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Sound Physicians Emergency Medicine of Southern California, P.C.; and Sound Physicians Anesthesiology of California, P.C.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Anthem Blue Cross Life and Health Insurance Company, a California corporation; Blue Cross of California dba Anthem Blue Cross, a California corporation

Plaintiffs,

v.

HaloMD, LLC; Alla LaRoque; Scott LaRoque; MPOWERHealth Practice Management, LLC; Bruin Neurophysiology, P.C.; iNeurology, P.C.; N Express, P.C.; North American Neurological Associates, P.C.; Sound Physicians Emergency Medicine of Southern California, P.C.; and Sound Physicians Anesthesiology of California, P.C.,

Defendants.

CASE NO. 8:25-cv-01467-KES

NOTICE OF MOTION AND MOTION TO DISMISS

Filed concurrently with Memorandum of Points and Authorities; Declaration of Matthew L. Knowles Regarding Meet and Confer Efforts; [*Proposed*] Order

DATE: March 10, 2026
TIME: 10:00 a.m.
COURTROOM: 6D
JUDGE: Karen E. Scott

AMENDED COMPLAINT FILED: 10/17/2025

NOTICE OF MOTION AND MOTION

TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on March 10, 2026 at 10:00 a.m. PDT, or as soon thereafter as the matter may be heard, in the courtroom of the Honorable Karen E. Scott, located at the Ronald Reagan Federal Building and United States Courthouse, 411 West 4th Street, Santa Ana California 92701, Defendants Sound Physicians Emergency Medicine of Southern California, P.C. and Sound Physicians Anesthesiology of California, P.C. ("Sound Physicians") will, and hereby do, move the Court for an Order granting this motion to dismiss pursuant to Federal Rule of Civil Procedure 12(b). Sound Physicians moves to dismiss Plaintiffs Anthem Blue Cross Life and Health Insurance Company's and Blue Cross of California dba Anthem Blue Cross's ("Anthem") Amended Complaint in its entirety.

This motion to dismiss is filed pursuant to Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6) on the basis that Congress expressly barred judicial review of Independent Dispute Resolution ("IDR") determinations under the No Surprises Act, except through the narrow vacatur provisions of the Federal Arbitration Act, standards Plaintiffs have neither met nor invoked through a timely, proper motion to vacate. In addition, Plaintiffs cannot circumvent this jurisdictional bar by asserting RICO, ERISA, or state-law theories, all of which fail as a matter of law. Further, Plaintiffs' fraud-based allegations do not meet Rule 9(b)'s heightened pleading standard. Plaintiffs' claims are also barred by the First Amendment under the *Noerr-Pennington*

doctrine because they arise from protected petitioning activity in arbitration. Plaintiffs' RICO and ERISA claims fail for the additional reasons that: (i) arbitration submissions cannot constitute mail or wire fraud; (ii) Plaintiffs have not alleged a cognizable RICO enterprise or conspiracy; and (iii) Plaintiffs have failed to demonstrate standing to assert ERISA claims for the hundreds of IDR arbitrations they seek to overturn. Finally, Plaintiffs state-law claims fail for the independent reasons set out in Sound Physicians' concurrently filed Motion to Strike.

This Motion is based on this Notice of Motion and Motion, the accompanying Memorandum of Points and Authorities, all other pleadings and papers field or to be filed in this action, and any argument that may be presented to the Court at the hearing on this Motion.

This Motion is made following a meet-and-confer conference of counsel pursuant to Local Rule 7-3, as detailed in Matthew L. Knowles's declaration, filed concurrently. An agreement could not be reached to avoid the need for this Motion.

Dated: December 12, 2025

MCDERMOTT WILL & SCHULTE LLP

By: */s/ Tala Jayadevan*
Tala Jayadevan

Laura McLane *(appearing pro hac vice)*
Matthew L. Knowles *(appearing pro hac vice)*
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Plaintiffs,

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Defendants.

CASE NO. 8:25-cv-01467-KES

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF SOUND PHYSICIANS' MOTION TO DISMISS

Filed concurrently with Notice of Motion and Motion; Declaration of Matthew L. Knowles Regarding Meet and Confer Efforts; [*Proposed*] Order

DATE: March 10, 2026
TIME: 10:00 a.m.
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TABLE OF CONTENTS

TABLE OF AUTHORITIES

Page(s)

Cases

Statutes

Other Authorities

I. INTRODUCTION

Congress passed the No Surprises Act, 42 U.S.C. § 300gg-111 ("NSA") to protect patients from large out-of-network medical bills. The NSA requires insurance companies (like plaintiff Anthem[1]) to negotiate with medical providers (like defendant Sound Physicians) about how much they will pay for a patient's medical care. If negotiations fail, either side can invoke binding arbitration (known as Independent Dispute Resolution or "IDR") where an arbitrator will determine a reasonable payment.

Anthem's lawsuit attempts an end-run around the NSA. It asks the Court to vacate hundreds of (mostly unidentified) arbitrations where Anthem disagrees with the arbitrators' rulings, and to find Sound Physicians liable for damages as to arbitrations where Sound Physicians was the prevailing party.

The relief Anthem seeks is prohibited by law, and two circuit courts of appeal have already rejected similar challenges. Congress expressly barred judicial review of IDR awards except under the Federal Arbitration Act's ("FAA") narrow vacatur

[1] This brief refers to defendants Sound Physicians Emergency Medicine of Southern California, P.C. and Sound Physicians Anesthesiology of California, P.C. together as "Sound Physicians." It refers to plaintiff Anthem Blue Cross Life and Health Insurance Company and Blue Cross of California d/b/a Blue Cross together as "Anthem." "AC" citations refer to Anthem's amended complaint, Docket No. 50. "OC" citations refer to Anthem's original complaint, Docket No. 1.

provisions, and Anthem's allegations fail these standards. Thus, the Court lacks subject-matter jurisdiction to conduct the merits review that Anthem seeks.

Nor can Anthem evade this bar on judicial review by invoking RICO, ERISA, or state-law claims. Its overheated rhetoric accuses Sound Physicians of wire fraud and operating a "criminal enterprise" based on disputes whether certain claims and healthcare plans are eligible for arbitration. AC ¶¶ 11, 207. But ironically, as discussed below on pages 23-24, it was Anthem's initial complaint in this case that made exactly the sort of error that it claims is wire fraud. Changes in the amended complaint show that it was *Anthem* that was wrong on the facts in several instances. If Anthem's broader theory was right—that a purported error of fact in a submission to a tribunal was actionable as wire fraud—then Anthem itself would be liable for wire fraud. Of course, this is not the law. Beyond that, Anthem's factual errors illustrate Sound Physicians' point: this Court should not be an appellate forum to second-guess arbitrators' rulings on fact disputes. Congress prohibited that, and thus the Court should dismiss this case.

