tiara Yachts’ attempts to tie its claims to those made by Dennis Wegner rest on known misunderstandings and misrepresentations related to BCBSM’s claims processing systems.

8. Produce all documents, including internal BCBSM communications, involving BCBSM directing Dennis Wegner to cease inquiring about the number or amounts of claims for which Providers, Employees, or Enrollees were being reimbursed, to “stand down,” or to refrain in any way from alerting any BCBSM customers, including Tiara Yachts, of excessive or improper claims submitted by Providers, Employees, or Enrollees.

**RESPONSE:** BCBSM objects to this request because courts routinely hold that document requests seeking “all documents relating to” a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C.

Nov. 8, 2025) (“it has been held that documents requests seeking ‘any and all’ documents ‘relating to’ are overly broad”); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request “must describe with reasonable particularity each item or category of items to be inspected.” *Donnelly*, 2005 WL 8167556, at \*1.

BCBSM further to the extent this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

BCBSM objects further because the express language of this request relates entirely to a separate matter that has no connection to Tiara Yachts. There is no non-public information with any probative value regarding whether, as Tiara Yachts claims in this action, BCBSM breached any fiduciary duty to Tiara Yachts. *See Wilson v. Plastic Omnium Auto Exteriors, L.L.C.*, 2014 WL 5460634, at \*2 (E.D. Mich. Oct. 27, 2014) (to be discoverable, information must have “some probative value in proving or disproving a claim or defense”). Further, Dennis Wegner had no relationship with Tiara Yachts during the time he was employed at BCBSM. BCBSM also objects because this request assumes facts that have never been established (and cannot be established), as Tiara Yachts’ attempts to tie its claims to those made by Dennis Wegner rest on known misunderstandings and misrepresentations related to BCBSM’s claims processing systems.

9. Produce all documents, including internal BCBSM communications, about the design and operation of BCBSM’s claims processing system(s)—including but not limited to training manuals, explanations for customers, and software guides for its NASCO flip logic system for out-of-state or non-participating provider (“non-par”) claims—that BCBSM used to process Tiara Yachts’ and the Plan’s Claims.

**RESPONSE:** BCBSM objects to this request to the extent it includes an improper time limitation.

BCBSM has agreed to produce Tiara Yachts’ claims data dating back to 2014, as producing claims data from before 2014 would be an undue burden on BCBSM and would be disproportionate to

the needs of this case. Given that this is the relevant and proportionate time period for the production of Tiara Yachts' claims data, BCBSM objects to producing information related to its claims processing systems from before 2014.

BCBSM objects to this request as vastly overbroad, unduly burdensome, harassing, and not proportional to the needs of the case because it purports to request virtually unlimited documentation and information regarding BCBSM's proprietary technology, without any limitation connecting the information sought to the claims and defenses in this case. Courts routinely hold that document requests seeking "all documents relating to" a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) ("it has been held that documents requests seeking 'any and all' documents 'relating to' are overly broad"); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request "must describe with reasonable particularity each item or category of items to be inspected." *Donnelly*, 2005 WL 8167556, at \*1.

Subject to and without waiving this objection, BCBSM agrees to search for and produce, subject to an appropriate protective order, documents and communications from July 1, 2014 through April 16, 2021 that describe the design or operation of BCBSM's claims processing systems, as they applied to Tiara Yachts.

10. Produce all documents, including internal BCBSM communications, involving BCBSM's internal investigation into its claims processing system(s) that BCBSM used to process Tiara Yachts' and the Plan's Claims, including the communications and documents shared or generated by the BCBSM "workgroup" (or any other established BCBSM committees, action teams, or groups of individuals) who identified at least 201 BCBSM customers impacted by the NASCO flip logic system and/or the "Non Par Pay Sub Blue Card Claims" issues as discussed in **Exhibit A** and **Exhibit C to Complaint**, (ECF No. 1-2, PageID.26-29; 1-4, PageID.41-43).

**RESPONSE:** BCBSM objects to this request because courts routinely hold that document requests seeking “all documents relating to” a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) (“it has been held that documents requests seeking ‘any and all’ documents ‘relating to’ are overly broad”); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request “must describe with reasonable particularity each item or category of items to be inspected.” *Donnelly*, 2005 WL 8167556, at \*1.

BCBSM also objects because the investigations described in this request are not relevant to Tiara Yachts’ claims to the extent they did not apply directly to Tiara Yachts. *See, e.g., Roe v. Univ. of Cincinnati*, 2025 WL 1696974, at \*4 (S.D. Ohio June 17, 2025) (“Neither UC’s methodology for investigating separate claims of sexual misconduct in general nor the Department Education’s investigations into UC *over the previous decade* appear to have any proportional bearing on Plaintiffs’ theory of liability”). BCBSM further objects because this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

Subject to and without waiving this objection, BCBSM agrees to search for and produce, subject to an appropriate protective order, documents and communications that are responsive to this request to the extent they relate directly to Tiara Yachts.

11. Produce all documents, including internal BCBSM communications and cost/benefit analysis, about the implementation of the NASCO flip logic system for out-of-state or non-participating provider (“non-par”) claims, that BCBSM used to process Tiara Yachts’ and/or the Plan’s Claims.

**RESPONSE:** BCBSM objects to this request because courts routinely hold that document requests seeking “all documents relating to” a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) (“it has been held that documents requests seeking ‘any and all’ documents ‘relating to’ are overly broad”); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request “must describe with reasonable particularity each item or category of items to be inspected.” *Donnelly*, 2005 WL 8167556, at \*1.

BCBSM further objects because this request seeks “all documents” related to an event from 30 years ago. Given the stated timeframe, a significant portion of the documents requested, to the extent they still exist, would not be stored electronically and would require BCBSM to search through numerous boxes of paper files that may or may not contain responsive information. Likewise, a significant portion of potentially responsive documents from the relevant timeframe that are stored electronically, to the extent they have not been deleted pursuant to ordinary data-storage practices, are likely to be archived or stored in other formats that would require complete data restoration, particularly with respect to documents dated before 2014.

BCBSM objects further because the undefined phrase “cost/benefit analysis” is vague and ambiguous. BCBSM objects further because the “implementation” of any aspect of its claims processing system would be irrelevant to the extent it does not apply to Tiara Yachts. BCBSM objects further to the extent this request seeks documents or information that are protected from disclosure by the attorney-client privilege or work-product doctrine.

12. Produce all documents, including internal BCBSM communications and cost/benefit analysis, about any changes BCBSM made between 1997 and present to the design or operation of its claims processing system(s), including its NASCO flip logic system for out of-state or non-

participating provider (“non-par”) claims, that BCBSM used to process Tiara Yachts’ and/or the Plan’s Claims.

**RESPONSE:** BCBSM objects to this request because courts routinely hold that document requests seeking “all documents relating to” a topic, or other similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) (“it has been held that documents requests seeking ‘any and all’ documents ‘relating to’ are overly broad”); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request “must describe with reasonable particularity each item or category of items to be inspected.” *Donnelly*, 2005 WL 8167556, at \*1. BCBSM also objects to the use of the undefined phrase “cost/benefit analysis” on the basis that it is vague and ambiguous.

BCBSM objects further to this request as vastly overbroad, unduly burdensome, harassing, and not proportional to the needs of the case because it seeks “all documents” from the last 30 years regarding changes to BCBSM’s claims processing systems, without any limitation connecting the information sought to the claims and defenses in this case. Given the stated timeframe, a significant portion of the documents requested, to the extent any still exist, are not stored electronically and would require BCBSM to search through numerous boxes of paper files that may or may not contain responsive information. Likewise, a significant portion of potentially responsive documents stored electronically from this timeframe, to the extent they have not been deleted pursuant to ordinary data-storage practices, are likely to be archived or stored in other formats that would require complete data restoration, particularly with respect to documents dated before 2014. BCBSM also objects to the extent this request seeks documents and information related to “any changes” over the past 30 years to BCBSM’s extremely complex claims processing

systems, regardless of whether those changes would have applied to Tiara Yachts, as such documents and information are not relevant under FRCP 26(b).

Subject to and without waiving its objections, BCBSM agrees to produce documents sufficient to describe the aspects of its claims processing system that applied to Tiara Yachts from July 1, 2014 through April 16, 2021, as well as any communications discussing the application of its claims processing systems to Tiara Yachts during the same timeframe.

13. Produce all documents and communications reflecting BCBSM's disclosure of the implications of its NASCO flip logic system or "Non Par Pay Sub Blue Card Claims" issues as discussed in **Exhibit C** to Tiara Yachts' Complaint (ECF No. 1-4, PageID.41-43), to BCBSM's self-funded ASC customers, including Tiara Yachts.

**RESPONSE:** BCBSM objects to this request to the extent it seeks communications between BCBSM and any customer other than Tiara Yachts, as none of those communications are relevant to any of the claims or defenses in this case.

Subject to and without waiving this objection, BCBSM agrees to search for and produce any communications between BCBSM and Tiara Yachts with respect to the issues described in this document request.

