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NATION’S LARGEST CARRIER ON HEALTH INSURANCE MARKETPLACE ACCUSED OF MASSIVE HEALTH CARE FRAUD

*Centene Corporation Allegedly Targeting Low-Income Families to Collect
Millions in Insurance Premiums While Providing Extremely
Limited Access to Medical Care*

SPOKANE, WA – Centene Corporation (NYSE:CNC), the largest carrier on the Health Insurance Marketplace and the largest Medicaid Managed Care Organization in the United States, is perpetrating a massive healthcare fraud, selling junk plans on state exchanges and misleading enrollees about the plan benefits, according to a federal class action lawsuit filed today. Centene markets its signature product – its three-tiered Ambetter plans – in at least 15 states as “quality healthcare networks,” but fails to provide policyholders with adequate coverage, as guaranteed under the Affordable Care Act (ACA).

The four-count class action lawsuit, filed today in United States District Court for the Eastern District of Washington, could come to represent more than one million plan participants around the country. It alleges that Centene knowingly sells its Ambetter health plans in markets where there are few if any participating doctors or hospitals, often falsifying its published lists of available in-network physicians in a given area. Centene markets these plans to price-sensitive buyers who receive government funds to purchase health insurance and the company then collects those funds in the form of taxpayer-funded reimbursements.

“Centene Corporation preys upon vulnerable, low-income individuals across the country with limited access to health coverage and, in the process, milks American taxpayers for profit,” said **Seth Lesser, Partner at Klafter Olsen & Lesser LLP and co-lead plaintiffs’ attorney**. “Centene has built itself into a Fortune 100 company by disregarding what the law requires and its agreements with policyholders, many of whom are among the poorest, sickest and youngest members of society.”

The lawsuit filed today details a number of examples that illustrate Centene’s questionable practices. Dr. Steven Milman, a practicing dentist in Texas, researched Centene-subsiary Superior Health’s Ambetter provider network before enrolling in January 2017. Superior Health represented on its website that Austin Diagnostic Clinic, a facility with approximately 140 physicians, was in the Ambetter provider network. Dr. Milman purchased an Ambetter policy covering himself and his wife, paying a monthly

premium of over \$1,200. Austin Diagnostic Clinic, however, was not a provider in the Ambetter policy network. The medical group had specifically informed Superior Health in writing months earlier that the group no longer accepted Ambetter policies as insurance. This medical group continued to be listed as part of the Ambetter network nonetheless. When Superior Health finally assigned Dr. Milman a primary care provider – after a lengthy delay and repeated efforts on his part– he was assigned to an ob/gyn, who understandably does not treat men.

Last month, Washington State’s Insurance Commissioner briefly ordered Coordinated Care Group, a unit of Centene, to stop selling 2018 plans in that state, saying the company failed to cover enough doctors and other care providers. The regulator’s decision came after receiving several dozen consumer complaints about the lack of coverage in Centene’s network.

“The Affordable Care Act was meant to shift power from health insurers back to patients,” said plaintiffs’ attorney **David Martin**. Plaintiffs’ attorney **Mark Ravis** added: “But as this suit will show, Centene continues to do anything and everything just to make a buck, even if it means putting people’s lives at risk.”

Centene is among the country’s biggest providers of government-sponsored healthcare, serving over 12 million people across nearly 30 states. The company historically specialized in managing Medicaid coverage for poor Americans, and, now targets low-income people eligible for government subsidies on the insurance markets. Recently ranked 66 on the Forbes 100 list, Centene covers roughly 10% of the ACA’s individual market and generated revenue of \$10 billion in the second quarter of 2017 alone. It utilizes a highly controlled and centralized system of limiting health care options to its customers, in order to ensure a solid profit for its corporation, according to plaintiffs’ attorney **Robert Green of Green & Noblin, P.C.**

“Centene has systematically taken advantage of society’s neediest to fill its own coffers,” said **Beth Terrell of Terrell Marshall Law Group PLLC**. “Americans already struggling to navigate both their economic situation and health care needs shouldn’t also have to worry about whether they are being scammed.”

In addition to the suspension last year in Washington, Centene has long faced allegations of waste, fraud and abuse. For example:

- In 2016, the company became the subject of a Department of Justice investigation for overstating how sick its Medicare members are as a way to get more money from the government.
- In August of last year, Health Net, a wholly owned subsidiary of Centene, was fined \$340,000 by the U.S. Securities and Exchange Commission for illegally keeping employees from talking to state and federal officials about company violations.

- In January 2016, the company lost hard drives containing personal information of almost 1 million members, including names, addresses, dates of birth, social security numbers, member ID numbers and health information.

About Klafter Olsen & Lesser LLP

Klafter Olsen & Lesser LLP is a leading, national plaintiffs firm that specializes in complex individual, class and collective actions nationwide. With offices in New York and Washington, D.C., the firm boasts extensive experience in securities, employment, commercial, privacy and mass torts litigation, and has a thriving appellate practice. More information is available at www.klafterolsen.com or 914-934-9200.

About Law Office of Mark Ravis & Associates

Mark Ravis & Associates is a Los Angeles based law firm that handles criminal and civil cases, including a large number of health care cases. Mr. Ravis is himself a licensed physician. The firm can be contacted at (310) 295-4145.

About Law Office of Green & Noblin, P.C

Green & Noblin, P.C. prosecutes class actions and other complex litigation on behalf of a wide range of consumer and investor clients, in state and federal courts across the nation. More information is available at www.classcounsel.com or 415-477-6700.

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Terrell Marshall Law Group PLLC is a Seattle based law firm focusing on complex civil litigation, including nationwide class actions and collective actions. Our attorneys possess a broad range of experience in the areas of employment law, consumer protection, and civil rights, including individual and class trials, arbitrations, and appellate work. More information is available at: www.terrellmarshall.com or 206-816-6603.

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