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# How a Texas couple is getting rich off out-of-network medical bills

Alla and Scott LaRoque live lavishly, thanks to a business spawned by a federal law designed to protect patients

By Tara Bannow March 18, 2026

Bannow reviewed thousands of pages of court filings and company documents and interviewed more than 50 people to assemble this account of the LaRoques' health care empire.

When they met, it was at a party in Las Vegas, music bumping. Alla Kosova, newly divorced, told her friend to pick out her next husband, and she ushered over a stranger from the crowd.

The next day, just before their first date, Scott LaRoque, an entrepreneur visiting from Texas, rushed to the Bellagio to swap out his \$20 shirt for a Giorgio Armani one. Alla picked him up in a Ferrari.

Today, 13 years, a sprawling mansion, a private jet, and a five-day Italian wedding later, Alla and Scott LaRoque are living lavishly. It's all funded by their long-running strategy of squeezing as much money as possible from the health care system.

While they portray themselves as Robin Hood-esque heroes helping doctors take on big insurance, their story is emblematic of an American health care system that's rife with profit-seekers who critics say repeatedly test the lines of legality. Each effort by lawmakers to rein in the excesses is met with retooled tactics.

The LaRoques own a little-known middleman called HaloMD, which helps providers navigate a new federal arbitration process to resolve billing disputes with insurance companies. HaloMD is fighting lawsuits from four different Blue Cross Blue Shield insurers accusing it of rigging the system and triggering huge payouts for itself and its provider clients.

The LaRoques vigorously deny the allegations in the lawsuits, but one fact is not in dispute: HaloMD is dominating this process, which was set up under a 2020 federal law that bans surprise billing by out-of-network providers. It filed more arbitration cases than any other company in the first half of 2025 and boasts that it pulls in over \$1 billion a year for itself and its clients. It's hardly the only company using the law to its advantage, but HaloMD is blowing past larger, more established groups doing similar work. Together, they're eroding the law's goal of protecting people from higher health care costs.

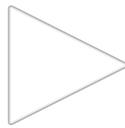
Court filings, internal company documents, and interviews with more than 50 people reveal how the LaRoques built their wealth on a series of arrangements with health care providers, and how they evolved over time to both dodge legal scrutiny and, more recently, exploit new loopholes. The STAT investigation exposes a longstanding practice of using creative arrangements to share the proceeds of medical services with physicians at one of their companies, arrangements sources described as unethical and potentially illegal.

This comes against the backdrop of exploding costs that have put even basic health care services out of reach for many Americans — a crisis that is straining government budgets and flattening workers’ pay. Neither public agencies nor the private sector have managed to reverse, or even contain, the trend, with U.S. health care spending tripling between 2000 and 2023. The problem is exacerbated when some health care providers charge unusually high prices, which raises costs for everyone.

The LaRoques have spawned a passionate group of business associates-turned-foes, people who feel equal parts angry about being wronged yet desperate to avoid another run-in with the couple. Most who spoke with STAT asked that their names not be used.

If the naysayers are getting to them, the LaRoques don’t let on. Scott, clean cut with a boyish face, has taken to making grand entrances at his companies’ over-the-top holiday parties. In 2020, he stood on stage in front of a giant American flag while dancers gyrated around him, the tableau flanked by pyrotechnic pillars. Last year, he rappelled from the ceiling, “Mission: Impossible”-style.

## LAROQUE Vid Uprezzed 02



*Scott LaRoque at an MPOWERHealth holiday party on Jan. 29, 2020. (Courtesy)*

Alla — with her Eastern European accent, long, blonde hair, and couture dresses — has become a regular on the conference circuit, billing herself on her website as “a champion of healthcare

providers.” Before that, she dabbled in real estate, worked as an exotic dancer, and was a contestant on “The Apprentice,” where she boasted about getting rich from her salon business.

Neither Alla nor Scott LaRoque agreed to be interviewed for this article. A spokesperson denied the allegations against HaloMD in the Blue Cross lawsuits and said the couple’s other company, MPOWERHealth, has never compensated surgeons for referrals, directly or indirectly.

## **A historic change, and a huge loophole**

For health care providers who preferred to stay out of health insurers’ networks, the passage of the No Surprises Act in 2020 marked a new era of uncertainty.

Scott and Alla LaRoque had a lot at stake. Their company, MPOWERHealth, provides a medical service called neuromonitoring, in which clinicians observe patients’ nervous systems during surgeries to prevent injuries. Former employees said it relied on exorbitant, out-of-network rates for its services.

But the couple also saw a business opportunity in the law, specifically its arbitration process. In 2022, the same year that system began, the LaRoques unveiled a new company: HaloMD. It would usher providers through arbitration and take a cut of the winnings. Unlike MPOWERHealth, which Scott founded and still runs, HaloMD would be Alla’s company. Its website describes her as its founder, president, and “strategic force.”

