UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

COMMUNITY INSURANCE COMPANY D/B/A ANTHEM BLUE CROSS AND BLUE SHIELD, Plaintiff, v. HALOMD, LLC, ALLA LAROQUE, SCOTT LAROQUE, MPOWERHEALTH PRACTICE MANAGEMENT, LLC, EVOKES, LLC, MIDWEST NEUROLOGY, LLC, ONE CARE MONITORING, LLC, and VALUE MONITORING LLC, Defendants.	Case No: 1:25-cv-00388-MWM AMENDED COMPLAINT DEMAND FOR JURY TRIAL

Plaintiff Community Insurance Company d/b/a Anthem Blue Cross and Blue Shield ("Anthem") hereby brings suit against HaloMD, LLC ("HaloMD") and Alla LaRoque, (collectively, the "HaloMD Defendants"); Scott LaRoque and MPOWERHealth Practice Management, LLC ("MPOWERHealth," and collectively with Scott LaRoque, the "MPOWERHealth Defendants"); and Evokes, LLC, Midwest Neurology, LLC, One Care Monitoring, LLC, and Value Monitoring, LLC (collectively, the "Provider Defendants"; and, together with the HaloMD Defendants and the MPOWERHealth Defendants, the "Defendants" and members of the "LaRoque Family Enterprise"). Based on personal knowledge as to the facts pertaining to its investigation, and upon information and belief as to all other matters, Anthem hereby alleges as follows:

INTRODUCTION

1. Congress enacted the No Suprises Act ("NSA") to protect Americans from abusive health care providers who engaged in the financially devasting practice of sending "surprise bills"

for out-of-network services. For patients, the NSA provided significant protection against surprise bills where they are not otherwise protected by state laws. For the Laroque Family Enterprise, however, the NSA provided the opportunity to defraud health plans like Anthem.

2. The NSA created an independent dispute resolution ("IDR") process to resolve certain types of surprise billing disputes between health plans and out-of-network providers. The NSA's IDR process is limited to "qualified IDR items or services" that meet strict eligibility criteria. But beginning no later than January 2024, Defendants have engaged in a scheme to defraud Anthem by flooding the IDR process with thousands of knowingly ineligible disputes and reaping millions of dollars in wrongfully obtained awards.

3. In furtherance of their scheme, Defendants: (1) use interstate wires to knowingly submit false and fraudulent attestations of eligibility for services and disputes that they know are ineligible for the IDR process, (2) strategically initiate massive volumes of IDR disputes simultaneously against Anthem, and (3) improperly inflate payment offers that far exceed what the Provider Defendants could have received in a competitive market, more often than not exceeding the Provider Defendants' ***own billed charges***.

4. Critically, Defendants knowingly make false statements, representations, and attestations at multiple stages throughout the IDR process. To access the IDR process in the first instance, Defendants falsify key elements as part of the initiation process, such as the type of health plan at issue, negotiation dates, and supporting documentation to bypass mandatory regulatory safeguards intended to filter out such ineligible disputes. After they fraudulently obtain access to the IDR process, they falsely attest that the disputes "are qualified item(s) and/or service(s) within the scope of the Federal IDR process." Defendants do so despite Anthem's repeated communications that services and disputes are ineligible for the IDR process. These

misrepresentations are necessary to initiate the IDR process in the first instance and to force payors like Anthem into costly arbitration proceedings that the system was designed to weed out.

5. This fraudulent course of conduct is the product of a coordinated enterprise between the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants, all of whom knowingly conspire to exploit the IDR process and fraudulently obtain exorbitant payments for out-of-network services at the expense of Anthem and other health care payors. Each of the Defendants has a crucial role in the fraudulent scheme.

6. Defendant Scott LaRoque is the Chief Executive Officer ("CEO") of Defendant MPOWERHealth. Defendant Alla Laroque, Scott LaRoque's wife, is the president of HaloMD, a company that operates "[w]ith an exclusive focus on Independent Dispute Resolution (IDR)[.]"[1]

7. Defendant MPOWERHealth operates a closely-managed network of subsidiaries and affiliated providers—including the Provider Defendants—that provide out-of-network intraoperative neuromonitoring ("IONM") services. MPOWERHealth coordinates the infrastructure and staffing of IONM service providers at hospitals and ambulatory surgical centers.

8. The Provider Defendants provide IONM services to patients. The Provider Defendants consist of entities controlled by the MPOWERHealth Defendants. They do not function independently; rather, the MPOWERHealth Defendants direct material aspects of the operations of the Provider Defendants.

9. The HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants have conspired to systematically flood the IDR process with knowingly ineligible and inflated disputes. Defendant HaloMD does not itself provide health care services or bill claims; it relies on the MPOWERHealth Defendants and the Provider Defendants to supply the underlying

[1] https://halomd.com

claims and services that are then submitted for IDR, while HaloMD administers the disputes and supplies the automation and the artificial intelligence infrastructure that enables the scheme to operate "at scale."[2] Defendants each conduct and participate in the affairs of the LaRoque Family Enterprise.

10. Through the LaRoque Family Enterprise, Defendants have unlawfully corrupted the IDR process for financial gain. Since no later than January 2024, Defendants have initiated thousands of knowingly ineligible disputes against Anthem. Knowing that these disputes on their face did not qualify for IDR, the HaloMD Defendants, on behalf of the MPOWERHealth and the Provider Defendants, made false statements, representations, and attestations to fraudulently bypass IDR safeguards to take advantage of the IDR process. Through this scheme, Defendants have caused tens of millions of dollars in ineligible IDR award payments and related fees.

11. Defendants also deliberately exploited the IDR system to seek tens of millions of dollars that exceed the charges the Provider Defendants had billed Anthem, far beyond the actual cost or market value of their services. In disputes where Defendants prevailed with such outrageous offers, Anthem was ordered to pay approximately $15 million more than the Provider Defendants' own billed charges.

12. Defendants' fraudulent scheme (referred to herein as the "NSA Scheme") violated the federal Racketeering Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. §§ 1961 *et seq.*, as well as other federal and state laws, as set forth herein. Anthem brings this action against Defendants—who, together and with other co-conspirators, known and unknown, engaged in the NSA Scheme as set forth herein—to end Defendants' ongoing criminal enterprise and recover resulting damages.

[2] *Id.*

THE PARTIES

I. Plaintiff Anthem.

13. Plaintiff Anthem is an Ohio corporation with its principal place of business in Mason, Ohio. Anthem is authorized to issue group accident and health insurance policies pursuant to Sections 1751 and 3929.01(A) of the Ohio Revised Code.

II. The HaloMD Defendants.

14. Defendant HaloMD is a Delaware limited liability company with a business address at 5080 Spectrum Drive, Suite 1100E, in Addison, Texas (the "5080 Spectrum Address"). HaloMD solicits and represents physician practices throughout the United States, including in Ohio.

15. HaloMD has two members: LFF Holdings Groups Ltd. Co. ("LFF") and Scalla Investments, LLC ("Scalla"). LFF is a Texas limited liability company whose sole member is Scott LaRoque. Scalla is a Texas limited liability company with both Scott LaRoque and Alla LaRoque as its only two members. For the purposes of diversity, HaloMD is a citizen of Texas.

16. Defendant Alla LaRoque is the founder and President of HaloMD. She is a resident of Texas.

III. The MPOWERHealth Defendants.

17. Upon information and belief, Defendant MPOWERHealth is a Delaware limited liability company located at the 5080 Spectrum Address. MPOWERHealth's member is LFF, whose sole member is Scott LaRoque.

18. Defendant Scott LaRoque, the husband of Defendant Alla LaRoque, is the CEO and founder of MPOWERHealth. He is a resident of Texas.

IV. The Provider Defendants.

19. Defendant Evokes, LLC ("Evokes") is a Delaware limited liability company that provides IONM services, including for Ohio residents. Evokes is located at 8118 Corporate Way, Suite 212, in Mason, Ohio.

20. Defendant Midwest Neurology, LLC ("Midwest Neurology") is an Ohio limited liability company that also provides IONM services, including for Ohio residents. Midwest Neurology is located at 4100 Horizons Drive, Suite 101, in Columbus, Ohio.

21. Defendant One Care Monitoring, LLC ("OCM") is a Delaware limited liability company that similarly provides IONM services, including for Ohio residents. Like HaloMD and MPOWERHealth, OCM is located at the 5080 Spectrum Address.

22. Defendant Value Monitoring, LLC ("Value Monitoring") is a Delaware limited liability company that, like the other Provider Defendants, provides IONM services, including for Ohio residents. Value Monitoring is located at 2915 W Bitters Road, Suite 201, in San Antonio, Texas (the "2915 W Bitters Address").

JURISDICTION AND VENUE

23. This Court has subject matter jurisdiction pursuant to 18 U.S.C. § 1964, which gives federal district courts jurisdiction over civil RICO actions. This Court also has subject-matter jurisdiction pursuant to 28 U.S.C. § 1331, as this action arises under federal law, including the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. §§ 1001 *et seq.*, and the NSA, 42 U.S.C. § 300gg-111. The Court has supplemental jurisdiction over state law claims pursuant to 28 U.S.C. § 1367.

24. Venue is proper in this District under 28 U.S.C. § 1391 because: (i) a substantial part of the events or omissions giving rise to the claims set forth herein occurred in, and were

directed toward, this District; (ii) Anthem is headquartered in this District and has suffered injury here; and (iii) one or more of the Defendants reside here.

BACKGROUND

I. Anthem Administers Health Care Claims and IDR Proceedings for Members, Plan Sponsors, Government Programs, and BlueCard Plans.

25. Anthem offers a broad range of health care and related plans, insurance contracts, and services to its plan sponsors' "members" and insureds who enroll in an Anthem plan, including fully insured and self-funded employee health benefit plans. Anthem processes tens of millions of health care claims annually and is responsible for ensuring that claims are paid accurately and in accordance with plan terms. As a critical part of that responsibility, Anthem is authorized to undertake efforts to safeguard and protect itself, its members and insureds, and the various employer group health plans it administers, from fraud, waste, and abuse—like the fraud Defendants are perpetrating here.

26. Anthem administers claims and benefits for several different types of health care plans relevant to this Amended Complaint.

27. First, Anthem issues and administers health plans and insurance contracts, whereby Anthem collects premiums and is financially responsible for any benefits paid out under the plan terms or pursuant to law. Anthem sells these products either directly to consumers, such as through the HealthCare.gov marketplace, or to small or large employer groups who offer coverage to their employees but do not themselves insure the loss under the plan. These products are typically subject to state regulation, including state laws prohibiting surprise billing and mandating payment for certain out-of-network claims.

28. Second, Anthem administers self-funded plans, typically offered by large employers to their employees. These employers self-insure the plan and are financially responsible

for any payment of benefits or other losses. Because employers often lack infrastructure to provide health insurance to their employees, these plans contract with Anthem for administrative services, such as provider network development, customer service, and claims pricing and adjudication. These plans often delegate authority to Anthem to administer the IDR process on behalf of the plans, and the plans typically (though not always) reimburse Anthem for any awards resulting from IDR. These plans are generally exempt from state insurance laws, including state surprise billing regulations, unless the plan chooses to opt into the state law. Instead, these plans are subject to ERISA.

29. Third, pursuant to the BlueCard program, Anthem acts as a "Host Plan" to other independent Blue Cross and/or Blue Shield "Home Plans" whose members obtain treatment from providers in Anthem's service area in Ohio. As a Host Plan, Anthem manages and participates in IDR proceedings that are initiated by providers in Anthem's Ohio service area for non-Anthem plans whose members receive treatment from the initiating Ohio provider.

30. While Anthem administers different types of health plans and claims, providers generally know what type of health care coverage the patient has. Providers require proof of insurance at the point of service to submit claims to the health plan, and the member's health insurance card identifies the nature of the member's coverage. When Anthem issues payment on a claim, the payment is accompanied by an explanation of payment ("EOP"), which includes information about the member's coverage, among other information.

II. Before the NSA, Out-of-Network Physicians Exploited American Consumers with Surprise Medical Bills.

31. Health plans like Anthem contract with a network of health care providers, including hospitals and physicians, from whom their members may obtain "in-network" care. Such contracts govern the rate for the relevant services and prohibit the providers from billing patients

above that amount. Generally, patients receive more affordable health care coverage when receiving treatment from "in-network" providers.

32. Patients can also choose to obtain treatment from out-of-network providers, which have no contract with their health plan. Because out-of-network providers are not bound by contractual billing limitations, patients typically pay more when they elect to receive care from out-of-network providers. The health plan will cover a portion of the cost of the services, and the out-of-network provider will "balance bill" the patient for the difference between their "inflated," "non-market-based rates"—known as "billed charges"—and the amounts paid by health plans. H.R. Rep. No. 116-615 (2020), at 53, 57. Patients who choose to seek treatment from an out-of-network provider understand that it will likely be more expense than in-network care; they will likely receive less coverage from their health plan, and in turn, higher bills from their out-of-network provider.

33. However, there are certain situations in which a patient has no ability to choose between in- and out-of-network care. One example is when a patient is suffering from a medical emergency and receives treatment at the nearest emergency room, where the on-call physician may not be in the patient's health plan's network. Another example is when a patient visits an in-network hospital but unknowingly receives treatment from an out-of-network physician, such as an anesthesiologist or IONM provider. Before state and federal governments acted, out-of-network emergency providers like the Provider Defendants, air ambulance providers, and IONM providers capitalized on patients' lack of meaningful choice in these circumstances.

34. These types of out-of-network providers widely engaged in the aggressive and financially devastating practice of "surprise billing." Specifically, the providers would exploit patients' inability to choose an in-network provider and bill the patient for the difference between

their "inflated," "non-market-based" "billed charges" and the amounts paid by health plans. H.R. Rep. No. 116-615, at 53, 57. Surprise billing was particularly rampant among particular provider groups, including IONM providers like the Provider Defendants, who refused to contract with health plans because it yielded higher profits at the expense of patients who were not in a position to choose from whom they received such care.

35. Before legislation banned their exploitative practices, surprise billing providers like the Provider Defendants held "substantial market power." H.R. Rep. No. 116-615, at 53. They were able to "charge amounts for their services that … result[ed] in compensation far above what is needed to sustain their practice" because they "face[d] highly inelastic demands for their services because patients lack the ability to meaningfully choose or refuse care." *Id.* Surprise billing providers like the Provider Defendants could reap massive profits by issuing surprise medical bills to patients and had little incentive to contract with health plans like Anthem to offer more affordable health care services to American consumers.

36. Congress called this framework a "market failure" that was having "devastating financial impacts on Americans and their ability to afford needed health care." *Id.* at 52. In response to such abuses by providers, Congress—as well as many state legislatures like Ohio—enacted laws to ban surprise medical bills.

III. The No Surprises Act Created an Independent Dispute Resolution Process for Specific Qualified IDR Items and Services.

37. Effective January 1, 2022, the NSA banned surprise billing for three categories of out-of-network care: (1) emergency services; (2) non-emergency services by out-of-network providers at in-network facilities; and (3) air-ambulance services. *See* 42 U.S.C. §§ 300gg-131, 300gg-132, 300gg-135. To be subject to the NSA and IDR, health care services must fall into one of these three categories and meet other statutory and regulatory requirements described below.

38. When enacting the NSA, Congress also found "that any surprise billing solution must comprehensively protect consumers by 'taking the consumer out of the middle' of surprise billing disputes." H.R. Rep. No. 116-615, at 55. Thus, the NSA created a separate framework outside the judicial process for health plans and providers to resolve specific types of eligible surprise billing disputes. *See* 42 U.S.C. § 300gg-111(c). The framework consists of (1) open negotiations—a required 30-business-day period to try resolving the dispute informally; (2) an IDR process for "qualified IDR items and services" if no agreement is reached; and (3) if applicable, a binding payment determination from private parties called certified IDR entities ("IDREs").

39. When a health plan receives a claim for out-of-network services subject to the NSA (*i.e.*, emergency services, services provided at an in-network facility by an out-of-network provider, or air ambulance services), the health plan will make an initial payment or issue a notice of denial of payment within 30 days. *See* 42 U.S.C. § 300gg-111(a)(1)(C)(iv)(I). The health plan's EOP includes, among other information, a phone number and email address for providers to seek further information or initiate open negotiations. *See* 45 C.F.R. § 149.140(d)(2).

