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COUNTY OF STANISLAUS

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ATTORNEYS FOR PLAINTIFF, DOCTORS MEDICAL CENTER OF MODESTO, INC. ET AL

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF STANISLAUS**

FILED BY FAX

DOCTORS MEDICAL CENTER OF
MODESTO, INC., a California Corporation; and

Plaintiffs,

vs.

KAISER FOUNDATION HEALTH PLAN, INC.,
a California Corporation; KAISER
PERMANENTE INSURANCE COMPANY, a
California Corporation; KAISER FOUNDATION
HOSPITALS, a California Corporation; and
DOES 1 through 25, inclusive,

Defendants.

Case No: 2004520-

ASSIGNED TO:

UNLIMITED - DAMAGES IN EXCESS OF \$25,000

COMPLAINT FOR DAMAGES FOR:

1. BREACH OF WRITTEN CONTRACT
2. UNFAIR BUSINESS PRACTICES (CAL. BUS. & PROF. CODE §17200)
3. UNJUST ENRICHMENT
4. ACCOUNTS STATED

TO ALL INTERESTED PARTIES AND THEIR ATTORNEYS OF RECORD:

INTRODUCTION

1. The Defendants, KAISER FOUNDATION HEALTH PLAN, INC., a California Corporation; KAISER PERMANENTE INSURANCE COMPANY, a California Corporation; KAISER FOUNDATION HOSPITALS, a California Corporation (collectively hereinafter referred to as "Defendants" or "Kaiser") in this action have systematically underpaid and delayed payment for fees owed to the Plaintiff, DOCTORS MEDICAL CENTER OF MODESTO, INC. ("Plaintiff" or "Hospital") for medically necessary services. The Plaintiff brings this action to redress this systematic underpayment and delay in payment of hospital fees owed to the Plaintiff. Under state law, the

Summons not issued (MP)

Department 2 for all purposes including Trial

This case has been assigned to Judge WILLIAM A. MAYHEW

1 Plaintiff and other public hospitals have a duty to provide emergency treatment to all patients who
2 need it, including women believed to be in active labor, regardless of the patient's ability to pay.
3 Defendants have a corresponding duty to reimburse Plaintiff and other public hospitals for emergency
4 services and any authorized post-stabilization services based on the full amount charged for medical
5 treatment provided to defendants insured's. The Defendants violate this duty because they routinely
6 refuse to make such payments.

7 2. In addition, the Defendants have a duty to respond promptly and use fair procedures
8 when processing claims for payment, and appeals from denials of such claims, made by medical
9 providers, including Plaintiffs and other public hospitals. Defendants systematically violated these
10 duties through their dilatory and unfair claim handling practices. By engaging in these unlawful,
11 unfair, and deceptive business practices, Defendants have unjustly enriched themselves at the expense
12 of California public Hospitals, namely Plaintiff, and in some instances at the expense of their insureds.

13 3. Plaintiff brings this suit to enjoin the Defendants from future illegal conduct that is
14 harmful to patients, public hospitals, and to Defendant's competitors and to recover funds for public
15 hospitals that were reimbursed by Defendants at illegally low rates. The Plaintiff also seeks to impose
16 civil penalties on the Defendants for their illegal conduct. This action arises under the Unfair
17 Competition Law, California Business and Professions Code sections 17200 et seq.

18
19 **PARTIES**

20 4. Plaintiff, DOCTORS MEDICAL CENTER OF MODESTO, INC. is a California
21 corporation, with its principal place of business in the County of Stanislaus, in the State of California.
22 The Hospital is a California licensed acute-care hospital located in the City of Modesto.

23 5. Defendant, KAISER FOUNDATION HEALTH PLAN, INC. ("Kaiser Health Plan") is
24 a California Corporation, organized and existing under the laws of the State of California with its
25 principal place of business in the City of Oakland, County of Alameda, in the State of California.

26 6. Defendant, KAISER FOUNDATION HOSPITALS ("Kaiser Hospitals") is a California
27 Corporation, organized and existing under the laws of the State of California with its principal place
28 of business in the City of Oakland, County of Alameda, in the State of California.