### **HaloMD now files the most disputes of any company**

Total number of disputes filed through the federal IDR portal by company and quarter

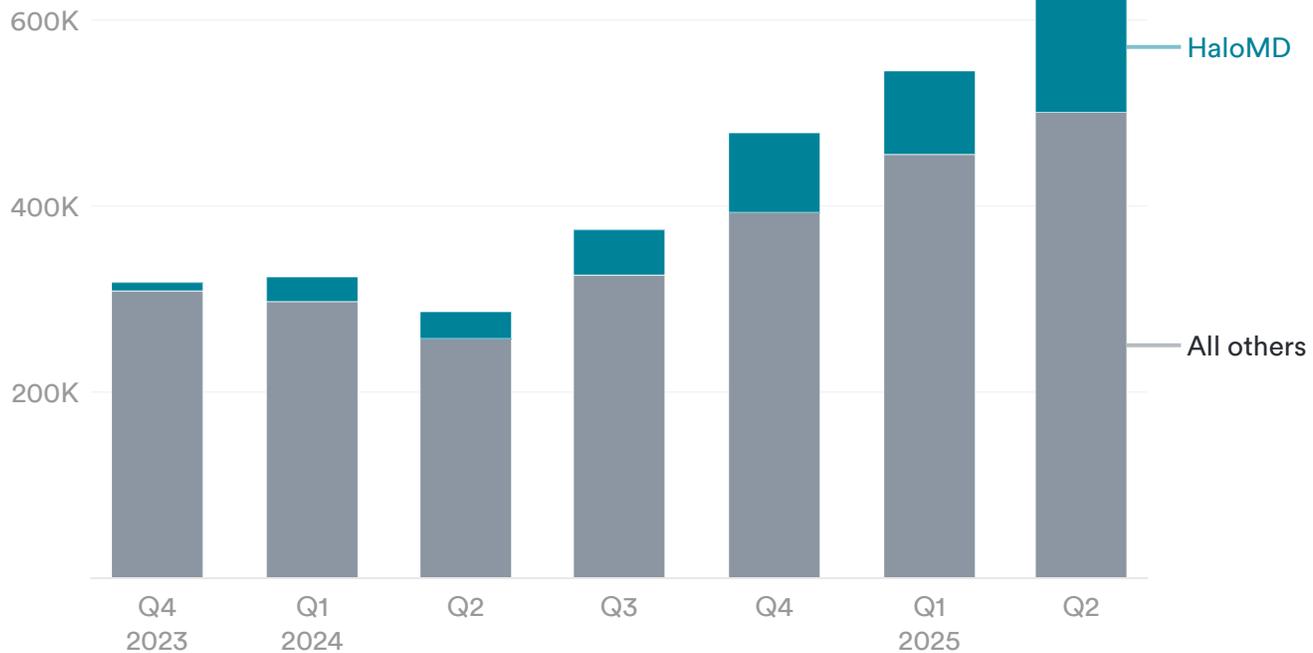


Chart: J. Emory Parker/STAT • Source: Centers for Medicare and Medicaid Services

HaloMD’s strategy works like this, according to lawsuits from health insurers: It floods the overburdened federal arbitration system with thousands of disputes, many of them ineligible, and demands much more money than providers had originally charged. Disputes aren’t eligible if they should go through state arbitration, if the patients are covered by Medicare and Medicaid, or if the parties didn’t negotiate beforehand.

This new tactic is possibly even more lucrative for providers than surprise billing was, said Chris Whaley, an associate professor of health services, policy, and practice at Brown University.

“If you were balance-billing patients, you had to chase money down from patients,” Whaley said. “Now, you have a means to get that money directly from insurers.”

Private equity-owned physician staffing companies like Team Health, Radiology Partners, and SCP Health have also been funneling massive numbers of disputes into arbitration. In the first half of 2025, three groups — HaloMD, Team Health, and SCP Health — filed 44% of all disputes.

It’s working. Providers are prevailing in almost 90% of disputes.

“You can see how some actors in this ecosystem have figured out a way to maximize outcomes,” said Katie Keith, director of Georgetown University’s Center for Health Policy and the Law.

Financial incentives may explain providers’ massive success, a new Brown University working paper theorizes. The process, called independent dispute resolution, or IDR, relies on about 15 companies acting as arbitrators, who are instructed to choose between the payment offer submitted by the health plan or the amount requested by the provider. Since they only get paid for eligible cases, there’s a clear incentive to not only find cases eligible, but to decide in favor of providers to induce even more filings, the authors wrote. Providers and their middlemen are already filing over 80% of cases.