40. If the provider is dissatisfied with the initial payment, then the provider or its designee may initiate open negotiations with the health plan by providing formal written notice to the health plan within 30 business days of the initial payment or notice of denial. 42 U.S.C. § 300gg-111(c)(1)(A). After initiating open negotiations, the provider must attempt in good faith to negotiate a resolution with the health plan over that 30-business-day period. *See id.*

41. If the provider initiates and exhausts the 30-day open negotiations period, and "the open negotiations … do not result in a determination of an amount of payment for [the] item or service," then the provider may initiate the IDR process. *See* 42 U.S.C. § 300gg-111(c)(1)(B); 45

C.F.R. § 149.510(b)(2)(i). The IDR process is only available to providers who first initiate and exhaust open negotiations with the health plan. *See id.* Providers must initiate the IDR process within four business days after the 30-day open negotiations period has been exhausted. *See id.*

42. The 30-day open negotiations period is a central requirement of the IDR process. Indeed, Congress explained that one of the primary purposes of the NSA was to ensure that health care providers, including hospitals and doctors, and payors, including insurance companies and self-funded plans, are incentivized to resolve their differences amongst themselves.[3]

43. The IDR process is also only available for a "qualified IDR item or service." 42 U.S.C. § 300gg-111(c)(1); 45 C.F.R. § 149.510(a)(2)(xi), (b)(1), (b)(2). To be eligible for the process and considered a qualified IDR item or service within the scope of the IDR process, the following conditions must be met:

a. The underlying services are within the NSA's scope—meaning they are out-of-network emergency services, non-emergency services at participating facilities, or air ambulance services—and also of a coverage type subject to the NSA (*e.g.*, not government programs like Medicare or Medicaid);

b. A state surprise billing law (referred to as a "specified state law" in the NSA) does not apply to the dispute;

c. The underlying services were covered by the patient's health benefit plan (*i.e.*, payment was not denied);

d. The patient did not waive the NSA's balance billing protections;

e. The provider initiated and exhausted open negotiations;

f. The provider initiated the IDR process within four business days after the open negotiations period was exhausted; and

[3] *See* Brady Opening Statement at Full Committee Markup of Health Legislation (Feb. 12, 2020), available at https://waysandmeans.house.gov/2020/02/12/brady-opening-statement-at-full-committee-markup-of-health-legislation-3/.

g. The provider has not had a previous IDR determination on the same services and against the same payor in the previous 90 calendar days.

42 U.S.C. § 300gg-111(c)(1)(B); 45 C.F.R. §§ 149.510(a)(2)(xi), (b)(2).

44. With the NSA, Congress did not intend to supplant specified state laws. Congress lauded the fact that at the time the NSA was enacted, more than half of states had already "taken significant steps to address surprise medical bills through consumer protection laws that shield patients from surprise billing in the individual, small group, and fully-insured group markets." H.R. Rep. No. 116-615, at 54. Congress enacted the NSA to supplement state laws, not replace them. *See id.* If the state law already protects the patient from the surprise medical bill and provides a method of determining the out-of-network rate for the services, then the state law applies, and the dispute is not eligible for the NSA. 42 U.S.C. § 300gg-111(a)(3)(H)-(K), (c)(1); 49 C.F.R. § 149.510(a)(2)(xi)(A).

45. Ohio has a specified state law called the Ohio Surprise Billing Law, codified at Ohio Rev. Code ("ORC") § 3902.51 *et seq*.; *see also* Ohio CAA Enforcement Letter (Feb. 17, 2021), available at https://www.cms.gov/files/document/caa-enforcement-letters-ohio.pdf. For out-of-network emergency services and unanticipated out-of-network care at in-network facilities, in the event a payor and provider cannot agree on a different amount through negotiations, the ORC requires payment at the greatest of: (1) the amount negotiated with in-network providers, facilities, emergency facilities, or ambulances for the service in question in that geographic region under that health benefit plan, excluding any in-network cost sharing imposed under the health benefit plan; (2) the amount for the service calculated using the same method the health benefit plan generally uses to determine payments for out-of-network health care services, such as the usual, customary, and reasonable amount, excluding any in-network cost sharing imposed under the health benefit plan; or (3) the amount that would be paid under the Medicare program, part A

or part B of Title XVIII of the Social Security Act, 42 U.S.C. 1395, as amended, for the service in question, excluding any in-network cost sharing imposed under the health benefit plan. *See* ORC §§ 3902.51(A)(1)(a)–(c), 3902.51(B)(1)(a)–(c). Ohio also provides for its own dispute resolution mechanism if the provider is dissatisfied with payment. *See* ORC § 3902.52.

46. The Centers for Medicare & Medicaid Services ("CMS"), the federal agency within the Department of Health and Human Services ("HHS") that is primarily charged with implementing the IDR process, has issued several resources to aid interested parties in determining whether a state surprise billing law exists.[4]

47. When initiating the IDR process, providers must, among other things, submit an attestation that the items and services in dispute are qualified IDR items or services within the scope of the IDR process. *See* 45 C.F.R. § 149.510(b)(2)(iii)(A)(6).[5] A copy of the IDR initiation form, including the attestation, is provided to the non-initiating party, the IDRE, and the Departments of Health and Human Services ("HHS"), Labor ("DOL"), and Treasury (collectively, the "Departments").

IV. The IDR Initiation Process Notifies Initiating Parties of Ineligible Disputes.

48. Parties must initiate the IDR process online through a federal website called the "IDR Portal." The website for submissions is https://nsa-idr.cms.gov/paymentdisputes/s/.

[4] *See*, *e.g.*, CAA Enforcement Letters, available at https://www.cms.gov/marketplace/about/oversight/other-insurance-protections/consolidated-appropriations-act-2021-caa; Chart for Determining the Applicability for the Federal Independent Dispute Resolution (IDR) Process (Jan. 13, 2023), available at https://www.cms.gov/files/document/caa-federal-idr-applicability-chart.pdf (last accessed May 19, 2025).

[5] *See also* Notice of IDR Initiation Form, U.S. Dep't of Labor, available at https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/no-surprises-act/surprise-billing-part-ii-information-collection-documents-attachment-3 (last accessed September 12, 2025).

49. The online process for initiating IDR is designed to notify initiating parties of facts that render services and disputes ineligible and prevent parties from mistakenly submitting ineligible items or services.

50. The first page of the website specifies that parties may "[u]se this form if you participated in an open negotiation period that has expired without agreement for an out-of-network total payment amount for the qualified IDR item or service."

> Use this form if you participated in an open negotiation period that has expired without an agreement for an out-of-network total payment amount for the qualified IDR item or service.
>
> You can start the Federal Independent Dispute Resolution (IDR) process within 4 business days after the end of the 30-business-day open negotiation period if a determination of the total payment for the qualified IDR item(s) or service(s), including cost-sharing, wasn't reached.
>
> You will need to **provide information for both parties involved** in the dispute.

51. The first page also provides a link to a list of states with specified state laws that render certain disputes ineligible for the IDR process:

> Review the IDR State list to determine which states will have processes that apply to payment determinations for the items, services, and parties involved. FEHB plans are subject to the Federal IDR process unless OPM contracts with FEHB carriers to include terms that adopt state law as governing for this purpose.

52. Before initiating the IDR process, parties must agree to certain terms and conditions. The terms and conditions include a notice that the initiating party must submit an "[a]ttestation that qualified IDR items or services are within the scope of the Federal IDR process."

> **Before starting:**
> You may need to provide information by uploading separate documents. The total file size limit for all uploaded documents is 500MB. Be sure your files meet this limitation.
>
> Along with the general information you'll need to start your Federal IDR dispute process, provide:
> - Information to identify the qualified IDR items or services (and whether they are designated as batched or bundled items or services)
> - Dates and location of qualified IDR items or services
> - Type of qualified IDR items or services such as emergency services and post-stabilization services
> - Codes for corresponding service and place-of-service
> - Attestation that qualified IDR items or services are within the scope of the Federal IDR process
> - Your preferred certified IDR entity

53. After agreeing to the terms and conditions, initiating parties must then answer "Qualification Questions" through an online form. If the answers to the Qualifications Questions indicate that the dispute is not eligible for IDR, the form will provide an alert and prevent the initiating party from proceeding.

54. For example, one of the key Qualification Questions on the federal IDR website asks when the party began the open negotiation process. That question as it appears on the website is below:

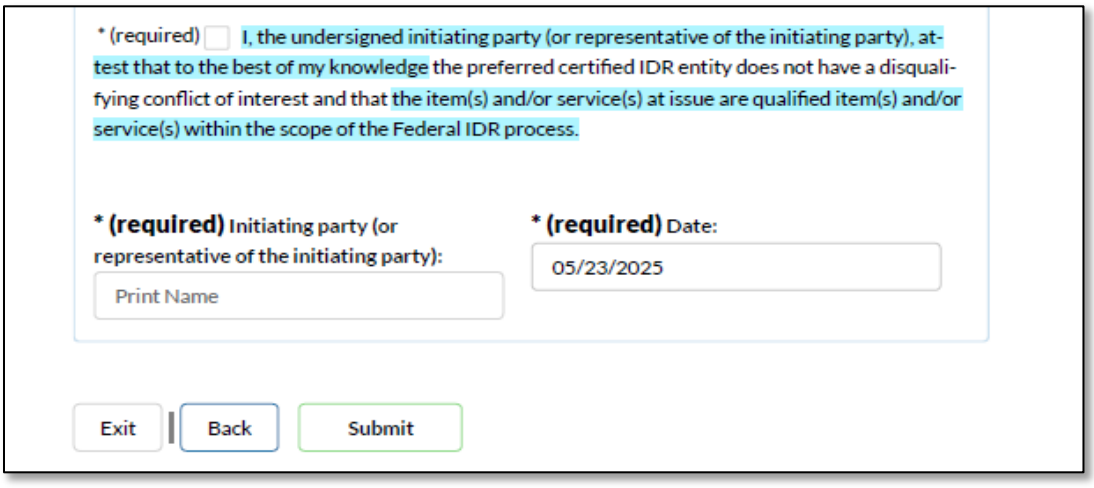
55. Parties must exhaust the 30-business-day open negotiation period before either party may initiate the federal IDR process. If the initiating party enters a date that is not at least 31

days before the date of website submission, the federal IDR website will not permit the initiating party to proceed and seek payment for the service.

56. Further, if the IDR initiation is not within four business days of the end of the 30-day open negotiation period, the initiating party must provide a reason why they are eligible for an extension and provide supporting documentation.

57. After successfully completing the Qualification Questions, the initiating party is asked to complete the Notice of IDR Initiation. The initiating party must provide a variety of relevant information, including the name and contact information of the health care provider, the claim number, the date of the service, the QPA—generally their median in-network rate for the same service in the same geographic area—for the qualified IDR item or services at issue, and documentation supporting these facts.

58. At the end of this process, the submitting party must attest, via electronic signature, that the "item(s) and/or service(s) at issue are qualified item(s) and/or services(s) within the scope of the Federal IDR process."



59. A copy of the Notice of IDR Initiation—including the initiating party's attestation that that the "item(s) and/or service(s) at issue are qualified item(s) and/or services(s) within the

scope of the Federal IDR process"—is provided to the non-initiating party (*i.e.*, the health plan), the IDRE, and the Departments.

60. As illustrated above, at every stage of this online process, the system is designed to filter out ineligible disputes. To push through an ineligible dispute, the initiating party must make affirmative false statements, representations, and attestations regarding the eligibility for IDR. When a party initiates the IDR process, it has full knowledge of the requirements and limits of the IDR process.

61. HHS administers the IDR initiation process. Any submission made through this system is a statement made to the federal government, and any attestation made as part of the submission process is also made to the federal government. False attestations to the federal government can violate 18 U.S.C. § 1001.

V. Anthem Also Informs Providers of Ineligible Disputes, including Those Subject to State Surprise Billing Laws.

62. In addition to the mechanisms built into the IDR claim initiation process designed to weed out ineligible claims, Anthem also affirmatively sends multiple communications informing providers when services are ineligible for the NSA's IDR process.

63. For example, Anthem will issue EOPs to providers that use the code "AVS" to inform providers that a claim's items and services are subject to the Ohio Surprise Billing Law and are therefore ineligible for the federal IDR process. The description of the AVS code states, among other things, that "[t]his was adjusted to follow Ohio balance billing laws and rules," and "[p]ayment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

AVS	This was adjusted to follow Ohio balance billing laws and rules. Payment reflects the amount paid based on the member's benefits when they receive care from a doctor/facility in their plan's network. Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code. If you disagree with our decision and have documents to support the claim, from Availity.com select the Claims & Payments tab to access Claims Status. Find the claim and select the Dispute button. As a reminder, the member can only be billed their copay, deductible or percentage of the cost for this care.

64. When providers initiate negotiations for items and services subject to the Ohio Surprise Billing Law, Anthem notifies the provider that the "reimbursement amount is calculated pursuant to ORC section 3902.51 (B)(1) of the Ohio Surprise Billing Law."

> We received your negotiation request on 1/23/2025 , for the below-referenced claim(s) for out-of-network services rendered to the listed member(s) with a plan that is insured or administered by Anthem.A final determination has been made on the claim(s) associated with your negotiation request. We are unable to offer you any additional payment on this claim. The claim(s) reimbursement amount is calculated pursuant to ORC section 3902.51 (B)(1) of the Ohio Surprise Billing Law. The payment listed in the "Payment made to date" column below is the maximum amount that we will pay for the billed service(s).

65. And even when providers ignore Anthem's EOP and negotiations communications for items and services subject to Ohio's Surprise Billing Law, Anthem informs the provider or designee that the items or services are "ineligible for IDR under the NSA because a state surprise billing law applies."

> The Independent Dispute Resolution (IDR) Team has received an IDR initiation notice for the above DISP Number. After review, the claim(s) is/are out of the scope (OOS) of the Federal No Surprises Act (NSA), due to the following reason(s). Please refer to the addendum for more information.
>
> ☑ The claim(s) is ineligible for IDR under the NSA because a state surprise billing law applies. Per CMS guidelines, where a specified state law provides a method for determining the total amount payable for out-of-network items and services, providers may not engage in the federal IDR process for resolving payment disputes under the NSA.

66. Like the Qualifications Questions and IDR initiation process, Anthem's communications of ineligibility in the EOP, during open negotiations, and/or after IDR initiation help ensure that providers do not mistakenly pursue the IDR process for non-qualified items or services that are outside the scope of the process.

VI. If Applicable, IDREs Make Payment Determinations Which are Subject to Judicial Review When Procured by Fraud.

67. After the provider initiates the IDR process, the parties select, or HHS appoints, an IDRE. 42 U.S.C. § 300gg-111(c)(4)(F). The IDRE performs two tasks.

68. *First*, the IDRE is required by regulation to "determine whether the Federal IDR process applies." 45 C.F.R. § 149.510(c)(1)(v). In making this determination, the IDRE is directed to "review the information submitted in the notice of IDR initiation" with the provider's attestation of eligibility. 45 C.F.R. § 149.510(c)(1)(v). In practice, this is a cursory review by the IDRE based on incomplete, one-sided information. The layers of safeguards in the IDR initiation process—including the Qualification Questions and provider attestations—are intended to prevent providers from initiating the IDR process with ineligible disputes at the outset, before the dispute reaches the IDRE. Once a dispute reaches the IDRE, the initiating party has already bypassed those safeguards and affirmatively attested to the eligibility of the dispute, and the IDRE reviews the notice of IDR initiation with the affirmative attestation to determine eligibility. *See id.*

69. *Second*, if the IDRE determines the IDR process applies, then the IDRE proceeds to a payment determination. 42 U.S.C. § 300gg-111(c)(5)(A).

70. IDR payment determinations resemble a baseball-style arbitration where the provider and health plan each submit an offer, and the IDRE selects one party's offer as the out-of-network rate. 42 U.S.C. § 300gg-111(c)(5)(B). The parties submit "blind" offers; the health plan only learns of the provider's offer after the IDRE has reached a payment determination.

