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12 UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

14 ANTHEM BLUE CROSS LIFE AND
15 HEALTH INSURANCE COMPANY, a
California corporation, et al.,

16 Plaintiffs,

17 v.

18 PRIME HEALTHCARE SERVICES –
19 ST. FRANCIS, LLC, et al.,

20 Defendants.

Case No. 8:26-cv-00023

**DEFENDANTS’ NOTICE OF
MOTION AND MOTION TO
STAY DISCOVERY PENDING
RESOLUTION OF MOTION TO
DISMISS AND SPECIAL
MOTION TO STRIKE**

Hearing Date: August 11, 2026
Hearing Time: 10:00 a.m.
Court Room: 9B

Honorable Mónica Ramírez Almadani
United States District Judge

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1 PLEASE TAKE NOTICE THAT on August 11, 2026 at 10:00 a.m., or as soon
2 thereafter as counsel may be heard, counsel will appear before the Honorable Mónica
3 Ramírez Almadani in Courtroom 9B of the United States District Court for the
4 Central District of California, located at Ronald Reagan Federal Building and United
5 States Courthouse, Santa Ana, located at 411 West 4th Street, Santa Ana, CA 92701-
6 4516.

7 Defendants Prime Healthcare Services – St. Francis, LLC, Chino Valley
8 Medical Center Auxiliary, Prime Healthcare Services – Encino Hospital, LLC, Prime
9 Healthcare Services – Garden Grove, LLC, Prime Healthcare Huntington Beach,
10 LLC, Prime Healthcare La Palma, LLC, Prime Healthcare Services – Montclair,
11 LLC, Prime Healthcare Paradise Valley, LLC, Prime Healthcare Services – Shasta,
12 LLC, Prime Healthcare Services – Sherman Oaks, LLC, and Prime Healthcare
13 Anaheim, LLC (collectively “Defendants”) will and hereby do move this Court to
14 stay discovery pending resolution of Defendants’ Motion to Dismiss and Special
15 Motion to Strike (Dkt. Nos. 41, 42). As outlined in greater detail in the concurrently
16 filed Memorandum of Points of Authorities, this Motion is supported by good cause
17 given the Complaint is currently the subject of jurisdictional and other legal
18 challenges, and the threat of extensive and unnecessary discovery resulting in a waste
19 of time, money, and resources merits a short stay until such time as the Court can
20 adjudicate these threshold issues.

21 This Motion is based on this Notice of Motion, the concurrently filed
22 Memorandum of Points and Authorities, the pleadings on file herein, and any further
23 argument presented at the hearing of this Motion.

24 This Motion is made following the telephonic conference of counsel pursuant
25 to L.R. 7-3, which took place on June 10, 2026. *See* Declaration of David M. DeVito
26 ¶¶ 3–4.

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Dated: June 24, 2026

JONES DAY

By: /s/ David M. DeVito

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SHERMAN OAKS, LLC; AND PRIME
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20 Defendants.

Case No. 8:26-cv-00023

**MEMORANDUM OF POINTS
AND AUTHORITIES IN
SUPPORT OF DEFENDANTS’
MOTION TO STAY DISCOVERY
PENDING RESOLUTION OF
MOTION TO DISMISS AND
SPECIAL MOTION TO STRIKE**

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Honorable Mónica Ramírez Almadani
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MEMORANDUM OF POINTS AND AUTHORITIES

Pursuant to Federal Rules of Civil Procedure 16 and 26, the Court’s Order (Dkt. No. 45) setting a scheduling conference in this matter, and the Court’s inherent authority to control its docket, Defendants Prime Healthcare Services – St. Francis, LLC, Chino Valley Medical Center Auxiliary, Prime Healthcare Services – Encino Hospital, LLC, Prime Healthcare Services – Garden Grove, LLC, Prime Healthcare Huntington Beach, LLC, Prime Healthcare La Palma, LLC, Prime Healthcare Services – Montclair, LLC, Prime Healthcare Paradise Valley, LLC, Prime Healthcare Services – Shasta, LLC, Prime Healthcare Services – Sherman Oaks, LLC, and Prime Healthcare Anaheim, LLC (collectively “Defendants”) respectfully request a stay of discovery pending the Court’s resolution of Defendants’ Motion to Dismiss (Dkt. No. 41) and Defendants’ Special Motion to Strike (Dkt. No. 42). The Complaint (Dkt. No. 1) faces jurisdictional and other threshold legal challenges—any one of which would be case-dispositive—and the specter of massive, unnecessary discovery into thousands of individual arbitration proceedings requires a short stay while the Court resolves these issues.