“It is within reason to suspect that arbitrators are inducing more cases by ruling generously for providers,” the paper said.

### Providers prevail in nearly 90% of disputes

Percent of payment determination outcomes by quarter

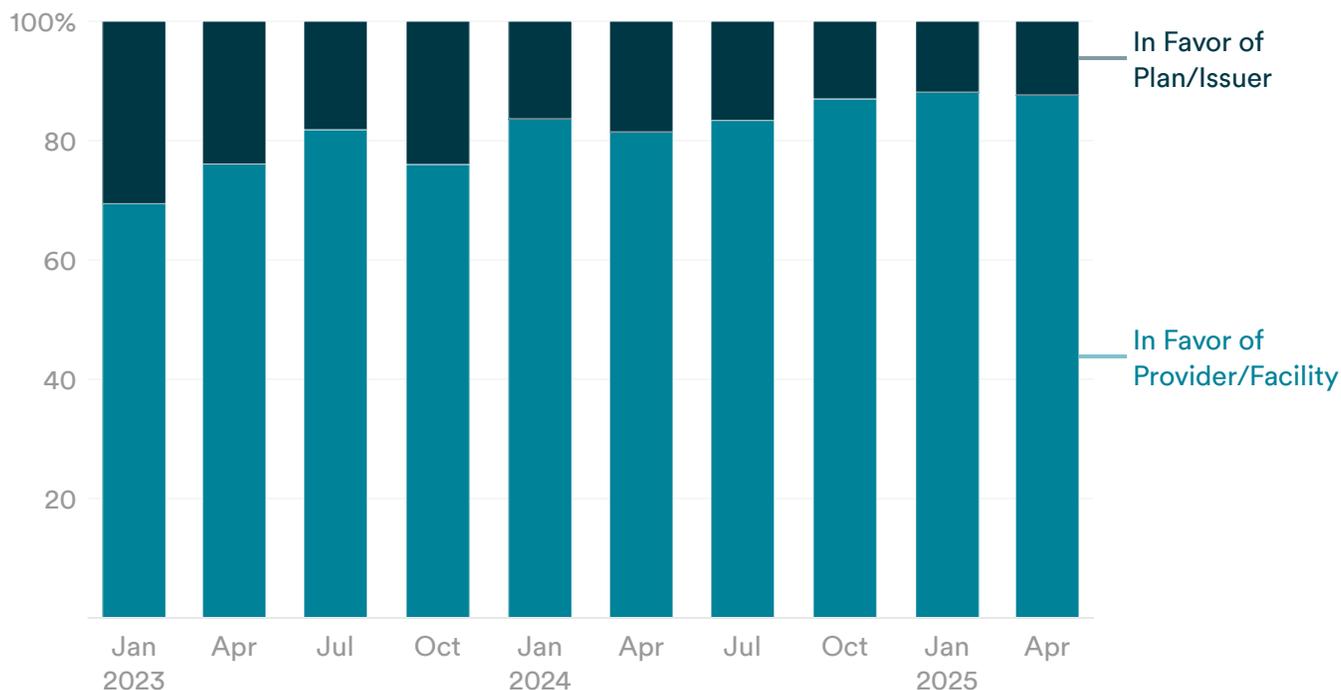


Chart: J. Emory Parker/STAT • Source: Centers for Medicare and Medicaid Services

Arbitrators made over \$1 billion on IDR in the law’s first two years, the study found.

HaloMD isn’t just filing more disputes, it also wins much bigger payouts. Providers won over four times their typical in-network rates for services in arbitration in 2024, federal data show. HaloMD’s payouts were over nine times that rate.

In their lawsuits against HaloMD, which also target some of its provider clients, Blue Cross plans say that the company’s ineligible disputes are not only being deemed eligible, they’re

winning, often because insurers can't respond to all of them in time. Providers win by default if insurers don't respond within 10 days of their dispute being paired with an arbitrator. The insurers say HaloMD frequently submits disputes in bulk on weekends or holidays, and upward of half of them aren't eligible.

Anthem in Ohio, for example, said HaloMD submitted 124 disputes with the company on a single day — New Year's Eve — in 2024. Almost 80% of those disputes weren't eligible, according to Anthem's complaint, but the insurer said it had to pay over \$608,000 anyway.

Blue Cross Blue Shield of Texas says HaloMD has submitted overlapping disputes for the same services under both federal and state arbitration processes more than 5,400 times, enabling it to win multiple awards for the same underlying service. The company said Texas regulators have asked Alla LaRoque about the large number of ineligible disputes HaloMD submits to state arbitration. The Texas Department of Insurance declined to comment.

