



United HealthCare Insurance Company of New York
13 Cornell Road, Latham, NY 12110

3/8/2024

Office of the State Comptroller
Division of State Government Accountability
Attn: Stephen Lynch
110 State Street
Albany, NY 12236

Dear Stephen Lynch:

This letter will respond to the Office of the State Comptroller's (OSC) Report titled *UnitedHealthcare Insurance Company of New York: Overpayments for Physician-Administered Drugs (2021-S-32)*.

United Healthcare (UHC) offers the following responses to the recommendations from OSC:

OSC Recommendation # 1

Review the \$4,019,329 in physician-administered drugs that were paid for by both the Medical/Surgical and Prescription Drug Programs and make recoveries, as warranted, giving priority to collecting the remaining \$169,641 in provider-acknowledged refunds due.

UHC Response to Recommendation # 1

Giving priority to the provider-acknowledged refunds due, as of 2/29/2024 UHC has recovered \$385,496 of the \$517,135 for services billed to both the Empire Plan Medical/Surgical and Prescription Drug Programs. UHC has not received the full amount for provider acknowledged overpayments, we will be sending correspondence to the providers requesting refunds.

OSC Recommendation # 2

Work with Civil Service to identify if physician-administered drugs paid for by both the Medical/Surgical and Prescription Drug Programs and develop a process to prevent future overpayments.

UHC Response to Recommendation # 2

UHC has been in contact with Civil Service regarding this Recommendation and will continue to be in contact with them on this matter.

OSC Recommendation # 3

Establish a policy/guidance for billing no-cost drugs and educate providers on how to properly document and bill for no-cost drugs (indirect approach).

UHC Response to Recommendation # 3

UHC is pursuing a possible billing guidance/policy to share with providers regarding proper billing for drugs administered where the provider incurred no cost.

OSC Recommendation # 4

Ensure the eight sampled providers correct the billing flaws that caused their improper payments.

UHC Response to Recommendation # 4

Empire Plan Provider Network Management Team has been engaged to developing an outreach campaign to validate the eight sampled providers have corrected their billing process. In addition, the general billing guidance/policy noted in UHC's response to Recommendation # 3 would be shared with the eight sampled providers.

OSC Recommendation # 5

Recover the remaining \$1,194,354 (\$1,194,719 - \$365) in overpayments [for Payments in Excess of Provider-Contracted Rates], as warranted.

UHC Response to Recommendation # 5

UHC has requested the \$1,006,693 of the payments made in excess of provider contracted rates for unclassified drugs that are within recovery timeframes stipulated by provider contracts or statute of limitations. As of 2/29/2024, UHC has recovered \$41,211, with the remaining amounts awaiting future claim submissions where we can bulk recover outstanding amounts.

Please note, \$188,026 of the payments made in excess of provider contracted rates for unclassified drugs are outside of recovery timeframes.

OSC Recommendation # 6

Develop a process for monitoring general service code claims to ensure payments are in accordance with provider contracted rates.

UHC Response to Recommendation # 6

UHC has verified current processes for determining the allowed amount for unclassified drug codes are consistent with provider contracts.

OSC Recommendation # 7

Recover the remaining \$172,062 (\$179,190 - \$7,128) in overpayments for drugs in excess of dosing allowances, as warranted.

UHC Response to Recommendation # 7

As noted in UHC's response to the preliminary audit, UHC has been actively reviewing the potential findings in OSC's report. UHC identified \$143,432 of OSC findings were paid consistent with the dosing frequencies outlined in UHC medical policies.

UHC identified scenarios where the provider billed the NDC for Synvisc, but the units administered were consistent with the standard dosage for Synvisc One. To validate what was administered, UHC obtained medical records which supported the use of Synvisc One. Based on the validation, the payments are consistent with the dosing frequencies outlined in UHC medical policies, and therefore, would no longer be a finding.

Please note, \$21,224 of the payments made in excess of dosing allowances are outside of recovery timeframes.

UHC will pursue the remaining \$14,534 of potential payments in excess of the dosing allowances as outlined in UHC's medical policies.

OSC Recommendation # 8

Recover the remaining \$98,964 (\$143,299 – \$44,335) in duplicate payments, as warranted.

UHC Response to Recommendation # 8

UHC has identified an additional 317 episodes of care within the potential findings that do not represent duplicate payments for the same service. These episodes of care represent adjustments, late charges, and/or services rendered bilaterally.

UHC agrees that 1,489 claims represent duplicate payments that occurred as a result of manual processor errors. As of 2/29/2024, \$2,410 in overpaid benefits have been recovered. UHC will continue to pursue recovery of the remaining overpaid claims, as warranted and practicable. Please note, 543 overpaid claims are outside of recovery timeframes.

Thank you for providing us with the opportunity to review and respond to OSC's report regarding the above noted Audit.

Sincerely,



Paula A. Gazeley Daily, RPh
Vice President, Empire Plan
UnitedHealthcare National Accounts

CC: Allison Golden
Mark Newman
Benjamin Bergen