



United HealthCare Insurance Company of New York
13 Cornell Road 2nd Floor, Latham NY 12110

April 7, 2015

Andrea Inman
Office of the State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236

Dear Ms. Inman:

This letter will respond to the Office of the State Comptroller (OSC) Audit 2013-S-82, which focused on medical providers' usage of CPT Code Modifier 59.

We offer the following comments regarding your findings and recommendations:

Recommendation 1: Formally remind providers on the proper use of modifier 59 for claims preparation and submission.

As you are aware, the healthcare industry, including the medical community, relies almost universally upon the AMA's CPT-4 Manual, HCPCS guide, ICD-9 and similar coding tools as the primary source for representing services, as these guides set the standards that the entire industry is expected to follow.

Each of these sources provide both definitions and instructions for providers to utilize in properly representing the services they perform when submitting their claims for payment to both private carriers as well as all Government sponsored health programs. The billing instructions are universal. As it is made clear by these guides, it is the provider's obligation to properly identify the procedures that they render using the criteria that has been established by their peer community for them.

In addition to the industry wide information which is readily available to the provider community, UHC provides access for contracted providers to review UHC reimbursement policies, including policies that address the use of Modifier 59. UHC does not have a contractual relationship with non-participating providers, which limits our ability to provide general information regarding our reimbursement policies.

Specific to OSC's recommendation, UHC will individually address providers determined to have aberrant billing patterns and provide guidance concerning the appropriate use of

Modifier 59. In addition, UHC will continue to use our Empire Plan Network News as a venue to periodically communicate appropriate use of modifiers.

Recommendation 2: Review and recover the \$39,345 in overpayments on the 13 improper claims.

UHC has performed outreach to the providers requesting reimbursement of the amounts considered overpaid.

Recommendation 3: Perform a formal risk assessment of providers' use of modifier 59 and identify providers exhibiting unusual modifier 59 billing patterns. As priorities and resources permit, review the claims of higher risk providers and take appropriate actions, including (but not limited to) recovery of any overpayments identified and targeted provider education.

DCS has provided UHC with direction to implement a newly developed audit program covering specific modifier abuse. Retrospective & Prospective reviews and provider education will begin shortly.

Thank you for providing us with the opportunity to review and respond to OSC's report regarding Modifier 59.

Very Truly Yours,

A handwritten signature in dark ink, appearing to read "Carl A. Mattson". The signature is fluid and cursive, with a prominent "C" and "M".

Carl A. Mattson
Vice President, Empire Plan
United Healthcare National Accounts

Cc: Dave Fleming – OSC
Ed Durocher – OSC
Laura Brown – OSC
Steven Burdick – UHC
Thomas Coy – UHC
Richard Maloney – UHC
David Boland – DCS
Stephanie Zoufaly – DCS
Melinda Beyer – DCS