1 7. Defendant, KAISER PERMANENTE INSURANCE COMPANY ("KPIC") is a
2 California Corporation, organized and existing under the laws of the State of California with its
3 principal place of business in the City of Oakland, County of Alameda, in the State of California.

4 8. Kaiser Health Plan, Kaiser Hospitals and KPIC are collectively referred to herein as
5 "Kaiser" or "Defendants."

6 9. The Hospital is unaware of the true names, identities, and capacities of Defendants
7 sued herein as Does 1 through 25, inclusive, and each of them as based thereon, sues said Defendants
8 by such fictitious names. When their true names and capacities are ascertained, Plaintiff will amend
9 this complaint by inserting their true names and capacities herein. The Hospital is informed and
10 believes and thereon alleges that each of the fictitiously named defendants is responsible in some
11 manner for the occurrences alleged herein, and that the Hospital's damages as alleged herein were
12 proximately caused by those defendants.

13 10. The Hospital is informed and believes and thereon alleges that at all times mentioned
14 herein, each of the Defendants, including all Defendants sued under fictitious names, were the agent
15 and/or employee of each of the remaining Defendants, and in so doing the things alleged herein, were
16 acting within the scope of his or her agency and employment.

17 11. The Hospital is withholding the full name of the Patients in this Complaint to preserve
18 the Patient's protected rights to privacy concerning health care information. The Patients' medical
19 and claims information has been and will be made available to Defendants upon request.

20 12. Jurisdiction is proper in this judicial district because this is where the contract at issue
21 was entered into and/or where the breach occurred.

22

23 **ALLEGATIONS AS TO THE KAISER DEFENDANTS**

24 13. The Hospital is informed and believes that Kaiser Health Plan is a health care services
25 plan licensed with the California Department of Managed Health Care and, thus, is subject to the
26 Knox-Keene Act and related regulations on such health care services plans.

27 14. The Hospital is informed and believes that Kaiser Health Plan, Kaiser Hospitals and
28 KPIC are affiliates of each other and/or are otherwise related corporate entities, and that the entities,

1 cooperate in and conduct the health care program commonly known as the "Kaiser Permanente
2 Medical Care Program."

3 15. The Hospital is informed and believes that, at all times mentioned herein, Kaiser
4 Hospitals, Kaiser Health Plans and KPIC are agents of one another for purposes that include, but are
5 not limited to contracting with hospital providers including the Hospital, entering into network lease
6 agreements with entities such as Multiplan, Inc. and/or its predecessor, Beech Street Corporation,
7 receiving notice of a Kaiser member's inpatient admission, authorizing a Kaiser member's medical
8 services, coordinating a Kaiser member's transfer to another facility, receiving, processing and paying
9 claims for reimbursement for medical services provided to Kaiser members, and processing claims
10 appeals, because Kaiser Hospitals, Kaiser Health Plan and KPIC have in fact performed such actions
11 on one another's behalf.

12 16. The Hospital brings this dispute against Kaiser Health Plan, Kaiser Hospitals, KPIC
13 and Does 1 through 25 and not against the Patient.

14
15 **THE MULTIPLAN AGREEMENT**

16 17. Multiplan is in the business of entering into written contracts with providers such as
17 the Hospital on behalf of "Clients," which are health plans and health plan administrators that are
18 identified in the said contracts, such as Kaiser and Does 1 through 25.

19 18. Based on information and belief, the Hospital contends prior to January 1, 2010, (the
20 specific date is unknown), Multiplan or its predecessors in interest (collectively "Multiplan"), entered
21 into a written agreement with Kaiser and Does 1 through 25 ("Network Leasing Agreement") to
22 allow Multiplan to act as its agent and attorney in fact and to enter into contracts on behalf of Kaiser
23 and Does 1 through 25 with providers that participate in, what is currently known as the Multiplan
24 Network, such as the Hospital, in order for Kaiser and Does 1 through 25 to gain access to the
25 Participating Providers' discounted rates for medical services. Based on information and belief, the
26 Network Leasing Agreement is currently in Kaiser's and Multiplan's possession, custody and control.

