



## Legislation Details (With Text)

**File #:** 0098-2021      **Version:** 1  
**Type:** Ordinance      **Status:** Passed  
**File created:** 1/8/2021      **In control:** Administration Committee  
**On agenda:** 1/25/2021      **Final action:** 1/29/2021  
**Title:** To authorize the Director of Human Resources to enter into a settlement agreement with United HealthCare Services, Inc.; to accept funds in the amount of \$264,449.40; and to declare an emergency.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
1/29/2021	1	CITY CLERK	Attest	
1/28/2021	1	MAYOR	Signed	
1/25/2021	1	COUNCIL PRESIDENT	Signed	
1/25/2021	1	Columbus City Council	Approved	Pass

### **BACKGROUND:**

In 2020, it was discovered that United HealthCare Services, Inc. (“UHC”) had overcharged the City of Columbus as it pertained to out-of-network claims and fees from January 1, 2018 through October 31, 2019. The City requested to move its out-of-network claims processing from Facility Reasonable & Customary (“FR&C”) to Maximum Non-Network Reimbursement (“MNRP”) beginning on January 1, 2018. However, UHC continued to process out-of-network claims using FR&C, resulting in overpayments by the City between January 1, 2018 and October 31, 2019. UHC has agreed to issue payment to the City in the amount of Two Hundred Sixty-Four Thousand Four Hundred Forty-Nine and 40/100 Dollars (\$264,449.40), representing a refund for the overpayments between FR&C and MNRP as well as the 35% contingency fee during that period. It is in the City’s best interest to enter into a Settlement Agreement with UHC and accept payment in order to resolve this issue.

**EMERGENCY ACTION:** Emergency action is being requested so that this settlement payment of \$264,449.40 from UHC can be deposited by the Treasurer into the Employee Benefits Fund (5502) in order to correct an error they made and allowing the transaction to be finalized at the earliest possible time.

**FISCAL IMPACT:** This ordinance authorizes a deposit of \$264,449.40 to be accepted by the Treasurer and deposited into Fund 5502, the Employee Benefits Fund.

To authorize the Director of Human Resources to enter into a settlement agreement with United HealthCare Services, Inc.; to accept funds in the amount of \$264,449.40; and to declare an emergency.

**WHEREAS,** it was discovered that United HealthCare Services, Inc. had overcharged the City of Columbus as it pertained to out-of-network claims and fees from January 1, 2018 through October 31, 2019; and

**WHEREAS**, UHC will issue payment to the City in the amount of \$264,449.40 in order to settle the overpayments made by the City for the period January 1, 2018 through October 31, 2019; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Human Resources in that it is immediately necessary to authorize the Director to enter into the settlement agreement with UHC so that timely receipt of the funds can be authorized and deposited; Now, therefore,

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Director of Human Resources is hereby authorized to enter into a settlement agreement with UHC for \$264,449.40 to resolve the issue of overpayments by the City from January 1, 2018 to October 31, 2019.

**SECTION 2.** To authorize the Treasurer's Office to accept and deposit \$264,449.40 into the Employee Benefits Fund.

**SECTION 3.** That, for the reasons state in the preamble hereto which is hereby made a part hereof, this ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage, if the Mayor neither approves nor vetoes the same.