71. In making its determination, the IDRE must consider the QPA—which, through a calculation methodology prescribed by federal regulation, approximates the health plan's median in-network contracting rate for the services—and several "additional circumstances," such as training, experience, and quality of the provider; its market share; and the acuity of the patient, among others. 42 U.S.C. § 300gg-111(c)(5)(C). IDREs cannot consider, among other things, the provider's charges. 42 U.S.C. § 300gg-111(c)(5)(D) (IDREs "shall not consider … the amount that would have been billed by such provider or facility . . ."). Congress reasoned that permitting

IDREs to "consider non-market-based rates such as the providers' billed charges … may drive up consumer costs." H.R. Rep. No. 116-615, at 57.

72. The NSA states that an IDR determination is "binding" unless there was "a fraudulent claim or evidence of misrepresentation of facts presented to the IDR entity involved regarding such claim[.]" 42 U.S.C. § 300gg-111(c)(5)(E)(i).

73. Parties to IDR proceedings are responsible for payment of two fees. First, both parties must pay a non-refundable administrative fee—currently $115—when the dispute is initiated. This fee is not recoverable even when the IDRE determines that the dispute does not qualify for IDR, or even when the initiating party later voluntarily withdraws the dispute. Second, both parties must pay an IDRE fee before the IDRE makes the payment determination. The IDRE fee is set by the specific IDRE and depends on the type of IDR submitted, but ranges from $200 to $1,173. The party whose offer is selected by the IDRE is refunded its IDRE fee, meaning it is only responsible for the $115 administrative fee. The non-prevailing party is responsible for both the administrative fee and the IDRE fee.

74. Notably, IDREs are only compensated when a dispute reaches a payment determination. *See* 42 U.S.C. § 300gg-111(c)(5)(F). They do not receive compensation when dismissing a dispute due to the ineligibility of the service. *See id.* And because IDREs are compensated on a per-dispute basis, they receive greater compensation when there are a greater total number of disputes.

VII. The NSA's IDR Process Skews Heavily in Favor of Providers.

75. Government data shows that the IDR process has not led to fair or balanced outcomes with objectively reasonable payment determinations. Instead, the IDR process heavily favors providers.

76. In the most recent reporting period, providers prevailed in 85 percent of IDR payment determinations.[6]

77. Moreover, providers are not prevailing with objectively reasonable payment offers. Congress directed IDR payment determinations to be made according to the QPA and several "additional circumstances," such as the training, experience, and quality of the provider, its market share, and the acuity of the patient, among others. 42 U.S.C. § 300gg-111(c)(5)(C). In practice, however, IDRE payment determinations far exceed the QPA.

78. During the most recent reporting period, prevailing offers exceeded the QPA 85 percent of the time. *See id.* For line items in which the provider prevailed, the median payment determination was 459 percent of the QPA. *See Independent Dispute Resolution Reports, Federal IDR PUF for 2024 Q4 (as of May 28, 2025)*, CMS, available at https://www.cms.gov/nosurprises/policies-and-resources/reports. "[T]he rationale behind payment determinations remains unclear due to limited transparency into how IDR entities evaluate submissions." *No Surprises Act Arbitrators Vary Significantly in Their Decision Making Patterns*, Health Affairs, available at https://www.healthaffairs.org/content/forefront/no-surprises-act-arbitrators-vary-significantly-their-decision-making-patterns.

79. Recognizing these dynamics, Defendants launched their fraudulent NSA scheme to capitalize on the broken IDR process.

DEFENDANTS' FRAUDULENT NSA SCHEME

80. Beginning no later than January 2024, Defendants launched the NSA Scheme to defraud Anthem by initiating thousands of knowingly ineligible IDR proceedings against Anthem.

[6] *Supplemental Background on the Federal IDR Public Use Files, July 1, 2024—Dec. 31, 2024*, CMS, *supra*.

To effectuate this scheme, Defendants made false statements, representations, and attestations regarding IONM claims' eligibility for IDR under the NSA.

81. The Laroque Family Enterprise consists of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants, who associate together with the common purpose of engaging in a course of conduct to execute the NSA Scheme. The core of the NSA Scheme relies on the Laroque Family Enterprise's calculated bet: that their repeated misrepresentations that the submitted disputes met the criteria for the federal IDR process would not be caught. And they were not. Approximately 40 percent of the disputes initiated by Defendants against Anthem that reached a payment determination were categorically ineligible for the IDR process. As a result of these ineligible disputes, since 2024, Anthem's records show that Defendants have caused tens of millions of dollars in improper IDR award payments and related fees.

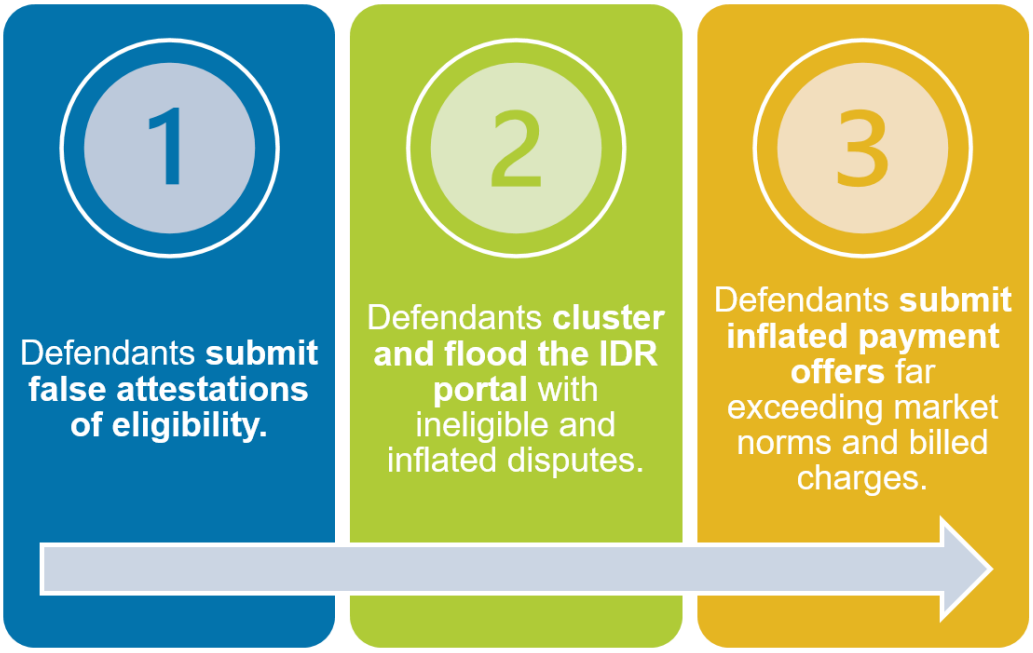
82. As alleged herein, IDR is only available for specific categories of disputes, subject to strict statutory and regulatory criteria. However, Defendants submit false attestations through the IDR portal, claiming eligibility for disputes involving: (1) services and disputes governed by a specified state law (*i.e.*, the Ohio Surprise Billing Law); (2) services not covered by the patient's plan; (3) disputes for which Defendants failed to initiate or pursue open negotiations; and (4) disputes already resolved or barred by timing rules.

83. Defendants have pulled off the NSA Scheme by exploiting the scale and automation of artificial intelligence ("AI"). Promoting their use of AI in IDR submissions, Defendant HaloMD, on behalf of and in coordination with the MPOWERHealth and Provider Defendants, have flooded the IDR system with fraudulent disputes at an industrial scale, deliberately overwhelming IDR safeguards and enabling payment on their fraudulent disputes.

84. Defendants' NSA Scheme involves three related tactics. ***First***, using interstate wires, Defendants make repeated false statements, representations, and attestations of eligibility to Anthem, the IDREs, and the Departments. ***Second***, Defendants manipulate the IDR process by strategically submitting massive numbers of open negotiations and IDR initiations—most of which are patently ineligible for IDR—in an attempt to overwhelm the ability of health plans like Anthem to contest claims, confuse and swamp IDREs, and manipulate the IDR process. ***Third***, Defendants capitalize on flaws in the IDR process by submitting—and often prevailing with—outrageous payment offers that they could never receive on the open market, including many that exceed the Provider Defendants' own billed charges. *See* H.R. Rep. No. 116-615 (2020), at 53, 57 (noting that billed charges should not be considered in the IDR process because they are "inflated," arbitrary, and "non-market-based" figures).

85. Through the NSA Scheme, Defendants intentionally turned the NSA's IDR process into the vehicle for their fraud scheme.

86. This multi-step process is depicted visually in the diagram below:



I. Defendants Knowingly Make False Statements, Representations, and Attestations of Eligibility to Initiate the IDR Process.

87. When flooding the IDR process with ineligible disputes against Anthem, Defendants make repeated false statements, representations, and attestations that the claims in dispute are "qualified item(s) and/or service(s) within the scope of the Federal IDR process" when, in fact, they know they are not. *See* 45 C.F.R. § 149.510(b)(2)(iii)(A)(6).[7] Defendants make these false attestations and representations to Anthem, the IDRE, and the Departments.

88. The items and services that Defendants falsely attest are "qualified item(s) and service(s) within the scope of the Federal IDR process" are patently ineligible, and Defendants know they are ineligible when making their false attestations.

89. As noted above, the online process for initiating IDR is designed to—and does—notify initiating parties of the kinds of disputes that are ineligible, including when they are ineligible because of a specified state law, to prevent them from submitting ineligible items or services. And Anthem frequently communicates that services are ineligible in its EOPs, during open negotiations, and after Defendants initiate the IDR process for ineligible services.

90. For example, Defendants know when services are subject to the Ohio Surprise Billing Law and therefore ineligible for the IDR process. Anthem issues EOPs that communicate that services are subject to the Ohio Surprise Billing Law. When Defendants initiate open negotiations for services subject to the Ohio Surprise Billing Law, Anthem informs them that the dispute is not governed by the federal NSA. To prevent parties from inadvertently initiating the IDR process for services subject to a specified state law like the Ohio Surprise Billing Law, the

[7] *See also* Notice of IDR Initiation Form, U.S. Dep't of Labor, available at https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/no-surprises-act/surprise-billing-part-ii-information-collection-documents-attachment-3 (last accessed September 12, 2025).

first page of the IDR initiation process also (1) provides a link to information listing states—like Ohio—that have surprise billing laws that may render the NSA inapplicable, and (2) informs initiating parties that they must submit an attestation that the services at issue are qualified IDR items or services within the scope of the Federal IDR process. And before initiating the IDR process, Defendants affirmatively attest that the services are "qualified item(s) and/or services(s) within the scope of the Federal IDR process." Defendants submit these fraudulent attestations for disputes clearly subject to the Ohio Surprise Billing Law with full knowledge of their falsity.

91. As another example, Defendants also know when they initiate disputes for services where no open negotiation occurred. As part of the IDR initiation process, initiating parties must also identify, among other things, the specific date that they initiated open negotiations and documentation supporting the open negotiations process. They then affirmatively attest that the "item(s) and service(s) at issue are qualified items and/or service(s) within the scope of the Federal IDR process." In order to push their ineligible services through the IDR process, Defendants must affirmatively make false statements; if they do not, the system prevents them from proceeding with their ineligible services. Of course, the IDR Portal cannot tell when the provider misrepresents information about the relevant plan, service, or dispute because it relies on truthful and accurate submissions by the initiating party. Defendants take advantage of this vulnerability in the system to carry out the NSA Scheme.

92. In addition, even when Defendants manage to push through ineligible claims through submitting false statements to the federal IDR portal, Anthem often directly notifies Defendants that the items or services at issue in their IDR initiation violate the NSA's eligibility requirements. Yet, despite receiving this information, Defendants routinely proceed with their IDR

disputes anyway—demonstrating not only their knowledge of the fraud, but their intentional and ongoing participation in it.

93. Such disputes cannot proceed through the IDR Portal by mere inadvertence or neglect on the part of Defendants. Instead, Defendants knowingly make false statements and representations to get past this step by fabricating a start date for the open negotiation period and/or by generating a fictitious justification for an extension. Each and every one of Defendants' electronic submissions to the Departments and the IDRE for these ineligible disputes constitutes an overt act in furtherance of their wire fraud scheme; Defendants had to input misrepresentations about the type of plan, service, or nature of the dispute and falsely attest that the "item(s) and service(s) at issue are qualified items and/or service(s) within the scope of the Federal IDR process" to overcome the IDR system's safeguards and get their disputes submitted.

94. Typically, HaloMD makes these false attestations of eligibility when initiating the IDR process on behalf of the Provider Defendants, with the full knowledge of the MPOWERHealth and Provider Defendants, and in furtherance of the NSA Scheme.

95. In sum, the MPOWERHealth and Provider Defendants are fully aware of the false attestations that HaloMD submits in their names and actively participate in the scheme by authorizing, directing, or ratifying the submissions. Their coordination with the HaloMD Defendants is deliberate, sustained, and central to the execution of the NSA Scheme.

II. Defendants Strategically Initiate a Massive Volume of Fraudulent IDR Disputes Simultaneously.

96. To further ensure that the thousands of knowingly ineligible, falsely attested to disputes against Anthem go undetected and proceed to a payment determination, Defendants also initiate a massive number of fraudulent IDR disputes all at once to overwhelm the IDR system. This abuse of volume is not incidental; it is strategic to secure favorable or default outcomes by

ensuring that health plans have insufficient time to challenge eligibility, and IDREs cannot complete fulsome reviews in the timeline provided by the NSA, in furtherance of the NSA Scheme.

97. Overall, the NSA's IDR process has been overwhelmed by a staggering volume of disputes that far exceed the government's initial estimates.

98. Before the IDR process was launched, CMS estimated that parties would initiate about 22,000 IDR process disputes in the first year.[8]

99. Providers have shattered those estimates. The most recent government statistics show that in the second half of 2024, disputing parties—virtually all of whom are providers—initiated **853,374 disputes**, 40 percent more than the first half of 2024 (610,498).[9] This figure from a period of ***six months*** is nearly ***39 times*** the volume of disputes that the government originally anticipated ***over a full year***.

100. Government reporting also shows that most disputes are initiated by a small number of providers and their representatives. The top ten initiating parties initiated about 71 percent of all disputes initiated in the last six months of 2024, and the top three initiating parties initiated about 43 percent of all disputes during that period. *Id.*

101. Defendant HaloMD is among the three most prolific filers of IDR process disputes. During the last six months of 2024, Defendant HaloMD initiated **134,318 disputes** through the IDR process—which by itself exceeded the government's original estimate for total annual

[8] *See* 86 Fed. Reg. 55,980, 56,068, 56,070 (Oct. 7, 2021).

[9] *Supplemental Background on the Federal IDR Public Use Files, July 1, 2024—Dec. 31, 2024* (as of May 28, 2025), available at https://www.cms.gov/files/document/federal-idr-supplemental-background-2024-q3-2024-q4.pdf.

disputes **more than sixfold**.[10] That means Defendant HaloMD was initiating an average of more than ***746 disputes against health plans per day***. *See id.*

102. But the HaloMD, MPOWERHealth, and Provider Defendants did not merely initiate an overwhelming volume of IDR disputes each day. Defendants strategically initiate more than one hundred IDR proceedings against Anthem on the same day, most of which are fraudulent as they do not involve qualified IDR items or services within the scope of the NSA's IDR process.

103. For example, on September 25, 2024, Defendants initiated 132 separate IDR proceedings against Anthem. And Anthem's records show that 108 of those disputes—more than 80 percent—were not eligible for IDR in the first place. Yet in 62 of the disputes, based on false attestations of eligibility provided by Defendants, Anthem was ordered to pay an additional $871,789 from what was originally reimbursed, plus $43,318 in fees associated with the IDR process. The baseball style arbitration, wherein the IDRE has no authority to modify the parties' bids, is premised on the notion that ineligible claims will be weeded out at the outset.

104. Similarly, on October 3, 2024, Defendants initiated 134 separate IDR proceedings against Anthem. Anthem's records show that 96 of those proceedings—more than 70 percent—were not eligible for IDR. Defendants' false attestations as to eligibility led to Anthem being ordered to pay an additional $1,040,354 and $43,344 in fees toward 69 disputes.

105. Again on December 31, 2024, Defendants initiated 124 IDR proceedings against Anthem, 94 of which—76 percent—were not eligible for IDR despite Defendants' attestations to

[10] *See Federal IDR Supplemental Tables for Q3 2024* (as of May 28, 2025), available at https://www.cms.gov/files/document/federal-idr-supplemental-tables-2024-q3.xlsx; *Federal IDR Supplemental Tables for Q4 2024* (as of May 28, 2025), available at https://www.cms.gov/files/document/federal-idr-supplemental-tables-2024-q4-may-28-2025.xlsx.

the contrary. Of those ineligible disputes, Anthem was ordered to pay $608,259 toward 62 disputes, along with $39,344 in IDR fees.

