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Anthem Aims to Penalize Hospitals for Use of Out of Network Providers

Anthem Blue Cross and Blue Shield recently announced a new administrative policy, effective January 1, 2026, targeting facilities that use nonparticipating providers. (Provider News) This policy appears aimed at penalizing facilities and potentially the providers who refer patients to out-of-network facilities.

This development follows prior Anthem fee schedule cuts, which our previous white paper highlighted (APS White Paper), noting that some groups were driven to go out-of-network to maintain revenue. Now, Anthem is tightening network enforcement, creating financial and operational implications for facilities, providers, and patients.

Key Points of the Policy

- Nonparticipating facility definition: Facilities without a current Anthem network contract
- Administrative consequences: Likely includes reduced reimbursement, additional audits, and potential shifts of cost to members or referring providers
- Scope: Commercial plans (group/individual)
- Effective date: January 1, 2026

Implications for Facilities and Providers

1. Financial Risk: Nonparticipating facilities may face lower reimbursement, administrative penalties and potential termination from Anthem's networks. As much as 10%
2. Referral Management: In-network providers may need to re-evaluate referral patterns to avoid triggering penalties
3. Operational Burden: Tracking patient network status and ensuring compliance adds administrative complexity
4. Patient Impact: Members may experience higher cost-sharing if services are rendered by out of network providers

Strategic Considerations

- Assess Exposure: Review Anthem participation status, referral patterns, and revenue implications
- Engage Anthem: Clarify policy details, appeals process, and exceptions (emergencies, capacity, specialized services)
- Operational Adjustments: Educate staff, update intake processes, and implement pre-authorization protocols for Anthem commercial members
- Collaboration & Advocacy: Partner with state hospital associations or other facilities to monitor and respond to policy impacts

This policy represents Anthem's push to reinforce network utilization following fee schedule cuts that already motivated some providers to go out-of-network. Facilities and providers must act proactively to understand financial exposure, adjust referral and operational processes, and engage Anthem to protect reimbursement and patient access. Early planning can turn this policy challenge into an opportunity to strengthen network alignment and strategic positioning.

Should you have any questions, please contact your Practice Manager.

Information provided by APS Medical Billing, October 2025