

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

ANTHEM, INC.,

**Plaintiff,**

v.

CHAD PIPER,

**Defendant.**

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**CIVIL ACTION NO. 1:22-CV-450**

**VERIFIED COMPLAINT**

Plaintiff Anthem, Inc. (“Anthem”) brings this suit against Chad Piper (“Piper”), a former highly compensated President for an Anthem plan who has flagrantly violated his restrictive covenant obligations to obtain an unfair advantage over Anthem in a bid for a state contract worth billions of dollars. Absent immediate injunctive relief, Anthem faces the prospect of a competitor armed with its confidential bid strategy, weaknesses, and operational performance metrics. Anthem therefore files this Verified Complaint to obtain injunctive relief.

**PARTIES**

1. Plaintiff Anthem, Inc. is an Indianapolis-based business. Anthem is an Indiana corporation with its principal place of business in Indianapolis, Indiana. Anthem is registered to do business in the State of Indiana.

2. Defendant Chad Piper is an individual and a citizen of Iowa. Piper is domiciled in Iowa and resides at 7309 150th Avenue, Indianola, Iowa 50125.

### JURISDICTION

3. This Court may exercise jurisdiction over Count III of this Complaint because it arises under the laws of the United States, namely the Defend Trade Secrets Act, 18 U.S.C. § 1836. Accordingly, this Court has original jurisdiction over that claim under 28 U.S.C. § 1331.

4. The Court also has subject matter jurisdiction in this matter pursuant to 28 U.S.C. § 1332 because complete diversity exists and the amount in controversy is in excess of \$75,000.

5. Anthem is a citizen of Indiana, and Piper is a citizen of Iowa. Thus, complete diversity is present.

6. The amount in controversy is in excess of \$75,000. As discussed in detail below, Anthem seeks to recover compensatory damages, injunctive relief, and its attorneys' fees and costs. Anthem's claim for compensatory damages alone is far in excess of \$75,000. The injunctive relief sought is also far in excess of \$75,000, because, absent the entry of injunctive relief, Piper will be free to compete against Anthem using Anthem's trade secrets and other confidential information and to solicit a customer and account (the Iowa Health Link account) about which he obtained trade secrets and other confidential information, resulting in damages to Anthem well in excess of the jurisdictional minimum.

### PERSONAL JURISDICTION AND VENUE

7. Personal jurisdiction and venue is proper in this District and Division because Piper's RSU Agreements incorporate by reference the terms of Anthem's 2017 Anthem Incentive Compensation Plan (the "Incentive Compensation Plan"). A copy of the Incentive Compensation Plan is attached as **Exhibit 1**. The Incentive Compensation Plan includes a mandatory forum-selection clause setting venue exclusively in federal and state courts of Indiana for any disputes

“[t]hat may arise out of or relate to the Plan or any related agreements.” (Incentive Compensation Plan § 21.11.)

### INTRODUCTION

8. Anthem is an Indianapolis-based company that provides health care services to millions of Americans across the United States. To better serve its members, Anthem operates a number of network-based managed care plans to groups of all sizes, as well as to individuals and the Medicare and Medicaid markets.

9. Anthem operates some of these plans through subsidiaries. One of its subsidiaries is Community Care Health Plan of Nebraska, Inc., a Medicaid and Children’s Health Insurance Program (“CHIP”) plan that operates in Nebraska. Community Care Health Plan of Nebraska, Inc. does business under the trade name “Healthy Blue Nebraska.” Another one of its subsidiaries is Amerigroup Iowa, Inc. (“Amerigroup Iowa”), a Medicaid and CHIP plan that operates in Iowa.

10. Defendant Chad Piper worked for Anthem as the President of Healthy Blue Nebraska. In this role he had responsibility for directing the plan’s strategic, fiscal, regulatory, and operational activities. Befitting his title and seniority at Healthy Blue Nebraska, Piper was highly compensated and received multiple stock grants as part the Incentive Compensation Plan.