II. BACKGROUND AND PROCEDURAL HISTORY

A. The parties

Anthem Blue Cross is a health care service plan and Anthem Blue Cross Life and Health Insurance Company is a large healthcare insurance carrier. *Id.* ¶¶ 12, 13. Anthem has sued defendants Sound Physicians, HaloMD, LLC ("HaloMD"),

MPOWERHealth Practice Management LLC ("MPOWERHealth"), and Alla and Scott LaRoque in this case ("LaRoque Family Providers"). *Id.* ¶¶ 14-27.

Sound Physicians is comprised of "over 4,000 physicians, advanced practice providers, CRNAs, and nurses." *Id.* ¶ 25.

HaloMD administers the IDR process on behalf of healthcare organizations, including Sound Physicians. *Id.* ¶ 153. Anthem alleges that HaloMD submitted and administered some, but not all, of the IDR claims at issue here. *Id.* ¶ 215.

The complaint does not allege any connection between Sound Physicians and the other provider defendants (*i.e.*, MPOWERHealth and the LaRoque Family Providers).

B. The NSA and the IDR process

Congress enacted the NSA to address the practice of "surprise billing" to patients for out-of-network items and services. *Id.* ¶ 42. The NSA created a process for resolving disputes about payment for medical services with the goal of taking the consumer out of billing disputes between insurers and providers. *Id.* ¶ 43. This process involves three steps: open negotiations, IDR submissions, and then a binding payment determination by arbitrators known as Independent Dispute Resolution Entities ("IDREs"). *Id.*; *see* 42 U.S.C. § 300gg-111(c).

When a dispute arises over the payment amount for an out-of-network service covered by the NSA, either side can initiate negotiations with the other. *See* 42 U.S.C. § 300gg-111(c)(1)(B); AC ¶ 43. If they are unable to agree on a payment amount

within thirty days, either party can then initiate the IDR arbitration process. *See* 42 U.S.C. § 300gg-111(c)(1)(A)-(B); 45 C.F.R. § 149.510(b)(2)(i).

As the complaint acknowledges, the first step of the IDR process is for the arbitrator to determine whether a claim is eligible for IDR. AC ¶ 73. The arbitrators are expressly authorized and indeed required to make this determination. *Id.*; *see also* 45 C.F.R. § 149.510(c)(1)(v). A dispute only moves forward—and there can only be an award—if the IDRE determines that it is eligible. *See* 45 C.F.R. § 149.510(c)(1)(v). Thus, for each IDR in which Anthem alleges it suffered "damages," *see* AC ¶ 11, the IDRE must have determined that the claim was eligible for IDR.

If the IDRE determines the dispute is eligible for arbitration, each party proposes a payment amount for the medical care at issue. The IDRE then applies criteria specified in the NSA, and using these mandatory government criteria, selects the offer it determines to be most reasonable, which is thus the amount the insurer must pay the provider. *See* 42 U.S.C. § 300gg-111(c)(5). This is a "baseball" style arbitration, where the IDRE must select between the two sides' offers and pick the one that is most reasonable under specified statutory factors. AC ¶¶ 75-76.

C. The original and amended complaints

Anthem filed its original complaint on July 7, 2025, and amended it on October 17, 2025 (Dkt. Nos. 1, 50). The amended complaint asserts RICO, ERISA, and state-law claims, along with a request to vacate hundreds of IDR awards (which it does not identify, apart from the four referenced by docket number).

In addition to this motion to dismiss, Sound Physicians has moved to strike the state-law claims under California's anti-SLAPP law. Docket No. 68.

III. LEGAL STANDARD

Sound Physicians moves to dismiss the amended complaint under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6).

Under Rule 12(b)(1), a court must dismiss a case where it lacks subject-matter jurisdiction. "[F]ederal courts are courts of limited jurisdiction. They possess only that power authorized by Constitution and statute, which is not to be expanded by judicial decree." *Gila River Indian Cmty. v. Schoubroek*, 145 F.4th 1058, 1070 (9th Cir. 2025). The presumption is that a case lies outside this jurisdiction, and the burden to establish otherwise rests squarely on the plaintiff. *Id.*

Under Rule 12(b)(6), a complaint must "state a claim to relief that is plausible on its face." *Soo Park v. Thompson*, 851 F.3d 910, 918 (9th Cir. 2017)*; see also Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). A claim is plausible only when it contains sufficient factual allegations "to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Iqbal*, 556 U.S. at 678. "Where a complaint pleads facts that are 'merely consistent with' a defendant's liability, it 'stops short of the line between possibility and plausibility….'" *Id.* (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 557 (2007)).

Fraud claims require a higher pleading standard. *Bodenburg v. Apple Inc.*, 146 F.4th 761, 770-71 (9th Cir. 2025). Rule 9(b) requires that when alleging fraud or

mistake, a party must "state with particularity the circumstances constituting fraud or mistake." *Id.* They must allege "the who, what, when, where, and how of the misconduct charged." *Id.* (cleaned up). Moreover, a plaintiff must also allege facts with respect to each defendant's participation in the fraud, and cannot simply make generic allegations against the defendants together. *In re Cloudera, Inc.*, 121 F.4th 1180, 1187 (9th Cir. 2024).

As to a request for vacatur (Count 11), the rules of notice pleading do not apply. *See Pac. & Arctic Ry. & Navigation Co. v. United Transp. Union*, 952 F.2d 1144, 1148 (9th Cir. 1991). Instead, for the reasons set out in § IV.B.2, below, the party seeking vacatur must make an application or motion supported by clear and convincing evidence. *Id.*

IV. ARGUMENT

A. Congress prohibited judicial review of IDR rulings, unless the requirements for vacatur under the FAA are met.

Congress has expressly prohibited judicial review of IDR rulings—unless certain narrow exceptions are met—and this bar is jurisdictional. Specifically, the NSA states that a "determination of a certified IDR entity under subparagraph (A) … shall not be subject to judicial review, except in a case described in any of paragraphs (1) through (4) of section 10(a)" of the FAA. 42 U.S.C. § 300gg-111(c)(5)(E)(i)(II). Paragraphs (1) through (4) of § 10(a) of the FAA set out the grounds for vacatur. 9 U.S.C. § 10(a)(1)-(4). And "subparagraph (A)" refers to the previous section of the

NSA authorizing the IDRE's work, including selecting the prevailing offer or bid. 42 U.S.C. § 300gg-111(c)(5)(A), (E)(i)(II).

