Hooper, Lundy & Bookman Settles Out-Of-Network Surgery Center Class Action with UnitedHealth Group

(Los Angeles)—On behalf of out-of-network California Ambulatory Surgery Centers (ASCs), Hooper, Lundy and Bookman, PC, (HLB) is pleased to announce that it today filed a motion for preliminary approval to settle a class action complaint it filed more than six years ago.

The complaint alleges that United Healthcare Services and OptumInsight, Inc. (formerly known as Ingenix) (together, United) improperly calculated the reasonable and customary amounts for out-of-network ASCs resulting in underpayments in the millions of dollars. United has agreed to a total settlement fund of $9.5 million in order to settle the case.

The parties estimate that there are approximately 250 ASCs that could qualify to participate in the settlement. Assuming that the court preliminarily approves the parties’ settlement, notice of the settlement and further instructions outlining how to participate in the settlement process will be sent to all potential class members.

“After a long battle, we believe that we have reached a fair settlement that will adequately compensate the class of surgery centers whose claims were underpaid,” said HLB Attorney Daron Tooch, lead attorney representing the ASCs. “We would particularly like to thank our class representatives, Downey Surgical Clinic and Tarzana Surgery Center, for their patience and persistence in this litigation.”
ASCs are health care facilities that provide surgical procedures such as orthopedic surgery, podiatry, endoscopy, and ophthalmology in an outpatient setting. Where such ASCs are out-of-network with an insurer, they are commonly entitled to be paid based on a reasonable and customary amount. This case challenged the defendants’ calculations of those reasonable and customary amounts under employer-provided healthcare benefit plans and health insurance policies that are governed by the Employee Retirement Income Security Act (ERISA).

For more information about this case, or the settlement, please contact Mr. Tooch or Mr. Chan.

About Hooper, Lundy & Bookman, PC: HLB is the largest law practice in the country dedicated solely to representing health care providers in complex litigation, regulatory and transactional matters. With clients in all 50 states and offices in Los Angeles, San Francisco, San Diego and Washington, D.C., we serve a broad array of health care providers, ranging from the largest national health care organizations, to community hospitals, ASCs, and physician groups. HLB’s litigators are especially skilled in matters relating to health plan reimbursement. They regularly assist provider clients with litigation, arbitration and mediation services that have resulted in numerous favorable judgments and new case law. For more information, visit the firm’s website at www.health-law.com.

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