



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

May 5, 2017

Andrea Inman, Audit Director
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 2016-S-08, which focused on services provided by Long Island Bone and Joint.

We offer the following comments regarding your findings and recommendations:

Recommendation 1: Review the \$507,530 in improper payments identified by the audit and recover overpayments from LI Bone and Joint, as appropriate. Refund the State accordingly.

Based on OSC's audit, UHC issued a letter to Long Island Bone and Joint requesting overpayments be reimbursed to the Plan or provide direct verifiable proof of payment for all claims in question.

Recommendation 2: Work with the Department of Civil Service to pursue an appropriate course of action designed to prevent LI Bone and Joint from waiving Empire Plan members' out-of-pocket costs. This may include taking steps to bring LI Bone and Joint into the Empire Plan's participating provider network.

Efforts to prevent Long Island Bone and Joint from waiving include references in our demand letter to the DFS legal opinion and NYS Penal Law, Article 176.05 (2) (b) which addresses waiver. Additionally, UHC advised the provider must abide by the benefit requirements of the New York State Empire Plan by making every attempt to collect the full face value of the billed charges.

In regards to UHC taking steps to bring Long Island Bone and Joint in network, UHC reviews provider access/enrollment within a geographic area based on provider's field(s) of specialty and network need. In addition, UHC looks at other factors before conducting outreach to seek new providers for its network. After a full review of all factors, UHC

determines if it is appropriate to extend an offer to a provider to join the Empire Plan Network.

Thank you for providing us with the opportunity to review and respond to OSC's Final Report for Audit 2016-S-08.

Sincerely,

A handwritten signature in black ink that reads "Carl A. Mattson". The signature is written in a cursive style with a prominent, sweeping flourish at the end.

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

Cc: Steven Burdick – UHC
Thomas Coy – UHC
Richard Maloney – UHC
David Boland – DCS
Melinda Beyer – DCS
Ronald Kuiken – DCS
Jeffrey Stein – DCS
Daniel Yanulavich – DCS