Where Congress makes a clear statement restricting judicial review, it is limiting the subject-matter jurisdiction of the courts. *See Arbaugh v. Y&H Corp.*, 546 U.S. 500, 515-16 (2006); *see also Sebelius v. Auburn Reg'l Med. Ctr.*, 568 U.S. 145, 153-54 (2013). This occurs when Congress enacts a statute that provides "clear and convincing evidence that Congress intended to deny" access to judicial review. *Bd. of Governors of Fed. Reserve Sys. v. MCorp Fin., Inc.*, 502 U.S. 32, 44 (1991).

For example, where—as here—Congress states that a determination is not subject to judicial review, the bar is jurisdictional. *Ctr. For Biological Diversity v. Bernhardt*, 946 F.3d 553, 557, 563 (9th Cir. 2019) (analyzing statute providing no determination under a certain law "shall be subject to judicial review"); *see also Montanans For Multiple Use v. Barbouletos*, 568 F.3d 225, 229 (D.C. Cir. 2009) (same as to statute providing that "no determination" under a certain process "shall be subject to judicial review"); *Acker v. Tarr*, 486 F.2d 654, 656 (7th Cir. 1973) (finding no jurisdiction to review deferment classification, where statute provided for "[n]o judicial review" except in limited circumstances).

B. Anthem has not met the requirements for vacatur under the FAA.

The exclusive means to challenge an IDR award is to seek vacatur under the FAA. *See Guardian Flight, L.L.C. v. Med. Evaluators of Tex. ASO, L.L.C.*, 140 F.4th 613, 620 (5th Cir. 2025) ("[I]f Providers wish to seek vacatur of the awards, they must

do so through the FAA paragraphs explicitly incorporated for that purpose."); *Reach Air Med. Servs. LLC v. Kaiser Found. Health Plan Inc.*, 2025 WL 3222820, at *4 (11th Cir. Nov. 19, 2025) ("*RAMS*") ("The NSA explicitly incorporates the FAA's provisions allowing for the vacatur of arbitration awards…."). There is no path for judicial review in the NSA itself, nor another path elsewhere in federal law. Thus, Anthem's complaint (including its request for "vacatur" in Count 11) must be analyzed as a request for vacatur under § 10(a)(1)-(4) of the FAA—there is no other source of jurisdiction, and that is all it could be.

But this requires Anthem to provide clear and convincing evidence to support its request for vacatur. For the reasons below, Anthem has failed to meet the standard for vacatur under the FAA, and this is not a close call.

1. The demanding standard for vacatur

Federal courts have "extremely limited review authority" under the FAA. *Kyocera Corp. v. Prudential-Bache Trade Servs., Inc.*, 341 F.3d 987, 998 (9th Cir. 2003). Arbitration awards should not be vacated by courts "even in the face of erroneous findings of fact or misinterpretations of law." *French v. Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 784 F.2d 902, 906 (9th Cir. 1986) (quotations omitted). Indeed, "the FAA provides no authorization for a merits review." *Biller v. Toyota Motor Corp.*, 668 F.3d 655, 664 (9th Cir. 2012). This review of arbitration decisions must be "both limited and highly deferential." *Coutee v. Barington Cap. Grp., L.P.*, 336 F.3d 1128, 1132 (9th Cir. 2003); *see also Dogherra v. Safeway Stores, Inc.*, 679

F.2d 1293, 1297 (9th Cir. 1982) ("[I]n order to protect the finality of arbitration decisions, courts must be slow to vacate an arbitral award on the ground of fraud.").

Thus, the Ninth Circuit recognizes that courts must give a "nearly unparalleled degree of deference to the arbitrator's decision." *Sw. Reg'l Council of Carpenters v. Drywall Dynamics, Inc.*, 823 F.3d 524, 530 (9th Cir. 2016) (quotations omitted). Here, Congress created IDR arbitration as "a separate framework outside the judicial process," AC ¶ 43, and "the wisdom of Congress's policy choice is beyond [] judicial ken," *Guardian Flight L.L.C. v. Health Care Serv. Corp.*, 140 F.4th 271, 277 (5th Cir. 2025).

2. Vacatur requires a timely motion supported by clear and convincing evidence, not merely allegations in a complaint.

To challenge an arbitration ruling under the FAA, the required procedure is to file an application or motion to vacate in the district court, supported by clear and convincing evidence. *A.G. Edwards & Sons, Inc. v. McCollough*, 967 F.2d 1401, 1404 (9th Cir. 1992); *Arora v. TD Ameritrade, Inc.*, 2010 WL 2925178, at *6 (N.D. Cal. July 26, 2010) (citing *O.R. Sec., Inc. v. Pro. Plan. Assocs., Inc.*, 857 F.2d 742, 745 (11th Cir. 1988)). Under 9 U.S.C. § 12, a motion for vacatur must be filed within three months of the award, and such requirement is not displaced merely because a party has filed under "the guise of an independent suit." *Sander v. Weyerhaeuser Co.*, 966 F.2d 501, 503 (9th Cir. 1992). Indeed, "[t]he three month limitation 'is meaningless if a party to the arbitration proceedings may bring an independent direct action asserting

such claims outside of the statutory time period.'" *Id.* (quoting *Corey v. N.Y. Stock Exch.*, 691 F.2d 1205, 1213 (6th Cir.1982)).

The rules of notice pleading do not apply. A party cannot rely on mere allegations; otherwise, "the burden … would be on the party defending the arbitration award," and, absent a successful motion to dismiss, the proceeding "would develop into full scale litigation." *O.R. Sec., Inc.*, 857 F.2d at 745 (11th Cir. 1988). If parties could take "full-bore legal and evidentiary appeals," arbitration would become "merely a prelude to a more cumbersome and time-consuming judicial review process." *Hall St. Assocs., L.L.C. v. Mattel, Inc.*, 552 U.S. 576, 588 (2008).

As Anthem's complaint emphasizes, there are hundreds of thousands of arbitrations each year under the NSA. AC ¶ 108. The United States District Court for the Central District of California should not be the forum to relitigate each IDR arbitration where the losing side merely pleads that the other side and the arbitrator got the facts wrong.

