

Citing COVID, Sutter Pushes to Revisit \$575M Antitrust Settlement

“Six months after agreeing to a \$575 million settlement in a closely watched antitrust case filed by California Attorney General Xavier Becerra, Sutter Health has yet to pay a single dollar, and no operational changes have gone into effect. The not-for-profit healthcare giant was accused of using its market dominance in Northern California to illegally drive up prices,” reports Jenny Gold in *Modern Healthcare’s Providers*.

“Late last week, Sutter’s lawyers filed a motion requesting that Judge Anne-Christine Massullo of the California state Superior Court in San Francisco delay approving the settlement for an additional 90 days, due to “catastrophic” losses stemming from the COVID-19 pandemic. Massullo originally was scheduled to rule on the agreement in February, but in April granted an earlier request from Sutter for a 60-day delay in the proceedings.”

“In court documents supporting its request, Sutter argues the pandemic has upended the financial landscape for hospitals and made numerous aspects of the agreement untenable. Last month, Sutter reported an operating loss of \$404 million through April, citing declining patient revenue and expenses resulting from the pandemic. System officials said that loss took into account the more than \$200 million the system received in COVID-19 relief funds from the federal government via the CARES Act.”

Read the article.