In legal filings, the LaRoques' attorneys argue it's the arbitrators, not HaloMD, who determine whether cases are eligible. They say nothing in the law directs the arbitrators to rely on HaloMD's word. In fact, the attorneys pointed out that when submitting disputes for arbitration, parties are instructed to say whether the case is eligible "to the best of my knowledge."

In an interview with STAT, Patrick Velliky, HaloMD's head of external affairs, described the lawsuits as an attempt to intimidate providers from seeking fair reimbursement for their services. He said insurers overestimate the number of disputes that are ineligible, and dismissed as "laughable" insurers' claims that they can't respond to all the disputes HaloMD initiates.

"Make no mistake, this is about creating a media narrative," Velliky said. "Because they are not used to having an independent process where they don't get to set the terms of reimbursement. We see it for what it is and we'll continue to defend ourselves and our clients."

Provider groups say it's health insurers who are gaming arbitration. They argue insurers are sabotaging a key number that arbitrators use to make their decisions: the qualifying payment amount (QPA), which is the insurer's median in-network rate for the service in that area. A provider-funded report found that the qualifying payment amounts used in arbitration were lower than insurers' actual in-network rates in more than half of cases.

Velliky said insurers are submitting purported QPAs that are as little as a penny in some cases.

“We’ve been saying for a very long time that we have concerns about the lack of meaningful accountability around QPAs,” Velliky said.

After the No Surprises Act passed, four former MPOWERHealth employees recalled management telling them not to worry. They had a new plan for making money.

“The vibe was pure confidence,” one former employee said.

## **From ‘The Apprentice’ to bankruptcy to MPOWERHealth**

Alla LaRoque first appeared on “The Apprentice” in 2005 hailing a cab, suitcase in hand. The then-31-year-old from Moldova boasted about moving to the U.S. as a teenager “with absolutely nothing” and becoming a self-made multimillionaire.

The confident businesswoman, clad in designer suits and often clutching a handbag, ran a Las Vegas spa chain. But the relatively new business, Dolphin Court Salon and Spa, had already been sued at least five times over unpaid bills by the time Alla appeared on TV.

The lawsuits came from a construction firm, a concrete company, an advertising company, and even the state of Nevada, which had sought payments for unemployment insurance on at least two occasions.

Even Alla’s lawyer, Michael Mushkin, quit in the middle of a case and sued his former client, alleging she and her then-husband, Daniel Wartenberg, owed him over \$35,000 in legal fees.

Alla — then Alla Wartenberg — responded to some of the lawsuits with allegations of her own. In the construction case, she sued back, claiming the company’s shoddy work would cost more to repair than she owed. Nevada prevailed, Mushkin settled, and the advertising case was dismissed because the parties missed filing deadlines.

Dennis Feldkirchner, who sued on behalf of he and his wife’s construction and concrete companies, said they eventually got a portion of what they said they were owed, but only because Alla’s mother, who started the salon business, agreed to the payment.





Alla LaRoque attends the Radio Music Awards official after-party in 2005 in Las Vegas. Ethan Miller/Getty Images

In 2012, Daniel Wartenberg, with whom Alla has four children, filed for divorce.

By 2014, Scott and Alla LaRoque had gotten engaged in Paris. Despite her lack of experience in health care, Scott named Alla chief operating officer of MPOWERHealth that same year. Things seemed to be looking up for Alla. She was making \$300,000 in her new role and living in a nearly \$5 million home in Austin, Texas.

Two years later, though, she filed for bankruptcy in Las Vegas. Scott paid over \$3 million to settle his fiancé's debts. Later that year, he closed on their sprawling property in Austin, currently valued at \$6.6 million.

Scott grew up the son of health care workers in a middle-class suburb of Fort Worth, Texas. His mom was a nurse and his dad a pharmacist. Today, he keeps his silver hair neatly cut and his face clean shaven. His monotone interview responses are packed with corporate speak. That, together with his penchant for dark blue business suits, would make him hard to single out in a crowd. Former employees described him as handsome, but quiet and awkward in conversation.

When the pair married in 2018, it was an extravagant, five-day affair on Italy's Amalfi Coast. Andrea Bocelli performed during the ceremony. The designer who made Alla's gown has dressed Beyoncé and Madonna. Female guests got Dolce & Gabbana scarves and the men got Ray-Ban sunglasses.

Today, Alla and Scott have seven children: one together, four from Alla's previous marriage, and one from each of Scott's previous marriages. Their 20,000-square-foot home in Austin sports a helicopter hangar and a swim-up bar.

Alla did well on "The Apprentice"; she was third from last to get booted. During the season, she befriended a real estate developer named Felicia. The two supported one another during the show's exhausting challenges. But Alla's tenderness for Felicia vanished the minute she learned

they were going head-to-head in the boardroom, with the loser getting fired. “I’ll destroy her,” she told the camera icily.