3. Anthem's unsupported complaint falls far short of the requirements for vacatur.

Anthem's complaint lacks exhibits, declarations, or evidence of any kind. It merely *alleges* that Sound Physicians initiated "nearly 400 ineligible disputes" and prevailed in more than 250 of them. AC ¶ 222. Of these, Anthem identifies only ***four*** by docket number and raises various substantive and factual issues it claims to have argued in these IDR proceedings. AC ¶¶ 224-48. Nor does it plead the date of the

award as to *any* of the arbitrations discussed in the complaint, and thus has failed to show that any of its requests are timely (*i.e.*, filed within three months of the ruling). In short, what it has filed is not nearly enough for vacatur under the FAA.

And even if Anthem's unsupported allegations were enough from a procedural perspective (they are not), its allegations fall far short of showing a substantive basis for vacatur. Every court that has considered the NSA's incorporation of the FAA has agreed that the meaning and established understanding of paragraphs (1) through (4) of the FAA apply when analyzing a challenge to an NSA IDR ruling. *See e.g.*, *RAMS*, 2025 WL 3222820, at *4; *Guardian Flight*, 140 F.4th 271 at 275; *Guardian Flight*, 140 F.4th 613 at 620.

Anthem seeks vacatur of hundreds of arbitration awards (which it does not even list) on the grounds that they were "procured by undue means and fraud" (*i.e.*, § 10(a)(1)) and because the arbitrators "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" (*i.e.*, § 10(a)(4)). AC ¶¶ 357-58. In other words, it relies on only two of the four potential grounds for vacatur under the FAA. Its complaint does not satisfy either of them.

a) No grounds for vacatur under § 10(a)(1)

Anthem has failed to show that any arbitration award was procured by fraud, corruption, or undue means as required to prevail under § 10(a)(1). This provision of the FAA "requires a showing of bad faith during the arbitration proceedings, such as

bribery, undisclosed bias of the arbitrator, or willfully destroying evidence, and further requires that such evidence of fraud was unavailable to the arbitrator during the course of the proceeding." *Dandong Shuguang Axel Corp. v. Brilliance Mach. Co.*, 2001 WL 637446, at *5 (N.D. Cal. June 1, 2001).

(1) No fraud

"Under the FAA [as incorporated by the NSA], '[f]raud requires a showing of bad faith during the arbitration proceedings, such as bribery, undisclosed bias of an arbitrator, or willfully destroying or withholding evidence.'" *Guardian Flight*, 140 F.4th 613 at 621 (citation omitted). In the Ninth Circuit, a party moving for vacatur under § 10(a)(1) must establish: (1) fraud, by clear and convincing evidence, (2) which was not discoverable upon the exercise of due diligence prior to or during the arbitration, and (3) which was materially related to an issue in the arbitration. *Pac. & Arctic Ry. & Nav. Co.*, 952 F.2d at 1148.

The first element requires the movant to establish fraud by clear and convincing evidence. Anthem fails at this step, as it merely alleges that Sound Physicians, in "nearly 400" IDR arbitrations, misrepresented that claims were eligible for IDR arbitration under the NSA, that Anthem contested this eligibility at the arbitrations, and the arbitrator ruled in Sound Physicians' favor in "more than 250 IDR determinations." AC ¶ 222; *see, e.g.*, *id.* ¶¶ 2, 90, 93, 115, 117-18, 124, 128.

This is not fraud under the FAA. For example, the Fifth Circuit recently upheld the dismissal of a complaint seeking to overturn IDR arbitrations on the grounds that

one party misrepresented key information during the proceedings. *Guardian Flight*, 140 F.4th 613, at 621-22. Similarly, the Eleventh Circuit recently held that allegations of misrepresentations of fact in an IDR arbitration are not sufficient to sustain a claim without meeting the requirements of § 10(a). *RAMS*, 2025 WL 3222820, at *6-8.

Even if the alleged misrepresentations were somehow clear and convincing evidence of fraud (they are not), Anthem fails to meet the second requirement for vacatur under § 10(a)(1): that the fraud must not have been discoverable upon the exercise of due diligence prior to or during the arbitration. *See A.G. Edwards & Sons*, 967 F.2d 1404 (stating that if fraud is "discovered and brought to the attention of the arbitrators, a disappointed party will not be given a second bite at the apple.").

Here, Anthem pleads the opposite: that it was aware of the supposed misstatements and argued to the arbitrator that the statements were wrong. Anthem has pleaded itself out of court. It alleges that it knew about these "misrepresentations" during the IDR process and that it presented this information to the arbitrators. For example, as to each of the four awards that Anthem references in its complaint related to Sound Physicians, it alleges that it "responded to the IDR initiation to assert that IDR was not applicable to the dispute," or "submitted an objection to eligibility." *See, e.g.*, AC ¶¶ 228, 234, 240, 247. By establishing that it contested the eligibility of the claims at the time of the arbitration, Anthem defeats its own argument that "misrepresentation" occurred that was not discoverable by due diligence prior to or during the arbitration process.

(2) No undue means

"Undue means" in the context of § 10(a) refers to conduct that "is immoral if not illegal." *A.G. Edwards & Sons*, 967 F.2d at 1403. "Sloppy or overzealous lawyering" does not constitute "undue means." *Id.* Vacatur under this provision "requires a showing of bad faith during the arbitration proceedings, such as bribery, undisclosed bias of the arbitrator, or willfully destroying evidence, and further requires that such evidence of fraud was unavailable to the arbitrator during the course of the proceeding." *Dandong Shuguang Axel Corp.*, 2001 WL 637446, at *5; *accord RAMS*, 2025 WL 3222820, at *9 (addressing challenge to IDR award and noting, "Courts of Appeals have limited undue means to those actions 'equivalent in gravity to corruption or fraud, such as a physical threat to an arbitrator or other improper influence.'" (quoting *Am. Postal Workers Union v. U.S. Postal Serv.*, 52 F.3d 359, 362 (D.C. Cir. 1995))).

No evidence (or even allegation) of intentional conduct like bribery, destruction of evidence, or undisclosed bias is present here, nor does Anthem allege anything remotely close to it. At most, Anthem argues that Sound Physicians submitted a large number of arbitrations, and that its settlement demands were larger than Anthem thinks they should have been. But there is no cap on the number of claims eligible for IDR. Anthem is a massive insurance company, and Sound Physicians has "over 4,000 physicians, advanced practice providers, CRNAs, and nurses." AC ¶ 25. A large volume of claims between them is the expected outcome, not a surprise.