106. Defendants' goals are to interfere with Anthem's and the IDR infrastructure's ability to effectively identify ineligible disputes and to overwhelm the IDR system and the IDREs tasked with making applicability and payment determinations.

107. Through considerable operational burden and expense, Anthem has crafted workflows allowing it to identify most of the unqualified items or services and notify Defendants that the disputes do not quality for IDR. Yet despite Anthem's objections, most of Defendants' ineligible disputes reach a payment determination due to Defendants' knowingly false attestations of eligibility.

108. According to federal law, "the certified IDR entity selected must review the information submitted in the notice of IDR initiation"—including Defendants' false attestations of eligibility—"to determine whether the Federal IDR process applies." 45 C.F.R. § 149.510(c)(1)(v). IDREs have no incentive to dismiss disputes due to ineligibility because they only receive compensation if a dispute reaches a payment determination. *See* 42 U.S.C. § 300gg-111(c)(5)(F). Defendants exploit this incentive structure to carry out their fraudulent scheme.

109. Thus, when receiving an avalanche of ineligible disputes from Defendants all at once, IDREs frequently rely on Defendants' false attestations of eligibility to reach and issue a payment determination on ineligible disputes.

110. Since at least 2024, thousands of disputes from Defendants that reached a payment determination are ineligible for the IDR process, often despite objections from Anthem. From these fraudulent submissions alone, Defendants have caused tens of millions of dollars in improper IDR award payments and related fees.

III. Defendants Submit Outrageous Payment Offers to Fraudulently Inflate Payments on IDR Disputes.

111. The final step in Defendants' NSA scheme involves inflating their reimbursement demand to levels far beyond what the market would support and often even above the Provider Defendants' billed charges. Their goal is to manipulate IDREs into selecting inflated amounts by anchoring the dispute to a grossly exaggerated number. By submitting a grossly inflated offer, Defendants artificially shift the IDRE's frame of reference upward. And due to systemic issues with the IDR process, Defendants frequently prevail with their unreasonable offer—even if it is far above market rates or even above what the Provider Defendants had billed.

112. As noted, government data shows that IDRE payment determinations skew heavily in favor of providers and heavily in excess of the QPA that Congress directed IDREs to follow. In the most recent reporting period, providers prevailed in 85 percent of IDR payment determinations.[11] For line items in which the provider prevailed, the median payment determination was 459 percent of the QPA.[12]

113. Defendants know that IDREs select the provider's offer in more than 8 out of every 10 payment determinations, and they can frequently prevail with outrageous offers.

114. Defendants also know that IDREs cannot consider the provider's charges when making a payment determination. 42 U.S.C. § 300gg-111(c)(5)(D). Congress prohibited IDREs from considering "inflated," "non-market based rates such as the providers' billed charges" because merely ***considering*** the provider's charge "may drive up consumer costs." H.R. Rep. No. 116-615, at 53, 57.

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[11] *Supplemental Background on the Federal IDR Public Use Files, July 1, 2024—Dec. 31, 2024*, CMS, *supra*.

[12] *See Independent Dispute Resolution Reports, Federal IDR PUF for 2024 Q4 (as of May 28, 2025)*, CMS, available at https://www.cms.gov/nosurprises/policies-and-resources/reports.

115. While shielding the IDRE from the inflated billed changes was supposed to offer a measure of protection for both payors and consumers, Defendants have turned the rule on its head to exploit both. Defendants have taken to submitting offers that actually ***exceed billed charges*****,** knowing full well that the IDREs will necessarily be blind to their scheme.

116. For more than 2,300 IDR disputes, the Defendant Providers' payment offers exceeded the charges that they initially billed Anthem by more than ***$25 million***. Of those disputes where Defendants prevailed with offers that exceeded their original billed charges (1,486), Anthem was ordered to pay approximately ***$15 million more than the initial billed charges***. More than 600 such disputes were ineligible for IDR in the first place, accounting for ***more than $6 million in payments above billed charges*** that Anthem was ordered to pay.

117. These amounts far exceed what the Provider Defendants could expect to receive for their services from patients or from health plans in a competitive market. Indeed, upon information and belief, prior to the enactment of the NSA, the Provider Defendants rarely, if ever, recovered their full billed charges from patients or health plans. But through their scheme to exploit the IDR process, Defendants' systematic requests for these exorbitant amounts intentionally exploit the IDR process for undue gains at Anthem's expense.

IV. Defendants' NSA Scheme Damages Anthem, Affiliated Health Plans, and Consumers.

118. As a result of Defendants' unlawful conduct, Anthem and its employer plan sponsor customers have paid excessive amounts for medical services and incurred unnecessary administrative and arbitration fees. The financial harm caused by Defendants' abusive practices is ongoing and threatens the affordability and sustainability of health benefits for Anthem's members.

119. From January 4, 2024 to August 5, 2025, Anthem's records show that Defendants initiated almost 8,000 IDR proceedings, consisting of more than 9,000 separate services, against

Anthem. However, the earliest publicly available data published by CMS shows that the Provider Defendants began initiating IDR against Anthem in the first quarter of 2023 (the earliest date CMS has published IDR data), so the scheme likely began then or before.

120. Anthem determined that thousands of these IDR disputes were ineligible for IDR for reasons like failure to initiate mandatory open negotiations, Ohio's specified state law governing the dispute, or that the services were not covered by the patient's health benefit plan. For these ineligible disputes catalogued in Anthem's data, Defendants illicitly secured millions in improper IDR awards.

121. Defendants' exploitation of the IDR process is contributing to billions of dollars in additional costs. From 2022 to 2024, the IDR process has led to at least $5 billion in total costs.[13] Of the $5 billion, $2.24 billion in costs arose from payment determinations in favor of the provider.[14] Administrative and IDR entity fees total $884 million.[15] "[T]he high costs will add to overall health system costs and will ultimately be paid by consumers."[16]

THE LAROQUE FAMILY ENTERPRISE

122. The members of the LaRoque Family Enterprise were organized pursuant to a structure that enabled the enterprise to make and carry out decisions in furtherance of the NSA Scheme. The LaRoque Family Enterprise functioned as a continuing unit with established duties that enabled it to design and coordinate the multifaceted NSA Scheme to defraud Anthem and other health care plans.

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[13] *The Substantial Costs of the No Surprises Act Arbitration Process*, HEALTH AFFAIRS, available at https://www.healthaffairs.org/content/forefront/substantial-costs-no-surprises-act-arbitration-process.

[14] *Id.*

[15] *Id.*

[16] *Id.*

123. In doing so, the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants conducted the activities of an association-in-fact enterprise consisting of Defendants Alla LaRoque, HaloMD, Scott LaRoque, MPOWERHealth, Evokes, Midwest Neurology, OCM, and Value Monitoring through a pattern of racketeering activity, including but not limited to wire fraud.

124. Since at least January 2024 to the present, the MPOWERHealth and Provider Defendants, with the intent to defraud, devised and willfully participated with the HaloMD Defendants, and with knowledge of fraudulent nature, in the scheme and artifice to defraud and obtain money and property from Anthem by materially false and fraudulent pretenses, statements, and representations, as described herein.

125. Defendants do not operate as separate, independent actors. Rather, they function as participants in a unified scheme designed to exploit the IDR process and defraud Anthem.

126. Defendant Alla LaRoque and her husband, Defendant Scott LaRoque, are at the center of the LaRoque Family Enterprise. The LaRoque Family Enterprise operates via a web of interrelated corporate entities they directly or indirectly control, including Defendants HaloMD, MPOWERHealth, and the Provider Defendants. Upon information and belief, the structure of the enterprise consists of Defendants Scott LaRoque, MPOWERHealth, and the Provider Defendants' IONM entities, on the one hand, which provide the underlying services for the claims that are submitted to the IDR process, and Defendants Alla LaRoque and HaloMD, on the other, which process and fraudulently submit such services through the IDR process on a mass scale.

I. The MPOWERHealth Defendants.

127. Defendant Scott LaRoque is the founder and CEO of MPOWERHealth. Upon information and belief, as the founder and CEO, Scott LaRoque exercises both managerial and operational control over MPOWERHealth and, by extension, the Provider Defendants.

128. Based in Addison, Texas, MPOWERHealth purports to be an administrative services and staffing company with hundreds of physicians and technologists that cover more than 35,000 surgical cases annually in 22 states, including Ohio.[17] MPOWERHealth is located at the 5080 Spectrum Address and, according to public records, is also associated with the 2915 W Bitters Address.

129. MPOWERHealth offers staffing of IONM physicians and technicians to its clients.[18] IONM involves the continuous monitoring of the "integrity of neural structures and consciousness during surgical procedures."[19] During surgery, an IONM technician attaches various sensors to the patient. A physician monitors those sensors' output while the technician monitors the performance of the equipment. Often, the physician's services and the technician's services are billed separately. Patients generally do not choose their IONM providers, and they are often out-of-network.

130. MPOWERHealth's business is multi-faceted. It solicits physicians to join MPOWERHealth's "clinically integrated physician networks," which purport to digitally scale individual physician practices by connecting them to other physicians to "improve quality, promote efficiency, manage costs and drive exceptional patient experience."[20] In this way, MPOWERHealth acts as a physician management organization:

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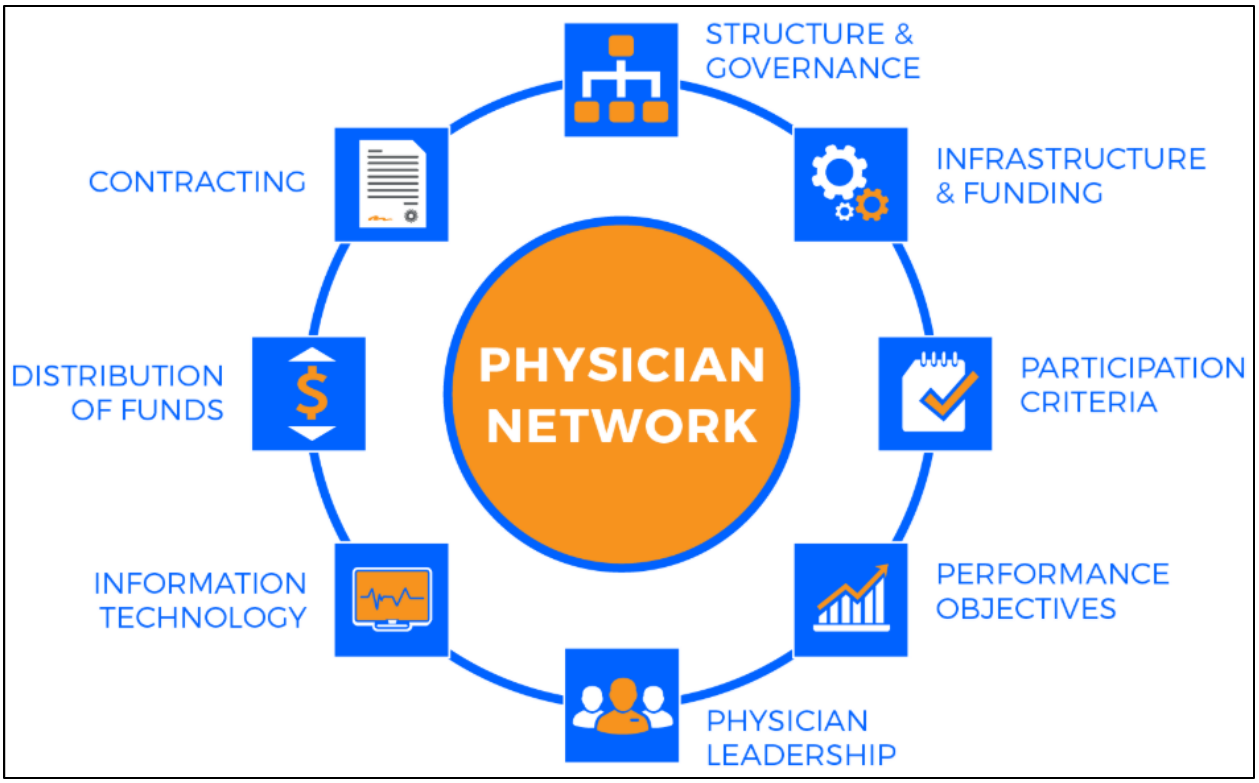
[17] *See* https://mpowerhealth.com/our-purpose/.

[18] *See* https://mpowerhealth.com/intraoperative-neuromonitoring-services-hospitals/; https://mpowerhealth.com/intraoperative-neuromonitoring-services-physicians/

[19] D. Ghatol et al., *Intraoperative Neurophysiological Monitoring*, StatPearls Publishing (2025), *available at* https://www.ncbi.nlm.nih.gov/books/NBK563203/.

[20] https://mpowerhealth.com/physician-network/.



131. Roxanna ("Roxy") LaRoque, the Director of Client Experience at MPOWERHealth,[21] is listed as the Authorized Official for 227 separate providers—including three of the Provider Defendants—most of which are IONM providers.[22]

132. Dr. Stephen Houff is a President at MPOWERHealth and the CEO at Medsurant Health. Medsurant Health is an MPOWERHealth subsidiary that consists of a "family of neuromonitoring practices."[23] Dr. Houff is listed as the Authorized Official of 35 separate providers, including Defendant Evokes LLC. The Provider Defendants are all subsidiaries of

[21] https://www.linkedin.com/in/roxy-laroque-88606340/

[22] CMS maintains a database of all providers who have registered to bill government healthcare programs. In return, providers receive a National Provider Identifier ("NPI"), which is publicly viewable via the National Plan and Provider Enumeration System NPI Registry. *See* https://npiregistry.cms.hhs.gov/search

[23] https://medsuranthealth.com/about-medsurant/our-practices.html

MPOWERHealth, which centrally coordinates their IONM services and manages legal, billing, and IDR functions.

II. The Provider Defendants.

133. The LaRoque Family Enterprise uses the Provider Defendants' purported services as the basis for initiating IDR process disputes.

134. Public records show that the Provider Defendants are all IONM providers affiliated with the same company: MPOWERHealth. Upon information and belief, as the founder and CEO of MPOWERHealth, Defendant Scott LaRoque exercises operational control over its subsidiaries and affiliates, including, but not limited to, Defendants Evokes, Midwest Neurology, OCM, and Value Monitoring.

135. Defendant Evokes is a wholly owned subsidiary of Medsurant Holdings, LLC ("Medsurant"), which operates under the trade name Medsurant Health. A subsidiary of Medsurant, Medsurant Intermediate, LLC ("Medsurant Intermediate"), owns the trademark for Evokes. Upon information and belief, in or around January 2025, Medsurant Health was acquired by MPOWERHealth. According to the National Provider Identifier ("NPI") registry, Medsurant Intermediate also has a business address at the 5080 Spectrum Address. Notably, Roxy Laroque, Director of Client Experience at MPOWERHealth, is listed as the Authorized Official for Medsurant Intermediate. In addition, Evokes recently filed a change of registered agent with the Ohio Secretary State attested to by Brenda Thiele ("Thiele") from the 5080 Spectrum Address. Upon information and belief, Thiele is MPOWERHealth's Senior Manager of Treasury and former Chief of Staff and Director of Operations.

136. Defendant Midwest Neurology has a mailing address of 1141 N Loop 1604 E #105-612, San Antonio, Texas 78232 (the "1141 N Loop Address"). Upon information and belief, the 1141 N Loop Address is frequently associated with MPOWERHealth entities. According to the

NPI registry, the Authorized Official for Midwest Neurology is Roxy LaRoque from MPOWERHealth.

137. Disputes submitted to the IDR portal on behalf of Evokes and Midwest Neurology use the same email address: medsurant@halomd.com.

138. According to the NPI registry, Defendant OCM's Authorized Official is Roxy LaRoque from MPOWERHealth.

139. Defendant Value Monitoring is located at the 2915 Bitters Address. Value Monitoring also uses the 1141 N Loop Address as a mailing address. And according to the NPI registry, Value Monitoring's Authorized Official is Roxy LaRoque from MPOWERHealth.

