

[Sutter Case Watch] BREAKING: Settlement Terms Released for Landmark Antitrust Case against Sutter Health

See [UFCW & Employers Benefit Trust v. Sutter Health](#) case page.

Today, California Attorney General Xavier Becerra announced the settlement terms for the landmark antitrust case, *UFCW & Employers Benefit Trust v. Sutter Health*.

Sutter Health was alleged to engage in anticompetitive behavior by requiring “all or nothing” contracts, preventing insurance companies from providing tiered health plans, setting extremely high out-of-network rates, and restricting price transparency of provider cost information and rates. As Source Executive Editor Jaime King explains in a Tradeoffs episode, [The Train Has Left the Station](#), “[t]his is a huge case. Sutter is a huge entity in Northern California in terms of health care, and it’s really been a model for a lot of other systems around the country.” The terms of this settlement may potentially reverberate among other large health systems and inspire other attorney generals to bring similar suits.

According to the Attorney General’s press release, the settlement includes Sutter:

- Paying \$575 million for compensation and legal fees
- Limiting out-of-network charges
- Increasing transparency to pricing, quality, and cost information
- Allowing patients access to lower-cost plans
- Stopping all-or-nothing contracting deals
- Ceasing anticompetitive bundling of services and products and instead offer a stand-alone price that must be lower than any bundled package
- Having a court-approved compliance monitor to ensure that Sutter is

following the terms of the settlement for at least 10 years

- Clearly setting definitions on clinical integration and patient access consideration to prevent using clinical integration as a way to mask market consolidation

The press release by the Attorney General can be found [here](#). The video of the press conference can be found [here](#). The settlement filing can be found [here](#).

The settlement still requires court approval with hearings slated to happen in February 2020. We will bring you more analysis in the new year!