

July 13, 2006

5 LAWSUITS ACCUSE BLUE SHIELD OF ALLEGEDLY DUMPING PATIENTS AFTER RECEIVING PRE-APPROVED MEDICAL TREATMENTS

Los Angeles, Calif.—Completely overwhelmed with the \$423,000 in medical bills and angered over a letter sent to him by Blue Shield demanding that he return \$98,408.90 in what Blue Shield called “erroneously paid medical claims,” George Nazaretyan couldn’t take it anymore.

In lawsuits filed today in Los Angeles on behalf of the Nazaretyans and four other canceled Blue Shield policyholders, the complaints allege that Blue Shield acted in bad faith when they canceled health insurance policies after receiving expensive medical claims submitted by the policyholders.

The complaints allege that Blue Shield engages in the widespread and unlawful practice of post claims underwriting by reviewing medical records to look for omissions on the application after a claim was submitted so they can cancel coverage.

In the Nazaretyan case, the policy was canceled when Blue Shield began to receive medical bills on behalf of his twin daughters, whom at birth were diagnosed with Periventricular Leukomalacia (PVL), one of the most significant causes of cerebral palsy and other long-term disabilities. The twins, Natalie, who is legally blind, and Arian were born on May 17, 2005, and have been without health insurance ever since.

Lead attorney William M. Shernoff, of Shernoff Bidart & Darras LLP in Claremont, California said, “The purpose of these lawsuits is to stop Blue Shield from dumping patients after they receive pre-approved medical treatment.”

The five complaints filed against Blue Shield follow on the heels of three previously filed complaints against Blue Shield this past April.

Los Angeles County:

Nazaretyan v Blue Shield: Case #BC355335

Nieto v Blue Shield: Case #BC355336

Cardenas v Blue Shield: Case #BC355337

Callil v Blue Shield: Case#BC355338

San Bernardino County:

Simoes v Blue Shield: Case# RCV 096476

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