The same is true of Anthem's theory that Sound Physicians' monetary demands were too high. As Anthem explains, the arbitrator's job is to select the most reasonable and appropriate option between the two that are submitted (one by each side). If Sound Physicians' offer is too high, why would the arbitrator select it—and what are the undue means? Anthem points to no statutory or other constraints limiting the amount that a provider can request in the IDR process. It objects that Sound Physicians' demands were sometimes higher than the billed charges but then notes that Congress expressly prohibited consideration of the billed charges in the IDR process. *Id.* ¶ 122. In any event, if the provider's offer is unreasonably high, then the arbitrator will select the insurance company's number instead, given the NSA employs "baseball-style arbitration," which "incentiviz[es] both parties to eschew extreme offers that the arbitrator would be more likely to reject." *RAMS*, 2025 WL 3222820, at *9. Anthem has shown no undue means.

b) No grounds for vacatur under § 10(a)(4)

Vacatur is permitted under 9 U.S.C. § 10(a)(4) only if the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made. "Arbitrators exceed their powers when they express a manifest disregard of law, or when they issue an award that is completely irrational." *Bosack v. Soward*, 586 F.3d 1096, 1104 (9th Cir. 2009) (cleaned up). "It is not enough to show that the panel committed an error—or even a serious error." *Lagstein v. Certain Underwriters at Lloyd's, Lond.*, 607 F.3d 634, 641

(9th Cir. 2010) (cleaned up). Rather, "it must be clear from the record that the arbitrator recognized the applicable law and then ignored it." *Bosack*, 586 F.3d at 1104 (cleaned up). The question is whether the arbitrators were authorized to decide, not whether they made the wrong decision. *See Schoenduve Corp. v. Lucent Techs., Inc.*, 442 F.3d 727, 733 (9th Cir. 2006) ("[T]he arbitrator's interpretation of the scope of his powers is entitled to the same level of deference as his determination on the merits").

Anthem's position here is a non-starter. The arbitrators are plainly authorized to decide eligibility and to decide between the parties' proposed awards for compensating the medical provider. *See* AC ¶ 73; 42 U.S.C. § 300gg-111(c)(5); *see also* 45 C.F.R. § 149.510(c)(1)(v). This precludes Anthem's § 10(a)(4) argument. While reviewing an arbitration award under this provision of the FAA, courts are empowered to decide only whether the arbitrator has engaged in an authorized determination, not to second guess "the rightness or wrongness of" such decision. *HayDay Farms, Inc. v. FeeDx Holdings, Inc.*, 55 F.4th 1232, 1241 (9th Cir. 2022).

Anthem merely alleges that the arbitrators sometimes made errors in some eligibility determinations, and that they sometimes picked the wrong offer (because Anthem would prefer that the arbitrator selected its offer instead). Anthem has failed to allege facts showing that the arbitrators exceeded their powers. To say otherwise would be to make this Court a court of appeals for *de novo* review of each IDR eligibility ruling. That is the opposite of the system that Congress designed.

C. Anthem cannot use other claims and theories to circumvent the jurisdictional bar on judicial review or the requirements for vacatur.

The only plausible reading of § 300gg-111(c)(5)(E)(i)(II) of the NSA is that it bars judicial review of IDR rulings, no matter what cause of action a plaintiff might invoke to challenge them. That is what it says: these rulings "shall not be subject to judicial review, except" under the vacatur provision of the FAA. 42 U.S.C. § 300gg-111(c)(5)(E)(i)(II). Any other reading would be atextual—and flatly contrary to the law.

Similarly, caselaw from other contexts makes clear that the losing side of an arbitration cannot invoke other claims—like RICO or state-law fraud—to challenge the arbitration ruling while ignoring the strict limits and procedures under the FAA. Where a plaintiff's "underlying complaint is that the arbitration award was procured by fraud," it must file a motion to vacate the arbitration award under the FAA. *Sander*, 966 F.2d at 503 (cleaned up); *accord id.* at 502 ("We would establish poor precedent if we allowed Sander to bring an action under securities laws because he is unhappy with the results of an adjudicative proceeding.").

Anthem's attempts to bring RICO, ERISA, and state-law claims despite the NSA's jurisdiction-stripping provision are nothing more than an "impermissible collateral attack" on the arbitration awards. *Nickoloff v. Wolpoff & Abramson, L.L.P.*, 511 F. Supp. 2d 1043, 1044 (C.D. Cal. 2007) ("Seeking damages in federal court for alleged wrongdoing that compromised an arbitration award is an impermissible

collateral attack on the award itself." (citing *Decker v. Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 205 F.3d 906 (6th Cir. 2000))). Therefore, the Court's inquiry should end here, and it should dismiss the case.

D. Anthem's claims are barred by the First Amendment under the *Noerr-Pennington* doctrine.

The right to petition the government for redress of grievances is within the protection of the First Amendment, and this extends to acts in and around litigation or arbitration—such acts generally cannot be the basis for civil liability. *See Sosa v. DIRECTV, Inc.*, 437 F.3d 923, 942 (9th Cir. 2006) (holding *Noerr-Pennington* doctrine barred plaintiff's RICO suit against television broadcaster for prelitigation demand letters); *see also Relevant Grp., LLC v. Nourmand*, 116 F.4th 917, 927-28 (9th Cir. 2024) (dismissing RICO suit barred by *Noerr-Pennington* doctrine). Thus, parties are generally immune from liability arising from litigation activity under the *Noerr-Pennington* doctrine. *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545, 555-56 (2014). This rule extends to arbitration, at least where (as here) the arbitration involves a public or quasi-public arbitration forum or process. *See, e.g.*, *Viriyapanthu v. California*, 2018 WL 6136150, at *7 (C.D. Cal. Sept. 24, 2018); *Entrepreneur Media, Inc. v. Dermer*, 2019 WL 4187466, at *2 (C.D. Cal. July 22, 2019); *Eurotech, Inc. v. Cosmos Eur. Travels Aktiengesellschaft*, 189 F. Supp. 2d 385, 392-93 (E.D. Va. 2002) (applying doctrine to quasi-governmental arbitration process

concerning internet domain names). The IDR process that Congress established by statute plainly qualifies as a public or quasi-public arbitration process.

