

Suits: Insurers conspire to fix docs' payments

Kansas City Business Journal - by [Lola Butcher](#) and [Mark Kind](#) Staff Writers

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Four wide-ranging lawsuits -- one pair filed in Jackson County and the other in Wyandotte County -- accuse Kansas City's health insurers of conspiring to boost their profits at the expense of physicians.

In two of the cases, physician groups allege that insurers conspire to fix doctors' reimbursement at unacceptably low rates.

"Consumers in the region, in turn, are harmed by the lack of access to medical services provided by doctors who, for economic reasons, are unable to agree to defendants' unreasonable contracts," the two suits state.

Those suits name as defendants all of the area's big insurers -- **Blue Cross and Blue Shield of Kansas City**, **Coventry Health Care of Kansas Inc.**, **United HealthCare of the Midwest Inc.**, **Aetna Health Inc.**, **Cigna Healthcare of Kansas/Missouri**

Inc. and **Humana Health Plan Inc.** -- and their affiliates.

Plaintiffs in those cases include **Midwest Neurosurgery Associates PA**, **Midwest Cardiology Associates**, **Kansas City Urology Care PA** and others.

Blue Cross and Blue Shield had not yet received copies of the lawsuits and could not comment on the allegations, spokeswoman Sue Johnson said. Humana's lawyers are reviewing the suits, spokeswoman Mary Sellers said.

In the other two cases, a single practice and physician -- **Hickman Mills Clinic** and Dr. Steven Buie filing in Jackson County; For **Women Only Inc.** and Dr. James Mirabile filing in Wyandotte County -- allege that insurers systematically deny, diminish and delay medically legitimate claims. Those suits were filed against Blue Cross and Blue Shield of Kansas City, Coventry, United, Cigna, Humana and their affiliates.

Among other things, the clinic and Buie claim that the insurers provide cash incentives to claims reviewers to encourage them to deny or limit legitimate insurance claims.

"The bonuses and financial incentives include direct bonus payments and other benefits to claim reviewers who deny a certain percentage or absolute number of submitted claims for hospital costs from plaintiffs and the class," the suit said.

All four suits were filed by lawyers with **Shaffer Lombardo & Shurin PC**; neither Rick Lombardo nor Diane Breneman of the firm could be reached for comment. The suits all were filed as class actions representing physicians broadly, and both seek injunctions from the alleged improprieties and monetary damages to the class members.

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Physicians have expressed disgruntlement with reimbursement rates in this market for years, and that dissatisfaction has gathered steam of late. One trigger is a new survey that shows area physicians are paid, on average, 16 percent to 34percent less than peers in other area cities.

Mid America Medical Affiliates (MAMA), a physician advocacy group, commissioned a research firm to compare reimbursement payments for different specialties in Kansas City, Des Moines, St. Louis, Topeka, Wichita and Springfield.

"It appears to me that several other physicians have picked up the ball and run with it," MAMA President Dr. William Soper said.

Soper said MAMA's board will discuss whether to join the reimbursement-rate lawsuit. Speaking only for himself, Soper said the lawsuits "could be a positive thing" to address "really gross

underpayment."

Representatives of the Academy of Medicine of Cincinnati, the medical society in that city, are coming to Kansas City in April to discuss their success in suing insurers for better pay. In Cincinnati, Aetna and Humana have agreed to settle litigation by raising physician reimbursement rates. Legal action continues against Anthem and United Healthcare.

In an interview, the academy's executive director, Russell Dean, said the litigation, filed in 2002, stemmed from a comprehensive study of why the Cincinnati area had trouble recruiting and retaining physicians.

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