III. The HaloMD Defendants

140. Defendant Alla LaRoque, the wife of Defendant Scott LaRoque, is the founder and President of HaloMD. She sits on the board of MPOWERHealth[24] and previously served as MPOWERHealth's Chief Operating Officer ("COO").

141. Alla LaRoque is a self-described expert in the NSA whose "in-depth understanding of the law has allowed her to guide providers in navigating the complexities of the [NSA]" and "empower healthcare organizations to optimize their out-of-network revenue"[25] She is HaloMD's public face and directs HaloMD's operations.

142. On information and belief, as the founder and President of HaloMD, Alla LaRoque had intimate knowledge about the core aspects of HaloMD's business operations, including the wrongful activities alleged herein. She runs HaloMD as a hands-on manager, overseeing the company's operations, business practices, and finances.

[24] https://mpowerhealth.com/board-members/#

[25] https://halomd.com/alla-laroque/

143. HaloMD is key to Defendants' scheme to flood the IDR process with knowingly ineligible disputes, without which the LaRoque Family Enterprise could not operate. HaloMD serves as a key agent and operational partner of the enterprise, submitting disputes on behalf of the MPOWERHealth and Provider Defendants at scale using a standardized platform and shared communications infrastructure. Their coordinated actions, mutual financial incentives, and repeated patterns of conduct demonstrate a shared intent to pursue improper IDR payments on a mass scale. The HaloMD, MPOWERHealth, and Provider Defendants operate with integrated, enterprise-level coordination behind the scheme.

144. HaloMD claims to operate "[w]ith an exclusive focus on Independent Dispute Resolution (IDR)[.]"[26] The company markets itself as "the premier expert in Independent Dispute Resolution (IDR)" and claims to "empower out-of-network providers to secure sustainable, predictable revenue streams" and "deliver the financial outcomes that healthcare providers, practice leaders, and executives rely on for long-term financial stability."[27]

145. HaloMD solicits and represents many different types of out-of-network providers who were key drivers in surprise billing before the enactment of the NSA, including IONM, anesthesiology, and emergency providers. These provider groups frequently retain HaloMD to administer the IDR process on their behalf.

146. HaloMD touts its "proprietary platform" as one founded with "advanced technology and AI-driven infrastructure[.]"[28] HaloMD also represents that it "instantly assesses

[26] *See* https://halomd.com/

[27] *See id*.

[28] *Id*.

each case for eligibility under The No Surprises Act and relevant state regulations." Providers submit services for dispute in the IDR process through HaloMD's portal.[29]

147. HaloMD further represents that it "gathers and organizes the necessary documentation [from the provider], [and] prepar[es] a compelling case that highlights the provider's position, ensuring nothing is overlooked[.]"[30]

148. Upon information and belief, HaloMD leverages its AI-driven platform as part of its fraudulent billing scheme to flood the IDR system with ineligible disputes.

149. HaloMD operates on a commission-based reimbursement model. Its website states: "We don't get paid until you get paid."[31] HaloMD thus has a financial incentive to (1) push as many services as possible through the IDR process, regardless of the merits or the applicability of the NSA to those disputes, and (2) seek the highest possible monetary award for its provider clients in the IDR process. The MPOWERHealth and Provider Defendants share these same financial incentives.

150. Social media posts confirm the family-run, tightly-coordinated nature of the enterprise. In one post from April 2025, Scott and Alla LaRoque are described as "[t]he magnificent couple, owner, founder of MPower [*sic*] Health and HaloMD." They routinely appear together at public events representing both companies. Both MPOWERHealth and HaloMD hosted their respective employees in early 2025 with a joint "annual achievement celebration":

[29] *Id.*

[30] *Id.*

[31] *Id.*

151. Defendant Alla LaRoque was MPOWERHealth's COO from January 2014 to at least January 2024, a position she held while also serving as the President of HaloMD, which was founded in 2022.

152. Megan Rausch, now the COO of HaloMD from October 2022 to the present, also overlapped and served as the Vice President of Revenue Cycle Management for MPOWERHealth from November 2019 until at least March 2024, ensuring alignment and coordination across the scheme.

153. MPOWERHealth and HaloMD also appear to share a physical business address, reinforcing the operational integration. According to public records, HaloMD uses the same 2915 W Bitters Address that MPOWERHealth also uses. Mapping tools confirm that both HaloMD and MPOWERHealth list the 5080 Spectrum Address as their business address. This physical overlap further indicates that these entities are operating not independently, but as components of a single, centralized operation.

154. In or about June 2025, HaloMD publicly referred to Defendant Scott LaRoque as its "CEO."

155. The websites for HaloMD and MPOWERHealth are also nearly identical in design and structure, and their contact pages are directly linked. HaloMD's "Join Our Team" page directs applicants back to MPOWERHealth's domain.[32] Advertisements for jobs posted on the internet conflate the various entities. For example, one advertisement for an "IDR Specialist" lists the employer as MPOWERHealth, but the body of the description under the section "Who We Are" lists HaloMD as the employer and describes HaloMD.

156. In sum, the relationship between the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants is not passive. Through the coordination of the husband-wife team of Defendants Alla and Scott LaRoque—both of whom hold leadership positions in MPOWERHealth and HaloMD, respectively—HaloMD, MPOWERHealth, and the Provider Defendants acted with the common purpose of exploiting the IDR process to fraudulently obtain reimbursements from Anthem by maximizing the number of disputes submitted and inflating payment demands well beyond their billed charges or market rates. The use of HaloMD to submit ineligible disputes was not incidental or isolated; it was a deliberate component of the Laroque Family Enterprise's strategy to bypass the limitations of individual-provider capacity, automate the submission of disputes en masse, and conceal the ineligibility or inflation embedded in each claim. And although HaloMD advertises the power of its AI-powered proprietary platform, it requires a key element that can only be provided by the MPOWERHealth and Provider Defendants—out-of-network patient services that can be billed to health care plans and subsequently submitted to the IDR process.

[32] "Join Us" at https://halomd.com/careers/ (last visited Sept. 18, 2025).

IV. The LaRoque Family Enterprise Has Fraudulently Exploited the IDR Process at the Expense of Anthem.

157. During the relevant time period, the LaRoque Family Enterprise transmitted or caused to be transmitted by wire communication or radio communication in interstate commerce, writings, signs, signals, pictures, and sounds, including false and fraudulent statements, representations, and attestations related to IDR disputes, from and between the state in which they operate—for example, Georgia, Texas, Tennessee—to Certified Independent Dispute Resolution Entities located in various states, including, for example, Florida, Texas, Pennsylvania, Michigan, New York, and Maryland, in furtherance of the fraudulent scheme.

158. Defendants made false and fraudulent statements, representations, and attestations related to the following illustrative fraudulent IDR disputes, including, but not limited to, the following:

A. One Care Monitoring, LLC

DISP-2735036

159. The IDR proceeding captioned DISP-2735036 involved an IONM service that OCM rendered on July 10, 2024, to a member of a fully-insured health plan administered by Anthem. OCM billed $4,500.00 for this service using CPT code 95941. As a fully-insured plan, the member's plan is subject to state law and, therefore, the Ohio Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

160. When Anthem issued payment on or about January 8, 2025, it sent an EOP to OCM at the 1141 N Loop Address, reflecting that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the remittance advice and reflected below, was: "This was adjusted to follow Ohio balance billing laws and rules . . . Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

SERVICE DATE(S)	SERVICE CODES	POS	CHARGE	ALLOWED	DEDUCTIBLE	CO-PAY	CO-INSURANCE	CONTRACTUAL DIFFERENCE	PROVIDER RESP. AMOUNT	EXPL/ANSI CODE(S)	INSURED RESPONSIBILITY AMOUNT	EXPL/ANSI CODE(S)	WHAT WE WILL PAY
INSURED'S NAME: [redacted]				INSURED'S ID: [redacted]					PATIENT NAME: [redacted]				FOR INQUIRIES CALL:
PATIENT ACCOUNT#: [redacted]				CLAIM NUMBER: [redacted]					RECEIVED DATE: 07/20/2024				(855) 854-1438
SERVICE PROVIDER NAME: MALPHRUS, AMY D				SERVICE PROVIDER ID: 1558424846					EXPL CD:				
NETWORK: OUT OF NETWORK				RELATIONSHIP TO INSURED: [redacted]				PLAN TYPE: PPO	DRG RCVD: N/A				
07/10/2024 07/10/2024	95939	21	12,500.00	5,085.00	0.00	0.00	0.00	7,415.00	7,415.00	AVS 45	0.00		5,085.00
07/10/2024 07/10/2024	95938	21	10,027.00	4,078.98	0.00	0.00	0.00	5,948.02	5,948.02	AVS 45	0.00		4,078.98
07/10/2024 07/10/2024	95955	21	7,449.60	3,030.50	0.00	0.00	0.00	4,419.10	4,419.10	AVS 45	0.00		3,030.50
07/10/2024 07/10/2024	95908	21	4,500.00	67.85	0.00	0.00	0.00	4,432.15	4,432.15	AVS 45	0.00		67.85
07/10/2024 07/10/2024	95937	21	11,692.00	0.00	0.00	0.00	0.00	11,692.00	11,692.00	164 97	0.00		0.00
07/10/2024 07/10/2024	95886 ,50	21	5,900.00	109.10	0.00	0.00	0.00	5,790.90	5,790.90	AVS 45	0.00		109.10
07/10/2024 07/10/2024	95941	21	4,500.00	1,830.60	0.00	0.00	0.00	2,669.40	2,669.40	AVS 45	0.00		1,830.60
	TOTAL:		56,568.60	14,202.03	0.00	0.00	0.00	42,366.57	42,366.57		0.00		14,202.03
INTEREST													483.26
	TOTAL NET PAID												14,685.29

AVS This was adjusted to follow Ohio balance billing laws and rules. Payment reflects the amount paid based on the member's benefits when they receive care from a doctor/facility in their plan's network. Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code. If you disagree with our decision and have documents to support the claim, from Availity.com select the Claims & Payments tab to access Claims Status. Find the claim and select the Dispute button. As a reminder, the member can only be billed their copay, deductible or percentage of the cost for this care.

161. On or about January 23, 2025, Shirley Eaton of HaloMD, on behalf of and in coordination with OCM, using the email address ArbitrationOH@halomd.com, sent Anthem an open negotiation notice pursuant to Ohio's state surprise billing law for these IONM services. The correspondence stated, "We are an OON Provider and are writing to notify you of our request to negotiate a fair reimbursement rate for the above referenced claim … As the process [*sic*] mandated by Ohio legislation H.B. 388[ ], effective Sept 7, 2021, enacted Jan 12, 2022, for Out of Network Provider reimbursement disputes. This letter serves as a formal request to negotiate with BCBS Anthem failure [*sic*] to issue attempt to negotiate will serve as impasse. And [*sic*] we will have no alternative but to proceed with the Ohio arbitration process."

162. Even though they had already submitted notice of negotiation to initiate the state dispute resolution process, on January 24, 2025, HaloMD, on behalf of and in coordination with OCM, using the email address nsa@halomd.com, sent a notice of open negotiation to Anthem to initiate the federal IDR process.

163. On February 18, 2025, Anthem addressed its response to the notice of open negotiation to OCM at the 2915 W Bitters Address associated with MPOWERHealth and

HaloMD, with attention to Megan Rausch. The letter stated that the claim did not qualify for IDR and directed HaloMD and OCM to, among other things, contact StateSurpriseBill@anthem.com and/or Availity.com if they had any questions or needed additional assistance. Neither OCM nor HaloMD responded to Anthem's assertion of ineligibility.

164. In addition, on March 5, 2025, Anthem informed the member's provider at the 1141 N Loop Address that it was in receipt of the Ohio negotiation request and Anthem was unable to offer any additional payment as reimbursement was calculated pursuant to ORC § 3902.51(B)(1) of the Ohio Surprise Billing Law.

165. Nevertheless, on or about March 11, 2025, HaloMD, again on behalf and in coordination with OCM, initiated IDR by submitting an IDR notice under the email address nsa@halomd.com. To initiate the IDR Process, HaloMD falsely attested that the IONM services rendered by OCM on July 10, 2024, to a member of a fully insured plan administered by Anthem were eligible for IDR under the NSA, despite clear documentation from Anthem to HaloMD and OCM explaining that Ohio's Surprise Billing Law applied and the dispute did not qualify for IDR.

166. As a result of HaloMD and OCM's fraudulent attestations, Anthem was required to pay $12,330.78—***nearly 275 percent of OCM's billed charges***. Anthem also paid $503 in unnecessary IDR-related fees.

DISP-2095632

167. The IDR proceeding captioned DISP-2095632 involved an IONM service that OCM rendered on June 2, 2024, to a member of a fully-insured health plan administered by Anthem. OCM billed $13,500 for this service using CPT code 95941. As a fully-insured plan, the member's plan is subject to state law and, therefore, Ohio's Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

168. On or about September 19, 2024, Anthem issued an EOP to OCM at the 1141 N Loop Address, reflecting that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the EOP, noted: "This was adjusted to follow Ohio balance billing laws and rules . . . Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

SERVICE DATE(S)	SERVICE CODES	POS	CHARGE	ALLOWED	DEDUCTIBLE	CO-PAY	CO-INSURANCE	CONTRACTUAL DIFFERENCE	PROVIDER RESP. AMOUNT	EXPL/ANSI CODE(S)	INSURED RESPONSIBILITY AMOUNT	EXPL/ANSI CODE(S)	WHAT WE WILL PAY
INSURED'S NAME: [redacted]				INSURED'S ID: [redacted]				PATIENT NAME: [redacted]				FOR INQUIRIES CALL:	
PATIENT ACCOUNT#: [redacted]				CLAIM NUMBER: [redacted]				RECEIVED DATE:	06/17/2024			(833) 639-1634	
SERVICE PROVIDER NAME: VANNESS III, WILLIAM C				SERVICE PROVIDER ID:	1679558753			EXPL CD:					
NETWORK: OUT OF NETWORK				RELATIONSHIP TO INSURED: [redacted]				PLAN TYPE: PPO	DRG RCVD: N/A				
06/02/2024 06/02/2024	95939	21	12,500.00	5,085.00	0.00	0.00	0.00	7,415.00	7,415.00	AVS 45	0.00		5,085.00
06/02/2024 06/02/2024	95938	21	10,027.00	4,078.98	0.00	0.00	0.00	5,948.02	5,948.02	AVS 45	0.00		4,078.98
06/02/2024 06/02/2024	95955	21	7,449.63	3,030.51	0.00	0.00	0.00	4,419.12	4,419.12	AVS 45	0.00		3,030.51
06/02/2024 06/02/2024	95937	21	17,538.00	0.00	0.00	0.00	0.00	0.00	17,538.00	164 97	0.00		0.00
06/02/2024 06/02/2024	95870	21	18,000.00	7,322.40	0.00	0.00	0.00	10,677.60	10,677.60	AVS 45	0.00		7,322.40
06/02/2024 06/02/2024	95941	21	13,500.00	0.00	0.00	0.00	0.00	13,500.00	13,500.00	AVS 45	0.00		0.00
	TOTAL:		79,014.63	19,516.89	0.00	0.00	0.00	41,959.74	59,497.74		0.00		19,516.89
INTEREST													0.00

AVS This was adjusted to follow Ohio balance billing laws and rules. Payment reflects the amount paid based on the member's benefits when they receive care from a doctor/facility in their plan's network. Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code. If you disagree with our decision and have documents to support the claim, from Availity.com select the Claims & Payments tab to access Claims Status. Find the claim and select the Dispute button. As a reminder, the member can only be billed their copay, deductible or percentage of the cost for this care.

169. Even though the claim was subject to Ohio's Surprise Billing Law and not the NSA, on September 27, 2024, HaloMD, again acting for and in coordination with OCM and using the email address nsa@halomd.com, sent a notice of open negotiation to Anthem to initiate the federal IDR process. The notice of open negotiation proposed settlement of $35,981.47, which was far more than the $13,500 OCM had billed for the service.

170. On October 8, 2024, Anthem addressed its response to the notice of open negotiation to OCM, with attention to Megan Rausch at the 2915 W Bitters Address. The letter stated that the claim did not qualify for IDR and directed HaloMD and OCM to, among other things, contact StateSurpriseBill@anthem.com and/or Availity.com if they had any questions or needed additional assistance. Neither OCM nor HaloMD responded to Anthem's assertion of ineligibility. Neither OCM nor HaloMD responded to Anthem's assertion of ineligibility.