27 19. Thereafter, the Hospital and Multiplan entered into the "MPI Participating Facility
28 Agreement" (the "Multiplan Agreement") effective on or about January 1, 2010, and amended from

1 time to time. Due to confidentiality concerns, the Agreement is not attached to this complaint; the
2 Hospital is informed and believes that Kaiser is already in possession of a copy of the Multiplan
3 Agreement, but the Multiplan Agreement has been and will be made available to Defendants upon
4 request.

5 20. The Hospital is informed and believes that, at all times herein mentioned, Multiplan
6 was acting as the agent and attorney-in-fact for Kaiser and Does 1 through 25, and, in negotiating and
7 executing said Multiplan Agreement with the Hospital, was acting in the scope of its authority as
8 such agent and attorney-in-fact and with the permission and consent of Kaiser and Does 1 through 25.
9 Additionally, prior to the dates of service at issue here, Kaiser and Does 1 through 25 ratified the
10 Multiplan Agreement entered into by Multiplan by issuing payments based on the reduced rates set
11 forth in the Multiplan Agreement.

12 21. Pursuant to the terms of the Multiplan Agreement, the Hospital is obligated to provide
13 hospital services at discounted rates to members of Kaiser and Does 1 through 25. Included in the
14 Multiplan Agreement are specific reimbursement rates Kaiser and Does 1 through 25 are required to
15 pay to the Hospital for services the Hospital provides to their members.

16 22. Further, Section 4.3 of the Multiplan Agreement requires that Multiplan include an
17 obligation by the Client to abide by the terms of the Multiplan Agreement in any agreement it enters
18 into with a Client that allows said Client to access the discounted network rates. The Hospital
19 therefore is informed and believes and thereon alleges Kaiser agreed to abide by the terms of the
20 Multiplan Agreement.

21 23. According to Section 3.2 of the Multiplan Agreement, Kaiser is prohibited from
22 retroactively denying a claim for payment for Covered Services even where the services are not pre-
23 certified or pre-authorized except for medical necessity reasons. Section 4.5 of the Multiplan
24 Agreement prohibits Kaiser from denying claims for medical services provided to members when
25 said services are determined to have been medically necessary. None of the patient claims at issue
26 here were denied by Kaiser on medical necessity grounds.

27 24. In turn, Kaiser and Does 1 through 25 are obligated to comply with the terms of the
28 Multiplan Agreement, including reimbursing the Hospital for such hospital services at the discounted

1 rates set forth in the Multiplan Agreement as well as refraining from denying claims for lack of
2 authorization when services were determined to be medically necessary.

3
4 **SPECIFIC ALLEGATIONS AS TO PATIENT 1**

5 25. In June of 2011, the Hospital provided Patient 1, a health plan member of Kaiser
6 and/or Does 1 through 25, with treatment for medically necessary and physician ordered services.
7 Plaintiff is withholding the full name of Patient 1 in this Complaint to preserve Patient 1's right to
8 privacy concerning protected health information. Patient 1's medical and claims information has been
9 and will be made available to Defendants upon request.

10 26. During Patient 1's hospitalization, the Hospital provided medically necessary and
11 physician ordered services.

12 27. Patient 1 presented to the Hospital's emergency department ("ER"), but did not inform
13 the Hospital of his/her Kaiser insurance until September 2011.

14 28. Immediately upon discovering Patient 1 was a Kaiser member, the Hospital timely
15 billed Kaiser for medical services provided to Patient 1. Under the terms of the Multiplan
16 Agreement, Kaiser was required to pay the Hospital within 30 business days. However, Kaiser failed
17 to pay the claim within 30 business days, refused to pay any amount, including the amount incurred
18 for the emergency services, and instead issued a denial of the claim on the grounds that the Hospital
19 did not timely submit a bill to Kaiser. Kaiser's denial is in breach of the Multiplan Agreement and is
20 a violation of California law.