14. Produce all documents in your possession that you have identified in your Rule 26(a)(1) initial disclosures, including but not limited to the following records (which are repeated here for purposes of ease of reference): all of Tiara Yachts' electronic Claims Data; the full and final settlement and release of claims that Tiara Yachts executed; all documents that comprise of the ASC, including all schedules, renewals, and any amendments; all ASC Billing Reports for Tiara Yachts; all monthly invoices sent to Tiara Yachts; all annual and quarterly settlements concerning Tiara Yachts and its Plan; all documents describing BCBSM's policies and practices for claims processing and payment; all documents describing BCBSM's Payment Integrity Services, including its Shared Savings Program; all disclosures of the Shared Savings Program; and any documents produced by any party or non-party that BCBSM has in its possession related to this matter.

**RESPONSE:** BCBSM objects to this request to the extent it misrepresents the document categories described in BCBSM's initial disclosures, particularly those that request "all documents



describing . . . ;” “all disclosures . . . ;” and similar language. BCBSM’s initial disclosures do not use this description.

BCBSM agrees to produce any documents identified in its initial disclosures that are within its possession, custody, or control. See the documents produced with these responses as BCBSM-Tiara 000001 to BCBSM-Tiara 000268.

15. Produce a copy of the fee schedule or negotiated agreement (or similar document) that BCBSM had with each Provider that submitted Claims related to Tiara Yachts and its Plan, for the Contractual Periods.

**RESPONSE:** BCBSM objects to this request to the extent it includes an improper time limitation. BCBSM has agreed to produce Tiara Yachts’ claims data dating back to 2014, as producing claims data from before 2014 would be an undue burden on BCBSM and would be disproportionate to the needs of this case. Given that this is the relevant and proportionate time period for the production of Tiara Yachts’ claims data, BCBSM objects to producing information related to claims processing from before 2014. BCBSM also objects to this request to the extent it seeks documents or information from outside the time limitations applicable to Tiara Yachts’ claims. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

Subject to and without waiving this objection, and subject to an appropriate protective order, BCBSM agrees to search for and produce the fee schedules described in this request from

July 1, 2014 through December 31, 2018. This production, however, will require BCBSM first to compile mutually agreeable claims data, subject to the objections and limitations described in response to RFP No. 1.

16. Produce all documents and communications evidencing any Provider Investigation Request, as that term may be used by the Blue Cross Blue Shield Association (“BCBSA”) Inter-Plan Programs Manual, that BCBSM sent to any Par/Host Plan, as that term is commonly used by entities apart of the BCBSA, for any Provider that provided services to an Enrollee of Tiara Yachts’ Plan.

**RESPONSE:** BCBSM objects to this request because any internal investigations it conducted with respect to any specific providers are not relevant to Tiara Yachts’ claims that BCBSM breached fiduciary obligations to Tiara Yachts. *See, e.g., Roe v. Univ. of Cincinnati*, 2025 WL 1696974, at \*4 (S.D. Ohio June 17, 2025) (“Neither UC’s methodology for investigating separate claims of sexual misconduct in general nor the Department Education’s investigations into UC *over the previous decade* appear to have any proportional bearing on Plaintiffs’ theory of liability”). BCBSM also objects to this request to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, and/or any other privilege or protection.

BCBSM further objects to this request to the extent it does not include any time limitations. BCBSM has agreed to produce Tiara Yachts’ claims data dating back to 2014, as producing claims data from before 2014 would be an undue burden on BCBSM and would be disproportionate to the needs of this case. Given that this is the relevant and proportionate time period for the production of Tiara Yachts’ claims data, BCBSM objects to producing claims-processing information from before 2014. BCBSM also objects to this request to the extent it seeks documents or information from outside the time limitations applicable to Tiara Yachts’ claims. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony

to limitations period “to avoid unnecessary burden and expense”); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) (“This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back” before the statute of limitations period “is warranted”); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery “[i]n view of the applicable limitations period for Plaintiffs’ claims, and considering that the scope of discovery must be proportional to the needs of the case”).

17. Produce all documents and communications from January 1, 2017 to present between every member and employee, current and former, of the account management team or “cross functional stakeholders” who discussed or communicated about the concerns or investigation into the BCBSM system issues outlined in Robert Hopper’s Sept. 12, 2017, email bates stamped BCBSM-Comau 00029292 and attached as **Exhibit A** to Tiara Yachts’ Complaint (ECF No. 1-2, PageID.26-28).

**RESPONSE:** BCBSM objects to this request to the extent it seeks documents and information as to internal investigations involving ASC customers other than Tiara Yachts, as such documents and information would not be relevant to any claims or defenses at issue in this case. *See, e.g., Roe v. Univ. of Cincinnati*, 2025 WL 1696974, at \*4 (S.D. Ohio June 17, 2025) (“Neither UC’s methodology for investigating separate claims of sexual misconduct in general nor the Department Education’s investigations into UC *over the previous decade* appear to have any proportional bearing on Plaintiffs’ theory of liability”). BCBSM also objects to this request to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, and/or any other privilege or protection.

BCBSM objects further to the use of the undefined term “concerns” as vague and ambiguous.

Subject to and without waiving its objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce documents and communications from the group

described in this request that discuss or involve claims made in connection with Tiara Yachts, the ASC, or the Plan.

18. Produce all documents and communications from January 1, 2017 to present regarding the “scrip for account management team to follow in their conversation with groups” as referenced in the Sept. 12, 2017, E-mail from Robert Hopper, bates stamped BCBSM Comau 00029292, **Exhibit A** to Tiara Yachts’ Complaint (ECF No. 1-2, PageID.26-28).

**RESPONSE:** BCBSM objects because the internal training and instructions it provides to its employees regarding BCBSM’s claims processing systems are neither relevant nor proportionate to Tiara Yachts’ claims. *See, e.g., Roe v. Univ. of Cincinnati*, 2025 WL 1696974, at \*4 (S.D. Ohio June 17, 2025) (“Neither UC’s methodology for investigating separate claims of sexual misconduct in general nor the Department Education’s investigations into UC *over the previous decade* appear to have any proportional bearing on Plaintiffs’ theory of liability”). Regardless of how BCBSM trains its employees, it either breached fiduciary duties to Tiara Yachts or it did not (it did not). Internal training will not make either fact more or less likely. BCBSM further objects to the extent this request seeks documents or communications that are protected from disclosure by the attorney-client privilege or work-product doctrine.

Subject to and without waiving these objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce communications to Tiara Yachts regarding the issues discussed in Exhibit A to Tiara Yachts’ Complaint.

19. Produce all documents and communications evidencing the design and operation of BCBSM’s Payment Integrity Services (including but not limited to those services identified in the Payment Integrity: Ensuring the Accuracy of Claims Presentation attached as **Exhibit F** to Complaint, ECF No. 1-7, PageID.62-72) which BCBSM employed on behalf of Tiara Yachts and its Plan.

**RESPONSE:** BCBSM objects to this request to the extent it does not include any time limitations.

BCBSM has agreed to produce Tiara Yachts’ claims data dating back to 2014, as producing claims

data from before 2014 would be an undue burden on BCBSM and would be disproportionate to the needs of this case. Given that this is the relevant and proportionate time period for the production of Tiara Yachts' claims data, BCBSM objects to producing information related to its claims processing systems from before 2014. BCBSM also objects to this request to the extent it seeks documents or information from outside the time limitations applicable to Tiara Yachts' claims. *See, e.g., Arenas v. Unified Sch. Dist.*, 2016 WL 6071802, at \*6 (D. Kan. Oct. 17, 2016) (limiting testimony to limitations period "to avoid unnecessary burden and expense"); *see also Greene v. Sears Prot. Co.*, 2017 WL 1134484, at \*5 (N.D. Ill. Mar. 27, 2017) ("This Court agrees . . . that plaintiffs have provided no compelling argument that discovery going back" before the statute of limitations period "is warranted"); *Wilson v. MRO Corp.*, 2017 WL 561333, at \*2 (S.D. W. Va. Feb. 10, 2017) (limiting discovery "[i]n view of the applicable limitations period for Plaintiffs' claims, and considering that the scope of discovery must be proportional to the needs of the case").

BCBSM objects to this request as vastly overbroad, unduly burdensome, harassing, and not proportional to the needs of the case because it purports to request virtually unlimited documentation and information regarding BCBSM's proprietary technology, without any limitation connecting the information sought to the claims and defenses in this case.

Subject to and without waiving its objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce documents in its possession, custody, or control that are sufficient to describe BCBSM's Payment Integrity Services applicable to Tiara Yachts from July 1, 2014 through April 16, 2021.

20. Produce all documents and communications, including internal communications, regarding BCBSM's decision to implement its Shared Savings Program ("SSP") with respect to its self-funded customers.

**RESPONSE:** BCBSM objects to this request as vastly overbroad, unduly burdensome, harassing, and not proportional to the needs of the case because it purports to request virtually unlimited documentation and information regarding the SSP, without any limitation connecting the information sought to the claims and defenses in this case. Courts routinely hold that document requests seeking "all documents relating to," a topic, or similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) ("it has been held that documents requests seeking 'any and all' documents 'relating to' are overly broad"); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request "must describe with reasonable particularity each item or category of items to be inspected." *Donnelly*, 2005 WL 8167556, at \*1. It would not be proportional to the needs of this case to require BCBSM to search through countless databases to locate every document in its possession related to the categories of documents described in this request.