To overcome this constitutional immunity, a plaintiff must allege facts sufficient to show that *Noerr-Pennington* immunity does not apply. *See, e.g.*, *NM LLC v. Keller*, 2024 WL 4336428, at *2 (W.D. Wash. Sept. 27, 2024) (dismissing RICO case where "the fundamental problem with Plaintiffs' complaint is that all the actions it challenges are protected speech or petitioning activity"). In cases implicating the First Amendment, the Ninth Circuit employs a heightened pleading standard. *Kottle v. Nw. Kidney Ctrs.*, 146 F.3d 1056, 1063 (9th Cir. 1998) (noting the standard "would have no force if in order to satisfy it, a party could simply recast disputed issues from the underlying litigation as 'misrepresentations' by the other party.").

Anthem has failed to allege sufficient facts to overcome *Noerr-Pennington* immunity here, as the complaint is based entirely on arbitration conduct and statements made as part of arbitrations. Thus, Anthem's claims should be dismissed because Sound Physicians' arbitration conduct is protected under the First Amendment.

E. The complaint does not comply with Rule 9(b).

Anthem also fails to satisfy Rule 9(b)'s heightened pleading standard for pleading fraud. *Schreiber Distrib. Co. v. Serv-Well Furniture Co.*, 806 F.2d 1393, 1400 (9th Cir. 1986). Under Rule 9(b), plaintiffs must allege: "the time, place, and specific content of the false representations as well as the identities of the parties to the misrepresentation." *Id.* at 1401; *accord Desoto v. Condon*, 371 F. App'x 822, 824 (9th

Cir. 2010). Moreover, a plaintiff must also allege facts with respect to each defendant's participation in the fraud. *In re Wellpoint, Inc. Out-of-Network UCR Rates Litig.*, 903 F. Supp. 2d 880, 914 (C.D. Cal. 2012).

Anthem's complaint fails twice over. First, it lists four arbitrations by docket number, but does not provide the specifics (names, dates, speakers, etc.) as to them. Then it doubles down by asking the Court to assume fraud in hundreds more arbitrations that it does not even identify. For example, it alleges:

- "Since no later than January 2024, Defendants have initiated many hundreds of knowingly ineligible disputes against Anthem." AC ¶ 9.
- "Anthem often directly notifies Defendants that the items or services at issue in their IDR initiation violate the NSA's eligibility requirements." AC ¶ 101.
- "For more than 380 IDR disputes, Defendants' payment offers exceeded the charges that they initially billed Anthem by more than $1.5 million." AC ¶ 124.

These general statements—which do not identify actors, dates, or actions—fail under Rule 9(b). Nor does Anthem identify which defendants were involved, instead resorting to impermissible shotgun pleading that "merely lump[s] multiple defendants together." *Swartz v. KPMG LLP*, 476 F.3d 756, 764-65 (9th Cir. 2007). In the Ninth Circuit, plaintiffs are required "to differentiate their allegations when suing more than one defendant … and inform each defendant separately of the allegations surrounding his alleged participation in the fraud." *Id.*; *accord Moore v. Kayport Package Express, Inc.*, 885 F.2d 531, 541 (9th Cir.1989).

The Eleventh Circuit recently confirmed that Rule 9(b) applies to challenges to IDR arbitration awards. *RAMS*, 2025 WL 3222820, at *6-8. Indeed, it applied Rule 9(b) strictly and made clear that the plaintiff failed to satisfy the rule. *Id.* Anthem offers no basis for watering down that standard, nor could it, particularly when it seeks to overturn hundreds of unidentified awards *en masse*.

F. The RICO claims fail as a matter of law.

For the reasons set out above, Congress has precluded the judicial review that Anthem seeks, no matter which legal theory it invokes—including RICO. Furthermore, Anthem's RICO theory also fails as a matter of law for several additional and independent reasons:

1. Arbitration submissions cannot be wire or mail fraud.

To survive a motion to dismiss, a RICO claim must set out two or more predicate acts. *Howard v. Am. Online Inc*., 208 F.3d 741, 746 (9th Cir. 2000). Here, Anthem has failed to do so. It appears to rely on five supposed predicate acts constituting wire or mail fraud related to Sound Physicians:

(1) Submitting arbitration filings that include incorrect facts about eligibility;

(2) Collecting on judgments from favorable IDR determinations;

(3) Initiating large numbers of IDR disputes;

(4) Demanding "outrageous" payments far exceeding the actual charges; and

(5) Engaging in the IDR process "in bad faith."

See AC ¶ 279.[2] These theories fail for two reasons: first, as a matter of law, none of them constitutes wire or mail fraud, and second, Anthem has not provided the details required under Rule 9(b).

a) Neither arbitration submissions nor collecting judgments from successful arbitrations constitute wire or mail fraud.

As courts have made clear, the "mailing of litigation documents, even perjurious ones, [does] not violate the mail-fraud statute." *United States v. Pendergraft*, 297 F.3d 1198, 1209 (11th Cir. 2002).[3] Likewise, courts have repeatedly held that litigation activity generally cannot give rise to racketeering liability. *Acres Bonusing, Inc. v. Ramsey*, 2022 WL 17170856, at *10 (N.D. Cal. Nov. 22, 2022); *Pendergraft*, 297 F.3d at 1208 (collecting cases); *Kim v. Kimm*, 884 F.3d 98, 104 (2d Cir. 2018) (collecting cases); *see also Snow Ingredients, Inc. v. SnoWizard, Inc.*, 833 F.3d 512, 525 (5th Cir. 2016). This rule applies to actions taken in furtherance of litigation more broadly. *See Acres Bonusing*, 2022 WL 17170856, at *12.

These principles extend to arbitration proceedings as well, as courts have held that arbitration activities cannot form the basis for mail or wire fraud. *Republic of Kazakhstan v. Stati*, 380 F. Supp. 3d 55, 60-61 (D.D.C. 2019) (holding litigation

[2] For clarity, the allegations from Paragraph 279 have been reordered to align with the sequence in which they are addressed in this Brief.

[3] This applies equally to electronic transmissions, as mail and wire fraud are treated interchangeably for RICO purposes. *Tatung Co. v. Shu Tze Hsu*, 217 F. Supp. 3d 1138, 1161 (C.D. Cal. 2016).

materials transmitted during prior arbitration could not constitute wire or mail fraud); *Diamond Resorts Int'l, Inc. v. Aaronson*, 2018 WL 735627, at *5 (M.D. Fla. Jan. 26, 2018) (holding false statements in arbitration demands were not grounds for mail or wire fraud). Anthem's theories fail under this rule. Indeed, all of the alleged misrepresentations it points to are in submissions made attendant to the IDR process. AC ¶¶ 278-79. Such arbitration conduct cannot support a wire fraud theory.

