



**For Immediate Release
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CHAMPAIGN, URBANA CLINICS SUED FOR CONSPIRING TO LIMIT SERVICE TO MEDICAID PATIENTS

Chicago - Attorney General Lisa Madigan today filed a lawsuit in Champaign County Circuit Court against Carle Clinic Association, P.C. of Urbana and Christie Clinic, P.C. of Champaign, alleging that the clinics violated the Illinois Antitrust Act by illegally agreeing to stop accepting new Medicaid-eligible patients seeking primary medical care.

The complaint alleges that Carle and Christie, the two largest physician groups in Champaign County, agreed to boycott new Medicaid patients seeking primary medical care by adopting virtually identical policies through which they refused to accept Medicaid patients: (1) who were not already registered with the clinic or (2) who had not seen a clinic physician for at least three years.

The complaint further alleges that Carle and Christie agreed to limit medical services to Medicaid-eligible patients in an effort to increase the Medicaid reimbursement rates and to accelerate reimbursement payments from the State of Illinois.

Because Carle and Christie employed more than 90 percent of the physicians in Champaign County, the complaint alleges, by collectively boycotting new Medicaid patients, the clinics were in effect denying access to primary care to many people. As a result of these policies, some Medicaid patients were compelled to seek routine medical care at area hospital emergency rooms, which is typically more expensive than if the same treatment was delivered in a physician's office.

"This callous decision left many of the 20,000 Medicaid-eligible children and adults in Champaign County at risk by leaving them with fewer choices to obtain quality primary medical care — if they could access primary medical care at all," Madigan said.

"Medical clinics, like other businesses, must adhere to the antitrust laws. These laws prevent competitors, in all fields, from agreeing with each other to act collectively to limit access to services in order to raise prices," Madigan continued.

As a result of the policies adopted by Carle and Christie to cut off primary medical services to new Medicaid patients, the only practical alternative for many Medicaid patients in Champaign County seeking primary medical care

was Frances Nelson Health Center, which is not large enough to accommodate all the primary medical care needs of Champaign County's Medicaid population. The complaint notes that to deal with the influx of Medicaid patients after Carle and Christie implemented their Medicaid policies, Frances Nelson created a patient waiting list and, for certain periods of time, even stopped adding patients to the waiting list.

The complaint alleges that because of Carle's and Christie's illegal agreement to stop accepting new Medicaid-eligible patients for primary care, many children and low-income adults in Champaign County either lost access to primary care or obtained lower quality healthcare due to overcrowding and fewer choices in primary medical care.

Moreover, the complaint alleges, the State of Illinois incurred higher Medicaid reimbursement costs due to the policies of Carle and Christie. For example, because of these policies, many Medicaid patients could only find treatment through emergency room services, which require a higher rate of reimbursement than primary care in a physician's office.

The complaint details several examples of the impacts of Carle's and Christie's policy to refuse to provide primary medical care to new Medicaid patients:

1. At the start of the 2003 school year, 285 children were not allowed to begin school because they could not get their required examinations and vaccinations before the October 15 deadline. Although many of these children were Medicaid-eligible, they could not get examined by a physician because Carle and Christie refused to see them.
2. Many Champaign County premature babies, once released from the hospital, have been refused continued medical care because of the two clinics' Medicaid policies.
3. In one example, both clinics refused to treat an infant covered by Medicaid. The infant's grandmother, who had temporary custody, sought treatment for the baby's possible seizures, as well as a baby-wellness check-up, but both Carle and Christie turned her and her grandchild away.
4. Although delivered by a Christie physician, a two-year-old child who suffered from chronic ear infections was refused ongoing care because the child was covered by Medicaid. Carle also refused to treat him.
5. An infant delivered by a Carle physician and who received treatment by a Carle pediatrician and other specialists in a neonatal intensive care unit because of the infant's heart condition, was refused additional care once discharged because the child was insured by Medicaid.

The two-count complaint asks the court to enter an injunction requiring Carle and Christie clinics to open their doors to new Medicaid patients. In addition, the complaint seeks civil penalties and damages to recover for the clinics' anticompetitive misconduct.

Senior Assistant Attorney General Blake Harrop and Assistant Attorney General Chad Brooker are handling the case for Madigan's Antitrust Bureau.

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