At dinner the night before their face-off, Felicia cried and confided in Alla. She’d had a hard life; her father had just died. Alla nodded sympathetically, but later called Felicia desperate and pathetic. “I actually look down on people who get depressed,” she said. “I don’t relate to people who have that mentality. All I can do is just sit there and laugh.”

The next day, in the boardroom, Alla blamed Felicia for their loss in that day’s competition. “She lost focus,” Alla said of Felicia. “She lost control of the whole task.”

Sitting across from the two women, Donald Trump, the show’s host, seemed taken aback by Alla’s ruthlessness. “She’s being so nice to you, and you are just killing her,” he said. “Alla, she’s a wonderful person. You’ve got to stop browbeating her.” He fired Felicia for being too weak, and fired Alla immediately after for being “very difficult to manage.”

Before they left the room, Trump said he had no doubt that Alla would make it big. She was tough.

## **‘As much money as they can’**

Before HaloMD, there was MPOWERHealth, the company Scott formed 13 years earlier and still runs today.

MPOWERHealth provides intraoperative neuromonitoring, supplying surgeons and hospitals with specialists who observe patients’ nervous systems during high-risk orthopedic, nerve, or vascular surgeries to prevent injuries like paralysis. Two clinicians do the monitoring: a technologist in the operating room and a neurologist who works remotely. Both alert the surgeon if they notice complications.

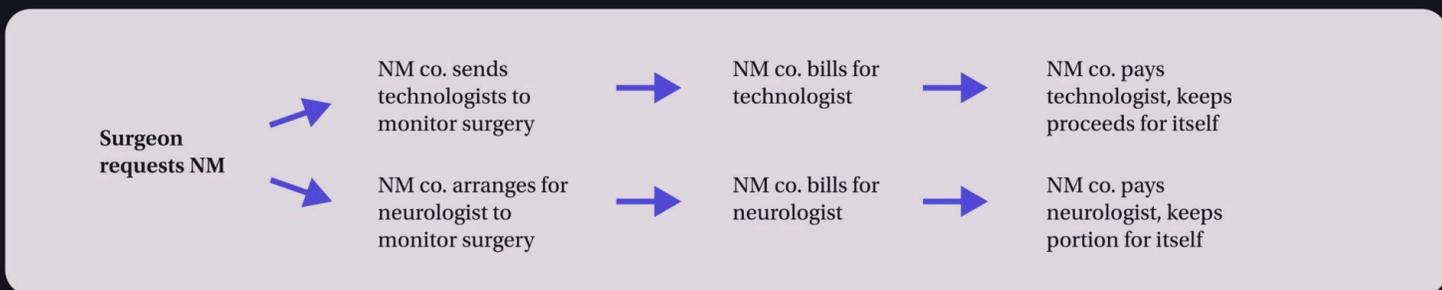
Large, academic hospitals have in-house neuromonitoring, but most others contract with companies like MPOWERHealth, whose website also advertises practice management services for medical groups.

From its start in 2009, MPOWERHealth, which went by National Neuromonitoring Services until 2021, convinced surgeons to choose the company over its competitors by allowing them to share in the proceeds from the neuromonitoring they used during their procedures, 21 people

familiar with the company told STAT. Among them: 11 former employees, two surgeons who received the payments, and a lawyer who reviewed MPOWERHealth’s agreements with surgeons.

Other neuromonitoring providers also incentivized surgeons in this way, but several people said MPOWERHealth was early to the practice, helping it gain market share quickly. Several people said the practice has dropped off since the No Surprises Act, and it’s unclear how MPOWERHealth’s arrangements with surgeons work today.

### How neuromonitoring usually works



### MPOWERHealth’s model



\*Often through MPOWER affiliated LLC or LLC owned by MPOWER representative

Source: STAT reporting

Camille MacMillin/STAT

A Dallas orthopedic surgeon who had such an arrangement with MPOWERHealth until 2019 said at its height, he estimates the payments from neuromonitoring comprised up to a quarter of his income.

“The deals that companies put together to profit share, which are legal, help physicians like myself remain independent and not have to sell to private equity firms,” said the surgeon, who asked to remain anonymous. “At the end of the day, patient care is positively affected by my ability to remain in my practice and not sell it because it’s not profitable.”

The convoluted system of sharing profits with surgeons relies on creating limited liability companies that effectively obscure their association with MPOWERHealth. Two of the surgeons involved in such arrangements said MPOWERHealth handled all aspects of the neuromonitoring for them, either directly or via those LLCs, including contracting with neurologists, supplying technologists, and billing health insurers. In many cases, MPOWERHealth would bill health insurers using the surgeon-owned LLCs for the more expensive neurologist's services, pay the neurologist, and split the proceeds between itself and the surgeon.

