

Michigan Communities Sue Blue Cross Over Fees



DETROIT, Nov. 1, 2009 (UPI) — A group of Michigan [communities](#) say Blue Cross Blue Shield of Michigan overcharged them by tacking on \$40 million in hidden fees.

While 12 local governments have joined a lawsuit against the insurer, attorney William Horton told Sunday's Detroit News that than 1,000 government bodies may have unknowingly paid the fees since 1994, the year that Blue Cross changed its billing practices.

Horton contends Blue Cross 15 years ago started intentionally hiding tacked-on administrative fees.

Blue Cross spokeswoman Helen Stojic told the newspaper the fees were not hidden and have allowed the governments to realize a savings, saying, "The disputed fees were specifically referenced in each of these groups' contracts."

But Horton reportedly disputed that, saying the contract language is so complex only Blue Cross officials could understand it.

The News said the suits have come after a [settlement](#) was reached last fall by Oakland County and Blue Cross regarding the fees, in which the county was paid \$650,000 in cash and will receive three years of free administration by the Blues.