I. INTRODUCTION

Plaintiffs Anthem Blue Cross Life and Health Insurance Company and Blue Cross of California DBA Anthem Blue Cross (together, “Anthem”) seek to collaterally attack thousands of “binding” healthcare reimbursement decisions rendered under a congressionally mandated process by certified, third-party federal arbitrators known as Independent Dispute Resolution Entities (“IDREs”). *See* Compl. ¶¶ 2, 79. While the exact disputes purportedly at issue are still unidentified, they concern IDRE decisions in which Anthem did not prevail because the arbitrators chose Defendants’ offers over those Anthem submitted. Anthem alleges that “more than 6,000” of those adverse results were improper because they were the product of allegedly improper attestations of belief that the disputes were eligible for the IDR Process, or that they resulted in offers that exceed commercially reasonable rates. *Id.*

1 ¶¶ 2, 86–88, 122. However, Anthem was obligated to provide eligibility information
2 and its own offers to the arbitrators, which those neutral third-party IDREs were
3 required to review and consider prior to rendering a decision. Despite the a carefully
4 laid-out process for these determinations codified in federal law without provision
5 for judicial review, Anthem asks this Court to undo thousands of these awards—and
6 hand Anthem a massive monetary judgment. As explained in greater detail in
7 Defendants’ pending Motion to Dismiss and Special Motion to Strike, Anthem’s
8 claims are fatally flawed for multiple independent reasons and should be dismissed.
9 Nevertheless, Anthem seeks to press forward despite the pending potentially
10 dispositive motions with massive discovery into thousands of individual arbitration
11 proceedings.

12 The Court should temporarily stay discovery while it addresses the legal issues
13 raised in Defendants’ Motions. The case is still in its early stages, and Defendants’
14 Motions raise purely legal arguments that do not require a shred of discovery to
15 resolve—any one of which would end this case. Indeed, another Court in this District
16 has already found these very arguments meritorious in a case involving substantively
17 identical allegations. *See Anthem Blue Cross Life & Health Ins. Co. v. HaloMD LLC*,
18 25-CV-01467, 2026 WL 982629 (C.D. Cal. Apr. 9, 2026). So has an another federal
19 court just last month. *See Blue Cross Blue Shield of Texas v. HaloMD, LLC*, No. 25-
20 CV-00132, 2026 WL 1557492, at *1 (E.D. Tex. May 22, 2026). This case presents
21 particularly strong grounds for a stay given the jurisdictional challenges and
22 Congress’s mandate that these disputes belong in arbitration rather than federal court.
23 Meanwhile, discovery here will likely be voluminous and complex. As a result, a
24 short stay of discovery is not merely reasonable but the only sensible course, as the
25 Western District of Virginia just held in a mirror-image case brought by Anthem. *See*
26 *Order* (May 29, 2026) and *Transcript* (June 3, 2026), *Anthem Health Plans of*
27 *Virginia, Inc. v. AGS Health, Inc.*, No. 25-CV-00804 (W.D. Va.), Dkt. Nos 84, 91.

28

1 **II. LEGAL STANDARD**

2 “Pursuant to Federal Rule of Civil Procedure 26(c), a district court may, for
3 good cause, issue an order staying discovery.” *Feeney v. Apple Inc.*, No. 25-CV-
4 09716, 2026 WL 923296, at *1 (C.D. Cal. Mar. 6, 2026). A district court has wide
5 discretion in controlling discovery, and its rulings will not be overturned absent a
6 clear abuse of discretion. *Little v. City of Seattle*, 863 F.2d, 681, 685 (9th Cir. 1988).
7 “The purpose of [Fed. R. Civ. P.] 12(b)(6) is to enable defendants to challenge the
8 legal sufficiency of complaints without subjecting themselves to discovery.” *Rutman*
9 *Wine Co. v. E. & J. Gallo Winery*, 829 F.2d 729, 738 (9th Cir. 1987) (citing *Greene*
10 *v. Emersons Ltd.*, 86 F. R. D. 66, 73 (S. D. N. Y. 1980), *aff’d*, 736 F. 2d 29 (2d Cir.
11 1984)).

