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*Hudson Hospital OPCO, LLC, d/b/a CarePoint Health—Christ Hospital; IJKG, LLC, IJKG PROPCO LLC and IJKG OPCO LLC, d/b/a CarePoint Health—Bayonne Medical Center; and HUMC OPCO LLC, d/b/a CarePoint Health—Hoboken University Medical Center*

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY**

HUDSON HOSPITAL OPCO, LLC—d/b/a  
CAREPOINT HEALTH—CHRIST  
HOSPITAL, IJKG, LLC; IJKG PROPCO  
LLC and IJKG OPCO LLC d/b/a  
CAREPOINT HEALTH—BAYONNE  
MEDICAL CENTER; and HUMC OPCO  
LLC d/b/a CAREPOINT HEALTH—  
HOBOKEN UNIVERSITY MEDICAL  
CENTER,

Plaintiffs,

v.

CIGNA HEALTH AND LIFE  
INSURANCE COMPANY and  
CONNECTICUT GENERAL LIFE  
INSURANCE COMPANY,

Defendants.

Hon. \_\_\_\_\_, U.S.D.J.

Hon. \_\_\_\_\_, U.S.M.J.

Civil Action No.

**COMPLAINT AND  
JURY DEMAND**

For their Complaint against Defendants, Cigna Health and Life Insurance Company (“Cigna Health”) and Connecticut General Life Insurance Company (“Connecticut General”) (collectively, “Defendants” or Cigna”), Plaintiffs Hudson Hospital OPCO, LLC d/b/a CarePoint Health—Christ Hospital (“Christ Hospital”), IJKG, LLC, PROPCO LLC and IJKG OPCO LLC d/b/a CarePoint Health—Bayonne Medical Center (“BMC”), and HUMC OPCO LLC d/b/a CarePoint Health—Hoboken University Medical Center (“HUMC”), (collectively, the “CarePoint Hospitals”), by and through their attorneys, K&L Gates LLP, hereby allege as follows:

## INTRODUCTION

1. This is an action under the Employee Retirement Income Security Act (“ERISA”), 29 U.S.C. § 1001 *et seq.*, and state law, based on Defendants’ failure and ongoing refusal to pay in full for health care services, including services related to COVID-19, that the CarePoint Hospitals provided to patients covered by the Plans provided or administered by Defendants’ (“Defendants’ Subscribers” or “Cigna’s Subscribers”).

2. Plaintiffs are local, hospital-based, emergency medical care providers. As emergency medical care providers, the Plaintiffs are essential workers on the front lines of the patient emergencies and, importantly, pandemic response.

3. Plaintiffs' claims arise in part from Defendants' intentional and unlawful pattern of drastically underpaying and/or refusing to pay the CarePoint Hospitals, which were out-of-network with Defendants before June 1, 2021, for claims submitted to Defendants for medical treatment provided to patients.

4. Cigna provides health care insurance, administration, and/or benefits to insureds or plan participants pursuant to a variety of health care benefit plans and policies of insurance, including employer-sponsored benefit plans and individual health benefit plans ("Cigna Plans").

5. As shown further below, in violation of their duties under ERISA and state law, Defendants have failed and refused to pay in full for health care services that the CarePoint Hospitals provided to Defendants' Subscribers.

6. During the period from approximately March 15, 2016, through May 31, 2021 ("the Claim Period"), the CarePoint Hospitals provided hospital services in connection with 10,650 patient visits by Defendant's Subscribers.

7. For 8,083 patient visits by Defendants' Subscribers, Cigna either did not pay or underpaid for hospital services provided by the CarePoint Hospitals (the "Underpaid Claims") during the Claim Period as follows:

a. During the Claim Period, Christ Hospital provided hospital services relating to approximately 2,579 patient visits by Cigna Subscribers.

Of those patient visits: 1,808 were for emergency/urgent care

(“Emergency”); and 771 were for non-emergency/non-urgent (“Elective”) care within the scope of the out-of-network benefits provided under the patients’ Plans.

b. During the Claim Period, BMC provided hospital services relating to approximately 2,254 patient visits by Cigna Subscribers. Of those patient visits: 1,569 were for Emergency care; and 685 were for Elective care within the scope of the out-of-network benefits provided under the patients’ Plans.

c. During the Claim Period, HUMC provided hospital services relating to approximately 3,250 patient visits by Cigna Subscribers. Of those patient visits: 2,678 were for Emergency care; and 572 were for Elective care within the scope of the out-of-network benefits provided under the patients’ Plans.

8. The CarePoint Hospitals’ billed charges for the Underpaid Claims during the Claim Period total approximately \$244,344,882, reflecting the CarePoint Hospitals’ usual and customary rates for the particular medical services provided, but Cigna underpaid each of these claims.

9. Assuming an average patient responsibility (*i.e.*, copayments, coinsurance, and deductibles) under the applicable Plans of ten percent (10%) of the charges for emergency/urgent care and thirty-percent (30%) of the charges for

Elective care, Cigna is responsible for \$182,121,671 and \$29,391,228 of the total underpaid charges, respectively; the grand total of Cigna's responsibility for the Underpaid Claims is \$211,512,899.

10. However, to date, Cigna has paid the CarePoint Hospitals for only a portion of its responsibility for the Underpaid Claims - \$76,155,427. The current unpaid balance due to the CarePoint Hospitals by Cigna is at least \$135,357,472 with respect to the Underpaid Claims.

11. Defendants' denials and underpayments to the CarePoint Hospitals on the Underpaid Claims are in clear violation of the terms of the Plans, as well as federal and state law.

12. For example, the CarePoint Hospitals, like all hospitals, are prohibited by the Emergency Medical Treatment and Active Labor Act of 1986 ("EMTALA"), 42 U.S.C. § 1395dd, from turning away women who are in active labor or any other persons in need of emergent/urgent medical treatment because of inability to pay or unavailability of insurance.

### **THE PARTIES**

13. BMC is a privately held, limited liability company, organized under the laws of the State of New Jersey, with its principal place of business at 29th Street and Avenue E, Bayonne, New Jersey.

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