BCBSM objects further because BCBSM's decision to implement the Shared Savings Program is not relevant here. While the functionality of the portions of the Shared Savings Program that applied to Tiara Yachts may be relevant, the general decision-making process that resulted in the Program being implemented at BCBSM is not probative as to whether BCBSM breached any fiduciary duty to Tiara Yachts. *See Wilson v. Plastic Omnium Auto Exteriors, L.L.C.*, 2014 WL 5460634, at \*2 (E.D. Mich. Oct. 27, 2014) (noting that to be discoverable, information must have "some probative value in proving or disproving a claim or defense"). Regardless of how or why

BCBSM implemented the Shared Savings Program, it either breached fiduciary duties to Tiara Yachts or it did not (it did not).

BCBSM further objects to this request because Tiara Yachts' SSP claim is limited, and extensive discovery on the SSP is not proportionate to the needs of this case. BCBSM further objects to the extent this request encompasses documents that are protected by the attorney-client privilege, work-product doctrine, and/or other privileges and protections.

Subject to and without waiving its objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce documents sufficient to describe any aspects of the Shared Savings Program that applied to Tiara Yachts or its Plan through April 16, 2021.

21. Produce all documents and communications during the Contractual Period among BCBSM employees with account responsibility for Tiara Yachts and its Plan concerning the SSP as applied to Tiara Yachts, including but not limited to the scope of services, fee retention, disclosures to Tiara Yachts.

**RESPONSE:** BCBSM objects to this request. Courts routinely hold that document requests seeking "all documents relating to," a topic, or similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2005) ("it has been held that documents requests seeking 'any and all' documents 'relating to' are overly broad"); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request "must describe with reasonable particularity each item or category of items to be inspected." *Donnelly*, 2005 WL 8167556, at \*1.

BCBSM objects further to the extent this request is overbroad and would impose an undue burden on BCBSM. If, for example, any subrogation related to Tiara Yachts or its plan involved a

lawsuit, the production of every document related to the lawsuit would be overbroad and disproportionate to the needs of this case.

Subject to and without waiving these objections, and subject to an appropriate protective order, BCBSM agrees to search for and produce communications by BCBSM employees with account responsibilities for Tiara Yachts and its Plan concerning the SSP as applied to Tiara Yachts.

22. Produce all documents and communications from the inception of BCBSM's SSP showing BCBSM's calculation of any alleged cost savings or "avoided costs" attributed to its Payment Integrity Services or SSP activity for Tiara Yachts, including the methodology used, the claim populations included, and the portion retained by BCBSM.

**RESPONSE:** BCBSM objects to this request. Courts routinely hold that document requests seeking "all documents relating to," a topic, or similar formulations like the one here, are inherently overbroad. *See, e.g., Donnelly v. Arrington Dev., Inc.*, 2005 WL 8167556 (M.D.N.C. Nov. 8, 2025) ("it has been held that documents requests seeking 'any and all' documents 'relating to' are overly broad"); *see also Martin v. Trott Law, P.C.*, 2016 WL 9450599, at \*5 (E.D. Mich. Dec. 22, 2016). Among other problems, such requests fail to satisfy the directive in FRCP 34(b)(1)(A) that every document request "must describe with reasonable particularity each item or category of items to be inspected." *Donnelly*, 2005 WL 8167556, at \*1.

Subject to and without waiving this objection, and subject to an appropriate protective order, BCBSM agrees to search for and produce documents sufficient to show any SSP calculations related to Tiara Yachts.



Dated: November 24, 2025

Respectfully submitted,

ALLEN OVERY SHEARMAN STERLING US LLP

By: s/ Daniel Lewis

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# EXHIBIT D

# VARNUM

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August 22, 2025

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**Re: Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan  
Case No. 1:22-cv-00603**

Dear Counsel:

Our propounded discovery requests are intended to obtain all information relevant to the issues raised by the complaint or that could lead to such information. Naturally, Tiara Yachts does not know exactly what BCBSM has, or how BCBSM might refer to various items of information. Therefore, the discovery requests must be read fairly by you and your client. The purpose of this letter is to invite conversation to avoid possible dispute and the need for motion practice.

First, to state the obvious, Tiara Yachts is not interested in irrelevant information. If its requests seem to you to ask for irrelevant information, I would like to discuss that with you before getting a boilerplate objection. We should clarify any ambiguities in what is being sought considering Tiara Yachts' not knowing what BCBSM has or how it refers to what it has.

Second, and similarly, if the discoverable information is available in multiple places or formats, we should discuss getting all the information from the places or in the formats that most effectively and efficiently convey all of the information. Tiara Yachts is not interested in duplication. On the other hand, it is interested in completeness.

Third, while Tiara Yachts will be satisfied with getting all information (including documents) "sufficient to show" whatever is being sought, such sufficiency needs to be something we agree on. I cannot just take BCBSM's word that what has been produced is "sufficient." That is something we should discuss and agree on.

Fourth, while I can be reasonably patient with a "rolling production," the production actually needs to be rolling. That means answers are propounded when they are known. And documents are produced when they are found. "Rolling" does not mean producing information and documents slowly. For example, BCBSM litigated with Dennis Wegner: relative to requests about him and his case against BCBSM, we are not asking for anything that would not be normally sought and gathered in such litigation, but if I am mistaken about that BCBSM nevertheless has

Mr. Daniel Lewis and Mr. Mark Zausmer  
August 22, 2025  
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what was gathered and produced in that litigation and should produce it again with the first tranche of responses.


Fifth, I have been through the production of claims data by BCBSM many times. BCBSM has a track record of not responding completely. We have asked for “a complete electronic set of all of the Claims data...” By “complete” we mean everything: every claim, every field, etc. In the past BCBSM has tried to say some fields are not necessary. We disagree. Besides, the easiest thing for BCBSM is to produce everything, not write a program to produce less than everything. Tiara Yachts has a February 28 deadline for expert reports. The very first step in getting ready to meet that deadline is to obtain all claims data. If there is anything to discuss to make that happen in a timely fashion, please let me know so we can schedule a prompt telephone call or video conference. My intention is to get all claims data promptly. (I should add that the claims data is not something that can be produced piecemeal or in tranches. That opens the door to errors when the data has to be combined. We need all claims data all at once and on time.)

Lastly, I welcome conversation about anything raised in this letter, or anything else you think will make discovery most efficient and effective.

Thank you for your attention.

Sincerely,

**VARNUM**

  
Perrin Rynders

PR/ibp

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October 13, 2025

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**Re: *Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan***  
**Case No. 1:22-cv-00603**  
**Claims Data**

Dear Mark:

How close are we to getting all claims data from BCBSM? To the extent you first want a confidentiality order in place, I provided one based on what your client found acceptable in the *Comau* case, and I did that five weeks ago on September 8.

If this is something on which we need to meet and confer (it should not have to be), remembering Magistrate Judge Kent's admonition to do so in person, I remain available October 15 (except for the noon hour), October 17, and October 24 (I had proposed October 13 as a date we could meet and confer, but that seems like it will not work). Additionally, Aaron Phelps (or another member of my team) is most likely available on dates when I am not.

I am eager for your prompt response. Please advise.

Sincerely,

VARNUM



Perrin Rynders

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November 7, 2025

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**Re: Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan**  
**Case No. 1:22-cv-00603**  
**Discovery Meet-and-Confer**

Dear Counsel:

I write to memorialize and address the discussions during our November 3, 2025, meet-and-confer, which was held pursuant to the Court's October 9, 2025, Order (ECF No. 109). Unfortunately, and despite the Court's Order that the parties "attempt to resolve any objections" that BCBSM may have, you declined to substantively engage on the topics ordered for discussion, and the conference did not conform to the spirit or purpose of the Court's ruling.

## Protective Order

Many of BCBSM's objections to Tiara Yachts' Interrogatories and initial Requests for Production of Documents are premised solely on the lack of a confidential protective order. On behalf of Tiara Yachts, I sent to you a proposed confidential protective order on September 8, 2025. Now, two months later, we have received no feedback regarding that proposal, even though during our September meeting Jason said you were already working on such an order.

During the meet-and-confer, neither of you was willing or able to discuss or identify a single proposed change or issue with the draft protective order previously circulated. And when pressed to identify a specific date on which BCBSM would be able to provide a substantive response, you said it would be by the "end of next week"—meaning by November 14, 2025. We expect BCBSM to meet this date, so this can be finalized and submitted to the Court for approval. Please note: by the "end of next week" does not mean we need to wait that long, and hopefully we can submit a proposed order to the court for entry as early as Monday.

## Interrogatories

Except for Interrogatory Nos. 2 and 10, Tiara Yachts has received no substantive answers to its remaining Interrogatories. At the conference, you refused to commit to any specific date for

Mr. Mark J. Zausmer  
November 7, 2025  
Page 2

serving complete responses to the outstanding interrogatories and offered no rationale or authority for BCBSM's refusal to do so. This wholesale refusal to confer on timing and substance is antithetical to the Court's expectations and BCBSM's discovery obligations under the Federal Rules. Please advise in writing when we can expect amended and supplemental answers.

