

Supplemental Document to 2018 Presentation

- In 2009 multiple states sued insurance companies (Aetna, WellPoint, and UnitedHealth) for the use of a “usual and customary rate (UCR) table” created by Ingenix (a UnitedHealth Care Company). The courts awarded the providers large settlements, as it was deemed that the UCR provided artificially low rates to favor the insurance companies.
- The “reasonable” charge schedule being used by payors (i.e., Humana and United) is the same canard. It exists for the sole purpose of applying an arbitrary standard to hospitals. It attempts to force a charging process on hospitals that is favorable to Humana and contrary to any history the hospital may have in the evolution of their individual charge masters.
- Medicare does not impose the same requirements that they are attempting.
- Medicare only requires that Medicare patients be charged the same rates as non-Medicare patients.
- We meet that requirement. We charge Medicare, Humana, United, Blue Cross and all insurance customers the same rate for the same items.
- Because we believe that the payor’s UCR is for the sole purpose of reducing payments to the facilities, you will want to pursue all legal remedies, as provided in your contract with the payor, including arbitration and possible contract cancellation.
- Statement to Payor: The only acceptable outcome to avoid further arbitration or cancellation is the full and complete re-instatement of all the charges that have been removed and any and all applicable reimbursement associated with these charges paid in full.