A spokesperson for MPOWERHealth said the company "has never compensated surgeons in any form for referring services. Neither have affiliates of the company. Suggestions otherwise indicate a fundamental misunderstanding of the company's service offering. MPOWER works with physicians in compliance with all federal and state laws."

"Physicians involved in procedures where MPOWERHealth services are utilized are compensated only through the ordinary claims reimbursement process," the spokesperson said.

MPOWERHealth's claim may hinge on the "tenuous" distinction that the neuromonitoring proceeds flow to the surgeons' LLCs, which then distribute payments to the surgeons, the neurologists, and, finally, back to MPOWERHealth, said Eric Fader, a partner with Rivkin Radler who has represented over 20 neuromonitoring companies.

Jonathan Helm, a former MPOWERHealth technologist, recalled meetings where company leaders instructed him and others to recruit surgeons by asking if they had "monetized their neuromonitoring." "I had never heard of a company being so brazen about it and asking a surgeon, 'Do you want to get paid for this?'" Helm said.

Fader has reviewed MPOWERHealth's contracts with surgeons, and while he said there's no question the surgeons received compensation for working with MPOWERHealth, he can't say with certainty whether the structure of those arrangements was illegal.

Such setups live in a legal gray area, and attorneys told STAT it would be impossible to definitively assess their legality without examining MPOWERHealth's contracts and learning how they work in practice. Numerous federal and state laws seek to prevent doctors from referring patients to companies they have a financial interest in. Either way, many who

described the arrangements said they feel they violate the spirit of those laws, which are designed to protect patients from self-interested physicians.

“There is clearly a difference between what may or may not violate the law and what is ethical,” Gabriel Imperato, a partner at Nelson Mullins, said of these types of arrangements.

The Dallas orthopedic surgeon said his attorney assured him the contract was legal because he couldn't receive more than 40% of the revenue from the arrangement. The federal Anti-Kickback Statute carves out an exception for physicians who refer to entities they own so long as their cut does not exceed 40% and is disclosed to patients.

As for the ethics of the arrangement, the surgeon described himself as a Christian and said his conscience is clear.

One way MPOWERHealth has managed to avoid federal scrutiny is by ensuring the LLCs never bill Medicare or Medicaid, as that would likely violate the Anti-Kickback Statute. However, a [2023 federal advisory opinion](#) said that not billing Medicare and Medicaid doesn't necessarily mean an arrangement is in the clear legally.

A statement MPOWERHealth sent to a surgeon showed he had referred over 200 surgeries for neuromonitoring in 2021, but only about 140 of them were billable. The ones that weren't involved Medicare and Medicaid patients. The summary showed the surgeon made over \$180,000 from neuromonitoring that year.

Scott LaRoque has long defended his company's arrangements with surgeons. After Fader [warned his clients](#) in 2023 that compensating surgeons for referrals likely ran afoul of federal law, Scott [accused him in a letter](#) to Scott's own clients of trying to steal his business. Scott wrote that a “thorough review by experienced and reputable healthcare attorneys” had determined MPOWERHealth's arrangements were legal because the surgeon owns the neurology practice and it only bills private insurance.

In 2019, a vendor that developed software for MPOWERHealth filed a whistleblower lawsuit accusing the company of paying kickbacks to surgeons for referrals. The payments were falsely labeled “management fees,” the suit said. Between 2011 and 2018, [the complaint said](#) the surgeons involved could each make over \$100,000 a month. In that time, MPOWERHealth

billed private insurers and federal programs \$5.4 billion, said John Strawn Jr., the Houston attorney who represented the whistleblowers.

The case was dismissed after the government declined to intervene, saying that “the matter does not warrant the continued expenditure of government resources to pursue or monitor the action based on currently available information.”

Strawn said he thinks the government didn’t take the case because it would have been difficult to calculate damages.

“It was a good scheme,” Strawn said. “Some people made some serious money off it, including Scott and Alla.”

Meanwhile, some neuromonitoring providers who refused to split their revenue with surgeons said they lost business to MPOWERHealth. Logan McKnight, an industry consultant who used to run a competing neuromonitoring provider, said surgeons who worked with MPOWERHealth would routinely ask her if they could get similar compensation if they switched to her company. She always said no.

“It dilutes the industry and makes everybody look bad,” McKnight said. “If you can’t ethically explain it to your grandma, don’t do it.”

Former employees and others in the industry said MPOWERHealth gained a reputation for billing health insurers well over \$100,000 per case for neuromonitoring through various LLCs. In 2015, the company billed almost \$240,000 through a pair of LLCs for neuromonitoring during a 76-year-old woman’s spinal surgery, eclipsing the surgeon’s fee of \$33,000. That case was among several listed in a [Texas Medical Board complaint](#) against an Austin surgeon who failed to disclose that the neuromonitoring company he used was an LLC he managed, whose president was Scott LaRoque. The complaint accuses the surgeon of violating the federal Stark Law and Anti-Kickback Statute. It lists charges of \$176,000, \$128,000, and \$103,000 in other cases. The surgeon agreed to settle the case, so there was never a full investigation. MPOWERHealth said that the complaint did not raise concerns with its operations.

