

ISSUE/QUESTION

New York lawsuit filed against United Healthcare

ANSWER

Many have inquired about the NY state attorney general's action against United Healthcare. Many ask "what are we doing about this?" Let me first clarify the nature of this case:

Unitedhealthcare (UHC) is accused of underpaying non-participating physicians and other providers. By non-participating, we mean those who don't have contracts with UHC or "out-of-network" providers. According to the press, UHC has set aside some \$350 million to settle lawsuits associated with this practice. These reduced payments were handled via a UHC subsidiary, Ingenix.

We are doing nothing about this because we have no direct knowledge of such practices here in the state of Arizona. However, if this practice is or was going on here, the lawsuit will lead UHC to pay more to out-of-network providers. The law states you must pay the full billed charges or usual and customary charges if you don't have a contractually agreed upon price. Therefore, there is no chance that this settlement can lead to lower costs for our plan.

We are more closely monitoring approvals for out-of-network providers in all medical networks. There are few times when a member needs to use an out-of-network provider since all networks have many qualified providers under contract.

Should you receive inquiries about this case, feel free to share this email with the inquirer.

AUTHORITY

ADOA Benefits Service Division

ISSUED

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