12 “The Ninth Circuit Court of Appeals has not announced a clear standard
13 against which to evaluate a request or motion to stay discovery in the face of a
14 pending, potentially dispositive motion.” *Feeney*, 2026 WL 923296, at *1 (quoting
15 *Mlejnecky v. Olympus Imaging Am., Inc.*, 2011 WL 489743, at *6 (E.D. Cal. Feb. 7,
16 2011)). However, federal district courts in California often apply a two-step
17 framework that considers: 1) whether “the pending motion is potentially dispositive
18 of the entire case” and 2) whether “the pending, potentially dispositive motion can
19 be decided absent additional discovery.” *Feeney*, 2026 WL 923296, at *2 (quoting
20 *Quezambra v. United Domestic Workers of Am. AFSCME Loc. 3930*, 2019 WL
21 8108745, at *2 (C.D. Cal. Nov. 14, 2019)). Others have “taken a preliminary peek at
22 the merits of the Motions to Dismiss to see if on their face there appears to be an
23 immediate and clear possibility that they will be granted.” *Id.* at *3 (citation
24 modified) (quoting *GTE Wireless, Inc. v. Qualcomm, Inc.*, 192 F.R.D. 284, 287 (S.D.
25 Cal. 2000). And some have also performed a multi-factor analysis with consideration
26 of several factors, including:

27 the type of pending dispositive motion and whether it is a challenge as
28 a matter of law or to the sufficiency of the complaint allegations; the

1 nature and complexity of the action; whether counterclaims and/or
2 cross-claims have been asserted; whether some or all of the
3 defendants join in the request for a stay; the posture or stage of the
4 litigation; the expected extent of discovery in light of the number of
5 parties and complexity of the issues in the case; and any other relevant
6 circumstances.

7 *Id.* at *2 (quoting *Nguyen v. BMW of N. Am., LLC.*, 2021 WL 2284113, at *3
8 (S.D. Cal. June 4, 2021)).

9 **III. ARGUMENT**

10 Under any test this Court applies, the result is the same: the unique
11 circumstances of this case compel a brief stay of discovery while the Court resolves
12 Defendants’ pending dispositive motions.

13 **A. The Two-Factor Test Shows a Stay of Discovery Is Merited**

14 The two-factor test “is the one often employed by district courts across
15 California.” *Quezambra*, 2019 WL 8108745, at *2 (C.D. Cal. Nov. 14, 2019). The
16 first prong of this test is satisfied here because “Defendants’ motions to dismiss are
17 potentially dispositive of the entire case as they raise arguments related to” the
18 Court’s subject matter jurisdiction, “the adequacy of [Anthem’s] pleading, and
19 [Anthem’s] ability to state a claim based on [its] allegations.” *Id.* Courts often find
20 good cause for a temporary stay of discovery under this test, when, as here, the
21 pending motion raises the threshold issue of the Court’s jurisdiction to hear the matter
22 in the first place. “A pending motion challenging jurisdiction strongly favors a stay,
23 or at minimum, limitations on discovery until the question of jurisdiction is
24 resolved.” *Int’l Markets Live, Inc. v. Profit Connect*, No. 18-CV-02442, 2019 WL
25 8161569, at *1 (D. Nev. May 20, 2019) (quoting *AMC Fabrication, Inc. v. KRD*
26 *Trucking W., Inc.*, No. 12-CV-00146, 2012 WL 4846152, at *2 (D. Nev. Oct. 10,
27 2012)); see also *Snake River Waterkeeper v. J.R. Simplot Co.*, No. 23-CV-00239,
28 2023 WL 5748152, at *3 (D. Idaho Sept. 6, 2023) (“[A] party can establish good
cause to stay discovery where a dispositive motion raises jurisdictional issues that
may dispose of the entire case.”) (collecting cases).