For years, submitting those high charges worked.

“If you bill \$100,000, you’re getting \$100,000 back from UnitedHealthcare,” said one former employee, who asked to remain anonymous.

Eventually, health insurers caught on and stopped paying sky-high neuromonitoring bills.

The Dallas orthopedic surgeon said his relationship with MPOWERHealth soured when his payments grew smaller, and then dried up completely. The company tried to sell him on other compensation arrangements, for things like anesthesia — which he declined — and physician assistants during surgeries. He uses the latter every now and then, and gets a cut of the reimbursement when he does.

“Overall, I don’t think they’re bad people,” the surgeon said. “Now, are they going to do whatever they can to make as much money as they can? Absolutely yes.”

## **HaloMD takes off**

Since Alla and Scott LaRoque launched HaloMD in 2022, their message has been consistent: We’re helping providers get paid what they’re owed by health insurers. No more, no less.

“It’s very important to say providers are not taking advantage of the system,” Alla said in an April 2025 speech. “Providers are not using [independent dispute resolution] as an ancillary source of revenue. They’re finally getting paid what they should have been paid in the first place.”

## **Three companies were responsible for 44% of all disputes in the first half of 2025**

Percent of disputes filed through the federal IDR portal by company and quarter

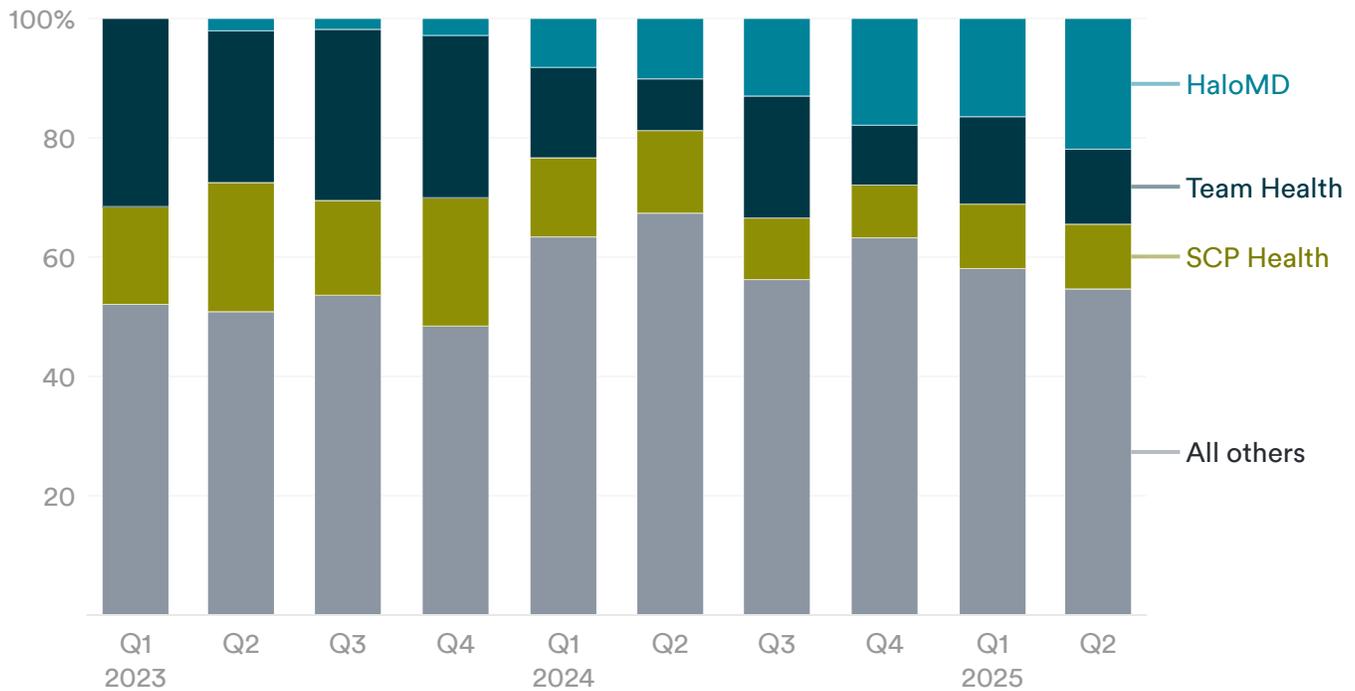


Chart: J. Emory Parker/STAT • Source: Centers for Medicare and Medicaid Services

HaloMD’s official headquarters are in a nondescript suburban Dallas office building across the street from a car wash and a Benihana, although it has also listed a San Antonio address in corporate filings. MPOWERHealth has used both addresses, too. HaloMD said its 450 employees are based in the U.S., but it also partners with staffing companies that employ workers in the Philippines.

