



# Medical Association of Georgia v. Blue Cross & Blue Shield of Georgia, Inc. 536 S.E.2d 184 (Ga. App. 2000)

Topics Covered: Payment Issues (for Physicians), Managed Care Payments and Usual, Customary and Reasonable Payments

**Outcome: Very Favorable**

## **Issue**

The issues in this case were whether Georgia Blue was required to provide its panel physicians with its fee schedule and the method by which that fee schedule was calculated.

## **AMA Interest**

The AMA supports fair policies and practices regarding payment for physician services.

## **Case Summary**

The Medical Association of Georgia ("MAG") and four of its members sued for a declaration that Georgia Blue had breached its provider contracts in a number of respects. The trial court ruled against the claims of the plaintiffs. The Georgia Court of Appeals, however, held that unless the provider contract with the physicians were to specify otherwise, a health insurance company must provide its doctors with its fee schedule and "the precise methodology that is used for determining payments." The appellate court remanded the case to the trial court, with instructions to order Georgia Blue to follow its ruling. The Georgia Supreme Court denied requests from both sides to review the appellate court's decision.

Following remand, the trial court ordered Georgia Blue to provide the information ordered by the Court of Appeals. Georgia Blue subsequently certified to the court that it had complied with the trial court's and Court of Appeals' orders.

MAG later asked the trial court to hold Georgia Blue in contempt of court, because although Georgia Blue had disclosed its fee schedule, it had not disclosed the various edits in its payment software which could significantly alter the payments made to physicians. On this basis, MAG argued that Georgia Blue had not disclosed "the precise methodology ... used for determining payments," as the Georgia Court of Appeals had required.

The court denied MAG's contempt motion. It indicated that Georgia Blue's practice of bundling fees was a matter separate from its failure to disclose its fee schedule. MAG appealed from that order, but withdrew that appeal after determining that Georgia Blue was disclosing its payment edits.

Based on the Court of Appeals ruling the Georgia Insurance Commissioner passed a regulation requiring all health insurance companies doing business in Georgia to disclose their fee schedules to their panel physicians. The Georgia Legislature then enacted a law to the same effect.

### **Litigation Center Involvement**

The AMA asked the trial court for leave to join the case as an additional plaintiff, but that request was denied. In addition, the Litigation Center contributed substantially to MAG's legal expenses.