Likewise, the collection of judgments secured through successful IDR arbitrations is simply an extension of the same litigation-related conduct, and it cannot support a mail or wire fraud claim. *See Pendergraft*, 297 F.3d at 1208 ("Again, prosecuting litigation activities as federal crimes would undermine the policies of access and finality that animate our legal system.").

Anthem's errors in its own filings underscore the point. Its theory is that false statements in arbitration filings amount to wire fraud, so if a party submits incorrect facts and wins, the loser can sue in federal court. But Anthem's original complaint in this case (Docket No. 1) was riddled with factual errors. For example, Anthem pleaded that Sound Physicians failed to initiate open negotiations in DISP-1289721, DISP-803189, and DISP-2639953. OC ¶¶ 213, 221. After Sound Physicians explained that this is wrong, Anthem amended its complaint to withdraw the assertion. Anthem changed or withdrew the following allegations:

Docket No.	Initial Complaint	Amended Complaint
DISP-1289721	"Neither SPEMSC, nor HaloMD acting on its behalf, initiated open negotiations for this service." ¶ 213	"On March 13, 2024 SPEMSC sent a notice of open negotiation to ABC at the Anthem IDR Email Address." ¶ 232
DISP-803189	"Neither SPAC nor HaloMD acting on its behalf initiated open negotiations for this service." ¶ 221	*Withdrawn* – Sound Physicians sent a request for open negotiations; Anthem failed to respond.
DISP-2639953	"DISP-2639953 (**No Open Negotiation**; Ineligible State Law Claim)." Header above ¶ 224 (emphasis added)	"DISP-2639953 (Ineligible State Law Claim)." Header above ¶ 242

Additionally, Anthem apparently overstated the number of allegedly ineligible arbitrations by an order of magnitude, later revising "thousands" to "hundreds." *Compare* OC ¶ 5, *with* AC ¶ 9.

Under its own theory, these misstatements would constitute wire fraud, allowing Sound Physicians to sue Anthem under RICO based on its initial complaint. Fortunately, this is not the law. Instead, Anthem's factual errors illustrate exactly why its theory fails: fact disputes are common in arbitration and litigation, and the proper remedy is to raise them with the tribunal, not to file a new RICO action.

b) Anthem's remaining theories fail to establish wire fraud.

Anthem's remaining theories of wire fraud consist of its claims that Sound Physicians (1) initiated many disputes at once, (2) demanded "outrageous" payments, and (3) engaged in IDR arbitration "in bad faith." AC ¶ 279. None comes close to wire

or mail fraud because none alleges deception. There is no limit on the number of IDRs a party may pursue or the amount it may seek—and even if there were, filing multiple disputes or requesting high payments is not a predicate act under RICO, as nothing is concealed or misrepresented. *See generally* 18 U.S.C. § 1961(1) (listing the predicate acts capable of supporting RICO claims).

As for "bad faith," that theory fails outright: bad faith alone does not constitute mail or wire fraud. *See Miller v. Yokohama Tire*, 358 F.3d 616, 620 (9th Cir. 2004); *United States v. Miller*, 953 F.3d 1095, 1102-03 (9th Cir. 2020). RICO does not impose a 'good-faith overlay' on litigation and arbitration, allowing a party to sue for racketeering if it thinks the other side acted in bad faith.

2. Anthem's claims under 18 U.S.C. § 1962(c) should be dismissed because it has failed to identify an enterprise.

Anthem's RICO claims related to Sound Physicians rely on an "associated in fact" enterprise theory. *See* AC ¶ 256; 18 U.S.C. § 1961(4). The Supreme Court has held that an association-in-fact enterprise must possess three qualities: "a purpose, relationships among those associated with the enterprise, and longevity sufficient to permit these associates to pursue the enterprise's purpose." *Boyle v. United States*, 556 U.S. 938, 946 (2009). It must be "a continuing unit that functions with a common purpose." *Id.* at 948. "[C]ourts have overwhelmingly rejected attempts to characterize routine commercial relationships as RICO enterprises." *Shaw v. Nissan N. Am., Inc.*, 220 F. Supp. 3d 1046, 1054 (C.D. Cal. 2016). "[O]rdinary business conduct and an

ordinary business purpose" do not show the existence of a RICO enterprise. *Id.*; *accord Gardner v. Starkist Co.*, 418 F. Supp. 3d 443, 460-62 (N.D. Cal. 2019).

Anthem has not alleged sufficient facts to plausibly support the inference that the defendants share a common purpose under RICO, as opposed to the obvious alternative explanation that the defendants simply interpret IDR eligibility differently—or even that they erred on some subset of the thousands of IDR claims in question (which Sound Physicians does not concede). At a minimum, Anthem has failed to plead facts to rule out this "obvious alternative explanation." *Twombly*, 550 U.S. at 567; *accord In re Century Aluminum Co. Secs. Litig.*, 729 F.3d 1104, 1108 (9th Cir. 2013) ("[P]laintiffs cannot offer allegations that are 'merely consistent with' their favored explanation but are also consistent with the alternative explanation." (citation omitted)). Under the strict pleading rules in Rule 9(b), this is not sufficient.

3. Anthem cannot show a § 1962(d) violation because there is no violation of § 1962(c), and no agreement to operate a RICO enterprise.

The failure to state a claim for a primary RICO violation under § 1962(c) defeats a civil RICO conspiracy claim. *Sanford v. MemberWorks, Inc.*, 625 F.3d 550, 559 (9th Cir. 2010); *see also Dennis v. JP Morgan Chase Bank*, 812 F. App'x 607, 607 (9th Cir. 2020). For the reasons above, Anthem failed to allege sufficient facts to support a finding that defendants engaged in a pattern of racketeering activity pursuant to § 1962(c), let alone that they knew about and agreed to facilitate the pattern of racketeering activity.

G. The ERISA claims fail as a matter of law.

The ERISA equitable relief provision that Anthem cites, 29 U.S.C. § 1132, does not apply because—as explained above—the NSA expressly prohibits judicial review in these circumstances. Further, Anthem's ERISA claim fails because it does not plead facts sufficient to show fiduciary status. ERISA permits equitable relief only for "a participant, beneficiary, or fiduciary." 29 U.S.C. § 1132(a)(3); *see also S. Coast Specialty Surgery Ctr., Inc. v. Blue Cross of Cal.*, 90 F.4th 953, 958 (9th Cir. 2024). Anthem is not, of course, a participant or a beneficiary. Nor is it a fiduciary. Anthem is aware of this requirement, and the complaint attempts a sleight-of-hand to avoid it. In paragraph 362, it acknowledges that "ERISA authorizes a fiduciary of a health plan to bring a civil action" but Anthem never even asserts that it is one, let alone plead facts to show that it is an ERISA fiduciary.