1 Defendants’ Motion to Dismiss strikes at the foundation of this case. It
2 challenges the Court’s subject matter jurisdiction on the grounds that the No
3 Surprises Act bars “judicial review” of the very determinations Anthem seeks to
4 overturn. Mem. ISO MTD 9–12 (Dkt. No. 41-1). The Motion also seeks to dismiss
5 every cause of action in the Complaint by “attack[ing] every claim in the operative”
6 pleading. *See Feeney*, 2026 WL 923296, at *3; Mem. ISO MTD 21. In short, the
7 Motion to Dismiss challenges the Court’s fundamental subject matter jurisdiction and
8 Anthem’s ability to state any claim for relief—and is “therefore potentially
9 dispositive of the entire case.” *See Feeney*, 2026 WL 923296, at *3; *see also*
10 *Quezambra*, 2019 WL 8108745, at *2.

11 The second prong of this test is also satisfied because the Court can resolve the
12 issues presented in Defendants’ Motions “without requiring further discovery.” *See*
13 *Quezambra*, 2019 WL 8108745, at *2. Here, Defendants’ Motions under Rules
14 12(b)(1) and 12(b)(6) do not raise factual issues requiring discovery. *See Winters v.*
15 *Loan Depot LLC*, No. 20-CV-01290, 2021 WL 2581332, at *2 (D. Ariz. June 23,
16 2021) (citing *Rae v. Union Bank*, 725 F.2d 478, 481 (9th Cir. 1984)) (“when a 12(b)
17 motion does not raise factual issues, discovery is not necessary.”). No discovery is
18 necessary to resolve the Motion to Dismiss under Rule 12(b)(6), which is “meant to
19 test the sufficiency of the complaint, not resolve any factual disputes.” *USI Ins. Servs.*
20 *LLC v. Alliant Ins. Servs. Inc.*, No. 23-CV-00192, 2023 WL 8600810, at *6 (D. Ariz.
21 Dec. 12, 2023). Likewise, discovery is not necessary to resolve the jurisdictional
22 challenges since Defendants’ Motion is based on purely legal arguments, including
23 that Anthem’s claims are barred by the Noerr-Pennington Doctrine and issue
24 preclusion. *See* Mem. ISO MTD at 12–16. With respect to the Special Motion to
25 Strike, “when an anti-SLAPP motion to strike challenges only the legal sufficiency
26 of a claim, a district court should apply the Federal Rule of Civil Procedure 12(b)(6)
27 standard and consider whether a claim is properly stated.” *Planned Parenthood*
28 *Fed’n of Am., Inc. v. Ctr. for Med. Progress*, 890 F.3d 828, 834 (9th Cir. 2018).

1 Defendants’ Special Motion to Strike asks the Court to resolve two purely legal
2 questions: 1) whether Anthem’s state-law claims arise from acts in furtherance of
3 Defendants’ constitutional right to petition and 2) whether Anthem can establish an
4 adequate probability of prevailing on those claims. *See generally* Mem. ISO MTS
5 (Dkt. No. 42-1). These threshold issues are not merely theoretical: the only two
6 federal courts to evaluate Anthem’s theory so far have both granted motions to
7 dismiss. *See Anthem Blue Cross Life & Health Ins. Co.*, 2026 WL 982629 at *1; *Blue*
8 *Cross Blue Shield of Texas*, 2026 WL 1557492, at *1.

9 The two-factor test shows that a temporary stay of discovery is appropriate in
10 this case. The first prong of the test is met because Defendants’ Motions raise
11 jurisdictional and pleading challenges that are potentially dispositive of the entire
12 action. *See Quezambra*, 2019 WL 8108745, at *2. The second prong shows that a
13 stay of discovery is warranted because discovery is neither necessary nor proper to
14 resolve Defendants’ Motions. *See Layton v. Green Valley Vill. Cmty. Ass’n*, No. 14-
15 CV-01347, 2022 WL 1748067, at *2 (D. Nev. May 27, 2022) (granting stay pending
16 resolution of motion to dismiss after concluding “[n]o discovery is needed to decide
17 the issues as they are matters of law.”)

