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FOR IMMEDIATE RELEASE

**INSURANCE REGULATOR ORDERS UNITED HEALTHCARE
TO PAY MORE THAN \$1.5 MILLION
IN RESTITUTION AND PENALTIES**

Baltimore, MD (May 18, 2009) – The Maryland Insurance Administration (MIA) investigation of utilization review procedures (the process used for assessing whether a proposed or delivered health care service is payable under a health insurance policy) used by UnitedHealthcare and its subsidiaries (“United”) uncovered the use of non-compliant procedures. United agreed to conduct a self-audit and found some claims were inappropriately denied as a result of these non-compliant procedures. In a consent order signed last week, United agreed to reimburse nearly \$930,000 to hospitals and to radiology providers in more than 300 cases and to pay \$633,000 in penalties.

“It is our job as regulators to be sure health insurers have fair and timely utilization review procedures in place, as required by State law, to ensure appropriate payment for medical care and the smooth efficient, operation of the health care system,” said Ralph S. Tyler, Maryland Insurance Commissioner. “United’s full cooperation with our investigation and its self-audit process made it easier to identify erroneously denied claims submitted by hospitals and radiology providers. The lessons the MIA learned from this investigation will enable us to more fully leverage our strengths to protect consumers.”

Routine required filings by United revealed issues with two programs designed to alert the company when physicians recommended United’s members receive elective hospital care or radiology services– the Hospital Notification Program and the Radiology Notification Program. These programs did not meet all the requirements of Maryland law for utilization review programs and thereby placed inappropriate demands on hospitals and physicians referring patients for radiology services.

United’s self –audit of the hospital program identified 85 cases of inappropriate payment denials of \$756,130 in charges. United has agreed to pay the hospital claims associated with these 85 cases. Similarly, United’s self-audit of the radiology program identified 227 cases of inappropriate payment denials of \$172,599 in charges. United has agreed to pay the hospital and

radiology claims associated with these cases. For these two programs, United agree to pay a penalty of \$613,000.

In addition, United inappropriately required certain providers to submit a Wellness Assessment Form for behavioral health care services reviewed by United Behavioral Health. State law provides for the use of a uniform treatment plan form and prohibits requirements for providers to use additional forms. United's self-audit showed no claims were denied due to the failure to submit the wellness form. For requiring the use of an additional treatment plan form, United agreed to pay a penalty of \$20,000.

These regulatory actions were taken against United Healthcare Insurance Company, United Healthcare of the Mid-Atlantic, Inc., MD-Individual Practice Association, MAMSI Life and Health Insurance Company, Optimum Choice Inc. and United Behavioral Health collectively.

The Consent Orders in this matter are available on the MIA's website and consumers may access helpful educational insurance materials by contacting 800-492-6116 or online at www.mdinsurance.state.md.us.

The Maryland Insurance Administration (MIA), founded as the Maryland Insurance Division in 1872, is an independent State agency located in downtown Baltimore. This agency regulates Maryland's \$26 billion insurance industry and makes certain that insurance companies, health plans and producers (agents and brokers) comply with Maryland insurance law. The MIA also licenses over 110,000 producers and approximately 1,500 insurance companies, regulates insurance rates, monitors insurer solvency, investigates consumer complaints and travels across the State providing consumers with educational materials on insurance. These materials may also be found at www.mdinsurance.state.md.us.