



# United Healthcare and Ingenix Settlement

## What to Know, Where to Find More Resources

For years, United Healthcare Corp. and other major insurers relied on the Ingenix database to calculate the market rates for physicians who provided out-of-network care.

But the database, owned and operated by United Healthcare, manipulated data to intentionally low ball the rates, according to state and federal authorities who investigated in 2008.

The result was that doctors providing out-of-network services were systematically underpaid by United, and often patients ended up paying some of the cost not covered by the insurer.

In 2009, United reached a legal settlement with authorities to abandon Ingenix and pay \$50 million for the creation of an independent agency to more accurately assess market rates for health care services. Once that independent database is established, United must use it to determine reimbursement for out-of-network services for at least five years.

United and Ingenix also settled class action lawsuits brought by patients and providers, essentially agreeing to pay \$350 million to compensate for the underpayments.

As part of that process, physicians must decide by July 27, 2010, whether to participate in the settlement or opt out or object. By opting out, a physician could sue United directly for damages caused by Ingenix but could not make a claim for funding through the class action settlement fund.

A court hearing is scheduled for Sept. 13 to approve the final United settlement. Those participating will have until Oct. 5 to submit claims for payment.

To qualify, physicians must have provided – and billed for – out-of-network care covered by the insurer to a patient enrolled in United or one of its affiliates anytime between March 15, 1994 and Nov. 18, 2009. This includes services to patients covered by PacifiCare.

Physicians' settlement amounts will be determined by a number of factors. However, in general, the amount will be the difference between the UCR value of the service provided and the amount prescribed by the Ingenix database. Settlement checks will be processed and delivered after Oct. 5, when all claims are due.

CMA has set up an online resource center to help physicians understand the terms of the settlement and what they need to do to opt out, object or submit claims for payment. Visit [www.cmanet.org/settlements](http://www.cmanet.org/settlements) to find a detailed guide to the settlement agreement, claim forms and other helpful documents.

### **Significant Dates**

**July 27, 2010** – Deadline for class members to opt out or object to the settlement.

**Sept. 13, 2010** – Court hearing to approve the final settlement.

**Oct. 5, 2010** – Deadline to submit claims for payment from the settlement fund.