### **Deposition of Person Most Knowledgeable on Claims Data**

In light of BCBSM's delay (really, its refusal thus far) to provide Tiara Yachts with its claims data, the parties discussed Tiara Yachts' request to depose the person most knowledgeable on how claims data is received, processed, and maintained.

More importantly, though, we discussed how this deposition might be avoided if the parties are able to agree on the scope of claims data. We explained that BCBSM routinely provides substantially more than the 75 data fields BCBSM is proposing in this case, as third-party auditors and/or potential expert witnesses have reported to us they often regularly obtain 300 or more fields, *at a minimum*, from BCBSM when auditing a self-funded plan's claims. Further, Tiara Yachts is as entitled to its claims data as is BCBSM, and thus BCBSM is obligated to produce what it has amassed on behalf of Tiara Yachts as the fiduciary of Tiara Yachts. You have not explained why Tiara Yachts should not get all of its claims data. If this seeming impasse continues, Tiara Yachts will proceed with a deposition, and thus please see the attached notice. *See Attachment A*. When we met, you indicated you would look for dates (I previously supplied a couple of options); the attached notice is a placeholder and can be revised by mutual agreement.

### **Revised Requests for Production of Documents (Due November 24, 2025)**

BCBSM's answers to Tiara Yachts' revised Requests for Production of Documents are due November 24, 2025. BCBSM identified no specific objections at the conference and offered no substantive basis for withholding or narrowing any category. We expect to receive on Tiara Yachts' behalf all requested documents on that date.

### **Path Forward**

The Court ordered the parties to meet and confer in good faith to resolve or narrow discovery issues. BCBSM's refusal to discuss its objections, provide dates, or discuss any substance frustrated that purpose and left the conference largely unproductive. To avoid further motion practice, please confirm by **November 10, 2024**:

- The promised date for BCBSM's protective order redlines.
- The specific date (no later than November 14, 2025) by which BCBSM will serve complete substantive interrogatory responses (other than Nos. 2 and 10).
- A concrete proposal (no later than November 14, 2025) on the scope of claims data fields that BCBSM will provide, including at a minimum the 300 or more fields BCBSM regularly provides to third-party auditors.

Mr. Mark J. Zausmer

November 7, 2025

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- That BCBSM will produce actual answers and records fully responsive to Tiara Yachts' revised Requests for Production of Documents no later than November 24, 2025. If BCBSM has any specific objections, we propose another meet-and-confer to discuss substantively and in good faith all such objections on November 25, 2025.

The purpose of this letter and the requested response deadlines is to avoid further motion practice. If you have substantive information for us to consider, please let me know promptly. However, in the absence of meaningful progress as suggested above, we will be forced to renew our motion to compel.

Sincerely,

**VARNUM**



Perrin Rynders

PR/ibp

Encl.

cc. Daniel Lewis, via e-mail only ([daniel.lewis@aoshearman.com](mailto:daniel.lewis@aoshearman.com))



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November 12, 2025

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**Re: Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan**  
**Case No. 1:22-cv-00603**  
**Discovery Status Update**

Dear Counsel:

The following addresses previously raised topics.

## **Confidential Protective Order**

What you have proposed for a confidentiality order is unacceptable. It is an overreach that has nothing to do with this case. My client is entitled to the claims data even without the benefit of the Federal Rules of Civil Procedure, and your proposal addresses contexts where the receiving party is not a Plan Sponsor (not to mention, a plaintiff in a federal lawsuit). Among its flaws are the following:

- It prohibits the sharing of claims data with my client, the sponsor of the Plan to whom the data belongs.
- It delays the use of discovery material through protracted review processes, such as automatic attorneys' eyes-only designations regardless of need or merit.
- It frustrates the sharing of information with experts and invites bad faith "satellite" litigation by, for example, requiring premature disclosure of experts and a 14-day objection window contrary to the discovery rules.
- It allows redactions of data to which my client is entitled, making this whole exercise one of futility.
- It introduces steps for filing matters under seal that are contrary to the court's local rules (LR 10.6).
- It is designed to effectuate BCBSM's plan of delay.

There is no reason to reinvent the wheel when we have something that was acceptable to your client and the court in the *Comau* matter. My client is entitled to use the claims data to prosecute its claims against BCBSM, subject only to the requirements imposed by federal law and

Mr. Mark J. Zausmer and Mr. Jason M. Schneider

November 12, 2025

Page 2

the Federal Rules of Civil Procedure. BCBSM has no business unilaterally imposing additional limits on my client.

### **Interrogatories**

Your summary of what happened during our meeting a week ago would be comical were this matter not of the utmost importance. BCBSM is the objecting party. Yet you came unprepared to state whether BCBSM is willing to answer the interrogatories substantively. You sought no clarification of what my client was seeking. You had no suggestions about how my client could get what it needs while making the process easier for BCBSM. Everything I raised in my August 22, 2025, letter was ignored. We did discuss the fact that certain interrogatories were objected to solely for lack of a confidentiality order, which you did nothing to address for more than two months after a proposed order was provided to you. (The interrogatories have been pending for more than three months.)

To make matters worse, at the conference you did not commit to any specific date for serving complete responses to the outstanding interrogatories. You still have not. Rather, your response suggests that BCBSM is only now beginning to "investigate" the sought after information, underscoring our concern. You effectively conceded BCBSM's failure to adhere to its obligations under the Federal Rules of Civil Procedure when serving its answers the first time on September 3, 2025. Rule 33(b)(2)-(3) requires timely answers; Rule 26(e) requires timely supplementation. Please advise when you will complete the tasks that you have acknowledged need to be performed (your vague promises were made regarding Interrogatory Nos. 1, 3, 4, 5, 8 and 9). As of November 24, we should know BCBSM's unambiguous position as to all propounded discovery requests.

With regard to our substantive discussion on each of BCBSM's answers to the interrogatories, please note that I did not say BCBSM would satisfy its obligations regarding Interrogatory No. 3 by simply including in the claims data those fields that would identify overpayments to a provider. Doing that is necessary but not sufficient: as we discussed, BCBSM's attempt to answer the interrogatory by pointing to produced documents would necessarily entail including all such fields in the claims data. If BCBSM thinks it can produce documents in lieu of answering the interrogatory, however, those documents would also have to include documents that "explain how the overpayment was discovered and what, if anything, was done in response." Was there an investigation? If so, did the investigation generate e-mails, reports, analyses, etc.? All such documents would need to be produced.

Regarding Interrogatory No. 4, my dissatisfaction with BCBSM referring back to its response to Interrogatory No. 2 was justified because Ms. Jones-Schneider and Mr. Ozdarski were not employed by BCBSM in 1997 when "processing logic was implemented for non-par claims that would **flip** the par status on the claim and process at charge when referring provider information is submitted on the claim." Obviously, BCBSM needs to do more than it has so far. Please keep in mind that identifying individuals is not only relevant for determining potential deponents, but also identifying relevant custodians for document production purposes.

Mr. Mark J. Zausmer and Mr. Jason M. Schneider

November 12, 2025

Page 3

It is not enough for BCBSM to answer Interrogatory No. 5 with information about its 2017 or 2018 investigation, but such information clearly falls within the scope of this interrogatory. I want to make sure there is no misunderstanding: I did not mean to suggest that finding out what BCBSM did to investigate the impact of "flip logic" on Tiara Yachts is enough to answer this interrogatory. Rather, the relevant and proportional discovery includes that but goes beyond documents explicitly referring to "Tiara Yachts" because BCBSM's internal documents attached to the Complaint as exhibits reference numerous "investigations," "global change[s]," "customer communication[s]," and other steps BCBSM took in determining, evaluating, responding, and addressing the "flip-logic" issue, which was implemented system-wide.

Have you even read the exhibits to our complaint? Do you know what is in, for example, Exhibit C? Between the text of Interrogatory No. 6 and that exhibit anyone can comprehend what we want. Suffice it to say we want to know, and are entitled to know, everything BCBSM did or considered with respect to the "flip-logic" issue detailed in those exhibits.

On the extent of Shared Savings Program fees, you fail to acknowledge my comment that BCBSM has reports showing precisely what fees were charged, when, and for what specific purported "services." You seem to think the SSP fees were *de minimis*, which suggests you know what they were. Why has that information not been disclosed? Your client is sitting on information that has been requested, exists, is not confidential, and is discoverable.

At least your letter accurately reflects your comment during last Monday's meeting about Interrogatory No. 11 to the effect that "there may remain an impasse on Wegner-related information." But you say "may" remain; thus, more than three months after receiving my client's request for this information, you cannot state clearly whether there is or is not an impasse. To date your client has refused to produce anything, and the question is whether that position is firm or, rather, your client will produce something (in which case your client needs to articulate what it will produce).

### **Deposition of Person Most Knowledgeable on Claims Data**

I want to reiterate that this deposition should be unnecessary. Whether that deposition becomes necessary is up to your client: will BCBSM produce the claims data or not?

