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**United Healthcare agrees to pay state \$350k, contribute \$2.85 million to mental health fund**  
*Insurer's violations discovered during recent OHIC market examination*

**CRANSTON, R.I.** (March 30, 2020) – The Office of the Health Insurance Commissioner (OHIC) announced today that UnitedHealthcare Insurance Company and UnitedHealthcare of New England, Inc. (collectively “United RI”) have agreed to pay a \$350,000 penalty to the state and make a \$2.85-million contribution to a community mental-health fund related to several violations that potentially delayed and/or impeded patient care.

The actions by OHIC followed the state’s Market Conduct Examinations of the four major commercial health insurers operating in Rhode Island. The OHIC Commissioner ordered and United RI consented to the Examiner’s recommendations to correct the identified violations and further ordered United RI to submit a proposed Plan of Correction to address the recommendations.

Market conduct exams measure compliance with laws and regulations relating to the coverage of mental health and substance use disorder services. The market reviews of Blue Cross and Blue Shield of RI (BCBSRI), Neighborhood Health Plan of Rhode Island (NHPRI) and Tufts Health Plan all led to settlement agreements, with all three insurers making contributions to the same mental health and substance use fund, which is managed by the Rhode Island Foundation. United RI is the only insurer of the four to pay a penalty to the state as well.

OHIC’s concentrated oversight and enforcement of federal and state “behavioral health parity” laws are part of the state’s multi-pronged approach to ensuring access to mental health and substance-use disorder services in Rhode Island.

“Protecting consumers and ensuring access to health care is at the forefront of OHIC’s activities. This market conduct exam, the resulting OHIC order, and required insurer Plan of Correction, play an instrumental role in eliminating the disparities between physical and behavioral health care coverage in our state,” said Marie Ganim, PhD, the state’s Health Insurance Commissioner.

United RI’s \$350,000 penalty will be paid to the General Treasury. In lieu of any further penalties, United RI will make a \$2.85-million contribution to a fund created by OHIC at the

Rhode Island Foundation to support behavioral health-focused community programs. The payment will be made in full by April 15, 2020.

Market conduct exams involve a detailed review of insurer records and operations during a specific timeframe. This exam process included a review of a random sample of case records from each insurer to assess operational compliance with statutory and regulatory requirements for the purpose of determining if laws and regulations are being followed. United RI is part of a larger national organization that also includes entities that process approvals or denials of requests for behavioral health services, Optum, or behavioral health-related prescriptions, Optum Rx. Regardless of United RI's delegation of administration to Optum, United RI remained legally responsible for administering its benefit review programs in a reasonable and fair manner, and for complying with state and federal laws and regulations.

[For the United RI examination](#), OHIC reviewed 301 behavioral health cases and 183 behavioral health-related prescription drug cases from 2014 through 2016. According to the report, and based upon the cases reviewed, OHIC's examiners found that United RI violated its behavioral health parity obligations under state and federal laws, including maintaining certain coverage exclusions unique to behavioral health and by applying its benefit review program to behavioral health services in a more stringent manner than was the case with physical health services.

OHIC further found that United RI used clinically inappropriate utilization review criteria to determine whether to approve or deny coverage of requested behavioral health services and behavioral health-related prescription drugs (including step therapy requirements) and/or applied the criteria in an inappropriate manner in violation of Rhode Island law. Specifically, examiners found that utilization review criteria used by review staff "were not based on objective, measurable, clinical criteria" and instead "relied on subjective vague and generalized conclusions or judgements."

Behavioral health service benefit review practices found to be in violation of Rhode Island law encompassed instances where United RI employed review practices that had "the potential to impede patient care" and/or were "coercive," including: conducting "short-term, frequent concurrent reviews, and recommend[ing] a shorter length of stay or lower level of care than requested by the treating provider without a clinical basis for either the short-term, frequent concurrent reviews or for the recommendation of a shorter length of stay or a lower level of care"; classifying as approvals modified provider treatment requests "without evidence of a voluntary agreement by the attending provider to modify the treatment request"; "scheduling provider communications and peer to peer review consultations within unrealistic timeframes"; failing to collect sufficient clinical information concerning the patient's clinical condition; and failing to "adequately consider the patient's need for continuity and transition of care, and for the patient's safety and welfare when denying coverage requests."

Regarding the administration of United RI's utilization review processes for behavioral health-related prescription drug coverage, OHIC found several violations that potentially delayed

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and/or impeded patient care, including: “clinically inappropriate utilization review criteria”; the application “of incorrect facts to its utilization review decision”; and the use of “incorrect or non-existent criteria in denying a request for coverage.”

OHIC is the state agency working to ensure health insurance consumer protection, insurer solvency, fair treatment of providers, and health care system improvement and affordability. The full examination reports are available on [OHIC's website](#).

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