

BUSINESS

The care was crucial. He had insurance. His hospital bill? A whopping \$155,493.

One Woodbury man's story shows how patients can get stuck in the middle when insurers and hospitals fight over coverage details.

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Mark Christensen, a 61-year-old from Woodbury, has been caught in the middle of a billing dispute between his hospital and health insurer. (Shari L. Gross, Star Tribune/The Minnesota Star Tribune)

Mark Christensen figured his hospital bill was a mistake.

The document from Allina Health arrived in February, stating the 61-year-old Woodbury resident owed the hospital a staggering sum – \$155,493.

It made no sense, Christensen said. He had coverage through his employer from a reputable health insurer. And the need for the care was undeniable; Christensen was hospitalized for about a month for treatment of a rare and deadly blood cancer.

But his insurer, Empire BlueCross BlueShield, refused to pay because Allina hadn't obtained authorization for Christensen's transfer to a new hospital, which happened about halfway through his inpatient stay.

The company has a policy stipulating that when interfacility transfers aren't approved, all claims for care at the second hospital can be deemed not medically necessary.

This decision left Christensen responsible for the bill.

"It was a matter of life or death, and it was very clear to me that I needed to be in the hospital. And it was clear to me that I needed to be transferred," Christensen said. "For them to say that it was not medically necessary was ridiculous."

Christensen's ensuing saga highlights the financial peril patients can face when trapped between hospitals and insurance companies.

Through early October, Empire BlueCross BlueShield stuck with its decision. Christensen, meanwhile, appealed to an external review agency. Earlier this month, that agency sent a letter upholding the insurance denial, saying the decision was "in the best interest of the patient."

Then in mid-October, the health insurer called Christensen to say the claim would be paid. This call occurred about three days after the Star Tribune began questioning both Allina and Empire BlueCross BlueShield about the dispute.

The insurer, a division of Indiana-based Anthem Inc., told the Star Tribune in a statement that it "appreciates the collaboration and partnership with Allina Health to review and address this matter and we are pleased to have a resolution for Mr. Christensen."

Allina Health said it "strongly believes Mark, or any patient, should not be caught in the middle of the medical billing appeal process between providers and payers."

As of Thursday, some details about the resolution still were not available.

There's anecdotal evidence that health care providers, faced with a denial from a health insurance company, are increasingly asking patients to either pay the bill or fight for the coverage themselves, said Bill Foley of Cancer Legal Care, an Oakdale-based nonprofit group that helped Christensen with his appeals.

Complicating matters, a growing number of health insurers are creating [coverage payment policies](#) that – when strictly applied – don't leave room for common sense or nuance, Foley said.

In Christensen's case, the insurer invoked a policy on interfacility transfers to justify payment denial for subsequent hospital care – without addressing whether he required the additional 17 days of inpatient treatment.

"Both Empire and the external review organization looked at that policy and said: 'Well, if it's not medically necessary to transfer you, then the hospital stay is not covered,' " Foley said. "Nobody addressed the common-sense fact that there was a temporary staff shortage at the first hospital that required a transfer."

An aggressive cancer

Christensen was having breakfast with his wife on Dec. 14, 2022, when he accidentally bit the inside of his cheek. He was startled when he noticed the "big, purply mess" the bite left behind.

It was particularly troubling, his wife, Jane Christensen, said, because her husband had recently been experiencing some unexplained bruising.

Christensen is a software engineer who selected the employer health plan option with the richest benefits. So, he didn't hesitate about quickly visiting a primary care physician to investigate the problem.

After running some tests, the doctor told Christensen to go immediately – and carefully – to the emergency room. He shouldn't go to a community hospital, the physician added, because Christensen needed to be seen at one of the region's large medical centers with specialty capabilities.

Christensen and his wife chose United Hospital in St. Paul where doctors quickly diagnosed acute promyelocytic leukemia, an aggressive and rare disease. Doctors estimated that treatment would require at least 30 days of inpatient care.

The blood cancer, known by the initials APL, comes on fast. There likely was no sign of it in Christensen's system just a few weeks prior, doctors told him. Had he not promptly sought care, the consequences could have been deadly.

"I was 48 to 72 hours from a 'major bleed,' which could have killed me," he said.

APL is one of the most treatable cancers with a very high cure rate, but that didn't mean Christensen was out of the woods.

The disease stems from a genetic mutation that causes a proliferation of promyelocytes or "baby white blood cells," as Christensen describes them. He said treatment included taking an oral medication that caused the cells to mature, and arsenic trioxide, an IV medication that inhibits a protein the cells need to survive.

