

Federal arbitrator in Indiana rules against Anthem practices that are similar to insurer's disputed approach in Maine

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PORTLAND, Maine – In a dispute with similarities to concerns raised about Anthem in Maine, a federal arbitrator in Indiana found that the health insurer breached its contracts with 11 hospitals and ordered it to pay back claims of \$4.5 million.

The ruling is another example of Anthem's conduct being called into question. Last month, the state of Georgia leveled a \$5 million fine against Anthem for illegal practices that were harmful to its policy holders. Over the last three years, Anthem has been embroiled in public disputes with at least 17 hospitals across the country.

Similar issues here in Maine prompted [MaineHealth](#) to announce on April 6 that it would remove [Maine Medical Center](#) from the Anthem network beginning in 2023. So as to minimize disruption while dealing with the worst of Anthem's practices, MaineHealth has said its other hospitals and the providers in its system-wide medical group would remain in the Anthem network.

Anthem continues to deny claims and prior authorizations for coverage at an excessive rate, creating stress for MaineHealth's patients and their caregivers. Across Maine it has failed to pay claims to hospitals and independent providers totaling more than \$100 million. Similar to its behavior in Indiana, it continues to create new policies unilaterally so as to reduce payments to providers below contractually agreed upon rates.

The situation in Indianapolis is related to claims for emergency medicine, where 11 hospitals said Anthem's practices adversely impacted between 60 percent and 70 percent of thousands of ER claims submitted between January 2017 and May 2020. Anthem has been fighting the charges of unfair dealing for five years. On Friday, a federal arbitrator sided with the hospitals, awarding them \$4.5 million.

MaineHealth

...in accordance with the terms of their contracts, and Anthem, they, to date is growing by the day.

“From our perspective, this is a chronic situation with Anthem, not only in Indiana, but in other parts of the country,” said **Alan Lash**, a partner at **Lash & Goldberg LLP** in Miami, Fla., who is representing the Indiana hospitals, in comments to the Indianapolis Business Journal.

During many months of discussions with MaineHealth about the insurer’s unfair practices, Anthem has so far declined to change those practices, and the two parties remain in mediation with little progress. Given this, MaineHealth made the decision to remove Maine Medical Center from the Anthem network, delaying the effective date until January of 2023 so patients and their employers would have time to adjust.

When the matter became public, Anthem resorted to taking excerpts from hospital billing details out of context in an effort to paint a deceptive picture of Maine Medical Center’s overall charges for services. Hospital billing generally is highly complex with overhead costs often folded into charges for individual items. In its disputes across the country, Anthem has used this complexity to make unsupported claims about overcharging.

While Anthem is telling its subscribers it expects to resolve its issues with MaineHealth, at this time, there has been no indication from Anthem that it is prepared to change its business practices in a way that would cause MaineHealth to reconsider its decision to remove Maine Medical Center from Anthem’s network in 2023. Also, to date, Anthem has provided no information to MaineHealth as to how it plans help patients transition once Maine Medical Center leaves its network in 2023, something MaineHealth has formally asked that it do.

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About MaineHealth:

MaineHealth is a not-for-profit integrated health system whose vision is, “**Working together so our communities are the healthiest in America.**” It consists of nine local hospital systems, a comprehensive behavioral healthcare network, diagnostic services, home health agencies, and more than 1,500 employed and independent physicians working together through the MaineHealth Medical Group. With approximately 22,000