11. Each stock grant Piper received under the Incentive Compensation Plan is governed by a Restricted Stock Unit Award Agreement (“RSU Agreement”). On March 1, 2021, Anthem issued Piper three stock grants, each covered by a separate RSU Agreement. The March 1, 2021 RSU Agreements are attached collectively as **Exhibit 2**.

12. In exchange for receiving the restricted stock grants, Piper agreed to restrictions on his ability to use Anthem’s confidential information, to compete with Anthem, to solicit Anthem’s customers and accounts, and to solicit Anthem’s employees.

13. On November 23, 2021, Piper provided Anthem with notice that he was resigning. A copy of this notice is attached as **Exhibit 3**. Piper’s employment with Anthem ended a week later on November 30, 2021.

14. In his resignation notice, Piper disclosed that his new employment “is with a competitor and is a like position but is not within the geographic area in which [he] currently serve[s].” (Resignation Notice, Ex. 3.) His purported reason for resigning was that the State of Nebraska may begin the process in the next several months to rebid its Medicaid managed care organization (“MCO”) contracts – a significant event that requires enormous planning and strategic development. He claimed that the new role, which he did not identify, “is located in a separate state for which [he had] no confidential information, no direct Anthem operational knowledge or oversight, nor any known trade secrets.” (*Id.*)

15. The likely reason why Piper did not identify his role is because doing so would undermine what he said in his resignation notice. Upon information and belief, Piper accepted a role as the CEO of CareSource’s aspirant Iowa Medicaid plan—a substantially similar position with a direct competitor. CareSource currently does not have a Medicaid MCO contract in Iowa. However, prior to Piper’s resignation from Anthem, the Iowa Department of Human Services (“Iowa DHS”) announced its intention to rebid its MCO contracts for the state’s Medicaid managed care program, Health Link. Amerigroup Iowa is currently one of only two Medicaid plans that participates in the Iowa Health Link program. Upon information and belief, in his new role as the CEO of CareSource’s Iowa aspirant Medicaid plan, Piper is currently leading CareSource’s efforts in preparing and submitting its bid to Iowa DHS in direct competition with Anthem’s bid. CareSource does not currently operate a Medicaid plan in Iowa, so Piper has no conceivable activities other than preparing for the forthcoming rebid.

16. Contrary to Piper’s representation that he had “no confidential information” about Anthem’s operations in Iowa, Piper joined CareSource only after obtaining highly confidential insider information about Anthem’s rebid strategy and extensive confidential information about Anthem’s approach for the Iowa Health Link rebid. Indeed, on October 18, 2021, Piper attended a critical strategic planning review called a “Business Operating Review” presented by Jeff Jones, the Plan President for Amerigroup Iowa, where Jones provided detailed information about Amerigroup Iowa’s operational metrics and its strategy for the Iowa Health Link rebid.

17. After that presentation, and armed with his insider knowledge about Anthem’s Iowa strategy, Piper saw an opportunity to capitalize on the confidential information he had been provided to obtain a “sizable increase in benefits and salary” by joining an Anthem competitor in Iowa. On October 21, 2021 – a mere three days after attending the Business Operating Review about Iowa – Piper emailed himself a copy of his resume that he titled “Chad Piper \_Iowa\_Resume.docx.,” and in late October or early November, he began interviewing for his new role with CareSource as its Medicaid plan president.

18. Moreover, between October 21, 2021 and November 18, 2021, Piper forwarded several documents from his work email to his personal email, including documents expressly designated by Anthem as confidential, that are related to Anthem’s strategy in the Iowa Health Link rebid. As one example, and as discussed further below, on November 10, 2021, after receiving highly confidential information about Anthem’s Medicaid strategy at Anthem’s Medicaid Leadership Strategy Meeting, Piper forwarded himself a document prepared by Anthem’s Market Competitive Intelligence (“MCI”) team labeled “Iowa Health Needs Assessment.” That document contains a link to a highly confidential 74-page assessment prepared by the MCI team for the Iowa Health Link rebid.

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