

Summary of health article



Summary of a Medical News Article by The Associated Press, 10 February 2009
A. M. A. Joins Suits Against Aetna and Cigna Over Payments Database

The legal battle continues against Aetna Inc. and Philadelphia-based Cigna Corp. by several state medical associations over allegedly rigged database purposely to underpay doctors on out-of-network claims. In a recent development, the American Medical Association (A. M. A.) has joined the lawsuits, strengthening the opposition side against the insurers.

The suits, stemming from claims by doctors to have been underpaid for out-of-network services, blame Hatford-based Aetna and Cigna for cheating on both the patients and the doctors by corrupting the database from which the calculation of “usual and customary” rates for care received outside their networks are based. The database, managed by United Health Group Inc. subsidiary Ingenix Inc., has been alleged to be seriously flawed and manipulated by the insurers, resulting to poor reimbursements and higher medical bills for consumers. Most recent complaints on this accuse Aetna of manipulating the database to get rid of valid high charges.

According to a complaint filed recently in U. S. District Court for the District of New Jersey, Aetna and Ingenix collaborated to fabricate figures favorable to the company, thus corrupting the database to yield inaccurate results, lowering down the reimbursements for doctors. The complaint further claims that this has greatly damaged physician-patient relationships.

Dr. Nancy H. Nielsen, President of A. M. A., stated that the association is putting an end to the health insurers’ unfairly manipulative business practices, disregarding patients and the legally acceptable costs of caring for them, citing a certain case of an anonymous surgeon who was paid way below his billed charges.

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To these, Aetna spokeswoman Cynthia Michener commented that they will by all means defend the company amidst similar claims by consumers in New Jersey and Connecticut. She further expressed disappointment over the medical community's move to sue them when the company has succeeded to develop better collaboration with doctors. Cigna, on the other hand, believes that physician's pricing must be more transparent in order to achieve lower costs at higher quality services.