171. On November 15, 2024, HaloMD, again acting for and in coordination with OCM and using the email address nsa@halomd.com, falsely attested that the services were a qualified item or service within the scope of the federal IDR process—despite being told by Anthem that the NSA did not apply.

172. On December 23, 2024, Anthem responded to the IDR initiation to assert that IDR was not applicable to the dispute, stating, in relevant part: "The claim(s) is ineligible for IDR under the NSA because a state surprise billing law applies." This notice of ineligibility was sent to the provider at the 1141 N Loop Address associated with MPOWERHealth, yet neither HaloMD nor OCM withdrew the dispute.

173. As a result of HaloMD and OCM's fraudulent attestations, Anthem was required to pay $36,992.34—nearly triple OCM's billed charges. Anthem also paid $510 in unnecessary IDR-related fees.

B. Evokes, LLC

DISP-2305623

174. The IDR proceeding captioned DISP-2305623 involved an electromyography procedure that Evokes rendered on October 1, 2024, to a member of a fully-insured health plan administered by Anthem. Evokes billed $361.25 for this service using CPT code 95887. As a fully-insured plan, the member's plan is subject to state law and, therefore, Ohio's Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

175. When Anthem issued payment on or about October 10, 2024, it sent an EOP to Evokes at the address PO Box 733191 in Dallas, TX, reflecting that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the EOP, noted: "This was adjusted to follow Ohio balance billing laws and rules . . . Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

SERVICE DATE(S)	SERVICE CODES	POS	CHARGE	ALLOWED	DEDUCTIBLE	CO-PAY	CO-INSURANCE	CONTRACTUAL DIFFERENCE	PROVIDER RESP. AMOUNT	EXPL/ANSI CODE(S)	INSURED RESPONSIBILITY AMOUNT	EXPL/ANSI CODE(S)	WHAT WE WILL PAY
INSURED'S NAME: [redacted]				INSURED'S ID: [redacted]				PATIENT NAME: [redacted]					FOR INQUIRIES CALL:
PATIENT ACCOUNT#:				CLAIM NUMBER: [redacted]				RECEIVED DATE:		10/07/2024			(844) 412-0889
SERVICE PROVIDER NAME: PADELA, MOHAMMAD F				SERVICE PROVIDER ID: 1700855772				EXPL CD:					
NETWORK: OUT OF NETWORK				RELATIONSHIP TO INSURED: [redacted]				PLAN TYPE: PPO		DRG RCVD: N/A			
10/01/2024 10/01/2024	95941	22	16,000.00	235.10	0.00	0.00	0.00	15,764.90	15,764.90	AVS 45	0.00		235.10
10/01/2024 10/01/2024	95938	22	11,900.01	116.24	0.00	0.00	0.00	11,783.77	11,783.77	AVS 45	0.00		116.24
10/01/2024 10/01/2024	95937	22	6,332.50	0.00	0.00	0.00	0.00	6,332.50	6,332.50	164 97	0.00		0.00
10/01/2024 10/01/2024	95887	22	361.25	73.31	0.00	0.00	0.00	287.94	287.94	AVS 45	0.00		73.31
10/01/2024 10/01/2024	95907	22	6,120.00	65.52	0.00	0.00	0.00	6,054.48	6,054.48	AVS 45	0.00		65.52
10/01/2024 10/01/2024	95955	22	10,795.00	79.41	0.00	0.00	0.00	10,715.59	10,715.59	AVS 45	0.00		79.41
	TOTAL:		51,508.76	569.58	0.00	0.00	0.00	50,939.18	50,939.18		0.00		569.58
INTEREST													0.00
	TOTAL NET PAID												569.58

AVS This was adjusted to follow Ohio balance billing laws and rules. Payment reflects the amount paid based on the member's benefits when they receive care from a doctor/facility in their plan's network. Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code. If you disagree with our decision and have documents to support the claim, from Availity.com select the Claims & Payments tab to access Claims Status. Find the claim and select the Dispute button. As a reminder, the member can only be billed their copay, deductible or percentage of the cost for this care.

176. Even though Evokes and HaloMD knew that the claim was subject to Ohio's state surprise billing law and not the NSA, HaloMD, on behalf of and in coordination with Evokes and using the email address medsurantarbitrationnsa@halomd.com, sent a notice of open negotiation to Anthem on November 7, 2024. That same day, Anthem addressed its response to the notice of open negotiation to Evokes, with attention to Megan Rausch at the 2915 W Bitters Address. The letter stated that the dispute did not qualify for IDR and directed Evokes to, among other things, consult Availity.com if they had any questions or needed additional assistance. Neither Evokes nor HaloMD responded to Anthem's assertion of ineligibility.

177. If the services had qualified for IDR, the deadline to initiate IDR would have been four business days after the 30-business-day open negotiation period, or December 12, 2024. Yet IDR was not initiated until December 24, 2024, when HaloMD, again acting for and in coordination with OCM, falsely attested that the services qualified for federal IDR—despite being told by Anthem the NSA did not apply because a state surprise billing law applied and having missed the IDR initiation deadline. Notably, HaloMD initiated this IDR with the email address medsurantarbitrationnsa@halomd.com, despite Evokes having provided and billed for the underlying services.

178. On February 21, 2025, Anthem submitted an objection to eligibility, asserting: "The claim(s) is ineligible for IDR under the NSA because a state surprise billing law applies." This notice of ineligibility was sent to both HaloMD and Evokes, yet neither HaloMD nor Evokes withdrew the dispute.

179. As a result of HaloMD and Evokes' fraudulent attestations, Anthem was required to pay $7,606.54—more than 21 times the billed amount. Anthem also paid $512 in unnecessary IDR-related fees.

C. Midwest Neurology, LLC

DISP-801545

180. The IDR proceeding captioned DISP-801545 involved a service that Midwest Neurology rendered on November 8, 2022, to a member of a health plan administered by Anthem. Midwest Neurology billed $4,884 for this service using CPT code 95910. As a fully-insured plan, the member's plan is subject to state law and, therefore, Ohio's Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

181. When Anthem issued payment on or about December 1, 2022, it sent an EOP to Midwest Neurology at PO Box 660707, MSC 933, in Dallas, TX, reflecting that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the EOP and reflected below, noted: "Following OH balance billing laws and rules, we paid the doctor/facility based on the member's benefits when they receive care in their plan's network."

SERVICE DATE(S)	SERVICE CODES	POS	CHARGE	ALLOWED	DEDUCTIBLE	CO-PAY	CO-INSURANCE	CONTRACTUAL DIFFERENCE	PROVIDER RESP. AMOUNT	EXPL/ANSI CODE(S)	INSURED RESPONSIBILITY AMOUNT	EXPL/ANSI CODE(S)	WHAT WE WILL PAY
INSURED'S NAME: [redacted]				INSURED'S ID: [redacted]					PATIENT NAME: [redacted]				FOR INQUIRIES CALL:
PATIENT ACCOUNT#: [redacted]				CLAIM NUMBER: [redacted]					RECEIVED DATE: 11/28/2022				(833) 639-1634
SERVICE PROVIDER NAME: MALPHRUS, AMY D				SERVICE PROVIDER ID: 1558424846					EXPL CD:				
NETWORK: OUT OF NETWORK				RELATIONSHIP TO INSURED: [redacted]				PLAN TYPE: PPO	DRG RCVD: N/A				
11/08/2022 11/08/2022	95938	22	3,925.00	43.49	0.00	0.00	0.00	3,881.51	3,881.51	AVS 45	0.00		43.49
11/08/2022 11/08/2022	95955	22	7,500.00	48.34	0.00	0.00	0.00	7,451.66	7,451.66	AVS 45	0.00		48.34
11/08/2022 11/08/2022	95910	22	4,884.00	93.44	0.00	0.00	0.00	4,790.56	4,790.56	AVS 45	0.00		93.44
11/08/2022 11/08/2022	95937	22	7,974.00	0.00	0.00	0.00	0.00	0.00	7,974.00	164 97	0.00		0.00
11/08/2022 11/08/2022	95885	22	7,906.00	35.34	0.00	0.00	0.00	7,870.66	7,870.66	AVS 45	0.00		35.34
11/08/2022 11/08/2022	95941	22	43,600.00	191.76	0.00	0.00	0.00	43,408.24	43,408.24	AVS 45	0.00		191.76
	TOTAL:		75,789.00	412.37	0.00	0.00	0.00	67,402.63	75,376.63		0.00		412.37
INTEREST													0.00
	TOTAL NET PAID												412.37

AVS	FOLLOWING OH BALANCE BILLING LAWS & RULES, WE PAID THE DOCTOR/FACILITY BASED ON THE MEMBER'S BENEFITS WHEN THEY RECEIVE CARE IN THEIR PLAN'S NETWORK. THE MEMBER IS ONLY RESPONSIBLE FOR THEIR COPAY, COINSURANCE AND DEDUCTIBLE. THE DOCTOR/FACILITY CAN'T BILL THE MEMBER FOR MORE. PAYMENT IS MADE PURSUANT TO DIVISION (B)(1) OF SECTION 3902.51 OF THE OH REVISED CODE

182. Even though the dispute clearly fell under Ohio's Surprise Billing Law, on December 6, 2023, HaloMD, on behalf of and in coordination with Midwest Neurology, initiated IDR by submitting an IDR notice and falsely attesting to IDR eligibility.

183. On November 25, 2024, Anthem submitted an objection to eligibility, which was also addressed to the member's provider, asserting, in relevant part, that IDR was not applicable to the dispute, noting that a state surprise billing law applied to the claim. Neither HaloMD nor Midwest Neurology withdrew the dispute following this notice of ineligibility.

184. As a result of HaloMD and Midwest Neurology's fraudulent attestations, Anthem was required to pay $3,584.27 for the ineligible service along with $510 in unnecessary IDR-related fees.

185. Notably, Midwest Neurology and HaloMD attempted to initiate IDRs for other services provided to the same member on the same date, all of which were eventually dismissed as ineligible—further demonstrating the systematic and indiscriminate nature of the scheme. Two such disputes (DISP-801547 and DISP-801543) were both determined to be ineligible due to the applicability of Ohio's Surprise Billing Law. A third dispute (DISP-801544) was determined to be ineligible due to the type of service not being covered by the NSA.

D. Value Monitoring

DISP-1549333

186. The IDR proceeding captioned DISP-1549333 involved a service that Value Monitoring rendered on May 19, 2023, to a member of a health plan administered by Anthem. Value Monitoring billed $10,220.00 for this service using CPT code 95940. As a fully-insured

plan, the member's plan is subject to state law and, therefore, Ohio's Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

187. When Anthem issued payment on or about November 24, 2023, it sent an EOP to Value Monitoring at the 1141 N Loop Address, reflecting that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the EOP and reflected below, noted: "This was adjusted to follow Ohio balance billing laws and rules . . . Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

SERVICE DATE(S)	SERVICE CODES	POS	CHARGE	ALLOWED	DEDUCTIBLE	CO-PAY	CO-INSURANCE	CONTRACTUAL DIFFERENCE	PROVIDER RESP. AMOUNT	EXPL/ANSI CODE(S)	INSURED RESPONSIBILITY AMOUNT	EXPL/ANSI CODE(S)	WHAT WE WILL PAY
INSURED'S NAME: [redacted]				INSURED'S ID: [redacted]					PATIENT NAME: [redacted]				FOR INQUIRIES CALL:
PATIENT ACCOUNT#: [redacted]				CLAIM NUMBER: [redacted]					RECEIVED DATE: 06/14/2023				(855) 854-1438
SERVICE PROVIDER NAME: VALUE MONITORING, LLC				SERVICE PROVIDER ID: 1346971504					EXPL CD:				
NETWORK: OUT OF NETWORK				RELATIONSHIP TO INSURED: [redacted]				PLAN TYPE: HMO	DRG RCVD: N/A				
05/19/2023 05/19/2023	95939	21	6,000.00	0.00	0.00	0.00	0.00	0.00	6,000.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95938	21	9,700.00	0.00	0.00	0.00	0.00	0.00	9,700.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95955	21	4,500.00	0.00	0.00	0.00	0.00	0.00	4,500.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95861	21	3,375.00	0.00	0.00	0.00	0.00	0.00	3,375.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95865	21	7,094.00	0.00	0.00	0.00	0.00	0.00	7,094.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95868 ,XS	21	3,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95937	21	6,750.00	0.00	0.00	0.00	0.00	0.00	6,750.00	781 16	0.00		0.00
05/19/2023 05/19/2023	95940	21	10,220.00	225.33	0.00	0.00	0.00	9,994.67	9,994.67	AVS 45	0.00		225.33
	TOTAL:		50,639.00	225.33	0.00	0.00	0.00	9,994.67	50,413.67		0.00		225.33
INTEREST													0.00
	TOTAL NET PAID												225.33

amount.

AVS FOLLOWING OH BALANCE BILLING LAWS & RULES, WE PAID THE DOCTOR/FACILITY BASED ON THE MEMBER'S BENEFITS WHEN THEY RECEIVE CARE IN THEIR PLAN'S NETWORK. THE MEMBER IS ONLY RESPONSIBLE FOR THEIR COPAY, COINSURANCE AND DEDUCTIBLE. THE DOCTOR/FACILITY CAN'T BILL THE MEMBER FOR MORE. PAYMENT IS MADE PURSUANT TO DIVISION (B)(1) OF SECTION 3902.51 OF THE OH REVISED CODE.

188. Even though Value Monitoring and HaloMD knew that the claim was subject to Ohio's state surprise billing law and not the NSA, HaloMD, on behalf of and in coordination with Value Monitoring and using the email nsa@halomd.com, sent a notice of open negotiation to Anthem to initiate the federal IDR process on December 24, 2023.

189. Anthem responded on January 17, 2024, by letter addressed to Value Monitoring stating that it was unable to offer any additional payment on the claim as reimbursement was calculated pursuant to ORC § 3902.51(B)(1) of the Ohio Surprise Billing Law. The letter also stated: "If you do not accept this adjusted payment as payment in full, you can request arbitration for Ohio Surprise Billing https://dispute.maximus.com/oh/indexOHA."

190. Nevertheless, on July 17, 2024, HaloMD, on behalf of and in coordination with Value Monitoring, falsely certified the service as IDR-eligible.

191. On March 20, 2025, Anthem submitted an objection to eligibility, which was also addressed to Value Monitoring at the 1141 N Loop Address, stating: "The claim(s) is ineligible for IDR under the NSA because a state surprise billing law applies." Neither HaloMD nor Value Monitoring withdrew the dispute following Anthem's explicit notice of ineligibility.

192. As a result of HaloMD and Value Monitoring's fraudulent attestations, Anthem was required to pay $55,417.60—more than five times the billed amount of $10,220. Anthem also paid $915 in unnecessary IDR-related fees.

DISP-1480121

193. The IDR proceeding captioned DISP-1480121 involved a service that Value Monitoring provided on April 4, 2024, to a member of a fully-insured health plan administered by Anthem. Value Monitoring billed $14,600.00 for this service using CPT code 95940. As a fully-insured plan, the member's plan is subject to state law and, therefore, Ohio's Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

194. When Anthem issued payment on or about May 2, 2024, it sent an EOP to Value Monitoring at the 1141 N Loop Address, reflecting that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the EOP and reflected below, noted: "This was adjusted to follow Ohio balance billing laws and rules . . . Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

SERVICE DATE(S)	SERVICE CODES	POS	CHARGE	ALLOWED	DEDUCTIBLE	CO-PAY	CO-INSURANCE	CONTRACTUAL DIFFERENCE	PROVIDER RESP. AMOUNT	EXPL/ANSI CODE(S)	INSURED RESPONSIBILITY AMOUNT	EXPL/ANSI CODE(S)	WHAT WE WILL PAY
INSURED'S NAME: [redacted]				INSURED'S ID: [redacted]					PATIENT NAME: [redacted]				FOR INQUIRIES CALL:
PATIENT ACCOUNT/# [redacted]				CLAIM NUMBER: [redacted]					RECEIVED DATE: 04/23/2024				(855) 854-1438
SERVICE PROVIDER NAME: PRENKERT, ZACHARY W				SERVICE PROVIDER ID: 1114375755					EXPL CD:				
NETWORK: OUT OF NETWORK				RELATIONSHIP TO INSURED: [redacted]				PLAN TYPE: HMO	DRG RCVD: N/A				
04/04/2024 04/04/2024	95940	21	14,600.00	809.49	0.00	0.00	0.00	13,790.51	13,790.51	AVS 45	0.00		809.49
	TOTAL:		25,012.50	809.49	0.00	0.00	0.00	13,790.51	24,203.01		0.00		809.49
INTEREST													0.00
	TOTAL NET PAID												809.49

AVS This was adjusted to follow Ohio balance billing laws and rules. Payment reflects the amount paid based on the member's benefits when they receive care from a doctor/facility in their plan's network. Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code. If you disagree with our decision and have documents to support the claim, from Availity.com select the Claims & Payments tab to access Claims Status. Find the claim and select the Dispute button. As a reminder, the member can only be billed their copay, deductible or percentage of the cost for this care.

