



For Immediate Release

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## **Federal Judge Denies Advocate Aurora Health’s Motion to Dismiss in Full, Ordering Class Action Antitrust Lawsuit Proceed to Discovery in Eastern District of Wisconsin**

On April 28, Judge Lynn S. Adelman of the Eastern District of Wisconsin denied hospital conglomerate Advocate Aurora Health’s (AAH) motion to dismiss the antitrust class action filed against it by Fairmark Partners, LLP. The Court held that the plaintiffs—businesses in Eastern Wisconsin who the complaint alleges pay inflated prices for healthcare due to AAH’s contracting—had plausibly alleged each of the federal and state law antitrust claims brought in the [complaint](#). See here for [a link](#) to Judge Adelman’s Decision and Order.

Originally filed last May on behalf of a class of businesses, unions, local governments, and other entities with self-funded health plans, the 75-page complaint uses detailed pricing data to support its allegations that AAH is the most expensive health system in Eastern Wisconsin due to its purportedly unlawful contracting practices. And it alleges that AAH is a key reason Milwaukee hospital prices are the fourth highest in the country, higher even than New York City. These high prices, the complaint alleges, are made possible by AAH’s use of anticompetitive negotiating and contracting practices that prevent price transparency, limit patient choice, and foreclose competition.

In his opinion last week, Judge Adelman allowed plaintiffs’ Sherman Act claims to move forward, holding that plaintiffs had adequately alleged that these contracts plausibly restrained trade; and that there was a direct link between these violations and the higher prices paid by class members. Similarly, plaintiffs’ Sherman Act Section Two monopolization claim moved forward, as Judge Adelman held the complaint plausibly alleges that Advocate Aurora possesses monopoly power and maintains that power through use of anticompetitive contract clauses.

“This decision is one step in a long path to provide some relief for Eastern Wisconsin businesses, unions, and local governments from the devastating impact of unreasonably high hospital prices. We will continue to forcefully challenge conduct by dominant hospital systems like AAH that harm consumers, employers, taxpayers, and independent physicians,” said Jamie Crooks, Managing Partner of Fairmark Partners, LLP.

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