18 **B. A Stay of Discovery Is Appropriate Under The “Preliminary**
19 **Peek” Test**

20 Should this Court perform a “preliminary peak,” it would only confirm the
21 need for a stay of discovery. Under the so-called “preliminary peek” test, the Court
22 may “take a preliminary peek at the merits of the Motions to Dismiss to see if on their
23 face there appears to be an immediate and clear possibility that they will be granted.”
24 *Feeney*, 2026 WL 923296, at *2 (citation modified) (quoting *GTE Wireless, Inc.*, 192
25 F.R.D. 284 at 287). Courts have found that the preliminary peek test is not well suited
26 to complex cases, given it can place courts in the awkward position of having to
27 “weigh the merits of the [pending] motion without passing judgment on them.” *GTE*
28 *Wireless, Inc.*, 192 F.R.D. at 287. The standard under this test is also not well defined.

1 “Some courts applying this test require only an ‘immediate and clear possibility’ that
2 the dispositive motion will be granted.” *Feeney*, 2026 WL 923296, at *2 (quoting
3 *GTE Wireless, Inc.*, 192 F.R.D. 284 at 287 n.3). “By contrast, other courts applying
4 this test require a higher showing such that the court is ‘convinced the plaintiff will
5 be unable to state a claim for relief.’” *Id.* (quoting *Twin City Fire Ins. Co. v. Emps.*
6 *Ins. of Wausau*, 124 F.R.D. 652, 653 (D. Nev. 1989)).

7 The substance of Defendants’ Motions makes clear that Anthem cannot state
8 a claim for relief, regardless of which standard is applied.. In *HaloMD LLC*,
9 Magistrate Judge Scott recently dismissed a substantively identical complaint
10 brought by Anthem, through the same counsel, advancing similar theories to those
11 asserted in this case. 2026 WL 982629, at *11. Not only did the *HaloMD* court
12 dismiss Anthem’s complaint in its entirety, it did so without leave to amend, noting
13 that Anthem could not identify “any facts that they could add that would (1) qualify
14 a particular IDE determination for vacatur or (2) put its other federal claims beyond
15 the jurisdiction-stripping provisions of 42 U.S.C. § 300gg111(c)(5)(E)(i)(II).” *Id.*
16 The same occurred in *Blue Cross Blue Shield of Texas*. 2026 WL 1557492, at *9.

17 The implications are clear. Defendants’ Motions thus demonstrate both an
18 “immediate and clear possibility” that Defendants will prevail and that the Court has
19 every reason to be “convinced the plaintiff will be unable to state a claim for relief.”
20 *See Feeney*, 2026 WL 923296, at *2 (quotations omitted). As such, a temporary stay
21 is warranted.

22 **C. A Stay of Discovery Is Appropriate Under the Multi-Factor Test**

23 If the Court chooses to employ the multi-factor test, the conclusion would still
24 be the same. Under this test, courts conduct a case-by-case analysis of several factors,
25 including: 1) the type of motion and whether it presents a legal challenge; 2) the
26 nature and complexity of the action; 3) whether any counterclaims and/or cross-
27 claims have been asserted; 4) whether some or all of the defendants join in the request
28 for a stay; 5) the posture or stage of the litigation; 6) the expected extent of discovery

1 in light of the number of parties and complexity of the issues; and 7) any other
2 relevant circumstances. *Feeney*, 2026 WL 923296, at *3. Here, every one of these
3 factors weighs in favor of granting a stay.

4 The first factor favors a stay given the nature of the “pending dispositive
5 motion[s] and” the fact that they represent “a challenge as a matter of law or to the
6 sufficiency of the complaint allegations.” *See Feeney*, 2026 WL 923296, at *2
7 (quotations omitted). As noted above, Defendants’ Motions are “potentially
8 dispositive of the case and present[] purely legal arguments.” *See Lazar v. Charles*
9 *Schwab & Co. Inc.*, No. 14-CV-01511, 2014 WL 12551210, at *2 (D. Ariz. Sept. 19,
10 2014). The Motions concern the threshold issue of this Court’s subject matter
11 jurisdiction, which “strongly favors a stay” pending resolution of a motion to dismiss.
12 *Int’l Markets Live, Inc.*, 2019 WL 8161569, at *1. They are also cabined to purely
13 legal issues, including that the Complaint fails to state a claim for relief, and that
14 Anthem’s claims are barred by the Noerr-Pennington Doctrine and issue preclusion.
15 Mem. ISO MTD 12–16; Mem. ISO MTS 7. As a result, this factor favors granting a
16 temporary stay.