21 29. Kaiser breached the Multiplan Agreement by failing to pay the contractual rate despite
22 receiving the Hospital's timely submitted claim.

23 30. Pursuant to the terms of the Multiplan Agreement, Kaiser's failure to timely pay the
24 Hospital's claim results in Kaiser losing the discount provided therein. Therefore, Kaiser owes the
25 Hospital \$1,941.09, because no contractual discount applies, for the services provided to Patient 1.

26 31. On several occasions, the Hospital submitted timely written appeals to Kaiser
27 requesting payment. However, such attempts to resolve Kaiser's breach and underpayment were
28 unsuccessful. As of this date, Kaiser has failed to issue any payment to the Hospital for services the

1 Hospital provided to Patient 1.

2 32. By improperly denying the claim and refusing to correct the underpayment after
3 numerous appeal efforts made by the Hospital, Kaiser breached the Multiplan Agreement. Thus,
4 Kaiser's breach of the Multiplan Agreement has caused damages to the Hospital in the amount of
5 \$1,941.09, plus statutory interest, for the services provided to Patient 1.

6

7

SPECIFIC ALLEGATIONS AS TO PATIENT 2

8 33. In March of 2011, the Hospital provided Patient 1, a health plan member of Kaiser
9 and/or Does 1 through 25, with treatment for medically necessary and physician ordered services.
10 Plaintiff is withholding the full name of Patient 2 in this Complaint to preserve Patient 2's right to
11 privacy concerning protected health information. Patient 1's medical and claims information has been
12 and will be made available to Defendants upon request.

13 34. During Patient 2's hospitalization, the Hospital provided medically necessary and
14 physician ordered services.

15 35. Patient 2 presented to the Hospital's emergency department ("ER"), but did not inform
16 the Hospital of his/her Kaiser insurance until October 2011.

17 36. Immediately upon discovering Patient 2 was a Kaiser member, the Hospital timely
18 billed Kaiser for medical services provided to Patient 2. Under the terms of the Multiplan
19 Agreement, Kaiser was required to pay the Hospital within 30 business days. However, Kaiser failed
20 to pay the claim within 30 business days, refused to pay any amount including the amount incurred
21 for the emergency services, and instead issued a denial of the claim on the grounds that the Hospital
22 did not timely submit a bill to Kaiser. Kaiser's denial is in breach of the Multiplan Agreement and is
23 a violation of California law.

24 37. Kaiser breached the Multiplan Agreement by failing to pay the contractual rate despite
25 receiving the Hospital's timely submitted claim.

26 38. Pursuant to the terms of the Multiplan Agreement, Kaiser's failure to timely pay the
27 Hospital's claim results in Kaiser losing the discount provided therein. Therefore, Kaiser owes the
28 Hospital \$20,943.02, because no contractual discount applies, for the services provided to Patient 2.

1 39. On several occasions, the Hospital submitted timely written appeals to Kaiser
2 requesting payment. However, such attempts to resolve Kaiser's breach and underpayment were
3 unsuccessful. As of this date, Kaiser has failed to issue any payment to the Hospital for services the
4 Hospital provided to Patient 2.

5 40. By improperly denying the claim and refusing to correct the underpayment after
6 numerous appeal efforts made by the Hospital, Kaiser breached the Multiplan Agreement. Thus,
7 Kaiser's breach of the Multiplan Agreement has caused damages to the Hospital in the amount of
8 \$20,943.02, plus statutory interest, for the services provided to Patient 2.

9
10 **SPECIFIC ALLEGATIONS AS TO PATIENT 3**

11 41. In December of 2011, the Hospital provided Patient 3, a health plan member of Kaiser
12 and/or Does 1 through 25, with treatment for medically necessary and physician ordered services.
13 Plaintiff is withholding the full name of Patient 3 in this Complaint to preserve Patient 3's right to
14 privacy concerning protected health information. Patient 3's medical and claims information has been
15 and will be made available to Defendants upon request.

16 42. During Patient 3's hospitalization, the Hospital provided medically necessary and
17 physician ordered services.

