

UNITEDHEALTH GROUP®

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November 5, 2021

Chairman Bob Casey
U.S. Senate Special Committee on Aging
G41 Dirksen Senate Office Building
Washington, D.C. 20501

Dear Chairman Casey:

On behalf of UnitedHealth Group, including our over 120,000 frontline doctors, nurses, and other health care practitioners, thank you for your recent letter regarding retroactive payment for COVID-19 vaccine administration. Like many individuals and families, clinicians and essential health workers have sacrificed deeply these past two years as our country worked together to fight COVID-19.

We share your commitment to ensuring and expanding access to critically important health care services and understand these are extraordinarily challenging times for the millions of people we are privileged to serve, as well as employers, health care providers, governments, and the health care system. We welcome this opportunity to provide you with an overview of the significant actions we have voluntarily taken regarding vaccine reimbursement and the steps we are taking to quickly address the concerns expressed.

UnitedHealth Group is committed to helping people live healthier lives and making the health care system work better for everyone. We do this by working with stakeholders and partners to address the biggest challenges facing our system. As we shared during our conversation, we have been in close contact with the American Academy of Pediatrics regarding concerns they raised about vaccine reimbursement.

Consistent with the discussion with your staff on October 6th and your October 21st letter, we are writing to confirm the following details related to our reimbursement for COVID-19 vaccine administration:

- UnitedHealthcare (UHC) has been reimbursing providers using the new CMS rates since July 1, 2021, consistent with timing specified in UHC's contracts with providers.
- UHC will adjust claims paid less than \$40 between March 15 and June 30, 2021 to reimburse at \$40 per administration, so providers can benefit from the increase CMS announced on March 15, 2021.
- The voluntary retroactive reimbursement changes are in process and claims will be adjusted accordingly. Providers will not need to take action to receive the change in reimbursement.

UnitedHealth Group recognizes the important role that reimbursement plays in addressing the COVID-19 pandemic, which is why we are taking action to adjust previous claims and accelerating our processes to update reimbursement rates when changes are announced by CMS. In your letter dated October 21, 2021, you asked for the following information:

- The number of COVID-19 vaccine administration claims UHC expects to reprocess.
- The average difference between the initial reimbursement and the reprocessed claim.
- The total amount that will be reimbursed.
- Information on how we will ensure providers will be reimbursed in a timely manner when CMS issues new rates for COVID-19 vaccine claims going forward.

Approximately two million COVID-19 vaccine administration claims paid between March 15 and June 30, 2021 will be impacted by this retroactive adjustment. We anticipate the average adjustment will be approximately \$12.50 per claim, for total additional reimbursement of approximately \$25 million. UHC has already begun processing these reimbursements.

With regard to new rates for COVID-19 vaccinations or other emergent therapeutics for COVID-19, we will be accelerating our process for updating our reimbursement to support the COVID-19 vaccine codes and rates implemented by CMS as they become available. Specifically, UHC will implement new COVID-19 codes and rates upon the publication of this information by CMS rather than including these changes in our scheduled quarterly reimbursement update processes. This will ensure provider payments are updated as quickly as possible.

We appreciate the services provided by health care professionals during the pandemic. The actions we are taking to adjust COVID-19 vaccine claims build on the many steps we have taken to support providers over the last eighteen months, including accelerating claims payments, assisting in processing and administering CARES Act Federal funding to providers, working with HHS to ensure clinicians who provided COVID-19 testing or treatment for individuals without insurance were reimbursed for their services, and removing administrative requirements in highly impacted areas.

We appreciate the opportunity to address the Committee's questions.

Sincerely,



Brian Thompson
CEO
UnitedHealthcare

November 12, 2021

Addendum to UHG – Senate Aging Committee Response on 11/5/21

Thank you for the email of November 8, 2021 with follow-up questions to UHG’s letter dated 11/5/2021, and for your continued engagement regarding how we reimburse providers for COVID-19 vaccine administration. Please see our additional responses below:

- Staff asked that we clarify whether “similar underpayment issues occurred in United’s Affordable Care Act and Medicaid Managed Care plans.”

Answer: As discussed with staff, we have been paying providers according to their contracts since the vaccines first became available. These provider contracts explicitly provide how new procedure codes are implemented and on what timeline; those provisions are agreed to by all parties. Because United paid its network providers according to these contracts, there have been no “underpayments.” Nevertheless, after reviewing concerns about the contracted reimbursement amounts paid earlier this year, we elected to voluntarily increase reimbursement—above and beyond contractual rates—for all commercial plans (including individual plans purchased via ACA exchanges), for dates of service between March 15, 2021 and June 30, 2021.

