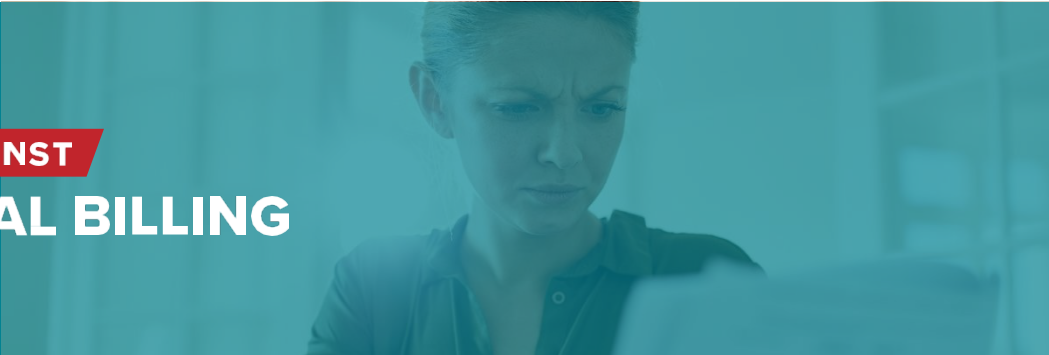




COALITION **AGAINST** SURPRISE MEDICAL BILLING

HaloMD and IDR Middlemen Exploiting the *No Surprises Act*

The *No Surprises Act* was meant to protect patients from unexpected out-of-network medical bills. Instead, a new industry of profit-driven intermediaries is exploiting loopholes in the law—inflating the volume of disputes submitted for arbitration and demanding excessive reimbursement payments that drive up costs for patients, employers and unions.

The rapid rise of Independent Dispute Resolution (IDR) "middlemen" illustrates how the arbitration process under the *No Surprises Act* has become systemically flawed and manipulated, **leading to an estimated [\\$5 billion in wasteful spending between 2022 and 2024](#)**.

One of the leading culprits of the abuse and misuse is HaloMD, a health care technology and claims management firm that markets its AI tools and aggressive arbitration tactics to help providers “maximize” out-of-network reimbursements. Once a niche facilitator, [HaloMD now accounts for roughly 10% of all national IDR disputes](#).

Much of HaloMD’s IDR activity involves remote neuromonitoring provider companies like Evokes and One Care Monitoring, which use in-network hospitals as a gateway to treat and bill for out-of-network services to covered members. HaloMD then initiates IDR to seek further payments for the services. Once in IDR, these affiliated entities routinely win awards several times higher than what in-network surgeons receive. This “backdoor” access turns routine, pre-planned surgeries into high-dollar arbitration claims never intended under the *No Surprises Act*.

HaloMD’s own results illustrate the manipulation. Its “win rate” jumped from [17% in 2023 to over 84% in 2024](#), with median awards reaching 934% of the Qualifying Payment Amount—far beyond what Congress envisioned. These outcomes underscore how the IDR process is being systematically manipulated for financial gain, undermining the very purpose of the law.

This pattern of exploitation has triggered mounting legal scrutiny. Multiple federal lawsuits now allege that HaloMD and its affiliates have abused or defrauded the IDR system:

- A health plan in Texas [sued](#) HaloMD and its executives accusing them of double-dipping by filing 5,400 overlapping disputes for the same services under both federal and Texas IDR systems—despite the two processes being mutually exclusive.

- In California, HaloMD was [sued](#) for allegedly relying on “profit-making fraudulent billing schemes.” The filing reveals that HaloMD initiated over 134,000 disputes during the last six months of 2024—an average of 746 per day.
- A health plan in Ohio [sued](#) HaloMD and affiliated provider groups for leveraging AI to generate IDR submissions at an industrial scale, flooding the system with disputes and deliberately bypassing safeguards to secure payment on fraudulent claims. The filing reveals that “approximately 40% of the disputes submitted were categorically ineligible for the IDR process.” In addition, for more than 2,300 IDR disputes, HaloMD’s payment offers exceeded the charges the providers initially billed the health plan by more than \$25 million.
- A [lawsuit](#) in Georgia accuses HaloMD of orchestrating a multimillion-dollar fraud scheme. Blue Cross Blue Shield of Georgia (BCBSGA) alleges the defendants “flooded the IDR process with thousands of knowingly ineligible claims.” BCBSGA claims most of the disputes were ineligible, with 228 disputes filed in a single day.

The HaloMD lawsuits expose a systemic problem of third-party IDR middlemen transforming a patient protection measure into a profit engine. What Congress intended as a safeguard against surprise billing has instead become a lucrative tool for exploitation, fueling administrative overload and higher costs across the health care system.

To protect consumers from wasteful spending and price gouging through IDR, the Coalition Against Surprise Medical Billing (CASMB) urges the Trump administration to implement common-sense [reforms](#) to the process. These changes would have a meaningful impact in countering the volume of ineligible claims going through the process and address inflated arbitration determinations driving up costs.