

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
TEXARKANA DIVISION**

BLUE CROSS BLUE SHIELD OF TEXAS,
A DIVISION OF HEALTH CARE SERVICE
CORPORATION, A MUTUAL LEGAL
RESERVE COMPANY,

Plaintiff,

v.

HALOMD, LLC, ALLA LAROQUE, and
SCOTT LAROQUE,

Defendants.

CIVIL ACTION NO. 5:25-CV-00132-RWS

**PLAINTIFF'S RESPONSE TO DEFENDANTS' SECOND NOTICE OF
SUPPLEMENTAL AUTHORITY**

Setting aside whether the decision is legally correctly (it is not), Defendants do not and cannot explain how *Aetna Health Inc. et al. v. Radiology Partners, Inc. et al.*, Case No. 3:24-cv-1343 (M.D. Fla.) actually supports their pending motion to dismiss. That is because the decision addressed issues and facts not presented here, rendering the decision not relevant to this dispute.

The court's analysis in *Radiology Partners*, which does not apply Fifth Circuit precedent and thus is not binding or controlling, concerns what a plaintiff must plead to obtain vacatur of a payment determination under the NSA. *See* D.E. 59-1 at 7-9. That is not an issue in this case because BCBSTX does not seek to vacate an award issued to a healthcare provider. Indeed, here, none of the Defendants are providers to begin with, meaning vacatur would not even be an assertable claim. Nor does *Radiology Partners* address the relevant legal framework presented to this Court, in this case, where BCBSTX is suing HaloMD and the LaRoques for damages caused by their own lies and wrongful conduct in initiating IDRs for tens of thousands of items and services not eligible under the NSA.

Similarly, to the limited extent the *Radiology Partners* court addressed whether the plaintiff's state law claims were preempted by the NSA, it held only that preemption applied insofar as the state law claims served as "grounds to challenge the IDR awards" as an alternative to vacatur. D.E. 59-1 at 9. Again, BCBSTX is not challenging any IDR payment determination here, so there is no comparable argument for preemption. Moreover, contrary to Defendants' assertions, *Radiology Partners* did not address any "dismissal arguments based on the NSA's and FAA's strict limitations on judicial review" or "preemption." Instead, the *Radiology Partners* decision merely asserted, without analysis, that the plaintiff's claims were preempted.

Just as the legal issues are distinct in *Radiology Partners*, so too are the facts. Defendants claim *Radiology Partners* addresses arguments analogous to theirs about "Plaintiff BCBSTX's knowledge and/or failure to object before IDREs or Texas arbitrators." But here, BCBSTX's pleadings make clear that the at-issue claims include claims for which BCBSTX was either unaware of a claim being ineligible or was unable to object to eligibility, e.g. because of Defendants' batching, and where BCBSTX has plausibly plead forced reliance, even where BCBSTX did object to eligibility, but the IDRE improperly found the claim eligible. *See* D.E. 2 at ¶¶ 223, 228, 252, 264, 308. There is no such analysis in *Radiology Partners*. And again, the court only deemed its reliance discussion relevant to whether the plaintiff could meet the "heavy burden" necessary for vacatur under 9 U.S.C. § 10(a)—a burden that simply does not apply here. *Id.* at 7.

Radiology Partners also does not address the distinction between an eligibility decision, and a final payment determination, as discussed by the parties in this case. Instead, *Radiology Partners* simply assumes, without any analysis or holdings, that disputes regarding eligibility for IDRE payments are subject to the same restrictions on judicial review as the payments themselves.

This Court has pointedly asked Defendants: "***So where is the remedy[?]***" *See* Tr. of 3.10.26

Oral Arg. at 38:18-19 (emphasis added). Defendants have again submitted irrelevant authority in an effort to convince the Court that there is none—that HaloMD and the LaRoques’ broad ranging and fraudulent conduct should be immune from suit. But that is not right. The law is clear: courts must interpret statutory limits on judicial review narrowly and in favor of review, only declining judicial review based on clear and convincing evidence. *See* ECF No. 21 at 10-11. As Plaintiff has explained previously, the relevant judicial review inquiry in the Fifth Circuit—not addressed by *Radiology Partners*—is whether the alleged injury flows solely from the award, or whether it also seeks redress for harm separate and apart from the impact on the arbitration award. *See Gulf Petro Trading Co., Inc. v. Nigerian Nat. Petroleum Corp.*, 512 F.3d 742, 751 & n.5 (5th Cir. 2008) (describing potential permissible RICO claim, noting a plaintiff need only allege harm “independent of its effect on the arbitration award”); *id.* at 749 n.3 (citing *Mian v. Donaldson, Lufkin & Jenrette Securities Corp.*, 7 F.3d 1085, 1087 (2d Cir. 1993), which permitted suit for harm occurring during an arbitration proceeding where harm was independent of effect on award). Here, BCBSTX alleges a coordinated scheme to submit tens of thousands of ineligible claims, damages including administrative costs, settlements, and operational burdens separate from any award amounts, and ongoing harm requiring prospective relief.

Radiology Partners is readily distinguishable, does not resolve the specific issues before this Court, and does not support dismissal.

Respectfully submitted,

Dated: April 22, 2026

By: /s/John K. Harting

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CERTIFICATE OF SERVICE

I hereby certify that on April 22, 2026, a true and correct copy of the above was served via email through the Eastern District of Texas's CM/ECF system.

/s/ Joseph T. Janochoski
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