### **Claims Data**

From day one—and *emphasized in my August 22, 2025, letter*—we have asked for "a complete electronic set of all of the Claims data." By "complete" we "mean[t] everything: every claim, every field, etc." BCBSM has produced nothing, forcing motion practice. It is disingenuous for you to say we have not said what claims data we want. We want it all. And we have said many times that we want it all: we asked for all of it in our August 8 discovery requests; this point was stated explicitly in my August 22 letter; and it was reiterated at our first meet-and-confer on September 8; in our motion to compel; and even last week during our meeting.

Additionally, we asked BCBSM to produce a "data dictionary" (something it has done in the past) that identifies all available fields and what abbreviations used in the various fields mean.

Mr. Mark J. Zausmer and Mr. Jason M. Schneider

November 12, 2025

Page 4

You would be better off with that resource. I would be better off with that resource. BCBSM's failure to share that is part of its plan to drag out this process instead of working things out in good faith.

Notwithstanding such demands and BCBSM's lack of production, you have proposed only producing a set of Tiara Yachts' claims data with approximately 70 fields. We have told you, including at the November 3 meet-and-confer, that is insufficient. BCBSM routinely provides third-party vendors and auditors with hundreds of fields in connection with any assessments or audits, and there is no reason to treat Tiara Yachts less fairly. (An example will be included with the e-mail transmitting this letter.) These demonstrate that BCBSM has recently shared claims data consisting of hundreds of fields. Some are identified as "filler," which is where BCBSM likes to hide information relevant to its customers, and thus relevant to this case. Because BCBSM has not said what fields it has and where relevant information might exist under seemingly benign but misleading headings/descriptions, Tiara Yachts wants all fields of all claims data. Providing anything less than everything is more work for BCBSM—the easiest thing is to turn over all aspects of all claims data.

#### **Revised Requests for Production of Documents (Due November 24, 2025)**

Tiara Yachts has not "withdrawn" any document requests. Rather, Magistrate Judge Kent entered an order about the number of requests we may propound, and we acted accordingly. As stated at our meeting last week, it is the document requests propounded last month that must be answered. That was obvious from the heading regarding this issue in my prior letter (used again here, verbatim). Also, as confirmed last week, the purpose of our appeal of Magistrate Judge Kent's ruling was to ensure that we would be allowed to propound more than 30 document requests provided they seek information that is discoverable.

#### **Meet and Confer**

I hope to be proven wrong, but my expectation is that some issue (maybe many issues) will need to be addressed once BCBSM answers the pending document production requests (whether that issue relates to those responses or something addressed above). Therefore, I am proposing that we schedule a meeting for November 25, 2025. It would be my pleasure to host you here at my Grand Rapids offices. The entire day is available. Please let me know your availability.

#### **Conclusion**

In addition to anything else addressed above, please confirm the following by November 14, 2025:

- The confidential protective order submitted on September 8 can be presented to the court for entry.
- BCBSM will serve complete substantive interrogatory responses (other than Nos. 2 and 10) upon entry of the aforementioned confidential protective order.

Mr. Mark J. Zausmer and Mr. Jason M. Schneider

November 12, 2025


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- BCBSM will produce all claims data no later than November 24, 2025.
- BCBSM will produce all other requested documents no later than November 24, 2025.
- If anything above is not confirmed, you will meet with us at our Grand Rapids offices on November 25 for a meet-and-confer session. We can get started at whatever time is most convenient for you.

It is our sincere hope to avoid further motion practice. We should know whether that is necessary after BCBSM's responses on November 24 and our meet-and-confer on November 25.

Sincerely,

**VARNUM**

  
Perrin Rynders

PR/ibp

Encl.

cc. Daniel Lewis, via e-mail only ([daniel.lewis@aoshearman.com](mailto:daniel.lewis@aoshearman.com))

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December 1, 2025

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**Re: Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan  
Case No. 1:22-cv-00603  
Open Discovery Issues (Not Comprehensive)**

Dear Counsel:

In response to your letter of last week, I acknowledge that you will not produce anyone for a deposition tomorrow.

That deposition still appears necessary the way things stand right now, although that should not be the case, and I hope the necessity abates. Nevertheless, as we work through the issues surrounding my client's claims data, I would like to secure a date when I can take that deposition if the necessity does not abate. My preference is to give ourselves a reasonable amount of time to work things out, but with a firm date to keep us fully attentive to the task at hand. How about December 12, 15, or 17?

In your letter you propose producing claims data that, while incomplete, has four additional fields. They are (1) "DOCNUM," (2) "PREPAY\_REVSAV\_AMT," (3) "H\_SP\_PRIC\_CND\_CD," and (4) "H\_PI\_ACTVTY\_CD." What does each of those mean? And how does each relate to the Shared Savings Program and how fees were charged to Tiara Yachts? (In my previous correspondence I noted that the claims data should tell us what savings were purportedly achieved, what Tiara Yachts was charged, what the SSP fee was—you took exception to the idea that BCBSM was paying itself, so I will say it that way—and so forth.). An earlier letter of mine, namely the one dated November 12, 2025, also had an attachment demonstrating hundreds of fields BCBSM routinely provides to third-party vendors excluded in your list. Your present letter does not address that proposal either.

I further note that you did not address the data dictionary issue. Is your client refusing to provide that information? My client is entitled to all claims data, but ignoring that key fact, it is impossible to identify what fields are relevant without knowing what fields exist. A claims data dictionary would be a helpful tool for both of us. And, to the extent there are differences between

Mr. Mark J. Zausmer and Mr. Jason M. Schneider

December 1, 2025

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facility/medical claims data, physician/professional claims data, and pharmacy claims data, we should be consulting the data dictionaries for each.

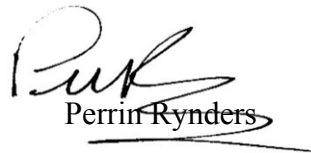
In addition to the Shared Savings Program issues, there are the "flip logic" issues, which you also ignored in your most recent letter. Therefore, at this point at least, it seems your client does not intend to include with the claims data all fields telling us what claims were subject to that logic, what claims involved a non-par provider treated as a participating provider, etc. That is a problem.

Turning to the five types of claims data I brought to your attention in my most recent letter, I note that your client proposes including in the claims data a field it refers to as "ITS\_PRICING\_METHOD," but there is no explanation of what "ITS" refers to or stands for. The proposed new field of "H\_SP\_PRIC\_COND\_CD" includes "PRIC," but it is unclear whether that refers to anything having to do with pricing, and even if it does what that means and how one can determine the pricing method from that field. As for billing method, the only fields relating to billing are those that identify the billing provider's first and last name, not anything to do with the method of billing. There is nothing in the 78 fields BCBSM proposes relating to payment method, contract type, or reimbursement type. More problems.

As you can see, there is much that needs to be addressed. Your letter ignores more than it addresses. And there is one new matter to raise, namely your client's failure to produce any electronically stored information in native format and with a load file set that ties together the native file, text, and metadata, which has been our agreement all along (e.g., see our joint pretrial status report, evidenced by the fact that both sides' discovery requests state they require this format for ESI in the instructions). Was that an oversight for your client's first production, or is this another issue to be addressed?

Sincerely,

**VARNUM**



Perrin Rynders

PR/ibp

Encl.

cc. Daniel Lewis, via e-mail only ([daniel.lewis@aoshearman.com](mailto:daniel.lewis@aoshearman.com))



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December 23, 2025

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**Re: Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan**  
**Case No. 1:22-cv-00603**  
***Follow-up to December 15, 2025 Meet-and-Confer***

Dear Counsel:

We appreciate the ongoing dialogue, and we write in response to your December 15 correspondence and to confirm our understanding from the December 15 meet-and-confer on several points.

## **Confidentiality and Protective Order**

First, as to the confidentiality and protective order you circulated on December 18, 2025, I just circulated an updated/revised draft for your consideration. Please promptly advise if BCBSM agrees so we can get this on file.

## **Claims Data**

Second, with respect to claims data, we have reviewed the 90-plus fields your team provided on December 15, 2025, and wish to note the following continuing objection as well as identify additional fields directly responsive to our outstanding discovery requests. As noted in our prior requests and correspondence—and without waiver of any and all rights or outstanding discovery requests—we maintain that Tiara Yachts’ request to BCBSM to produce ***all*** available claims data fields is the most efficient and fair path forward and is necessary for BCBSM to meet its discovery obligations under the Federal Rules and avoid the element of prejudice to Tiara Yachts.

Your suggestion that Tiara Yachts is seeking more fields simply to “elevate[] quantity over quality” is not true. As demonstrated below, the additional data fields requested seek to obtain ***complete*** records—not piecemeal records—so that BCBSM cannot later refute Tiara Yachts’ findings by claiming that Tiara Yachts’ (or its experts) assessments or calculations are incomplete because they do not account for information BCBSM is trying to withhold. By way of just one example, BCBSM’s latest proposal would provide Tiara Yachts with the “Home Plan Code” (i.e.,



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the code identifying the Blue Plan where the “member resides”) but omits the provision of the “Host Plan Code” (i.e., the code identifying where the member “initially received the claim and paid the provider,” which BCBSM knows may be in a different state than where the member resides). That omission has the potential to prejudice Tiara Yachts because part of Tiara Yachts’ underlying allegations is there were substantial overpayments by BCBSM’s use of its flip-logic system where “Host plan pricing was available.” (Compl. ECF No. 1, ¶¶45-65, PageID.7-9,41-42).