This omission is deliberate. In other cases, Anthem and its Blue Cross affiliates routinely attempt to avoid liability from plan members by arguing they are *not* ERISA fiduciaries. *See, e.g.*, *King v. Blue Cross & Blue Shield of Ill.*, 871 F.3d 730, 745 (9th Cir. 2017) ("Blue Cross argues that it is not a fiduciary…."); *Tiara Yachts, Inc. v. Blue Cross Blue Shield of Mich.*, 138 F.4th 457, 469 (6th Cir. 2025) (Blue Cross of Michigan argued that it was "insulate[d] … from ERISA fiduciary duties"); *Technibilt Grp. Ins. Plan v. Blue Cross & Blue Shield of N.C.*, 438 F. Supp. 3d 599, 604 (W.D.N.C. 2020) ("Blue Cross' primary substantive argument is that, as a matter of law, it is not an ERISA fiduciary….").

To determine ERISA fiduciary status, a court must evaluate whether the entity "exercises any discretionary authority or discretionary control respecting management of such plan or has any discretionary authority or discretionary responsibility in the administration of such plan." *King*, 871 F.3d at 745 (cleaned up). Anthem has not pleaded facts to meet this test.

H. The state-law claims fail for the reasons set out in Sound Physicians' special motion to strike.

For the reasons set out in § IV.A-C, above, the Court lacks jurisdiction to review the IDR arbitrations at issue—no matter what cause of action Anthem invokes, including state-law claims. Furthermore, the state-law claims that Anthem asserts to challenge arbitrations conducted under the federal NSA fail for the independent reasons set out in Sound Physicians' Motion to Strike, § IV.B.2-5, which we respectfully incorporate and re-assert here.

V. CONCLUSION

For the reasons above, the Court should dismiss Anthem's amended complaint.

Dated: December 12, 2025

MCDERMOTT WILL & SCHULTE LLP

By: */s/ Tala Jayadevan*
Tala Jayadevan

Laura McLane (appearing *pro hac vice*)
Matthew L. Knowles (appearing *pro hac vice*)
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CERTIFICATE OF COMPLIANCE

The undersigned, counsel of record for Defendants Sound Physicians Emergency Medicine of Southern California, P.C. and Sound Physicians Anesthesiology of California, P.C., certifies that this brief contains 6,997 words, which complies with the word limit of L.R. 11-6.1.

Dated: December 12, 2025

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Anthem Blue Cross Life and Health Insurance Company, a California corporation; Blue Cross of California dba Anthem Blue Cross, a California corporation

Plaintiffs,

v.

HaloMD, LLC; Alla LaRoque; Scott LaRoque; MPOWERHealth Practice Management, LLC; Bruin Neurophysiology, P.C.; iNeurology, P.C.; N Express, P.C.; North American Neurological Associates, P.C.; Sound Physicians Emergency Medicine of Southern California, P.C.; and Sound Physicians Anesthesiology of California, P.C.,

Defendants.

CASE NO. 8:25-cv-01467-KES

DECLARATION OF MATTHEW L. KNOWLES REGARDING MEET AND CONFER EFFORTS

Filed concurrently with Notice of Motion and Motion; Memorandum of Points and Authorities; [*Proposed*] Order

DATE: March 10, 2026
TIME: 10:00 a.m.
COURTROOM: 6D
JUDGE: Karen E. Scott

AMENDED COMPLAINT FILED: 10/17/2025

I, MATTHEW L. KNOWLES, declare as follows:

1. I am an attorney licensed to practice in the Commonwealth of Massachusetts, and I am appearing pro hac vice in the above captioned matter. I am a partner at the law firm of McDermott Will & Schulte LLP, counsel of record for Sound Physicians Emergency Medicine of Southern California, P.C. and Sound Physicians Anesthesiology of California, P.C. ("Sound Physicians") in this action.
2. If called upon as a witness, I could and would testify to the facts as set forth below, as I know each to be true based on my own personal knowledge.
3. Pursuant to Central District of California Civil Local Rule 7-3, I met and conferred with Jason Mayer and Amir Shlesinger of Crowell & Moring LLP, counsel of record for Plaintiffs Anthem Blue Cross Life and Health Insurance Company and Blue Cross of California by video conference on December 3, 2025, to discuss the substance of this motion. I explained that Sound Physicians intended to move to dismiss all causes of action in the Complaint pursuant to Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6). The parties were unable to come to an agreement that would resolve Sound Physicians' grounds for its Motion to Dismiss or narrow the issues in dispute. Accordingly, Sound Physicians therefore brings the concurrently filed Motion to Dismiss Plaintiffs' Complaint.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 12th day of December 2025, in Boston, Massachusetts.

Dated: December 12, 2025

MCDERMOTT WILL & SCHULTE LLP

By: */s/ Matthew L. Knowles*

MATTHEW L. KNOWLES
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UNITED STATES DISTRICT COURT
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Plaintiffs,

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Defendants.

CASE NO. 8:25-cv-01467-KES

[*PROPOSED*] ORDER GRANTING DEFENDANT SOUND PHYSICIANS' MOTION TO DISMISS

Filed concurrently with Notice of Motion and Motion; Memorandum of Points and Authorities; Declaration of Matthew L. Knowles Regarding Meet and Confer Efforts

DATE: March 10, 2026
TIME: 10:00 a.m.
COURTROOM: 6D
JUDGE: Karen E. Scott

AMENDED COMPLAINT FILED: 10/17/2025

This matter comes before the Court on Defendants Sound Physicians Emergency Medicine of Southern California, P.C.'s and Sound Physicians Anesthesiology of California, P.C.'s ("Sound Physicians") motion to dismiss pursuant to Federal Rule of Civil Procedure 12(b). The Court, having considered the papers submitted and the arguments by counsel, hereby ORDERS AS FOLLOWS:

1. The motion to dismiss of Defendant Sound Physicians is GRANTED.
2. The Court dismisses Plaintiffs' amended complaint in its entirety, without leave to amend.

IT IS SO ORDERED.

DATED:_____

_____
The Honorable Karen E. Scott
Magistrate Judge of the Central District of California