18 43. Patient 3 presented to the Hospital's labor and delivery department, but did not inform
19 the Hospital of her Kaiser insurance until after discharge.

20 44. Immediately upon discovering Patient 3 was a Kaiser member, the Hospital timely
21 billed Kaiser for medical services provided to Patient 3. Under the terms of the Multiplan
22 Agreement, Kaiser was required to pay the Hospital within 30 business days and was prohibited from
23 denying payment on the grounds that the services were not pre-authorized. However, Kaiser failed to
24 pay the claim within 30 business days, refused to pay any amount including the amount incurred for
25 the labor and delivery services, and instead issued a denial of the claim on the grounds that the
26 Patient was not in active labor and was stable to transfer to a Kaiser facility. Kaiser's denial is in
27 breach of the Multiplan Agreement and is a violation of California law.

28 45. Kaiser breached the Multiplan Agreement by failing to pay the contractual rate despite

1 receiving the Hospital's timely submitted claim.

2 46. Pursuant to the terms of the Multiplan Agreement, Kaiser's failure to timely pay the
3 Hospital's claim results in Kaiser losing the discount provided therein. Therefore, Kaiser owes the
4 Hospital \$37,680.57, because no contractual discount applies, for the services provided to Patient 3.

5 47. On several occasions, the Hospital submitted timely written appeals to Kaiser
6 requesting payment. However, such attempts to resolve Kaiser's breach and underpayment were
7 unsuccessful. As of this date, Kaiser has failed to issue any payment to the Hospital for services the
8 Hospital provided to Patient 3.

9 48. By improperly denying the claim and refusing to correct the underpayment after
10 numerous appeal efforts made by the Hospital, Kaiser breached the Multiplan Agreement. Thus,
11 Kaiser's breach of the Multiplan Agreement has caused damages to the Hospital in the amount of
12 \$37,680.57, plus statutory interest, for the services provided to Patient 3.

13
14 **FIRST CAUSE OF ACTION**

15 **BREACH OF WRITTEN CONTRACT**

16 **AGAINST KAISER AND DOES 1 THROUGH 25**

17 49. Plaintiff re-alleges and incorporates by reference each and every allegation set forth in
18 the preceding paragraphs.

19 50. At the time the Hospital provided services to Patients 1, 2 and 3 (collectively the
20 "Patients"), the Multiplan Agreement between the Hospital and Kaiser, executed through its agent
21 Multiplan, was in place and Kaiser was obligated to make payment in accordance with its terms. The
22 Multiplan Agreement requires Kaiser to timely reimburse the Hospital for the medically-necessary
23 services the Hospital provided to the Patients at the rates stated therein and prohibits Kaiser from
24 denying the Hospital's claims on a lack of authorization basis.

25 51. The Hospital performed all of its obligations under the Multiplan Agreement,
26 including, but not limited to providing medically necessary and physician ordered services to Kaiser's
27 members, timely submitting its claims to Kaiser and notifying Multiplan of Kaiser's failure to pay
28 prior to filing this complaint.

1 52. Kaiser breached the Multiplan Agreement by (1) improperly denying the Hospital's
2 claims on timely submission and/or lack of authorization bases, and (2) failing to properly pay the
3 Hospital's clean claims regarding medically necessary services provided to the Patients.

4 53. Per the Multiplan Agreement, clean claims not paid within 30 days shall not be
5 eligible for the discounted rates contained in the agreement.

6 54. The Hospital has been damaged as a result of Kaiser's breach in the amount of
7 \$60,564.68, plus statutory interest, for the services provided to the Patients.

8

9 **SECOND CAUSE OF ACTION**
10 **UNFAIR BUSINESS PRACTICES (CAL. BUS. & PROF. CODE §17200)**
11 **AGAINST KAISER AND DOES 1 THROUGH 25**

12 55. Plaintiff re-alleges and incorporates by reference each and every allegation set forth in
13 preceding paragraphs above and further alleges as follows.

14 56. The Hospital is in the business of providing medically necessary services to patients.
15 Kaiser is in the business of paying for hospital services on behalf of patients. Thus, Kaiser is not a
16 competitor of the Hospital.

