



November 17, 2025

Shantanu Agrawal, MD
Chief Health Officer
Elevance Health
220 Virginia Avenue
Indianapolis, Indiana 46204

Dear Dr. Agrawal:

On behalf of the American Osteopathic Association (AOA) and its more than 207,000 osteopathic physicians (DOs) and osteopathic medical students, we write in strong opposition to Anthem's [Facility Administrative Policy: Use of a Nonparticipating Care Provider](#) scheduled to take effect on January 1, 2026, in several states including Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri, Nevada, New Hampshire, Ohio, and Virginia-impacting over 29,000 DOs.

Under this policy, Anthem will penalize hospitals with a 10% reimbursement reduction when out-of-network physicians provide care to Anthem members at in-network facilities. Furthermore, Anthem reserves the right to terminate hospitals from its network for continued use of nonparticipating physicians.

Key Concerns

1. Circumvention of Federal Protections

The No Surprises Act (NSA) was enacted to protect patients from unexpected medical bills and to establish a fair process for resolving payment disputes between insurers and providers. Anthem's policy undermines this bipartisan law by pressuring hospitals and physicians to contract with Anthem, rather than relying on the NSA's established dispute resolution process. This approach may conflict with the intent and provisions of the NSA, particularly those related to independent dispute resolution and patient access.

2. Threat to Independent Physician Practices

Many independent physicians rely on hospital access to care for patients. The financial penalty imposed by Anthem will likely be passed on to physicians, forcing them into contracts that may not be sustainable or pushing them toward hospital employment. This threatens the viability of independent practices and exacerbates the decline in physician-owned practices. Such pressure may also reduce competition and innovation in care delivery.

3. Reduced Patient Access and Increased Costs

This policy will complicate scheduling and care delivery, as hospitals must ensure only participating physicians are involved in patient care. Rural hospitals and underserved communities will be disproportionately affected, risking loss of access for Anthem members and potentially increasing costs for all patients. Patients may experience delays in care, limited provider choice, and increased out-of-pocket expenses.

4. Diminished Value for Anthem Enrollees

Many Anthem members pay higher premiums for plans with out-of-network coverage. This policy restricts access to care and may reduce the value of these plans, contrary to consumer expectations. Restricting access undermines the trust patients place in their coverage and may lead to dissatisfaction and attrition.

Request for Action

We respectfully urge Anthem to rescind the Facility Administrative Policy: Use of a Nonparticipating Care Provider and instead:

- Investigate the impact of this policy on patient access, provider sustainability, and compliance with state and federal law.
- Recognize that rural hospitals may be forced to limit services due to workplace shortages, directly affecting patient care and potentially conflicting with the NSA.
- Pursue alternative approaches, such as offering contracts with terms equitable for physician practices, streamlining administrative requirements, and supporting robust provider networks.

Instead of imposing penalties, Anthem could work collaboratively with hospitals and physician groups to identify gaps in network coverage and negotiate fair reimbursement rates. For instance, some payors have successfully reduced out-of-network utilization by simplifying credentialing processes and offering competitive rates, rather than punitive measures.

Other insurers have implemented “network adequacy” reviews and invested in telemedicine partnerships to ensure patients have timely access to care, especially in underserved areas.

Protecting patient access and the sustainability of physician practices must remain a priority for all stakeholders. We ask for your immediate attention and intervention to prevent the negative consequences of Anthem’s new policy.

Thank you for considering this request. We welcome the opportunity to discuss this further and provide any additional information that may assist in your decision-making process. Please feel free to contact Kim Popernik at (312) 202-8032 or kpopernik@osteopathic.org. We kindly request a response within thirty days from the date of this letter.

Sincerely,



Robert G.G. Piccinini, DO, D.FACN
President
American Osteopathic Association

Signed in Support By:

The following state-affiliated organizations join in support of this letter:

1. Colorado Society of Osteopathic Medicine
2. Connecticut Osteopathic Medical Society
3. Georgia Osteopathic Medical Association
4. Indiana Osteopathic Association
5. Kentucky Osteopathic Medical Association
6. Maine Osteopathic Association
7. Missouri Association of Osteopathic Physicians and Surgeons
8. Nevada Osteopathic Medical Association
9. New Hampshire Osteopathic Association
10. Ohio Osteopathic Association
11. Wisconsin Association of Osteopathic Physicians and Surgeons

CC: Gail K. Boudreaux, President and CEO, Elevance Health
David Brewster, Director, Program Management, Elevance Health
Maxwell Isaacoff, Business Strategy Officer, Elevance Health
Kathleen S. Creason, MBA, Chief Executive Officer, AOA
Christel Ballog, MA, CAE, FHIMSS, Executive Director, AOIA
Cynthia Penkala CMM, FACMPE, Senior Director Physician Services AOA/AOIA
Kim Popernik, MHA, CMRS, Manager Physician Payer Relations AOA/AOIA