



UnitedHealth, Cigna, Viant Accused of Fraudulently 'Repricing' Behavioral Health Bills in Class-Action Suits

By [Gale Scott](#) April 8, 2020

Allegedly contracting with a third-party “repricing” company to lower their payments for out-of-network behavioral health care has made **UnitedHealth Group** and **Cigna** the targets of related class-action suits filed April 2 in U.S. District Court in San Francisco.

Viant, of Naperville, Ill., is the insurers’ co-defendant in all four suits. According to the suits, Cigna and UnitedHealth contract with Viant, a subsidiary of **Multiplan**, based in New York City. The “cost-containment” agreements mean Viant is retained to renegotiate insurers’ contracted payments to providers.

The lawsuits charge that in doing such negotiations, Viant breached contracts the insurers have with patients and providers. Cigna Behavioral Health, United Behavioral Health and Viant are charged with fraud, breach of contract, racketeering, anti-trust violations, and violations of California’s Unfair Business Practices statute. They are also charged with violating the federal **Mental Health Parity** law, though that is far from the main focus of the legal actions.

Two of the suits are brought by individuals. Plaintiffs in the two others are behavioral healthcare providers.

According to the complaints in all four lawsuits, Viant, acting as the agent of the two insurers, routinely paid providers a small portion of billed charges, often as low as 11%. Patients, including those with severe mental health problems, were then billed for the rest, legal documents show.

The low Viant payments allegedly violated the two insurers' agreements with covered members that their plans would pay between 70% and 100% of "usual and customary" charges for their care, after patients met their out-of-pocket minimums and co-pays.

At UnitedHealth, communications director **Maria Shydlo** issued a statement saying, "We are committed to helping people access the mental health and substance use treatments they need, and reimbursing providers, including out-of-network providers, consistent with the terms of members' benefit plans. We will vigorously defend ourselves in this case."

Cigna and Viant did not immediately respond to requests for comment.

The suits are brought under federal and state laws, including the Employee Retirement Income Security Act.

The alleged illegal behavior goes back at least until 2015, according to legal documents.

Plaintiff's attorney **Matt Lavin**, of **Napoli Shkolnik** law firm in New York City, is seeking triple damages for what he says are plaintiffs' losses amounting to tens of millions of dollars in both unpaid claims and wrongful payments.

"All the centers we represent are smaller providers, these are not celebrity beachfront places in Malibu, these are centers treating working-class patients who are a hundred percent reliant on insurance," Lavin tells *Health Payer Specialist*. He charges the plans and Viant targeted small providers calculating they would not have the legal resources to fight them.

According to the complaints in the cases, Viant is paid a percentage of the difference between the amount a provider has billed and the amount that Viant finalizes as a payment for behavioral care services.

"The difference between the amount United should have paid and the amount that it did pay often ran into the tens, and sometimes hundreds of thousand of dollars per patient," the plaintiffs allege in the multi-provider suit against UnitedHealth, the multi-plaintiff United suit charges.

An issue in all the suits is Viant's interpretation of "usual and customary" rates. Lavin charges that Viant makes no effort to determine regional differences in pay.

"The only metric Viant uses is that the lowest rate they were ever able to get away with paying becomes the rate the provider gets," Lavin says.

The lawsuits offer many examples of low payments.

Among the providers suing United is **Westwind Recovery**, a Los Angeles-based addiction treatment company. Westwind charges says United and Viant have caused it to be underpaid at least \$521,345 for treating 18 United patients.

Plaintiffs in one of the suits against Cigna treated members of group plans that the payer administered for **Intuit**. "These are people who were buying gold-plated policies," Lavin says. But because their providers' bills were shunted to Viant, the patients ended being balance-billed for most of the costs.

"The companies use an algorithm that somehow kicks some bills to Viant," Lavin says. Mysteriously, he says, though Viant is part of Multiplan, and that company also pays providers on behalf of the insurers, Multiplan generally pays the full amount billed.

Multiplan did not respond to a request to discuss the allegations.

Providers suing Cigna include **Bridging the Gaps**, a behavioral health center in Winchester, Va. The center charges it was underpaid \$736,998 for care it gave 21 patients after its bills were "repriced" by Viant.

An individual plaintiff suing Cigna is employed by **Intuit**, the Mountain View, Calif., software company that distributes **TurboTax**. She charges that she got assurances from Cigna that it would pay 70% of the cost of her son's treatment for alcohol use disorder at an outpatient center, **Summit Estate** in Los Gatos, Calif.

But after Viant got involved, Cigna paid only \$6,225 of \$51,175 billed, according to the lawsuit.

“All these plaintiffs are people who would never have agreed to treatment at these facilities if they had known in advance what they would pay,” Lavin says.

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