Indeed, our concern is straightforward: Tiara Yachts should not be prejudiced later in this case where, after its experts complete their analysis of any agreed-upon fields, BCBSM tries to rely on *other* claims fields or data currently in its possession but among the fields it is trying to withhold. BCBSM cannot use what it refuses to produce to refute what its limited claims data shows. In other words, BCBSM should produce all claims data and fields it may later want to rely upon. This approach will minimize cost, avoid duplication, prevent unnecessary time and expense, and ensure a level playing field.

Accordingly, we have identified the following additional fields (*which we have already requested but were not included in BCBSM’s latest 12/15 proposal*), all of which are uncontroversial as they are undisputedly relevant and necessary to make sense of and determine what happened with each respective claim:<sup>1</sup>

Field	BCBSM’s Description of Data Field
CARRIER_ID	The number that uniquely identifies the other insurance carrier
GROUP_SEG_ID	Group Segment Identifier
SEGMENT_CODE	Group suffix - Group section number
GROUP_NAME	Name associated with the Group Number
HOST_PLAN_CODE	The Blue Cross Blue Shield plan that initially received the claim and paid the provider
CLAIM_CONTROL_NUMBER	Internal control number assigned by a BCBSM to facilitate retrieval or association of a claim
SUBSCRIBER_SSN	Subscriber Social Security Number. The Subscriber is the person who signs and submits the application for coverage and whose name appears on the ID card. The individual who holds the policy – often the employee. This person also controls the decision about what other persons will be covered. Subscriber Social Security Number. The Subscriber is the person who signs and submits the application for coverage and whose name appears on the ID card. The individual who holds the policy – often the employee. This person also controls the decision about what other persons will be covered.
SUBSCRIBER_ZIP_CODE	Subscriber Zip Code

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<sup>1</sup> For example, it makes no sense for BCBSM to say it will provide the Member’s First and Last Name, but then withhold other records necessary to confirm/verify the individual such as the Member’s ID or the Member’s SSN. The same is true for the subscriber information. Tiara Yachts, of course, needs complete member and subscriber information in order to relate claims to individual members who are sometimes different from the subscribers. By way of another example, BCBSM refuses to provide complete information about each provider, despite having it in its possession. BCBSM’s current proposal limits provider information to only three fields: “First Name,” “Last Name” and “Service Provider State.” Such limits make it extremely difficult to identify what provider rendered services, which state the provider is physically located, where are they licensed, what their license/specialty is, and more—all of which may be needed to determine what that provider charges for certain services. **If BCBSM continues with its piecemeal approach, Tiara Yachts will necessarily have to file a motion to compel to obtain a full and complete production.**

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HIC_NUMBER	The Health Insurance Benefit Medicare number assigned to the subscriber when a claim comes in.
MEMBER_ID	Internal number used to identify the Member. A member is any person eligible for health care services under the subscriber's contract, which includes spouse and dependents. For this claim, the member is the person on the contract for whom the service was rendered, also referred to as the patient
MEMBER_SSN	Patient Social Security Number.
RELATIONSHIP_TYPE_CODE <sup>2</sup>	Code to Identify relationship of patient to the Subscriber
RECORD_INDICATOR	Claim Type: FAC - Facility PFO - Professional
ADJUSTMENT_CODE	Identifies the claim as an original billed claim or an adjustment claim.
ADJUSTMENT_REASON_CODE	A code that indicates why an adjustment was performed on a claim.
ACCIDENT_DATE	Date of Accident
FACILITY_CODE	The BCBSM Provider Number identifying hospitals and free-standing facilities where services were provided. Only used on Facility Claims.
TYPE_OF_BILL <sup>3</sup>	This field makes up three elementary data elements: Facility Type, Bill Classification and Bill Frequency.
ADMISSION_TYPE_CODE	This is a code that identifies a type of admission. This field is only used for Facility Claims.
ADMISSION_SOURCE_CODE	Indicates who referred the patient or where the patient was transferred from. This field is only used on Facility Claims.
DISCHARGE_STATUS_CODE	This is a code that indicates the status of the patient at the time of discharge.
COB_INDICATOR	A code that indicates whether the patient is covered by other health care coverage and the type of information known about that carrier.
COB_SAVINGS_INDICATOR	A code that indicates if a pre-authorization was approved for the claim
MEDICARE_INDICATOR	"Represents if the member is eligible for Medicare coverage as provided in eligibility data Y = Medicare N = Non-Medicare
PRE_AUTHORIZATION_INDICATOR	A number, code or other value that indicates that the services provided on this claim have been authorized by the payee or other service organization.
EMERGENCY_INDICATOR	Identifies if the claim included an emergency room visit. This is used on Facility claims only.
REFERRAL_INDICATOR	The BCBSM Facility number of hospital that referred the member to this hospital.
NETWORK_PAID_INDICATOR	Indicates that the claim was paid in network or out network. <sup>4</sup>
TYPE_OF_BILL	This field makes up three elementary data elements: Facility Type, Bill Classification and Bill Frequency.
NETWORK_PROVIDER_INDICATOR	Indicates if the servicing provider participates in the network to which the patient belongs
IN_OUT_OF_PANEL_INDICATOR	In or out of panel indicator is used to determine the status of the provider in relation to the member's benefit at the time of service. A code that indicates whether the servicing provider is a contracted provider.

<sup>2</sup> Same comment as above – Tiara Yachts and its experts need to tie the claim to the applicable member or otherwise determine if it was the Employee, a Spouse, or a Dependent.

<sup>3</sup> This field is undisputedly important given it explains if the claim was Inpatient, Outpatient, or what type of facility, among other information.

<sup>4</sup> Again, this data field (and others like the “Network\_Provider\_Indicator” and the “In\_Out\_Of\_Panel\_Indicator”) is highly relevant and discoverable for this case as both parties need to determine what claims were *actually paid as* in-network or out-of-network, as they affect both damages and liability in this case since BCBSM has already admitted internally that its customers, including Tiara Yachts, repeatedly failed to pay at the in-network/Host pricing rate due to the flip-logic errors. (Compl. ECF No. 1, ¶¶45-65, PageID.7-9,41-42).

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DRG_INDICATOR	This is a Y or N field that Indicates when a claim is paid as a Diagnosis Related Group
ICD_VER_CD	Field describes if the claim was an ICD-9 code or an ICD-10 Code. ICD-10 code= 0 and ICD-9 code =9
PRINCIPAL_DIAGNOSIS_CODE	Principal ICD9/ICD-10 Diagnosis Code. <sup>5</sup>
PROCEDURE_CODE	Alphanumeric codes in the Common Procedure Coding System used by the Centers for Medicare and Medicaid Services to report services provided to Medicare and Medicaid beneficiaries. BCBSM uses these codes for non-physician procedures, such as ambulance services, durable medical equipment and medical supplies.
BILLED_AMOUNT <sup>6</sup>	Amount billed/Charged by the provider for services performed.
APPRV_CHG_AMT	The submitted charges minus any ineligible charges. This is only available for NASCO groups.
ALLOWED_AMOUNT	This is the Approved to Pay Amount, post non coverage charges and provider discount
SECDY_ALLW_AMT	Secondary Allowed Amount is used in discount calculations on certain NASCO facility claims.
DISCOUNT_AMOUNT	The Amount that the Blues save as a result of negotiated fees with the provider.
GRP_LIAB_AMT	The amount considered the responsibility of the customer (group) before applying stop-loss. This amount includes the Payment Amount, ITS access fees and other plan-specific fees, surcharges and taxes, but does not include the Michigan Healthcare Tax. It is used for group billing and underwriting renewals.
ACCESS_FEE_AMOUNT	Blue Card Access Fee Amount. Blue Card is a program that allows Blue Cross and Blue Shield Traditional, PPO and HMO members to receive the same health care benefits as their home plan while out of the plan's area.
OTHER_MEMBER_LIABILITY_AMT	Total member liability due to Sanctions
NON_COVERED_CHARGES	Billed Charges which are not covered. This is only populated for Local Facility Claims.
COB_SAVINGS	Savings resulting for coordination of benefits
TOTAL_MEMBER_LIABILITY_AMT	Total member liability amount
NS_MCAR_PMT_AMT	Total amount paid by Medicare for this line of the Medicare claim record
CHECK_NUMBER	Check Identifier
SANCTION_CODE_1	Indicates if a sanction has been applied and if it was charged to the provider or subscriber
SANCTION_CODE_2	Indicates if a sanction has been applied and if it was charged to the provider or subscriber
SANCTION_CODE_3	Indicates if a sanction has been applied and if it was charged to the provider or subscriber
SANCTION_CODE_4	Indicates if a sanction has been applied and if it was charged to the provider or subscriber
SANCTION_AMOUNT_1	Dollar amount that was paid for sanction Code 1.
SANCTION_AMOUNT_2	Dollar amount that was paid for sanction Code 1.
SANCTION_AMOUNT_3	Dollar amount that was paid for sanction Code 1.
SANCTION_AMOUNT_4	Dollar amount that was paid for sanction Code 1.
NS_MCAR_PMT_AMT	Total amount paid by Medicare for this line of the Medicare claim record
SERVICE_PROVIDER_ID	BCBSM Provider ID for the Servicing / Rendering Provider.