17 The second and sixth factors—the “nature and complexity of the action” and
18 “the expected extent of discovery”—strongly favor a stay. *See Feeney*, 2026 WL
19 923296, at *3 (quotations omitted); *see also GTE Wireless, Inc.*, 192 F.R.D. at 289
20 (finding stay warranted where “Defendant would be forced to turn over highly
21 sensitive and proprietary information to Plaintiff and Defendant would have to sort
22 through a vast amount of information.”); *Blankenship v. Trump*, No. 19-CV-00549,
23 2020 WL 748874, at *3 (S.D.W. Va. Feb. 13, 2020) (granting stay given the “volume
24 of documents and communications that may be involved from a multitude of
25 sources.”). Here, Anthem seeks to challenge as many as 6,000 individual awards
26 across thousands of IDRE proceedings. Compl. ¶ 2. Each dispute concerns individual
27 medical services and involves insurance issues unique to that proceeding. The
28 discovery burden on Defendants would be particularly and disproportionately acute

1 since they would need to identify, review, and produce documents spanning
2 thousands of individual transactions, IDR submissions, and provider
3 communications—all of which would be rendered irrelevant if the Court grants
4 Defendants’ Motions on purely legal grounds. Requiring Defendants to undertake
5 sprawling and costly discovery, involving thousands of individual proceedings,
6 separate individual arbitrators, individualized circumstances, and the choices made
7 by each party in conducting each of the arbitrations, would be manifestly inefficient,
8 unfair, and wasteful. Accordingly, the second and sixth factors strongly favor a stay.

9 The third and fourth factors also militate in favor of staying discovery. A stay
10 of discovery pending the adjudication of potentially dispositive motions is favored
11 where there are no counterclaims or crossclaims and all defendants agree to a stay.
12 *See Precision Conversions, LLC v. Mammoth Freighters, LLC*, No. 25-CV-01927,
13 2026 WL 700049, at *6 (D. Or. Mar. 12, 2026). There are currently no counterclaims
14 or crossclaims in this case, and all Defendants have joined in this request. As a result,
15 both factors favor granting a stay.

16 The fifth factor also strongly favors granting a stay. A case’s procedural
17 posture is among “the most important factors justifying a temporary stay of
18 discovery.” *Feeney*, 2026 WL 923296, at *3. For example, in *Feeney*, the court
19 granted a stay pending resolution of the defendant’s motion to dismiss after noting
20 “the current procedural posture is still very early in the case,” “[d]iscovery is not yet
21 open and there are no deadlines set in the case” and “deadlines will not be set until
22 the Rule 16 conference.” *Id.* The same is true here. It is still very early in this case.
23 The Complaint was filed on January 5, 2026, and the case has thus been pending for
24 only a few months. *See Precision Conversions, LLC*, 2026 WL 700049, at *6
25 (granting motion to stay after noting “[t]his case is not yet six months old.”).
26 Discovery has not yet begun, the scheduling conference is not set until July 28, 2026,
27 after the Motions have been fully briefed, and case deadlines have not been set. *See*
28 Court’s Order. A stay at this juncture would be minimally disruptive and is therefore

1 appropriate.

