



Utilization Management Policy

Ensuring Appropriate Utilization

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Policy Statement.....	Utilization Management Overview	Original Effective Date:	3/2001
Purpose.....		Current Approval Date:	4/27/2023
Scope.....		Next Review:	4/2024
References.....		Category:	Compliance
History.....			
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Policy Statement

- It is the policy of Optum* by OptumHealth Care Solutions, LLC that utilization review decisions are based on appropriateness of care and existence of coverage.
- The staff members of Optum making these decisions are not rewarded for issuing adverse determinations.
- Optum does not offer incentives to physicians or other health care professionals to encourage inappropriate underutilization of care or services.
- Optum does not penalize or otherwise discourage providers from openly discussing treatment alternatives and medically appropriate care with patients.

Purpose

To encourage appropriate utilization management decisions by supporting Optum's position that no financial incentives are provided in decision making.

Scope

All in and out of network programs, involving all provider types, where utilization review determinations are required.

References

1. National Committee for Quality Assurance (NCQA). <http://www.ncqa.org/>

*Optum™ Physical Health (“Optum”) includes OptumHealth Care Solutions, LLC; ACN Group IPA of New York, Inc.; ACN Group IPA of California, Inc. d/b/a OptumHealth Physical Health of California; Managed Physical Network, Inc.; and OrthoNet Holdings, Inc. which includes OrthoNet New York IPA, Inc., OrthoNet West, Inc., OrthoNet, LLC, OrthoNet of the South, Inc.



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Policy History/Revision Information

Date	Action/Description
3/07/2001	Original effective date
9/20/2002	Annual review and approval completed
11/11/2003	Annual review and approval completed
10/18/2004	Annual review and approval completed
2/14/2006	Annual review and approval completed
4/10/2008	Annual review and approval completed
1/15/2009	Policy reformatted
4/30/2009	Annual review and approval completed
4/30/2010	Annual review and approval completed
9/30/2010	Policy statement revised to align with NCQA requirements
1/27/2011	Updated <i>Policy Statement</i> to be consistent with NCQA requirements
4/07/2011	Annual review and approval completed
4/19/2012	Annual review and approval completed
4/18/2013	Annual review and approval completed
4/17/2014	Annual review and approval completed; Policy rebranded “Optum* by OptumHealth Care Solutions, Inc.”
4/16/2015	Annual review and approval completed
4/21/2016	Annual review and approval completed
4/20/2017	Annual review and approval completed; Legal entity name changed from “OptumHealth Care Solutions, Inc.” to “OptumHealth Care Solutions, LLC.”
4/26/2018	Annual review and approval completed; no significant changes made to the document
4/25/2019	Annual review and approval completed; no significant changes made to the document
4/23/2020	Annual review and approval completed; no significant changes made to the document
4/22/2021	Annual review and approval completed; Removed URAC from reference list
5/03/2022	Annual review and approval completed; Appended OrthoNet guidance
6/29/2022	Updated legal entity name “OptumHealth Care Solutions, LLC.” to *Optum™ Physical Health (“Optum”) includes OptumHealth Care Solutions, LLC; ACN Group IPA of New York, Inc.; ACN Group IPA of California, Inc. d/b/a OptumHealth Physical Health of California; Managed Physical Network, Inc.; and OrthoNet Holdings, Inc. which includes OrthoNet New York IPA, Inc., OrthoNet West, Inc., OrthoNet, LLC, OrthoNet of the South, Inc.
4/27/23	Annual review and approval completed; no significant changes made to the document. Updated contact email from policy.inquiry@optumhealth.com to phpolicy_inquiry@optum.com .

Contact Information

Please forward any commentary or feedback on Optum utilization management policies to: phpolicy_inquiry@optum.com with the word “Policy” in the subject line.

The services described in Optum* by OptumHealth Care Solutions, LLC policies are subject to the terms, conditions and limitations of the Member's contract or certificate. Optum reserves the right, in its sole discretion, to modify policies as necessary without prior written notice unless otherwise required by Optum’s administrative procedures.

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Certain internal policies may not be applicable to self-funded members and certain insured products. Refer to the member's Summary Plan Description (SPD) or Certificate of Coverage (COC) to determine whether coverage is provided or if there are any exclusions or benefit limitations applicable to any of these policies. If there is a difference between any policy and the member's SPD or COC, the member's SPD or COC will govern.

Appendix

OrthoNet Guidance

Subject: AFFIRMATIVE STATEMENT REGARDING FINANCIAL INCENTIVES

Purpose: To outline OrthoNet's policy regarding financial incentives to ensure that no financial incentives, reimbursements, or bonuses are offered related to the utilization review process and/or based directly on consumer utilization of services. To initiate appropriate processes to clarify and confirm to all OrthoNet staff that OrthoNet does not use financial incentives based directly on consumer utilization of services and to obtain affirmative attestations from all applicable employees of their understanding of this OrthoNet policy.

Timeframe/Reference: URAC Core Standards (v.3.2) – Core 33 - Financial Incentive Policy

Policy: All Utilization Management ("UM") decisions at OrthoNet are made by licensed practitioners, providers, contractors, and/or employees based on the member's eligibility, the benefits covered under the member's certificate of coverage, the appropriateness of the care, and the services requested. OrthoNet *does not* reward or provide financial incentives to these individuals for rendering the services above or for issuing denials of coverage or service of care.

An affirmative statement for ensuring appropriate utilization is provided to the OrthoNet clinical review staff for review and attestation upon hire and on an annual basis via electronic attestation. The statement affirms the following:

1. OrthoNet *encourages* providers to use medically necessary and appropriate care and services to prevent and/or treat medical conditions.
2. OrthoNet *does not* compensate UM decision makers for non-certification of service or offer financial incentives to encourage non-certification or under-utilization of health care services.
3. OrthoNet *requires UM staff members not to participate* in any UM decision in which they have an actual or potential **conflict of interest**, including (but not necessarily limited to) their having (a) a direct or indirect financial or ownership interest of greater than 1% in any affected party; (b) a personal, familial, professional, or business relationship with any party to the decision; (c) any direct or indirect financial incentive for rendering the decision or promoting the use of products or services involved in the decision; or (d) any prior involvement in the specific case under review.
4. No financial incentives exist for Clinical Review staff to encourage decisions resulting in under-utilization.
5. UM decisions are based on the appropriateness of care and service and existence of coverage.
6. OrthoNet will not reward Clinical Review staff for issuing denials of coverage or service.
7. OrthoNet UM (clinical) staff members are ensured independence and impartiality in making UM determinations and referral decisions that will not influence: hiring, compensation, termination, promotion, or any other similar matters related to status or employment at OrthoNet.

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In addition, an affirmative statement for ensuring appropriate utilization is provided to the OrthoNet non-clinical review staff for review and attestation upon hire and on an annual basis *via electronic attestation* to ensure that they are also aware of this policy.

These statements will be kept on file with the Regulatory Compliance department for auditing purposes. OrthoNet will also ensure that member healthcare is not compromised by implementing one or both of the following mechanisms:

1. Conducting UM audits of case files (when applicable)
2. Determining the overall assessment of causes for under- and over-utilization.