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MHPA Files Amicus Brief in Saint Anthony Hospital v. Whitehorn

(Washington, DC) - Medicaid Health Plans of America (MHPA) filed an amicus brief last Thursday in the U.S. Court of Appeals for the Seventh Circuit in the case of *Saint Anthony Hospital v. Whitehorn*. The brief supports the petitions for rehearing or rehearing en banc filed by the Illinois Department of Healthcare and Family Services (HFS) and by several managed care organizations. The case involves an Illinois hospital alleging that Medicaid MCOs failed to pay claims timely in accordance with their contracts. MHPA's brief emphasizes that the issue should have been resolved between the hospital and MCOs in arbitration or litigation, not through a federal lawsuit against HFS.

"MHPA has an interest in maintaining and expanding managed care's benefits and to prevent policy changes that undermine Medicaid managed care," said MHPA President and CEO Craig A. Kennedy, MPH. "As the leading association for managed care organizations specializing in the Medicaid market, MHPA provides an overall perspective of how the Medicaid managed care model operates – a perspective that is crucial to understanding how the panel's unprecedented decision impacts the efficient and cost-effective administration of benefits for millions of people who rely on Medicaid for their health care," continued Kennedy.

In this case, the Seventh Circuit originally ruled in 2022 that, under certain circumstances when a Medicaid provider believes it has not been paid timely by a Medicaid managed care organization, the provider could sue the state under 42 U.S.C. § 1983 to enforce a provision of the Medicaid statute that requires state Medicaid agencies to incorporate a timely payment provision in their contracts with managed care organizations. HFS petitioned the Supreme Court to review the Seventh Circuit's decision, and MHPA then filed its first amicus brief in this case in 2023.

The Supreme Court granted the petition to hear the case, vacated the Seventh Circuit's decision and remanded back to that court to reconsider in light of the Supreme Court's recent decision interpreting the right of action under § 1983, *Health & Hospital Corp. of Marion County v.*

Talevski. On April 25, 2024, the Seventh Circuit reaffirmed its holding from 2022, in a new opinion. On June 30, HFS and four managed care plans that intervened as defendants in the case petitioned the Seventh Circuit to reconsider the decision.

The panel decision encourages litigants to abandon the effective and well-established path to resolve these disputes—suits or arbitrations for contract damages, state administrative remedies, or both—in favor of an unprecedented opportunity to litigate contract disputes as purported infringements of federal rights by the State.

Read the full brief [here](#).

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About Medicaid Health Plans of America

Founded in 1995, the Medicaid Health Plans of America (MHPA) is the only national association that solely represents the interests of the Medicaid managed care industry. Through its advocacy and research work, MHPA supports innovative policy solutions that enhance the delivery of comprehensive, cost-effective, and quality health care for Medicaid enrollees. MHPA works on behalf of its 150+ member health plans, known as managed care organizations (MCOs), which serve more than 48 million Medicaid enrollees in 40 states, Washington, D.C., and Puerto Rico. MHPA's members include for-profit and non-profit national, regional, and single-state health plans that compete in the Medicaid market. Visit medicaidplans.org for more information.