17 57. Defendants have engaged in unlawful, unfair and/or fraudulent business acts and
18 practices within the meaning of Cal. Bus. & Prof. Code § 17200 by engaging in the following
19 conduct:

20 (a) Defendants' claims handling acts and practices, as set forth above, have
21 repeatedly violated provisions of the Health and Safety Code, including but not limited to California
22 Health and Safety Code Sections 1371, 1371.1, 1371.4 1371.35, 1371.36, 1371.37, and California
23 Code of Regulations, title 28, Sections 1300.71 and 1300.71.38, and therefore has engaged in a
24 pattern of unlawful business practices;

25 (b) Defendants claim handling acts and practices, as set forth above, have caused
26 the Hospital to incur a forfeiture in violation of Cal. Civ. Code § 3275 by denying reimbursement of
27 the Hospital's claims absent any grossly negligent, willful or fraudulent breach of duty on the part of
28 the Hospital;

1 (c) Defendants claims handling acts and practices, as set forth in this complaint,
 2 relating to both the underpayment of claims made by public hospitals for medical treatment and
 3 dilatory claims processing practices, constitute unfair business practices because they offend
 4 established public policy, and because the harm they cause to patients and public hospitals in
 5 California greatly outweighs any benefits associated with those practices; and

6 (d) Defendants claims handling acts and practices, as set forth in this complaint,
 7 relating to both the underpayment of claims made by public hospitals for emergency medical
 8 treatment and dilatory claims processing practices, constitute deceptive business practices because
 9 they are likely to deceive patients and employees of public hospitals in California.

10 As a direct and proximate result of Defendants' unlawful, unfair and fraudulent
 11 business practices, Defendants have unlawfully retained monies, for Defendants' own profit, that
 12 were properly due and owing the Hospital, thereby causing the Hospital to sustain damages in a total
 13 amount to be established at trial.

14 58. In addition, Defendants' unlawful, unfair and fraudulent business practices routinely
 15 and systematically contradicts its contractual requirement that prohibits Clients from denying claims
 16 on the basis of no authorization when the services were medically necessary.

17 59. The above-described unlawful, unfair and/or fraudulent business acts and practices
 18 engaged in by Defendants continue to this day and/or present a threat of irreparable harm to the
 19 Hospital.

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SEVENTH CAUSE OF ACTION
UNJUST ENRICHMENT
AGAINST KAISER AND DOES 1 THROUGH 25

24 60. As alleged above, the Hospital believes it is entitled to full and complete payment from
 25 Kaiser in accordance with the Multiplan Agreement as set forth above. However, to the extent the
 26 Multiplan Agreement alleged does not apply and/or are deemed unenforceable against Kaiser for any
 27 of the services at issue, the Hospital alleges in the alternative that Kaiser owes the Hospital for these
 28 services based on unjust enrichment.

1 61. The Hospital alleges that Kaiser owes the Hospital for the services provided to Kaiser's
2 members, the Patients, in good faith based on unjust enrichment.

3 62. The Hospital's provision of medically necessary care and treatment to the Patients
4 were intended to, and in fact, benefited Kaiser because the Patients were provided with medical care
5 and treatment Kaiser was obliged to provide or arrange for its Members.

6 63. The value of the benefits conferred upon Kaiser is \$60,564.68, which represents the
7 Hospital's total damages for the services provided to the Patients. Kaiser failed to reimburse the
8 Hospital for these charges, thereby retaining the benefit provided by the Hospital.

9 64. Kaiser failed to reimburse the Hospital for the benefits of the significant health care
10 services the Hospital provided to the Patients, and thus retained the benefits of these services at the
11 expense of the Hospital.

12 65. As a result of the benefits conferred upon Kaiser by the Hospital, the Hospital is
13 entitled to restitution in the amount exceeding \$60,564.68 plus statutory interest.