Within ACA Exchanges, we similarly have paid according to contracts agreed to with providers. ACA Exchange plans will be included in the voluntary increase in reimbursement described above. The completion of that increase will be on the same time frame as commercial plans. With respect to managed Medicaid, as we noted in our first discussion with staff on September 22, 2021, those plans pay according to rates set by state law and state payment policies. United has paid for vaccine administration consistent with those parameters and will continue to do so.

- Staff asked that we provide detail about how we will timely reimburse providers for emergent vaccines and therapeutics unrelated to COVID-19 and the current Public Health Emergency (PHE).

Answer: In the event of a future pandemic or new PHE we will take immediate actions (noted below) to accelerate reimbursement updates. Outside of a pandemic or PHE how we update codes and payment rates will continue to be guided by our existing contracts with providers. Consistent with industry practice, those contracts provide for timely and substantial payment to providers while we complete the update to our systems. At all times we will follow all applicable state and federal requirements.

- Staff noted the complexity of adjusting reimbursement rates for new procedure codes and asked for details on how United might make those adjustments more quickly in the future.

Answer: We hope that under less exigent circumstances CMS will provide additional lead time for its pronouncements, but United is not relying on that to speed its processes during this PHE. Instead, we are devoting significant time and effort to ensuring that the process of updating new COVID-19-related codes within our systems begins at the time of publication of those codes and without regard to contractual timelines. This includes, for example, redirecting additional internal resources and automating updates whenever possible. While some claims filed immediately after new payment codes are announced might be held for a short time while those updates are being made (generally no longer than 30 days after receipt), we believe this will result in overall faster reimbursement at updated rates. Indeed, it is common in the industry to hold claims during a period of change or uncertainty to help ensure that those claims are paid accurately. We are confident we will be able to update new codes for all claims platforms on a timely basis.

- Finally, staff asked for updates as to our progress on increasing the reimbursement amount for the approximately two million claims impacted by our decision to voluntarily increase reimbursement for COVID-19 vaccine administration.

Answer: To date, we have resolved approximately 60% of these claims. We expect the remaining claims to be completed in the coming 6-8 weeks. We will update you when all claims are complete.

From: [Prible, John M](#)
To: [Gartrell, Peter \(Aging\)](#)
Cc: [Hartman, Doug \(Aging\)](#); [Shakow, Peter](#)
Subject: RE: Follow Up on UnitedHealthcare's Response
Date: Friday, January 14, 2022 5:12:29 PM
Attachments: [image002.png](#)
[image004.png](#)
[image006.png](#)
[image008.png](#)
[image010.png](#)
[image012.png](#)

Peter,

Thank you for your recent email, in which you asked for an update on our voluntary efforts to retroactively increase reimbursement to \$40 for COVID-19 vaccine administration. Answers to your questions are provided below; however, we expect that this confidential information will not be shared with third parties.

To date, we have retroactively reimbursed providers for 1,640,996 claims, or more than 99.8% of all affected claims. The average additional payment for those claims was \$14.55, for a total of approximately \$23.9 million in additional payments. At this time, fewer than 2,900 claims (less than 0.2% percent of all affected claims) remain to be reprocessed. Because the original paid amount on those remaining claims averaged about \$36, the average additional reimbursement to be paid will be about \$4. Those remaining reimbursements continue to be prioritized and sent out the door. We anticipate those few remaining claims will be completed by February 1, 2022.

We note that you asked for claims and payment data by state. There are a few reasons we are not able cut this data cleanly by state, including that providers submit claims via tax identification numbers (TIN), many of which cover physicians (and therefore claims) from multiple states.

You also asked for additional information about how we will shorten the adoption time of new rates in this or a future national public health emergency (NPHE). As we stated previously, contracts between United and its network provider groups specifically provide for time to implement new rates in an orderly way. We understand this to be routine across the industry, understood and long accepted by the provider community, and entirely proper. If there is another NPHE or there are exceptional circumstances which dictate more timely adoption of new rates, we have learned over the past few months the required technology and human resources that need to be brought forward to accelerate. As a point of reference, should circumstances justify it, we commit to implement new codes in an NPHE faster than industry standard.

John Prible

John Prible

Vice President, External Affairs
UnitedHealth Group

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