

Recouping your Practice's Payout from the BCBS Settlement



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After a lengthy battle, the Blue Cross Blue Shield Association (BCBS) agreed to a \$2.8 billion settlement to resolve a class-action antitrust lawsuit filed by hospitals and physicians. Settled in October 2024, the lawsuit alleged that one of the nation's largest insurers engaged in anticompetitive and price-fixing practices that contributed to lower-than-expected revenue for providers. The nuances of the lawsuit could fill a novel so let's jump to the final chapter, which may offer a little reward for reading through to the end.

Physicians who provided care to BCBS-insured patients between July 24, 2008, and October 4, 2024, may be eligible for a portion of the settlement. After the attorneys get their share, the settlement fund is primarily allocated to hospitals, but physicians have 8% of the net settlement set aside. Best case scenario, there is \$165 million to distribute to physicians. If 100,000 practices report a claim, that's a \$1,680-per-practice payout. The lower the number of practices that participate in the settlement, the higher the payment for

those who do. Worth your time, certainly, but don't persevere over this. To participate, eligible practices must submit a claim by July 29, 2025. [Claims can be filed online through the official settlement website, which provides detailed instructions and necessary forms.](#)

Per the settlement, only one claim can be filed and must represent the medical practice (as defined by tax identification numbers), not individual physicians. The settlement does not pertain to independent labs, pharmacies, dental/vision-only providers, or DME companies. For questions about eligibility, contact the Settlement Notice Administrator at Administrator@BCBSProviderSettlement.com or call 888-452-3095.

On the claim, you will be asked to report the tier, as explained below, associated with the sum of the allowed amounts received for services rendered to BCBS patients between July 24, 2008, through October 4, 2024. No additional documentation is required for the claim, although you may be requested to provide additional information. Per the instructions, allowed amounts include those payments "as reflected in Evidence of Benefits, Remittance Advices, or similar responses to such claims for reimbursement." As you may be hard pressed to pull data for the last five years, let alone back to 2008, consider developing a strategy to estimate the services if you run out of historical documentation. List the number of provider(s) employed by your practice during the "missing" period, the estimated revenue and payer mix. Create a spreadsheet based on this information, marrying it with the recent data you pull from your billing system. It's likely you will not need this historical data based on the maximum you can declare, but it's always good to have the full picture.

Claims will be tiered in five \$250,000 increments – \$0 to \$250,000, \$251,000 to \$500,000, and so forth, with > \$1,000,000 as the fifth tier. The fifth will be the final tier, essentially negating significant payouts. Your tier will be converted to a points system, with adjustments called a "harm coefficient" made based on geography. As noted, because the settlement is a fixed amount, the payouts will depend on how many medical practices submit a claim.

Beyond the financial settlement, BCBS has agreed to implement some operational reforms including better prior authorization processes, standardized appeal forms across all BCBS plans, and an internal messaging system to expedite issue resolution.

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