<sup>5</sup> BCBSM has offered to provide "Diagnosis\_Code\_1 – 10," but intentionally omits the "Principal\_Diagnosis\_Code" which is the principal diagnosis of the individual. Incomplete claims data and records in discovery will only lead to later prejudice.

<sup>6</sup> BCBSM is intentionally choosing to only provide very limited financial information about each claim (e.g., Charged Amount, Approved Amount, and Paid Amount). However, for Tiara Yachts and its experts to assess what happened with each claim, they need to know what the Billed Amount, Allowed Amount, Secondary Allowed Amount, Discount Amount, and all other identified financial data fields collected by BCBSM.

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SERVICE_PROVIDER_TIN	Servicing Provider Tax Identification Number
SERVICE_PROVIDER_TIN_SEQUENCE	
SERVICE_PROVIDER_LICENSE_NUM	Servicing Provider License Number
SERVICE_PROVIDER_NPI_NUM	Servicing Provider National Provider Identifier
SERVICE_PROVIDER_ADDRESS1	Servicing Provider Street Text 1
SERVICE_PROVIDER_ADDRESS2	Servicing Provider Street Text 2
SERVICE_PROVIDER_CITY	Servicing Provider City
SERVICE_PROVIDER_STATE	Servicing Provider State
SERVICE_PROVIDER_ZIP_CODE	Servicing Provider Zip Code
SERVICE_PROVIDER_TYPE	Indicates the type of Servicing Provider identified on the claim.
SERVICE_PROVIDER_SPECIALTY	A code that indicates the medical specialty of the provider of the services reported on the claim.
SERVICE_PROVIDER_SUB_SPECIALTY	A code that indicates the medical specialty of the provider of the services reported on the claim.
SERVICE_PROVIDER_CLASSIFICATION_CODE	Indicates the type of Servicing Provider identified on the claim.
SERVICE_PROVIDER_ADDRESS1	Servicing Provider Street Text 1
BILLING_PROVIDER_ID <sup>7</sup>	BCBSM Provider ID for the Billing Provider
BILLING_PROVIDER_TIN	Billing Provider Tax Identification Number
BILLING_PROVIDER_LICENSE_NUMBER	Billing Provider License Number
BILLING_PROVIDER_NPI_NUMBER	Billing Provider National Provider Identifier
BILLING_PROVIDER_FIRST_NAME	Billing Provider First Name
BILLING_PROVIDER_MIDDLE_INITIAL	Billing provider middle name. Can be a full name or an initial.
BILLING_PROVIDER_LAST_NAME	Billing Provider Last name
BILLING_PROVIDER_ADDRESS1	Billing Provider Address line 1
BILLING_PROVIDER_ADDRESS2	Billing Provider Address Line 2
BILLING_PROVIDER_CITY	Billing Provider City
BILLING_PROVIDER_STATE	Billing Provider State
BILLING_PROVIDER_ZIP_CODE	Billing Provider Zip Code
REFERRING_PROVIDER_ID	Referring Provider ID
REFERRING_PROVIDER_FORM_OF_PRACTICE	Referring Provider Form of Practice
BILLING_PROVIDER_ID	BCBSM Provider ID for the Billing Provider
BILLING_PROVIDER_TIN	Billing Provider Tax Identification Number
DISPOSITION_CODE_1	The first of two codes that indicate the result of the claim processing as well as the type of final adjustment made.
DISPOSITION_CODE_2	The second of two codes that indicate the result of the claim processing as well as the type of final adjustment made.
RBB_QUALIFIER_CD	A descriptor that identifies if the claim is benefit program-eligible.
RBB_TREATMENT_CAT_CD	A grouping of procedure codes that are grouped together to form a category.
RBB_LN_BNDL_IND	An indicator which represents matching service lines for the same Benefit Category were previously processed for the member over a matching time period.
RBB_MAX_BENE_ALWD_AMT	The maximum dollar amount used by benefits as the amount to process against when determining out of pocket amounts.
RBB_EXCESS_AMT	The dollar amount difference between the pricing allowed and the Benefit Maximum Allowable Amount.
RBB_EXCESS_OOP_AMT	The dollar amount attributed to member Out of Pocket Costs when the Benefit Maximum Allowable Amount has been exceeded
RBB_OO_POCKET_IND	An indicator which represents the groups selection of applying the Benefit Excess Amount to the Out of Pocket.
RBB_REMAINING_AMT	The dollar amount difference between Benefit Maximum Allowable Amount and the Accumulated Amounts for the benefit sequence.
DRUG_DISPENSE_QUANTITY	Drug Dispensed Quantity

<sup>7</sup> As BCBSM is no doubt aware, the **Billing Provider** is not always the same as the Service Provider. BCBSM's current proposal fails to identify the **Billing Provider** whatsoever beyond offering the "Billing Provider First Name" and "Last Name." That's woefully insufficient, to provide a complete record.

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NATIONAL_DRUG_CD	National Drug Code: Industry standard drug identifier E.g. Drug manufacturer, strength, etc.
BENEFIT_PACKAGE_ID	Benefit Package Identification Number
ITS_SUPPLEMENTAL_AMT	Inter-plan Teleprocessing System Supplemental fee; An addition or reduction to the Amount Approved for Payment, applicable to both Home and Host claims, for Inter-plan teleprocessing only. Commercial Claims only
WTHHOLD_AMOUNT	PGIP ( Provider Group Incentive Amount) . Commercial claims only
CMS_CONTRACT_NUM	CMS Contract Number- 5 digit classification of a contract for Medicare Advantage claims
OPAYR_PAID_AMT	Other Payer Paid Amount
TRANSACTION_TYPE_CD	Transaction Type Code, Medicare Advantage Claims only
MEDICARE_LICENSE_NUM	Medicare License Number of the Provider
SRVLN_STATUS_CD	Service Line Status Code (Paid or Rejected)
MEDICARE_PMT_AMT	Medicare Supplemental Payment Amount
MEDICARE_ALB_AMT	Medicare Supplemental Allowable Amount
MEDICARE_CINS_AMT	Medicare Supplemental Co-insurance Amount
MEDICARE_DED_AMT	Medicare Supplemental Deductible Amount
NETWORK_CD	Network Code, Domestic Service Indicator : Special facility agreement between BCBSM and the Group/ Provider where Group and Provider are the same for a claim
ADMISSION_DGN_CD	Diagnosis Code at the time of admission
MI_TAX_AMT	Michigan Tax amount: If a provider and member are in MI, then State of MI charges a certain % that goes towards Medicaid.
ADDITIONAL_ADMIN_COST	Various fees charged for administrative purposes
FILLER	

*Should the parties not be able to come to an agreement on a mutually agreeable list that includes, at a minimum all fields BCBSM has agreed to produce to date plus the foregoing identified data fields, then Tiara Yachts reserves all rights to file a motion to compel the production of **all** claims data as previously requested, including, but not limited to, Tiara Yachts' outstanding Amended First Set of Requests for Production of Documents.*

*Tiara Yachts also reserves the right to add any additional data field to the foregoing list if it determines in its present negotiations that a specific field was mistakenly omitted.*

### **ESI Protocol and Search Terms**

Third, regarding the ESI protocol and potential search terms to obtain records responsive to Tiara Yachts' amended discovery requests, we are sending over simultaneously with this letter a few redlines to BCBSM's previously circulated list. As you will see, we disagree with the blanket assumption that "AND Tiara Yachts" qualifiers should be embedded in nearly every set of search terms. The record already reflects that BCBSM conducted a system-wide investigation into claims processing issues that affected at least 201 non-auto ASC customers, including Tiara Yachts. And any such communications, analysis, and corrective-action documents—many of which likely do not mention Tiara Yachts by name—are plainly relevant and discoverable under the Federal Rules because they explain the mechanisms of the defects, the uniform systems and logic applied across customers, and the scope and timing of BCBSM's knowledge and remediation.

Mr. Mark J. Zausmer and Mr. Jason M. Schneider

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To illustrate, take for example an email thread that includes a table that calculates all of the overpayments caused by the flip-logic issue for all 201 non-auto ASC customers, including Tiara Yachts, but the table only lists the members by their GroupNumber and not by their actual name. Under your proposed limitation that every document or communication that BCBSM will agree to produce (or search for) must include the words “Tiara Yachts” (or “S2”), such a record—which would be directly relevant and probative of Tiara Yachts’ claims—would be excluded. Therefore, BCBSM’s proposed limits on such core evidence, including anything about BCBSM’s system-wide conduct that does not explicitly mention Tiara Yachts by name, would be inconsistent with proportional, common-sense discovery.