Some of the former employees said the reason HaloMD is able to submit so many disputes is that it relies on hundreds of low-paid offshore workers. Velliky said that’s a common practice in the health care industry. He said HaloMD has a “robust compliance process” to ensure protected health information is never stored offshore.

A former HaloMD employee who worked closely with the company’s data said that the data were “incredibly messy” and the company’s systems poorly constructed and maintained. Federal arbitration requires submitters to go through several steps and time-stamp each one, but the person said HaloMD would move to subsequent steps in the process without verifying whether they’d done previous ones.

“They would push me to do that and I’d be like, ‘I don’t know, guys, maybe let’s not say things happened when we have no record of them actually happening.’ That was a huge ethical concern,” the former employee said.

In a statement to STAT, HaloMD said it maintains stringent standard operating procedures compliant with state and federal law.

Angela Taylor Harrison, who left HaloMD in February after serving as a leader in its internal audit and compliance division, said she didn't see ineligible disputes being submitted to IDR while she was there. If it did happen, it was because the company was still learning, she said.

Taylor Harrison said she thinks HaloMD needs to put more emphasis on compliance, which she found to be an area of weakness. Overall, though, she said she believes the company fulfills an important role for providers.

“The organization overall is still a good organization,” she said. “What they're doing is good. I stand behind it. They've got to get some stuff in line. They've got to get some stuff straight.”

In addition to allegations of fraud, the Blue Cross lawsuits, filed in 2025 in California, Texas, Ohio, and Georgia, accuse the company of racketeering, alleging that the “LaRoque Family Enterprise” knowingly submits false attestations of eligibility using interstate wires. While their primary target is HaloMD, some of the suits also name Alla, the company's president and co-owner; Scott, HaloMD's co-owner; and MPOWERHealth, which Scott owns and runs, as defendants.

In one motion to dismiss, Alla and Scott LaRoque argue that the lawsuit doesn't identify a single IDR dispute that either of them were personally involved in. Instead, they said the insurer is seeking to hold them liable for its own dissatisfaction with the IDR process.

“This case represents a strategic attempt to avoid fairly paying claims for out-of-network services, brought to threaten and dissuade healthcare providers and other intermediaries like HaloMD from using the statutory process Congress created to hold payers like Anthem to account,” the filing states.

One of HaloMD's clients, the micro-hospital operator Nutex Health, is being sued by its investors over its relationship with HaloMD. The publicly traded company's hospital revenue jumped over 250% in the first nine months of 2025 compared with the prior-year period. The lawsuit says HaloMD achieved those results by defrauding health insurers. Nutex has not yet filed a response in court, but in an interview with STAT, the company's CEO, Tom Vo, called the allegations meritless and said investors don't understand the “nitty gritty” of IDR.

Vo frames the situation much like Alla does: His hospitals are just trying to get paid fairly, but they're up against greedy corporations — health insurers — that only care about profit.

“They're in it to make money,” Vo said. “They're not in it to see patients. We're seeing patients at 2 a.m. on Christmas night, on New Year's Eve. They're sleeping.”

## What's next for the No Surprises Act?

The IDR system has already been enormously expensive. In its first two years, it cost north of \$5 billion in administrative costs, fees, and higher payments to providers.

“If we're trying to constrain health care spending and not send money to a bunch of private equity companies, then something has to be done about the No Surprises Act,” Whaley, the Brown professor, said.

The Trump administration has pledged to finalize a Biden-era proposed rule that includes a number of fixes. Among them, it would allow regulators to take over for the for-profit arbitrators in some of the eligibility determinations.

Beyond that, the administration has shied away from issuing much guidance around IDR while its fate is still being hashed out in court. An ongoing case that could be particularly impactful is the Texas Medical Association's challenge to how QPAs are calculated.

The Blue Cross lawsuits aren't the only legal battle Alla and Scott LaRoque have contended with in recent years.

In 2023, after they undertook a major remodel of their riverfront Austin mansion, the general contractor on the project and several subcontractors accused the LaRoques of stiffing them. The construction firm said it was owed \$580,000. A tile and stone company sought \$140,000 in court, and a company that worked on the master bathroom and other areas placed a \$7,100 lien through the county.

The cases went into arbitration, and court records don't show whether the companies ultimately got paid.

Reached by phone, subcontractors involved didn't want to speak on the record. They said they just wanted to move on.