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AMA ANNOUNCES PHYSICIAN CLASS ACTION AGAINST WELLPOINT

Lawsuit expands effort to halt insurer scheme that shifts medical costs to physicians and patients

LOS ANGELES – In an expansion of its ongoing effort to expose and prohibit an industry-wide health insurance scheme to defraud patients and physicians of proper reimbursement, the American Medical Association (AMA) today announced it is among several medical societies that filed a class action lawsuit against WellPoint, Inc., the largest health insurer in the U.S.

The lawsuit, filed today in Los Angeles federal court, alleges that WellPoint colluded with others to underpay physicians for out-of-network medical services, resulting in patients paying an excessive portion of the medical bill. The AMA filed similar class action lawsuits last month against Aetna Health, Inc. and CIGNA Corporation.

“Physicians will not tolerate an apparent conspiracy that allows health insurers to play by their own rules without regard to patients, or the legitimate costs required to care for them,” said AMA President Nancy H. Nielsen, M.D.

The three AMA lawsuits claim that each insurance company conspired with Ingenix, a unit of United Health Group, on a price fixing scheme that relied on an obscure database to set artificially low reimbursement rates for out-of-network care. A year-long investigation by the New York attorney general confirmed that the Ingenix database is intentionally rigged to allow insurers to shortchange reimbursements.

“The AMA’s work to remove the cloak of secrecy from the Ingenix database promises to benefit patients and physicians by reforming the corrupt system for paying out-of-network medical bills,” said AMA President Nancy H. Nielsen, M.D. “Now that the underlying scheme has been exposed, health insurers are doing the right thing by cutting their ties with the flawed Ingenix database. However, serious damages resulting from prior use of the Ingenix database still need to be addressed.”

In addition to seeking reforms for the invalid payment systems used by Aetna, CIGNA and WellPoint, the AMA and partnered medical societies also seek relief for physicians who were seriously harmed by the insurers’ long-term use of the flawed Ingenix database.

The Litigation Center of the AMA and State Medical Societies is supporting the WellPoint lawsuit in partnership with the California Medical Association, Connecticut State Medical Society, Medical Association of Georgia and North Carolina Medical Society.

To view the individual legal complaints filed against Aetna, CIGNA or WellPoint, please visit the [AMA Litigation Center](#) website.

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