195. HaloMD, on behalf of Value Monitoring, initiated negotiations under the Federal IDR process on May 14, 2024. Anthem responded by letter addressed to HaloMD at the 1141 N Loop Address, stating that the request was under review and Anthem would provide a response within 30 days.

196. Instead of waiting for a response from Anthem and even though the dispute clearly fell under Ohio's Surprise Billing Law, on June 27, 2024, HaloMD, using the email address nsa@halomd.com, again on behalf of and in coordination with Value Monitoring, falsely attested to IDR eligibility and initiated the IDR process.

197. On December 16, 2024, Anthem submitted an objection to eligibility, which was also addressed to the member's provider at the 1141 N Loop Address, stating: "The claim(s) is ineligible for IDR under the NSA because a state surprise billing law applies." Neither HaloMD nor Value Monitoring withdrew the dispute following this notice of ineligibility.

☑ The claim(s) is ineligible for IDR under the NSA because a state surprise billing law applies. Per CMS guidelines, where a specified state law provides a method for determining the total amount payable for out-of-network items and services, providers may not engage in the federal IDR process for resolving payment disputes under the NSA.

198. As a result of HaloMD and Value Monitoring's fraudulent attestations, Anthem was required to pay $79,168 for the ineligible service—over five times more than Value Monitoring's billed charges—along with $512 in unnecessary IDR-related fees.

DISP-979638

199. The IDR proceeding captioned DISP-979638 involved a service that Value Monitoring rendered on September 29, 2023, to a member of a fully insured plan. Value Monitoring billed $4,745.00 for this service using CPT Code 95940 in Claim Number 2023296QA2927. The member's plan is subject to state law and, therefore, the Ohio Surprise Billing Law—rather than the NSA—governed the reimbursement rate for services.

200. HaloMD, on behalf of Value Monitoring, using the email address nsa@halomd.com with Megan Rausch at **megan.rausch@mpowerhealth.com** copied, initiated negotiations under the Federal IDR process on December 19, 2023.

201. On January 8, 2024, Anthem responded by email addressed to HaloMD at nsa@halomd.com and Megan Rausch at megan.rausch@mpowerhealth.com, stating that the claim was not eligible for the Federal IDR process:

Claim Number(s): 2023296QA2927

Based on the Policy Funding Type and the Provider's State, the claim does not qualify for the Federal No Surprises Act, however the claim may qualify for State Surprise Bill, please review your State Mandate process for negotiation submission.

202. On or about January 16, 2024, Anthem sent an EOP to Value Monitoring at the 1141 N Loop Address stating that the line item was processed pursuant to explanation code AVS. The description of this code, printed at the end of the EOP, stated: "This was adjusted to follow Ohio balance billing laws and rules . . . Payment is made pursuant to division (B)(1) of section 3902.51 of the OH Revised Code."

203. Despite Anthem's repeated communications that the Ohio Surprise Billing Law applied, on February 5, 2024, HaloMD, using the email address nsa@halomd.com, on behalf of and in coordination with Value Monitoring, falsely certified the service as IDR-eligible.

204. Anthem submitted an objection to eligibility, which was also addressed to Value Monitoring, stating, in relevant part: "The claim(s) is ineligible for IDR under the NSA because a

state surprise billing law applies." Neither HaloMD nor Value Monitoring withdrew the dispute following Anthem's explicit notice of ineligibility.

205. As a result of HaloMD and Value Monitoring's fraudulent attestations, Anthem was required to pay $17,670.77—*roughly four times the billed amount* of $4,745. Anthem also paid $510 in unnecessary IDR-related fees.

CLAIMS FOR RELIEF

COUNT I
VIOLATION OF RICO
18 U.S.C. § 1962(c)
(Against All Defendants)

206. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 in this Complaint as if fully set forth at length herein.

207. Section 1962(c) makes it "unlawful for any person employed by or associated with any enterprise engaged in, or the activities of which affect, interstate or foreign commerce, to conduct or participate, directly or indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity." 18 U.S.C. § 1962(c).

208. At all relevant times, the HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants have been "persons" under 18 U.S.C. § 1961(3) because they are capable of holding, and do hold, "a legal or beneficial interest in property."

209. The HaloMD, MPOWERHealth, and Provider Defendants together formed an association-in-fact enterprise (the "LaRoque Family Enterprise"), as that term is defined in 18 U.S.C. § 1961(4), for the purposes of obtaining funds and property from Anthem through the fraudulent submission of ineligible and inflated disputes under the federal IDR process.

210. At all relevant times, the LaRoque Family Enterprise has sought to fraudulently increase its profits by: (1) knowingly submitting false and fraudulent attestations of eligibility for

services and disputes that they know are ineligible for the IDR process; (2) strategically initiating massive volumes of fraudulent IDR disputes simultaneously against Anthem; and (3) improperly fraudulently inflating payment offers that far exceed what the Provider Defendants could have received from patients or health plans in a competitive market and, in many cases, are twice or more than twice the Provider Defendants' billed charges.

211. At all relevant times, the LaRoque Family Enterprise: (a) functioned as a continuing unit with an ascertainable structure separate and distinct from the pattern of racketeering activity; (b) shared a common purpose of furthering their illegal scheme and increasing their revenues and profits at the expense of Anthem; (c) had systematic linkage to each other through interpersonal and contractual relationships, financial ties, shared correspondence, and continuing coordination of activities; and (d) had sufficient longevity for the enterprise to pursue its purpose. Each member of the LaRoque Family Enterprise participated in the operation and management of the enterprise, including through a pattern of racketeering activity, and shared in the profits illicitly obtained due to the enterprise's fraudulent activity.

212. The LaRoque Family Enterprise is distinct from and has an existence beyond the pattern of racketeering that is described herein, namely by recruiting, employing, overseeing and coordinating many individuals who have been responsible for facilitating and performing a wide variety of administrative and ostensibly professional functions beyond the acts of wire fraud (*i.e.*, the submission of the ineligible and inflated disputes to Anthem through the IDR process), by creating and maintaining records, by negotiating and executing various agreements, and by maintaining the bookkeeping and accounting functions necessary to manage the receipt and distribution of the insurance proceeds.

213. The HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants carried out, or attempted to carry out, a scheme to defraud Anthem by knowingly conducting or participating, directly or indirectly, in the conduct of the LaRoque Family Enterprise through a pattern of racketeering activity within the meaning of 18 U.S.C. § 1961(1) that consisted of numerous and repeated violations of the federal wire fraud statute, which prohibits the use of any interstate wire facility for the purpose of executing a scheme to defraud, in violation of 18 U.S.C. § 1343.

214. The HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants committed, conspired to commit, and/or aided and abetted in the commission of at least two predicate acts of racketeering activity (*e.g.*, wire fraud in violation of U.S.C. § 1343) within the past ten years. The multiple acts of racketeering activity that the Defendants committed, or aided and abetted in the commission of, were related to each other and posed a threat of continued racketeering activity, and therefore, constitute a "pattern of racketeering activity." The predicate acts also had the same or similar results, participants, victims, and methods. The predicate acts were related and not isolated events.

215. The Defendants participated in the scheme to defraud using the internet to transmit wires in interstate commerce.

216. Defendants violated 18 U.S.C. § 1343 by transmitting and/or receiving, or by causing to be transmitted and/or received, materials by interstate wire for the purpose of executing the unlawful scheme to defraud funds from Anthem by means of false pretenses, misrepresentations, promises and omissions. Specifically, the disputes Defendants submitted through the federal IDR process contained uniform misrepresentations that the disputes were eligible for that process and often contained inflated amounts. The predicate acts all had the

purpose of substantially harming Anthem's business and property, while simultaneously generating substantial revenues for the members of the LaRoque Family Enterprise. The predicate acts were committed or caused to be committed by the HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants through their participation in the LaRoque Family Enterprise and in furtherance of its fraudulent scheme.

217. Defendants' predicate acts of racketeering—which began no later than January 2024 and have occurred continuously and systematically through the present day—committed by interstate wires, include: (a) submitting claims through the online IDR eligibility portal that were ineligible for the IDR process; (b) demanding outrageous payments far in excess of their charges, much less a commercially reasonable amount; (c) initiating hundreds of disputes at the same time and in such a way as to make it difficult for Anthem to reasonably identify and object to all ineligible disputes; (d) engaging in the IDR process in bad faith; and (e) procuring payments on disputes that were ineligible for IDR and/or or grossly inflated. The fraudulent disputes submitted to Anthem that comprise, in part, the pattern of racketeering activity identified through the date of this Complaint are described in the Section titled "The LaRoque Family Enterprise," *supra*.

218. The members of the LaRoque Family Enterprise all shared a common purpose to enrich themselves at the expense of Anthem by fraudulently inducing and compelling Anthem to pay exorbitant amounts for services that were not eligible for the IDR process and causing Anthem to pay inflated amounts for eligible services far exceeding their billed charges.

219. The HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants aided and abetted others in the violations of the above laws, rendering them indictable as principals in the 18 U.S.C. § 1343 offenses.

220. The members of the LaRoque Family Enterprise have profited, and continue to profit, substantially from the fraudulent billing scheme, ultimately receiving ***millions of dollars*** in illicitly obtained reimbursements. These payments, disbursed through interstate wire facilities, each constitute a separate violation of 18 U.S.C. § 1343.

221. The members of the LaRoque Family Enterprise knew their actions would cause harm to Anthem. Nevertheless, the members of the LaRoque Family Enterprise engaged in a scheme of deception, that utilized the internet and wire transfers as part of their fraud, in order to steal funds from Anthem by means of false pretenses, misrepresentations and omissions.

222. The LaRoque Family Enterprise's fraudulent conduct and participation in the racketeering activity described herein has directly and proximately caused Anthem to incur tens of millions of dollars in damages.

223. By reason of its injury, Anthem is entitled to compensatory, punitive, and treble damages, pre- and post-judgment interest, attorney's fees, costs incurred in bringing this action, and any other relief the Court deems just and proper.

COUNT II
VIOLATION OF RICO
18 U.S.C. § 1962(d)
(Against All Defendants)

224. Anthem repeats and realleges the allegations in Paragraphs 1 through 222 contained in this Complaint as if fully set forth at length herein.

225. Section 1962(d) makes it unlawful for "any person to conspire to violate" Section 1962(c), among other provisions. 18 U.S.C. § 1962(d).

226. The LaRoque Family Enterprise is an association-in-fact "enterprise" as that term is defined in 18 U.S.C. § 1961(4), that engages in activities which affect interstate commerce.

227. The HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants are employed by and/or associated with the LaRoque Family Enterprise.

228. The members of the LaRoque Family Enterprise knowingly have agreed and conspired to participate, directly or indirectly, in the conduct of the LaRoque Family Enterprise's affairs through a pattern of racketeering activity consisting of violations of the wire fraud statute, 18 U.S.C. § 1343, by means of interstate wire facilities, to fraudulently submit ineligible claims to IDR to receive inflated sums of money for the services provided by the Provider Defendants that were coordinated by the MPOWERHealth Defendants. The Defendants intended for the fraudulent disputes submitted to Anthem that comprise, in part, the pattern of racketeering activity identified through the date of this Complaint are described in the Section titled "The LaRoque Family Enterprise," *supra*. The HaloMD Defendants, MPOWERHealth Defendants, and Provider Defendants knew of, agreed to and acted in furtherance of the common overall objective of defrauding Anthem and its plan sponsors of money by submitting or facilitating the submission of fraudulent ineligible and inflated disputes to Anthem through the IDR process.

229. The LaRoque Family Enterprise's fraudulent conduct and participation in the racketeering activity described herein has directly and proximately caused Anthem to incur millions of dollars in damages.

230. By reason of its injury, Anthem is entitled to compensatory, punitive, and treble damages, pre- and post-judgment interest, attorney's fees, costs incurred in bringing this action, and any other relief the Court deems just and proper.

COUNT III
VIOLATION OF THE OHIO CORRUPT ACTIVITY ACT
OHIO REV. CODE §§ 2923.31 *et seq.*
(Against All Defendants)

231. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 contained in this Complaint as if fully set forth at length herein.

232. Anthem brings this claim against the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants, each of whom is a "person" within the meaning of OHIO REV. CODE § 2923.31(G).

233. For efficiency and to avoid repetition, for purposes of this claim, Anthem incorporates by reference the paragraphs of Count I concerning the LaRoque Family Enterprise.

234. As alleged above, each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants were members of an association-in-fact enterprise, the LaRoque Family Enterprise, within the meaning of OHIO REV. CODE § 2923.31(C).

235. As alleged above, each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants conducted and participated in the conduct of the affairs of LaRoque Family Enterprise through a pattern of "corrupt activities" as defined in OHIO REV. CODE § 2923.31(I)(1) and (2).

236. As previously alleged, each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants engaged in a pattern of corrupt activities defined as "racketeering activities" in 18 U.S.C. § 1961(1)(B), including multiple acts of wire fraud (18 U.S.C. § 1343).

237. Defendants also each engaged in a pattern of acts that constituted telecommunications fraud (OHIO REV. CODE § 2913.05).

238. As described above, each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants executed their unlawful scheme by (a) submitting disputes through the online IDR eligibility portal that were ineligible for the IDR process; (b) demanding outrageous payments far in excess of their charges, much less a commercially reasonable amount; (c) initiating hundreds of disputes at the same time and in such a way as to make it impossible for Anthem to reasonably identify and object to all ineligible disputes; (d) engaging in the IDR process in bad faith; and (e) procuring payments from Anthem on disputes that were ineligible for IDR and/or grossly inflated.

239. Each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants knew their unlawful and fraudulent scheme was causing harm to Anthem and actively advanced it.

240. Each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants formed and pursued their common purpose through the confidential personal interactions that they had.

241. Each of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants violated the Ohio Corrupt Activity Act by engaging in multiple acts of wire fraud.

242. Defendants further violated the Ohio Corrupt Activity Act by committing acts in furtherance of the LaRoque Family Enterprise's common purpose and fraudulent scheme that constitute telecommunications fraud (OHIO REV. CODE § 2913.05), including acts intended to disseminate or transmit writings, data, signs, signals, pictures, sounds or images by means of wire, radio, satellite, telecommunication, telecommunications devices or services in furtherance of the scheme to defraud.

243. The LaRoque Family Enterprise's common purpose and fraudulent scheme was intended to, and did, utilize interstate wire facilities for the commission of their fraud in violation of 18 U.S.C. § 1343 (wire fraud).

244. The end result of the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants' fraudulent scheme and common purpose was to continuously achieve financial gain for its members.

245. The HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants' violations of law and their pattern of racketeering activity directly and indirectly caused Anthem's injury. Their pattern of corrupt activity logically, substantially and foreseeably caused injuries to Anthem.

246. Anthem seeks all legal and equitable relief as allowed by law, including, *inter alia*, actual damages; treble damages; punitive damages; attorney's fees and all costs; expenses of suit; and pre- and post-judgment interest.

COUNT IV
THEFT BY DECEPTION
(Against All Defendants)

247. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 contained in this Complaint as if fully set forth at length herein.

248. The Provider Defendants, the MPOWERHealth Defendants, and the HaloMD Defendants on behalf of the Provider Defendants, knowingly and intentionally submitted false attestations to the Departments, the IDREs, and Anthem. This directly resulted in Defendants wrongfully depriving Anthem of millions of dollars in fraudulently obtained IDR payments, which constitutes theft of property by deception. In doing so, Defendants engaged in criminal conduct prohibited by Ohio law, which provides that "[n]o person, with purpose to deprive the owner of

property or services, shall knowingly obtain or exert control over either the property or services … [b]y deception." OHIO REV. CODE § 2913.02(A)(3).

