

United Healthcare Exerts Downward Pressure on Lab Reimbursement

Over the past month and a half, United Healthcare (UHC) has sent letters to some Texas pathology groups that are strikingly similar to those published by Anthem last year. UHC is notifying selective pathology practices of a new, reduced fee or price schedule. While the Anthem cuts have been implemented across the country, UHC's new pricing schedule hasn't been widely identified. However, concerns are growing that this update may be in step with the drastic cuts made by Anthem last year. Some Anthem cuts were up to 70% lower than previous fee schedules.

UHC is the largest private insurer in the country, followed by Anthem.

Attempts to stave off the drastic Anthem cuts were ineffective with some practices going out-of-network by cancelling their contract ties. It appears there may be room for negotiations with UHC to achieve reasonable rates, but this remains to be seen.

Balance billing legislation has opened the door, in many cases, to these reduction of fees. It encourages payors to avoid negotiating favorable provider rates while limiting what a provider can expect from patient balances. Balance billing can happen when patients utilize out-of-network labs.

In addition, UHC has launched a Preferred Lab Network to help encourage acceptance of reduced fees. Patients may still use labs that are not part of UHC's network but patients that do use UHC's preferred network see either reduced balances or no out-of-pocket expenses.

The director of the American Society for Clinical Pathology will likely be sending correspondence to UHC expressing concerns about the cuts.

If you have any questions or concerns, please reach out to your APS Practice Manager.