



# Peters v. Aetna, 2 F.4th 199 (4th Cir. 2021)

Topics Covered: Managed Care, Payment Issues

## Outcome: Very Favorable

### Issue

The issue in this case was whether Aetna and OptumHealth Care Solutions improperly used CPT codes to charge patients and health insurance plans for administrative fees that were labeled as “unlisted modalities.”

### AMA Interest

The proper use of CPT is fundamental to the AMA’s mission, and the accurate reporting of services is central to the continued success and utility of CPT. The AMA is opposed to the incorrect use of CPT by insurers and others, and it is dedicated to taking necessary actions to ensure proper coding for medical services.

### Case Summary

The suit is a class action by a health insurance plan beneficiary, Sandra Peters, against Aetna and OptumHealth Care Solutions, which provide administrative services for a self-funded plan. The employer contracted with Aetna to administer the plan, under an agreed rate of compensation. Aetna, because it had a limited provider network, sub-contracted with Optum to make its own, larger provider network available to the plan and its beneficiaries. The plan had no contractual relationship with Optum, and thus it never agreed to compensate Optum. Only Aetna agreed to pay Optum.

In this case, the “providers” of health care services for Ms. Peters were physical therapists and chiropractors (not physicians) within the Optum network. Rather than Aetna’s compensating Optum for its services and for the use of Optum’s provider network, the insurers agreed—in their own words—to “bury” Optum’s fees in benefit claims so the plan and plan members would unwittingly pay those fees.

The district court granted summary judgment to Optum and Aetna. Ms. Peters appealed to the Fourth Circuit.

On June 22, 2021, the Fourth Circuit Court of Appeals reversed the district court’s decision, in part, and reinstated some of the plaintiffs’ claims. The court of appeals cited the Litigation Center’s *amicus* brief on several key points, and the outcome was very favorable.

### **Litigation Center Involvement**

The Litigation Center, along with several state medical societies in the Fourth Circuit, filed an *amicus* brief to support Ms. Peters and seek reversal of the judgment for Aetna and Optum.

Fourth Circuit Court of Appeals Brief