*\*At this time, it is unclear to Tiara Yachts what e-discovery tool(s) BCBSM may be using to search and/or collect its electronic records, and so Tiara Yachts reserves the right to add additional search terms and/or to modify the proposed search terms (particularly the formatting) to comport to the requirements of the applicable e-discovery tool(s) that BCBSM is using to achieve the intended result of each additional search term.*

### **Confirmation of Outstanding Objections – To be the Subject of Motion Practice**

Lastly, based on our discussion on Monday, December 15, 2025, it appears the following disputes may require court intervention. Please confirm if we have your positions correctly stated:

- **Claims data.** BCBSM’s position is that that field list it circulated on December 15, 2025, is “more than enough for [Tiara Yachts] expert to assess Tiara yachts’ legal claims.”

***Tiara Yachts’ position:*** Tiara Yachts objects and states that such a list is incomplete, based on the above details, including the failure to include the additional fields requested. Assuming the parties cannot promptly reach agreement on a more expansive and complete list of fields, Tiara Yachts will necessarily file a motion to compel on this issue.

- **Pre-2014 materials.** BCBSM objects to producing any records prior to 2014.

***Tiara Yachts’ position:*** this self-imposed time limitation is improper. Courts in this Circuit routinely reject arbitrary date cutoffs where materials outside the proposed window may illuminate the conduct at issue, the parties’ knowledge, the mechanics of the challenged practices, and the scope of any concealment. *See, e.g., Cratty v. City of Wyandotte*, 296 F. Supp. 3d 854, 859 (E.D. Mich. 2017) (requiring production without any time-period limitation); *United States v. Quicken Loans Inc.*, No. 16-CV-14050, 2017 WL 2306444, at \*2 (E.D. Mich. May 26, 2017) (recognizing that information outside the pleaded timeframe can be relevant to motive, knowledge, and context). This Court itself has also already recognized that BCBSM’s time-bar arguments are not ripe ***absent a complete factual record***—which discovery itself must create. *See* Transcript, at 9:12–17 (ECF No. 81, PageID.130). Because BCBSM has yet to provide any material productions or discovery to date, the record does not demonstrate that BCBSM’s unilateral and self-imposed time limit is proper.



Mr. Mark J. Zausmer and Mr. Jason M. Schneider

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- **Dennis Wegner materials.** BCBSM categorically refuses to produce documents relating to Mr. Wegner's investigations and litigation.

*Tiara Yachts' position:* this violates Rule 26(b). Contrary to BCBSM's assertion that such materials concern "an entirely separate lawsuit," these records are directly relevant to the existence and scope of BCBSM's misconduct, the design and application of uniform systems across customers (including Tiara Yachts), and BCBSM's concealment even after defects were identified. *See State Farm Mut. Auto. Ins. Co. v. Angelo*, No. 19-10669, 2020 WL 6608887, at \*2 (E.D. Mich. Nov. 12, 2020) (communications and data from related schemes can demonstrate the existence and operation of the scheme and the role of participants). Such discovery is proportional to the needs of the case, especially given the magnitude of the issues Mr. Wegner identified and their system-wide nature—which makes them directly applicable to Tiara Yachts itself. Moreover, courts have already ordered production of comparable materials from BCBSM in similar litigation, finding such discovery clearly relevant. *See Comau v. BCBSM*, No. 19-cv-12623 (E.D. Mich., Apr. 2021).


- **Flip Logic and SSP—other customers and program genesis.** BCBSM repeatedly objects and refuses to produce documents or correspondence concerning other customer issues with Flip Logic or BCBSM's decision-making regarding the creation and operation of Flip Logic or SSP.

*Tiara Yachts' position:* these materials are central and highly probative evidence of Tiara Yachts' claims. As previously explained, the gravamen of the Complaint is that BCBSM squandered Tiara Yachts' Plan's assets through defective claims processing logic that was system-wide and then profited by assessing Shared Savings fees for catching its own errors. Therefore, evidence regarding the origin, design, governance, and system-wide application of Flip Logic and SSP—including the scope of non-Tiara customer impact—is therefore discoverable, whether or not a particular record mentions Tiara Yachts by name. Such evidence bears on liability, scienter, uniformity of conduct, causation, and damages.

Please confirm BCBSM's positions on the foregoing so that, to the extent impasse remains, we can promptly present targeted disputes to the Court. We appreciate your cooperation and look forward to continuing to work together to resolve as many outstanding issues efficiently and without court intervention.

Sincerely,

**VARNUM**



Perrin Rynders

PR/jmw

Encl.

cc. Daniel Lewis, via e-mail only ([daniel.lewis@aoshearman.com](mailto:daniel.lewis@aoshearman.com))

# EXHIBIT E





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**MARK J. ZAUSMER**  
Managing Shareholder  
mzausmer@zausmer.com

January 16, 2026

*Via E-mail*

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Bridgewater Place  
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**Re: Tiara Yachts, Inc. v. Blue Cross Blue Shield of Michigan**  
**Case No. 1:22-cv-00603**  
**Response to 12.23.2025 Correspondence**

Dear Perrin:

This is in response to your letter dated December 23, 2025 and is intended to be a demonstration of our continued good-faith efforts to resolve the parties' ongoing discovery disputes.

### **Confidentiality and Protective Order**

As you know, this issue has been resolved. The Court entered our agreed Protective Order with a minor modification on January 13, 2026. There is nothing left to discuss on this topic.

### **Claims Data Fields**

Attached is a list of claims data fields that BCBSM is willing to provide. On review, you will find that it largely aligns with the list you provided in your December 23 letter. Please confirm that with this list, we have agreement on the data fields BCBSM will produce. If so, BCBSM will immediately begin to gather Tiara Yachts' claims data.

### **ESI Protocol and Search Terms**

BCBSM has reviewed Tiara Yachts' proposed edits to BCBSM's custodian list and search terms. BCBSM agrees that one of Tiara Yachts' proposed search terms should be added to the search BCBSM has already agreed to conduct: *(process\*/10 "at charge") AND (tiara OR s2)*.

ATTORNEYS & COUNSELORS  
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The other search terms, additional custodians, and modified time period, however, are unacceptably overbroad. If BCBSM were to run the searches Tiara Yachts proposes, it would never be able to conduct an appropriate relevance review, even though the vast majority of the search hits would be irrelevant. As an example, the search term *“payment integrity” OR “shared savings” AND (“pre-payment forensic billing review” OR “advanced payment analytics” OR “subrogation” OR “provider credit balance recovery”)* would result in millions of hits, particularly given that BCBSM’s custodian lists includes multiple executives in the Payment Integrity Group. Nearly all the documents from just this one search term would be irrelevant, and nearly every other search term Tiara Yachts has proposed suffers from the same defect. Running them all would be wildly disproportionate to the needs of this case.

As to the proposed additional custodians, Tiara Yachts is fully aware at this point of BCBSM’s stance with respect to Dennis Wegner. His irrelevance to these proceedings was further confirmed in Tiara Yachts’ discovery responses, in which Tiara Yachts stated that it has not had any communications with Wegner. The rest of the proposed custodian names seem to be from the members of the “workgroup” whose emails are attached to Tiara Yachts’ Complaint, and membership in that group appears to be their only purported relevance. But BCBSM has already included members of that group in its search terms, and any workgroup emails relevant to this case will already be included in the results of its search. Simply adding custodian names whose relevance is duplicative of other custodians’ relevance is unnecessary and disproportionate to the needs of this case.

As to the proposed timeframe, BCBSM has made its position on this topic clear in prior correspondence and briefing. The 2014 timeframe ties to the claims data that is proportionate and relevant, and it extends back two years before the applicable statute of limitations. Going back further than that would uncover only information that is irrelevant and disproportionate to the needs of the case.

### **Confirmation of Outstanding Objections**

Below are BCBSM’s responses to each of the issues you have addressed in this section of your letter:

- **Claims Data.** See “Claims Data Fields” section above. BCBSM believes this issue has been resolved and is eager to gather and produce Tiara Yachts’ claims data.
- **Pre-2014 Materials.** See “ESI Protocol” section above. BCBSM maintains that pre-2014 materials are irrelevant and disproportionate, as it has stated at length in prior correspondence and briefing.



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- **Dennis Wegner Materials.** See “ESI Protocol” section above. BCBSM maintains that information related to Dennis Wegner is irrelevant and disproportionate, as it has stated at length in prior correspondence and briefing.
- **Flip Logic and SSP.** BCBSM maintains that only information directly related to Tiara Yachts is both relevant and proportional to the needs of this case, as explained at length in prior correspondence and briefing.

While BCBSM and Tiara Yachts remain at an impasse on several discovery topics that will likely need to be resolved by the Court, BCBSM is encouraged that the parties should be at an agreement on the claims data fields to be produced. As requested above, please confirm as soon as possible that BCBSM’s understanding on that issue is correct, and feel free to call with any questions.

Sincerely,

ZAUSMER, P.C.

A handwritten signature in blue ink, appearing to read "Mark J. Zausmer", with a long horizontal stroke extending to the right.

Mark J. Zausmer