

## Jesse Gelsomini in Houston Chronicle: Fancy Amenities Woo Patients While Insurers Cry Foul

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Managed care was designed to reduce health costs through a carefully calibrated tango. Hospitals, doctors and other providers reduced fees to join insurance networks. Insurers supplied a steady flow of patients. And patients paid less if they stayed in the network.

But now, boutique hospitals, surgical centers, sleep clinics and other specialty services operating outside established networks are undermining that model by heavily discounting the fees they charge patients - often less than network providers - and billing insurers for higher balances that sometimes cover luxurious amenities. The outsize bills are adding billions of dollars to the costs of employers, insurers and the broader health care system, which ultimately get passed to patients and consumers, health care specialists say.

With specialty medical services growing quickly here, Houston has become the legal battleground for an increasingly bitter fight between insurers and employers, on one side, and out-of-network providers on the other. At least a dozen lawsuits over provider charges and insurance payments have been filed in U.S. District Court in Houston, with one national insurer accusing a local hospital of racketeering, fraud and paying kickbacks to doctors for referrals.

"Houston is the epicenter," said [Jesse Gelsomini](#), an employment lawyer with Haynes Boone in Houston.

**Excerpted from *Houston Chronicle*. To read the full article, please [click here](#).**