



For Immediate Release  
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## **Class Action Antitrust Lawsuit in Federal Court Alleges Advocate Aurora Engaged in Anticompetitive Conduct to Raise Prices for Wisconsin Employers**

Today, a class action antitrust [lawsuit](#) was filed in federal court alleging that Advocate Aurora has abused its dominant status in Eastern Wisconsin to suppress competition and raise prices to levels that are unsustainable for Wisconsin employers. The 75-page complaint alleges Advocate Aurora is by far the most expensive health system in Eastern Wisconsin and that its high prices are a key reason that Milwaukee's healthcare prices are higher than New York City and 44% above the national average. It comes on the heels of Advocate Aurora's announcement that it will seek to move its headquarters to North Carolina after merging with Atrium Health, a multi-billion dollar healthcare conglomerate on the East Coast.

For example, the complaint alleges that, for a common commercial plan, Advocate Aurora's negotiated price for a knee replacement is \$62,538 - more than \$21,000 higher than the price at a competitor hospital five minutes away. A colonoscopy with biopsy will cost an employer health plan over \$10,700 at Advocate Aurora but only about \$4,700 at Froedtert & the Medical College of Wisconsin, a facility that is 15 minutes away with generally higher quality ratings. The complaint alleges that these prices would not be possible without Advocate Aurora's use of anticompetitive negotiating and contracting tactics that prevent price transparency and competition, patient choice, and cost-savings.

The suit asks for Advocate Aurora to refund the vast amounts it has allegedly overcharged businesses, unions, and local governments and seeks to ban Advocate Aurora from engaging in specific kinds of anticompetitive conduct. The plaintiffs are Uriel Pharmacy Health and Welfare Plan and Uriel Pharmacy, a business with a self-funded health plan in East Troy, Wisconsin. The proposed class is all businesses, unions, and local governments with a self-funded health plan who paid for services from Advocate Aurora in Wisconsin in the last six years.

“Our complaint alleges that Advocate Aurora's anticompetitive conduct has unlawfully taken huge sums of money from the pockets of Wisconsin employers to fund the hospital system's never-ending expansion across the country,” said Jamie Crooks, managing partner of Fairmark Partners, LLP, which represents the plaintiffs. “Advocate Aurora's actions in recent years look more like that of a ruthless Wall Street institution that happens to own Wisconsin hospitals instead of a non-profit charity focused on the delivery of healthcare.”

The complaint alleges that despite claiming charitable non-profit status and paying no taxes, Advocate Aurora has paid its executives tens of millions a year and designed an acquisition strategy that allows it to take over facilities and then raise prices for the exact same services.

The complaint also includes extensive details on Advocate Aurora's actions to prevent employers from offering innovative insurance products, forcing insurance networks into onerous “all-or-nothing” deals requiring them to include all Advocate Aurora facilities in-network, and restricting independent providers' ability to compete with non-competes, referral restrictions, and gag clauses. Academic literature and the prices detailed in the complaint support the claim that these actions suppress competition and raise prices for employers without improving quality for patients.

The complaint was filed today in United States District Court for the Eastern District of Wisconsin and is available [here](#).