

# **Hospitals take Horizon to court to recover \$80M**

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Three Hudson County hospitals, along with a dozen other health facilities, are charging that Horizon Healthcare Services ripped them off to the tune of \$80 million in a case playing out in Bergen County Superior Court.

According to Jeff Brown - the Hackensack-based attorney representing the Jersey City Medical Center, Christ Hospital, also in Jersey City, Meadowlands Hospital Medical Center in Secaucus, and the other hospitals - Horizon welched on a deal to handle administrative chores for a product the company sold to 12 labor unions at a deep discount.

But instead of pulling in more paying patients and simply providing medical services, the hospitals found themselves knee-deep in billing, payment and coordination headaches, Brown said.

"The hospitals said "This is a good idea because we'll get more clients," Brown said.

"Horizon sold that rate and gave that discount to the unions, but they didn't administer the claims or pay the claims. Horizon just acted as a broker."

In the jury trial that began Sept. 8 before Judge Robert Wilson, the hospitals contend that Horizon patients should have been charged the higher rates paid by so-called fully insured patients. The hospitals claim the difference between what they were paid and should have been paid is \$80 million.

The time span involved is 2000 to early 2008, when Horizon stopped selling this product.

Horizon officials yesterday accused the hospitals of trying to make extra money on the backs of pipe-fitters, carpenters and other union workers.

"This is simply a contract dispute and these hospitals are claiming that our labor union customers should not have the discount available to all our other customers, which would mean these hardworking labor union members pay higher health care costs," said Thomas Rubino, Horizon's director of public affairs.

Plus, the hospitals had no additional work, Rubino insisted. "The union members, they send the bill to Horizon and that's it," he said.

Christ Hospital declined to comment yesterday. A spokeswoman for the Jersey City Medical Center and Meadowlands Hospital Medical Center, both members of the LibertyHealth Systems network, referred questions to Brown, who expects a verdict in the case next month.