2 Finally, the seventh or “catch all” factor—potential prejudice--
3 overwhelmingly favors a stay. *See Feeney*, 2026 WL 923296, at *3; *Precision*
4 *Conversions, LLC*, 2026 WL 700049, at *7. The harm to Anthem from a brief stay is
5 negligible. As in *Feeney*, “[t]he requested stay will not unduly prejudice Plaintiff as
6 the” dispositive motions will be “fully briefed and under submission” by the time this
7 motion is heard, “and any stay is likely to be brief.” *Feeney*, 2026 WL 923296, at *4
8 (quoting *Nguyen*, 2021 WL 2284113, at *4). Further, “the case has only been pending
9 for” a matter of months, “so a brief delay will not greatly prejudice Plaintiff.” *Id.*
10 (quoting *Nguyen*, 2021 WL 2284113, at *4). “Because it is likely that the life span of
11 this case will be considerably long, a discovery stay at this early stage will not amount
12 to a significant delay.” *Precision Conversions, LLC*, 2026 WL 700049, at *6. The
13 prejudice to Defendants from *denying* a stay, by contrast, would be severe.
14 Defendants would be forced to undertake voluminous, individualized discovery
15 across thousands of IDRE proceedings—discovery that would be entirely wasted if
16 the Court grants the Motions. *See Feeney*, 2026 WL 923296, at *4. (“requiring
17 Defendant to engage in discovery that may not be permitted or accepted later if the”
18 case is dismissed, “would be prejudicial to Defendant.” *Id.* (quoting *Nguyen*, 2021
19 WL 2284113, at *4). Given the virtually nonexistent harm to Anthem that may arise
20 from a brief stay compared as well as the monumental burden to Defendants from
21 having to engage in unnecessary discovery, this factor strongly favors a stay.

22 **IV. CONCLUSION**

23 For the foregoing reasons, Defendants respectfully request that the Court stay
24 all discovery pending the Court’s resolution of Defendants’ Motion to Dismiss and
25 Special Motion to Strike.

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Dated: June 24, 2026

JONES DAY

By: /s/ David M. DeVito

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SHERMAN OAKS, LLC; AND PRIME
HEALTHCARE ANAHEIM, LLC

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CERTIFICATE OF COMPLIANCE

The undersigned, counsel of record for the Defendants, certifies that this brief contains 3,409 words, which complies with the word limit of L.R. 11-6.1.

Dated: June 24, 2026

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10 [additional attorney information
11 continued on following pages]

12 UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

14 ANTHEM BLUE CROSS LIFE AND
15 HEALTH INSURANCE COMPANY, a
California corporation, et al.,

16 Plaintiffs,

17 v.

18 PRIME HEALTHCARE SERVICES –
19 ST. FRANCIS, LLC, et al.,

20 Defendants.

Case No. 8:26-cv-00023

**DECLARATION OF DAVID M.
DEVITO IN SUPPORT OF
DEFENDANTS’ MOTION TO
STAY DISCOVERY PENDING
RESOLUTION OF MOTION TO
DISMISS AND SPECIAL
MOTION TO STRIKE**

Hearing Date: August 11, 2026
Hearing Time: 10:00 a.m.
Court Room: 9B

Honorable Mónica Ramírez Almadani
United States District Judge

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1 I, David M. DeVito, do hereby declare and state as follows:

2 1. I am an attorney licensed to practice law in the Central District of
3 California. I am Of Counsel at the law firm Jones Day, representing the Defendants
4 in the instant action.

5 2. This Declaration is being submitted in support of Defendants’ Motion
6 to Stay Discovery.

7 3. On June 10, 2026, counsel for Defendants in this action telephonically
8 met and conferred with counsel for Plaintiffs Anthem Blue Cross Life and Health
9 Insurance Company and Blue Cross of California (collectively “Anthem”) as
10 required by L.R. 7-3. At this meeting, Defendants told Anthem’s counsel that
11 Defendants’ Motion to Stay is supported by good cause given the Complaint is
12 currently the subject of jurisdictional and other legal challenges, and the threat of
13 extensive and unnecessary discovery resulting in a waste of time, money, and
14 resources merits a short stay until such time as the Court can adjudicate these
15 threshold issues.

16 4. At the June 10th meet and confer, Anthem disagreed with Defendants’
17 characterization of Defendants’ Motion to Stay. The parties were unable to reach a
18 resolution.

19 I declare under penalty of perjury of the laws of the United State of America
20 that the foregoing is true and correct.

21 Executed on June 24, 2026, in San Francisco, California.

22

23

By: /s/ David M. DeVito

24

David M. DeVito

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