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Anthem, Chesapeake Regional in dispute over rates as contract deadline looms



Chesapeake Regional, Anthem in insurance dispute



By: [Madeline Miller](#)

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CHESAPEAKE, Va. – As a contract deadline looms, Chesapeake Regional Healthcare and Anthem are fighting over rate increases — with in-network coverage for thousands of patients hanging in the balance.

Friday morning, Chesapeake Regional, the only independent community hospital in Hampton Roads, released a statement saying Anthem, one of the largest insurance providers in the region, has been paying them 25 percent less than what they pay other local hospitals for the same care, hobbling the hospital's growth and development.

Later on Friday, Anthem challenged Chesapeake Regional's assertion in an email to News 3, alleging that the hospital system was "demanding excessive rate increases," that would ultimately get passed onto employers and individuals.



Anthem for \$93 million over alleged unpaid claims in Virginia

The contract between the two organizations is up on June 30, meaning that if a deal is not reached by then, patients with Anthem insurance seeking care at Chesapeake Regional would be out of network.

"Hospitals everywhere are facing unprecedented financial challenges, but community hospitals like ours are experiencing this most intensely," said Reese Jackson, president and CEO of Chesapeake Regional. "In the face of rising costs, we need our insurance partners to pay us fairly for the care we provide so that we can continue to serve our community."

The nonprofit hospital system has invested \$150 million in its facilities over the past few years, with a new Critical Care Tower, the Priority Toyota Cancer Center, modernizing its mother-baby unit and other upgrades.

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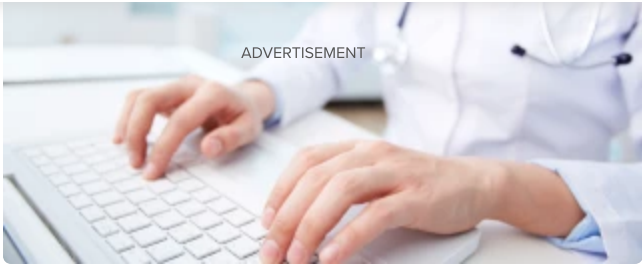
Anthem pointed a finger back at Chesapeake Regional, stating the proposed rate increases are more than four times the inflation rate.

"We take our responsibility to maintain affordability for our customers seriously and we will continue to work diligently to reach a fair long-term agreement based on improving quality and outcomes for our members," Anthem said in a statement. "We are proud of and committed to our longstanding partnership with Chesapeake Regional, evidenced by a significant increase in reimbursement rates earlier this year."

Anthem added that Chesapeake Regional initiated the contract termination on July 1, which also included terminating coverage for Anthem Medicaid and Medicare Advantage patients, "the most vulnerable members of our communities."



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could spike in 2024 for some in Virginia

Chesapeake Regional affirmed that patients will not experience any disruptions in care or coverage while negotiations continue.

But that will be a different story if the two sides can't agree by July.

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Anthem concluded its statement to Chesapeake Regional, "We will continue to work in good faith to reach an agreement with Chesapeake Regional that ensures high quality healthcare at an affordable price."