14
15 **EIGHTH CAUSE OF ACTION**

16 **ACCOUNT STATED**

17 **AGAINST KAISER AND DOES 1 THROUGH 25**

18 66. As alleged above, the Hospital believes it is entitled to full and complete payment from
19 Kaiser in accordance with the contracts set forth above. However, the extent the contracts alleged
20 above do not apply and/or are deemed unenforceable against Kaiser for any of the services at issue,
21 and absent any other legally controlling rate, the Hospital alleges in the alternative that Kaiser owes
22 the Hospital for these services pursuant to an account stated.

23 67. As required by the laws of the State of California, at all times relevant herein, the
24 Hospital was required to, and in fact did, publish its charges online on the OSHPD website. The
25 Hospital's published charges are, and were at all times relevant here, available to the public including
26 Kaiser. The Hospital's published charges reflect the reasonable and customary value of the services
27 and supplies the Hospital provides.

28 68. It is custom and practice in the healthcare industry for health care facilities such as the

1 Hospital and health plans such as Kaiser to enter into written contracts wherein the Defendants agree
 2 to encourage their members, like the Patients, to use the Hospital for their medical needs and in
 3 exchange the Hospital agrees to accept payment at a discount off the full charge of its rates as
 4 published online on the OSHPD website.

5 69. It is custom and practice in the healthcare industry that where a hospital and a health
 6 plan have not entered into a valid written contract, and said hospital treats a member of said health
 7 plan, the health plan will pay the facility's full billed charges, which are published online on the
 8 OSHPD website, as said charges are the reasonable and customary rate for said services.

9 70. Prior to rendering services to the Patients, the Hospital's charges were available to the
 10 public, including to Kaiser, because they are published online on the OSHPD website. The Hospital
 11 believes and therefore alleges Kaiser knew or should have known of the Hospital's reasonable and
 12 customary charges for services rendered to the Hospital and therefore agreed to said charges.

13 71. In the ordinary course of business, the Hospital sent invoices for the services at issue to
 14 the place that Defendants directed the Hospital to send those bills. The bills are commonly referred to
 15 as UB-04s, based on the form originated by the Medicare program, and now used routinely by all
 16 providers and payors, for stating bills. The amounts stated on these bills by the Hospital are the billed
 17 charges for the services, as published online on the OSHPD website, provided to the Patients, which
 18 also is industry standard practice.

19 72. The Hospital is informed and believes that Kaiser agreed with the Hospital on the
 20 amount due from them, as reflected in the UB-04s sent to Kaiser because said charges were known to
 21 Defendants and published on the OSHPD website. Furthermore, Kaiser did not ever contest the
 22 accuracy of the charges contained on the UB-04s nor contend that the services listed thereon were not
 23 provided to the Patients.

24 73. The Hospital is informed and believes that Kaiser expressly and/or implied promised to
 25 pay the amounts due.

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PRAYER FOR RELIEF

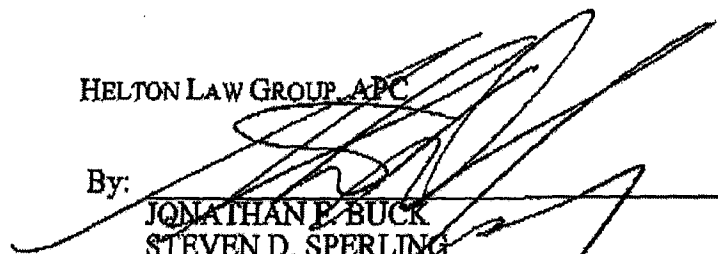
WHEREFORE, Plaintiff prays for judgment as follows:

- 1. For damages in an amount according to proof at trial;
- 2. For applicable penalties for unfair business practices;
- 3. For restitution for unjust enrichment;
- 4. For interest at the various statutory rates;
- 5. For costs and reasonable attorneys' fees to the extent allowed by law; and
- 6. For such other and further relief as this Court may deem just and proper.

DATED: December 13, 2013

HELTON LAW GROUP, APC

By:



JONATHAN E. BUCK
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Attorneys for Plaintiff DOCTORS MEDICAL
CENTER OF MODESTO, INC.