249. Deception is defined for purposes of Section 2913.02(A)(3) as "knowingly deceiving another or causing another to be deceived by any false or misleading representation, by any other conduct, act, or omission that creates, confirms, or perpetuates a false impression in another, including a false impression as to law, value, state of mind, or other objective or subjective fact." OHIO REV. CODE § 2913.01(A).

250. While Section 2913 is a criminal statute, Ohio law provides a civil right of action, pursuant to which "[a]nyone injured in person or property by a criminal act has, and may recover full damages in, a civil action unless specifically excepted by law, may recover the costs of maintaining the civil action and attorney's fees if authorized by any provision of the Rules of Civil Procedure or another section of the Revised Code or under the common law of this state, and may recover punitive or exemplary damages if authorized by section 2315.21 or another section of the Revised Code." OHIO REV. CODE § 2307.60(A)(1). No criminal conviction is necessary for liability under Section 2307.60.

251. In an action brought pursuant to OHIO REV. CODE § 2307.60(A), a plaintiff may recover liquidated damages in an amount three times the value of the property subject to the theft offense. OHIO REV. CODE § 2307.61(A)(b)(ii).

252. As set forth in more detail above, the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants acquired funds from Anthem in the form of payment of IDR determinations by means of knowingly and intentionally submitting attestations containing materially false and misleading statements to Anthem, the IDREs, and the Departments.

253. The HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants obtained these funds from Anthem by creating the impression through its false attestations submitted to the Anthem, the IDREs, and the Departments that the services and disputes at issue were eligible for IDR when Defendants knew that these impressions were false.

254. Defendants failed to correct these false impressions at any time after initiating the IDR process or after obtaining IDR payment determinations in favor of the Defendants relating to disputes that they knew were not eligible for the IDR process.

255. Each of the Defendants knowingly authorized, participated in, or ratified the submission of the false attestations and abuse of the IDR process.

256. As a result of Defendants' deceit, Anthem was ordered to pay, and did pay, millions of dollars in ineligible and/or inflated IDR payment determinations. Anthem is entitled to recover three times the amount of the funds that it paid to Defendants on ineligible and/or inflated IDR payment determinations, including any portion thereof retained by the HaloMD Defendants as compensation under its arrangements with the Provider Defendants for such awards.

COUNT V
CIVIL CONSPIRACY
(Against All Defendants)

257. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 contained in this Complaint as if fully set forth at length herein.

258. The HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants conspired to implement the scheme described herein, resulting in harm to Anthem.

259. Specifically, upon information and belief, each of the MPOWERHealth and Provider Defendants retained the HaloMD Defendants to represent them in the ineligible IDR disputes.

260. Upon information and belief, the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants entered into agreements, either express or tacit, to defraud Anthem through the abuse of the IDR process and commit the herein described unlawful acts, including wire fraud, fraudulent misrepresentation, and theft by deception.

261. As detailed above, including in Paragraphs 122 through 205, the HaloMD Defendants, the MPOWERHealth Defendants, and Provider Defendants maintain a joint and carefully orchestrated unlawful scheme through which they commit these unlawful acts.

262. Each co-conspirator played an integral role in carrying out the scheme, including by providing funding, directing billing practices, and facilitating the submission of fraudulent and ineligible IDR proceedings.

263. Each co-conspirator engaged in numerous overt acts in furtherance of the conspiracy, as alleged herein.

264. As a result of the orchestrated scheme between the HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants to submit material misrepresentations to Anthem, the IDREs, and the Departments regarding IDR eligibility, Anthem has suffered substantial damages in the form of payment of IDR fees and IDR payment determinations that were ineligible for resolution through the NSA's IDR process.

COUNT VI
VIOLATION OF OHIO'S DECEPTIVE TRADE PRACTICES ACT
OHIO REV. CODE § 4165.02
(Against All Defendants)

265. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 contained in this Complaint as if fully set forth at length herein.

266. Defendants' conduct constitutes deceptive acts in violation of Ohio's Deceptive Trade Practices Act.

267. Anthem and the Defendants fit within the definition of "person" under OHIO REV. CODE § 4165.01(D), meaning the Defendants are subject to the statute's prohibitions on certain deceptive practices, and Anthem is empowered to bring a claim relating to a violation of the Ohio Deceptive Trade Practices Act.

268. By falsely representing to Anthem, the IDREs, and the Departments that items or services were eligible for IDR resolution, Defendants represented that the services in dispute had sponsorship, approval, or characteristics (*i.e.*, that they were within the scope of the NSA and qualified for IDR) when, in fact, the services did not (*i.e.*, they were ineligible for IDR, despite Defendants' false attestation to the contrary in the IDR initiation notices), in violation of OHIO REV. CODE § 4165.02(A)(7).

269. By falsely representing to Anthem, the IDREs, and the Departments that items or services were eligible for IDR resolution, the MPOWERHealth and Provider Defendants, and the HaloMD Defendants on their behalf, also represented that the services in dispute were of a particular standard, quality, or grade (*i.e.*, that they were within the scope of the NSA and qualified for IDR) when, in fact, the services were not (*i.e.*, they were ineligible for IDR, despite Defendants' false attestations to the contrary in the IDR initiation notices), in violation of OHIO REV. CODE § 4165.02(A)(9).

270. Defendants' acts have caused substantial economic harm to Anthem, its employer plan sponsor customers, and other BlueCard plans.

271. Anthem is entitled to actual damages, an order enjoining these practices in violation of the statute, and its costs and attorney's fees in connection with bringing this action.

COUNT VII
FRAUDULENT MISREPRESENTATION
(Against All Defendants)

272. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 contained in this Complaint as if fully set forth at length herein.

273. For each of the IDRs initiated, Defendants submitted a completed version of the mandatory IDR notice of initiation to Anthem, the IDREs, and the Departments, which, in part, contained the following attestation:

> I, the undersigned initiating party (or representative of the initiating party), attests that to the best of my knowledge…the item(s) and/or service(s) at issue are qualified item(s) and/or service(s) within the scope of the Federal IDR process.

274. Yet, as discussed herein, thousands of Defendants' attestations were false, as the underlying services or disputes were not qualified items or services, and in fact, were ineligible for resolution through the NSA's IDR process.

275. The MPOWERHealth and Provider Defendants, or the HaloMD Defendants on their behalf, submitted the IDR notice of initiation in each dispute with full knowledge of, or at the very least with utter recklessness as to, the falsity of this attestation. From the patient's insurance cards, Anthem's EOPs, the plain text of federal laws and regulations, CMS publications and resources, the Defendants' preparation of IDR initiation forms and notices, their participation in the IDR process, and the specific objections to eligibility that Anthem submitted to the Provider Defendants and to the HaloMD Defendants, among other sources, Defendants knew that the services and disputes they were initiating were ineligible for the IDR process.

276. The MPOWERHealth and Provider Defendants, and the HaloMD Defendants on their behalf, nevertheless submitted these false attestations and did so with the intent that Anthem and the IDRE rely on them. According to federal law, "the certified IDR entity selected must

review the information submitted in the notice of IDR initiation"—including Defendants' false attestations of eligibility—"to determine whether the Federal IDR process applies." 45 C.F.R. § 149.510(c)(1)(v). Even if Anthem contested eligibility, Defendants' deliberate misrepresentation forced Anthem to reasonably and foreseeably rely on the misrepresentation because once the IDRE determines the dispute is eligible, Anthem has no choice but to proceed with the process, submit a final offer, and allow the dispute the continue to a payment determination; any other approach would result in a default award against Anthem in favor of Defendants for whatever outrageous amount Defendants included in their final offer.

277. As described above, these misrepresentations were submitted by corporate agents using corporate email addresses—including nsa@halomd.com and medsurantarbitrationnsa@halomd.com—which, upon information and belief, was an attempt to conceal the identity of the individuals submitting the false attestations. As parties to IDR have no ability to engage in discovery—in fact, the parties submit final offers and supporting evidence in a blind process without the right or ability to see the other party's submission—the submission of false attestations achieved the concealment of the corporate actors filing the false attestations.

278. Since no later than January 2024, the MPOWERHealth and Provider Defendants, and HaloMD on their behalf, submitted thousands of knowingly false attestations, including, for example, the disputes specifically referenced above.

279. These false attestations of eligibility pertain to material facts in the IDR process because they go to the heart of the IDRE's jurisdiction to even hear the dispute.

280. The MPOWERHealth and Provider Defendants, and the HaloMD Defendants on their behalf, submitted the knowingly false attestations to receive a windfall for themselves,

namely, IDR payment determinations in favor of Defendants and against Anthem regarding items or services that were ineligible for resolution through the IDR process.

281. At all times when submitting the false attestations and engaging in the relevant IDR disputes, the HaloMD Defendants were acting within the scope of HaloMD's agreements with the Provider Defendants to handle the IDR process for the Provider Defendants in connection with the identified disputes.

282. The MPOWERHealth and Provider Defendants, and the HaloMD Defendants on their behalf, also fraudulently misrepresented to Anthem during the statutorily required open negotiations process that the disputes were eligible for IDR and involved qualified IDR items and services meeting the NSA and regulatory definitions of that term.

283. Anthem reasonably, foreseeably, and justifiably relied on Defendants' misrepresentations during the open negotiations and IDR initiation process. As part of the fraudulent scheme described herein, Defendants' tactic to strategically flood the IDR process and overwhelm the system precluded Anthem from investigating each and every aspect of the tens of thousands of disputes they submitted within the 30-day open negotiations window or within three days of IDR initiation. Additionally, in some cases (such as when the patient waived balance billing protections), Defendants are the only entities in possession of information critical to Anthem's ability to assess a claim for IDR eligibility, such as information pertaining to the provider, types of services rendered, and patient records. As a result, Anthem justifiably relied on Defendants' misrepresentations that the disputes were eligible for IDR and incurred significant monetary losses through incurring fees required by the NSA and in the form of IDR payment determinations finding against Anthem.

284. Even after discovery of the falsity of their attestations, Defendants failed to notify either Anthem or the IDRE, and, instead, concealed their falsity despite being under a duty to disclose such information. According to federal law, "the certified IDR entity selected must review the information submitted in the notice of IDR initiation"—including Defendants' false attestations of eligibility—"to determine whether the Federal IDR process applies." 45 C.F.R. § 149.510(c)(1)(v). Defendants concealed the falsity of their attestations to further their scheme to defraud Anthem and abuse the IDR process.

285. As a direct and proximate result of these misrepresentations by Defendants, Anthem has suffered substantial damages in the form of payment on IDR payment determinations that were ineligible for resolution through the NSA's IDR process.

COUNT VIII
VACATUR OF IDR DETERMINATIONS
(Brought in the Alternative Against all Defendants)

286. Anthem repeats and realleges the allegations in Paragraphs 1 through 205 contained in this Complaint as if fully set forth at length herein.

287. In the alternative to seeking relief on the aforementioned counts, Anthem seeks relief from individual IDR determinations under 42 U.S.C. § 300gg-111(c)(5)(E).

288. Each individual IDR determination at issue was procured by undue means and fraud, warranting vacatur pursuant to 42 U.S.C. § 300gg-111(c)(5)(E) and 9 U.S.C. § 10(a)(1).

289. For each individual IDR determination at issue, the IDREs exceeded their powers by issuing payment determinations on items and services that are not qualified IDR items and services within the scope of the NSA's IDR process. This warrants relief pursuant to 42 U.S.C. § 300gg-111(c)(5)(E) and 9 U.S.C. § 10(a)(4).

290. The HaloMD Defendants, the MPOWERHealth Defendants, and the Provider Defendants continue to obtain awards by undue means and fraud, and the IDREs continue to

exceed their powers by issuing payment determinations on items and services that are not qualified IDR items and services within the scope of the NSA's IDR process. Thus, the list of IDR payment determinations subject to vacatur is expected to increase during the pendency of the case.

COUNT IX
ERISA CLAIM FOR EQUITABLE RELIEF
(Against All Defendants)

291. Anthem repeats and realleges the allegations in Paragraphs 1 through 289 contained in this Complaint as if fully set forth at length herein.

292. Anthem provides claims administration services for certain health benefit plans governed by ERISA. Those health benefit plans and their employer sponsors delegate to Anthem discretionary authority to recover overpayments, including those resulting from fraud, waste, or abuse.

293. ERISA authorizes a fiduciary of a health plan to bring a civil action to "enjoin any act or practice which violates any provision of this subchapter or the terms of the plan" or "to obtain other appropriate equitable relief (i) to redress such violations or (ii) to enforce any provisions of this subchapter or the terms of the plan." 29 U.S.C. § 1132(a)(3).

294. Section 1185e of ERISA sets out the rights and obligations of plans and medical providers with respect to the IDR process, including that the IDR process does not apply in situations where there is a specified state law, where the provider is a participating provider, and where the provider has not initiated or engaged in open negotiations. 29 U.S.C. § 1185e.

295. Through the acts described herein, Defendants have caused and continue to cause the overpayment of funds on behalf of ERISA-governed benefit plans through conduct that violates Section 1185e of ERISA.

296. Defendants are continuing to engage in such improper conduct, including but not limited to failing to properly initiate or engage in open negotiations prior to initiating the IDR

process, initiating IDR for services subject to Ohio's specified state law, initiating IDR with respect to claims that Anthem denied and thus are exempt from the IDR process, and failing to comply with other NSA requirements such as the IDR batching rules or the cooling off period. This conduct causes ongoing harm to Anthem and the ERISA-governed benefit plans.

297. There is an actual case and controversy between Anthem and Defendants relating to the claims fraudulently submitted and arbitrated as part of the NSA's IDR process.

298. Anthem seeks an order enjoining Defendants from:

a. Initiating IDR without first properly initiating and engaging in open negotiations;

b. Initiating IDR for services subject to Ohio's specified state law;

c. Initiating IDR for services that Anthem denied and thus are not eligible for IDR; and

d. Initiating IDR for services when Defendants failed to comply with other NSA requirements such as the deadline to initiate IDR following open negotiations.

COUNT X
DECLARATORY AND INJUNCTIVE RELIEF
(Against All Defendants)

299. Anthem repeats and realleges the allegations in Paragraphs 1 through 297 contained in this Complaint as if fully set forth at length herein.

300. Anthem seeks a declaration that Defendants' conduct in submitting false attestations and initiating IDR for unqualified IDR items or services is unlawful. Anthem additionally seeks a declaration that IDR awards for such unqualified IDR items or services are not binding. It further seeks an injunction prohibiting Defendants from continuing to submit false attestations and initiating IDR for items or services that are not qualified for IDR, or from seeking to enforce non-binding awards entered on items and services not qualified for IDR.

301. With respect to health plans and claims governed by ERISA, this cause of action is alleged in the alternative to the previous cause of action, in the event that the Court determines that relief under Section 1132(a)(3) of ERISA is not available.

302. There is no adequate remedy at law to prevent the ongoing harm caused by Defendants' conduct.

PRAYER FOR RELIEF

WHEREFORE, Anthem respectfully requests that the Court:

a. Award monetary damages to the full extent allowed by law, including, but not limited to, compensatory damages, punitive damages, and treble damages;

b. Relief from all improperly-obtained NSA arbitration awards;

c. Declaratory relief in the form of an order finding that Defendants' conduct in submitting false attestations and initiating IDR for unqualified IDR items or services is unlawful;

d. Declaratory relief in the form of an order finding that IDR awards for such unqualified IDR items or services are not binding;

e. Injunctive relief prohibiting Defendants from continuing to submit false attestations and initiate IDR for items or services that are not qualified for IDR, or from seeking to enforce non-binding awards entered on items and services not qualified for IDR;

f. Declare that IDR awards issued on unqualified IDR items or services are non-binding and are not payable on a go-forward basis; and

g. Award pre- and post-judgment interest;

h. Award costs, attorney's fees, and interest;

i. In the alternative, grant vacatur of the underlying IDR determinations; and

j. Grant such other and further relief as the Court deems just and proper.

JURY DEMAND

Anthem demands a trial by jury on all issues so triable.

Dated: September 19, 2025

Respectfully submitted,

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