

SEPTEMBER 10, 2021 | NEWS

Shumaker Litigators Win Major Sixth Circuit Antitrust Appeal

TOLEDO, OH – Shumaker Litigators Mark Wagoner, Larry Obhof, and Matt Kemp were a vital part of a litigation team that won a major victory in a precedent setting antitrust decision by the United States 6th Circuit Court of Appeals in Cincinnati for ProMedica Health System, Inc. and ProMedica's insurance subsidiary, Paramount. The decision vacates a preliminary injunction granted late last year by the U.S. District Court, which had prevented ProMedica's insurance subsidiary, Paramount, from removing St. Luke's Hospital from various health plans that it offers.

Paramount removed St. Luke's Hospital from its provider network after the hospital merged with a large health network, McClaren Health. McClaren St. Luke's then brought an antitrust action against ProMedica and Paramount, alleging that ProMedica's refusal to include St. Luke's in its network violated the Sherman Act.

On August 10, 2021, a unanimous panel of the 6th Circuit found that "ProMedica had a legitimate business explanation for ending the relationship," and that forcing competitors to do business together "pushes the bounds" of the courts' expertise. The Court of Appeals also found that St. Luke's "has little likelihood of establishing an irreparable injury" —one of the key factors necessary to grant an injunction.

"We are very pleased with the 6th Circuit's decision," said Mark Wagoner. "Paramount has always been focused on the best interests of its plan members, and we appreciate that the Court of Appeals expressly recognized the competitive benefits that a lower cost, narrow network health plan, like Paramount, provides to members and employers."

The case is *St. Luke's Hospital, et al. v. ProMedica Health System, Inc., et al.*, Case No. 21-3007 (6th Cir.). ProMedica and Paramount are represented in the case by Shumaker Partners Mark Wagoner, Larry Obhof, and Matt Kemp, as well as attorneys with Davis Wright Tremaine LLP.

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