



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

8/18/2023

New York State Office of the State Comptroller
Division of State Government Accountability
Attn: Andrea Inman – Audit Director
110 State Street, 11th Floor
Albany, NY 12236

Dear Ms. Inman:

This letter will respond to the Office of the State Comptroller's (OSC) follow-up report titled *UnitedHealthcare Insurance Company of New York: Improper Payments for Acupuncture and Acupuncture-Related Services* (Report 2023-F-14).

Please see the below notes regarding the OSC follow-up observations.

Recommendation 1

Review the \$210,068 in overpayments identified by the sample and make recoveries, as warranted. Take steps toward the recovery of overpayments pertaining to the \$7,010,427 in projected overpayments.

Status – Partially Implemented

Agency Action – The initial audit identified \$210,068 in overpayments from a random sample of 836 services from 10 providers, that were not supported by appropriate documentation. Based on a projection of the sample to the audit population for the 10 providers, we estimated United made overpayments of \$7,010,427. United officials reviewed the overpayments and considered about \$6.1 million of it recoverable. However, United had made minimal contact with the providers since the initial recovery letters were sent to the providers. United typically uses offsets against future claim submissions to recover funds due from providers. According to United officials, two providers accounted for over \$6 million (99%) of the \$6.1 million in recoverable overpayments. Although United placed both providers on pre-payment review, recovery through offsets against their future claims appears unlikely since neither provider has submitted new claims in over a year. United officials determined the remaining \$915,000 (of the \$7 million) was either no longer a finding (they received supporting documentation), dollar amounts were too low to pursue, or they chose to pursue the overpayments from the sample and not the projected amounts.

In total, United recovered \$1,339. We encourage United to timely complete their recovery efforts on the remaining overpayments to the fullest extent possible.

UHC Response: UHC has limited ability to recover overpayments from non-participating providers. Future offsets from the providers are unlikely as any payments for the non-participating services would be issued to the member/patient. In order to minimize the impact

to the Plan, UHC has placed the providers on pre-payment flags which require documentation from the provider substantiating the services, eliminated future risk of unsupported services.

Recommendation 2

Review the \$302,368 (\$205,102 + \$97,266) in duplicate payments identified by our audit and recover overpayments, as warranted and continue the recovery process for the \$18,663 in duplicate payments already reviewed.

Status – Partially Implemented

Agency Action – United officials reviewed the \$302,368 in duplicate payments identified in our initial audit and determined about \$268,000 was not recoverable, primarily due to the age of the claims. United collected \$12,942 of the remaining recoverable claims. In addition, United officials provided an example of an overpayment letter they sent to recover the \$18,663 in duplicate payments that United reviewed and confirmed during the initial audit. We encourage United to timely complete their recovery efforts on the remaining recoverable duplicate payments to the fullest extent possible.

UHC Response: UHC will continue efforts to recover duplicate payments identified in the initial audit, as warranted.

Recommendation 3

Enhance controls designed to prevent duplicate payments for the same service.

Status – Not Implemented

Agency Action – United did not provide evidence of enhancements to controls designed to prevent duplicate payments made for the same service. In their response to our initial audit, United officials stated that they had addressed prevention of duplicate payments via enhanced internal processing guidelines and communication to staff regarding the correct handling of duplicate submissions. However, they were unable to provide documentation of any such guidelines or communication. Officials stated that supervisors discuss duplicate payments made with each processor individually, but there is no formal tracking of these interactions.

UHC Response: UHC understands OSC's position regarding the documentation, therefore, UHC will be enhancing efforts to be certain to track any training/remediation done with processors as it relates to future audits.

Recommendation 4

Continue to monitor and place acupuncture providers on pre-payment review, as warranted.

Status – Implemented

Agency Action – United monitors providers for irregular billing patterns and places them on pre-payment review as needed. We were able to verify through the first quarter of 2023 that United continues this practice.

UHC Response: UHC appreciates OSC’s acknowledgement of the continued efforts UHC has taken to fully implement Recommendation 4. UHC’s position is that placing providers on pre-payment review, as warranted, is the most effective method to address abhorrent billing behaviors.

Thank you for providing UHC with the opportunity to review and respond to Office of the State Comptroller’s (OSC) Audit concerning Improper Payments for Acupuncture and Acupuncture-Related Services.

Sincerely,

Handwritten signature of Paula Gazeley Daily, R.Ph.

Paula Gazeley Daily
Vice President, Empire Plan
UnitedHealthcare National Accounts

cc:

Timothy Hogue, Department of Civil Service
Daniel Yanulavich, Department of Civil Service
Leif Engstrom, Department of Civil Service
Matthew Schultz, Division of Budget
Michael Dynysiuk, Division of Budget
Mark Newman, UnitedHealthcare
Benjamin Bergen, UnitedHealthcare
Allison Golden, UnitedHealthcare