As sometimes happens, the therapy for Christensen triggered a complication known as "differentiation syndrome" – severe reactions to drugs used to treat some types of blood cancer. It was right around Christmas. Caregivers at the hospital mentioned the facility was having temporary holiday staffing issues. They also said he would be better off at Abbott Northwestern Hospital in Minneapolis – another Allina facility – where doctors and nurses had more expertise with blood cancers.

Christensen was taken there by ambulance Dec. 27. Doctors successfully treated the complication while continuing therapy for the cancer and he was discharged Jan. 13.

Once he was home, Christensen was sifting through a pile of mail when he saw the letter from Empire BlueCross, dated Dec. 30. The request for the hospital transfer had been denied as not medically necessary.

"At the time," Christensen said, "I figured it was just some snafu that was going to be worked out."

The bill wouldn't go away

As Christensen began outpatient treatment in February, Empire BlueCross provided an explanation of benefits form showing the costs from the hospitalization would total \$155,493.30.

The form noted that by going to Abbott Northwestern for care, Christensen was able to use his in-network benefits.

"That's your best value," the form stated.

Meanwhile, Allina sent a bill showing the same six-figure balance due in early March. When Christensen called, a health system worker said he should disregard the notice, because the bill was under review.

But in late March, Allina called to say that Christensen would need to file an appeal with Empire BlueCross to contest the denial. He did so, figuring additional information would lead the insurer to pay the bill.

Christensen included a letter from an Allina physician saying the transfer was necessary given the severity of disease and the need for specialized leukemia services. The appeal also included a discharge summary from United Hospital in which another doctor recommended the transfer to "a higher level of care."

But on May 11, Empire BlueCross sent a final adverse determination letter, denying the claim based on the interfacility transfer.

"That was probably the real point when I was like ... this could really be a mess," Christensen said.

He called Allina and got help from a financial navigator who advises patients on medical bills. Christensen also heard about Cancer Legal Care and got in touch with Foley, a former health insurance executive who now does patient advocacy work for the nonprofit group.

Failed appeals

In July, Allina submitted the next appeal to Empire BlueCross. Foley said the health system might have erred with this appeal by not putting enough emphasis on the temporary staffing problem in December.

Empire BlueCross sent a letter Aug. 24 saying it was upholding the denial. The insurer also said its contract with Allina meant the health system was prohibited from billing Christensen for the services.

Foley then reached out to Allina for assurances the health system wouldn't try to collect, since Christensen's online account at the time showed he owed \$82,381.45 – an amount

reflecting the hospital's discount for self-pay patients. The response was disappointing: Allina maintained the balance was the patient's responsibility.

Christensen's last hope was to send an appeal to an external review agency. Foley helped the effort.

The verdict, which arrived Oct. 7, left Christensen in disbelief.

While the review acknowledged the physician's argument that the transfer improved the chance of successful treatment, it found United Hospital had the capacity to treat him, and so concluded the transfer was not medically necessary.

Suddenly, an approval

Christensen and Foley sat down with a Star Tribune reporter for an interview about the billing dispute on Oct. 10. That evening, the newspaper contacted Allina and Empire BlueCross with a series of questions.

Three days later, a nurse from Empire BlueCross contacted Christensen to say the health insurer had reversed its decision and determined the claim was medically necessary after all.

Empire BlueCross has not responded to questions about details of the resolution, including whether it paid Christensen's full bill. In its statement, Allina said the complexity of the billing process resulted in a miscommunication between the hospital and health insurer.

"We are grateful for the partnership with Empire BlueCross BlueShield and their willingness to reverse their decision," Allina said. "We acknowledge that reaching a resolution should not have taken this amount of time or effort from Mark and we are committed to doing better for our patients."

There aren't comprehensive data to say precisely how often health insurers deny claims for medical care, or the frequency with which health care providers ask patients to pay the bill, said Kaye Pestaina, co-director of the program on patient and consumer protections at KFF, a California-based health policy group.

That makes it difficult to say whether the problem is worsening, Pestaina said. However, there is growing concern about health insurers using internal coverage guidelines when making medical necessity determinations.

The cancer is now in remission. Christensen praises the care he received from Allina as well as attempts to resolve the billing problem by one of the health system's financial navigators. He's still watching for final paperwork from his health insurer; the online account no longer shows a huge balance owed to Allina.

He's grateful for the outcome. At the same time, Christensen worries that other patients aren't so lucky in finding a resolution for baffling bills.

"I feel great relief – it's been a long battle," he said. "But it also leaves me wondering if the circumstances were different – if I hadn't been working with Bill at Cancer Legal Care and he hadn't been in contact with [the Star Tribune] – I suspect that none of this would be resolved yet."