

## Attorney General

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## Andrew Cuomo

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### **ATTORNEY GENERAL CUOMO ANNOUNCES DOCTOR RANKING AGREEMENT WITH UNITEDHEALTHCARE**

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*United, the Nation's Second Largest Insurer, Will Apply Model's Principles  
Nationwide*

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*Fifth Insurer in Three Weeks to Adopt Model  
Created Together with National Medical and Consumer Groups*

NEW YORK, NY (November 20, 2007) – Attorney General Andrew M. Cuomo today announced an agreement on doctor ranking programs with UnitedHealthcare (NYSE: UNH). UnitedHealthcare is the second-largest health insurance company in the country and will apply the principles of the Attorney General's model for doctor ranking programs nationwide.

The agreement with UnitedHealthcare is the fifth in three weeks, following similar agreements reached with CIGNA Healthcare, Aetna, Empire Blue Cross Blue Shield, and Group Health Incorporated/Health Insurance Plan of Greater New York, both of which are subsidiaries of EmblemHealth, Inc. CIGNA, Aetna, and Empire's parent, WellPoint, will also apply the principles of the Attorney General's doctor ranking model nationwide. WellPoint is the largest insurer in the country and Aetna is the third largest.

This model was created in consultation with the American Medical Association and the Medical Society of the State of New York, along with a host of consumer advocacy groups including the Consumers Union and the National Partnership for Women & Families. North Shore Physician Organization also provided key assistance to the Attorney General's doctor rankings initiative.

UnitedHealthcare has plans to launch a doctor ranking program known as UnitedHealth Premium® designation program to consumers in New York in December 2007. In July, the Attorney General sent a letter to UnitedHealthcare, the first company contacted as part of an industry-wide investigation into doctor rankings, calling on it to fully explain

how it intended to rate physicians and to refrain from launching a program in New York without the Attorney General's consent. UnitedHealthcare will comply with the Agreement before launching that program in New York.

"We are witnessing the insurance market correcting itself. The three largest insurers in the country have now all said they will apply the principles of our model for doctor rankings nationwide. Leaders in the insurance industry are setting the standard for rating doctors by using a model that was created with the input of physicians and consumers," said Cuomo. "I applaud UnitedHealthcare for working over the past several months with our office to improve their rating system and waiting to make sure their program met our standards before launching it."

"We applaud the Attorney General's commitment in this area and are pleased that our Premium designation program will embrace and comply with the core principles of the agreement, including the importance of transparency of information to consumers, physicians and employers. We believe physician performance assessment programs play a key role in improving health care quality and cost-efficiency," said Reed V. Tuckson, M.D., Executive Vice President and Chief of Medical Affairs, UnitedHealth Group. "This is good news for consumers who need information tools to help guide them through the health system and for physicians who deserve useful and accurate feedback."

"Having three of the largest insurers in the country pledging to adopt the principles of the Attorney General's model nationwide is an important victory for consumers everywhere," said Debra L. Ness, President of the National Partnership for Women & Families. "Programs that evaluate physicians need to be designed so that consumers know exactly what goes into how their physicians are assessed and can easily understand their choices. As the Attorney General's model becomes the standard within the industry consumers across the country can achieve this goal."

"We are pleased that UnitedHealthcare has followed the other New York health insurers and committed to these crucial protections for patients and physicians," said the American Medical Association's President-Elect, Dr. Nancy Nielsen.

"The program set forth in this agreement, compared to the one United rolled out earlier this year, represents a major accomplishment of the Attorney General," said Dr. Robert Goldberg, President of the Medical Society of the State of New York. "The infusion of transparency, backed up by oversight to ensure accuracy and due process makes great strides in providing useful information for our patients."

The model reforms doctor ranking programs by compelling insurers to fully disclose to consumers and physicians all aspects of their ranking system. Additionally, under this model, the insurer must retain an oversight monitor, known as a Ratings Examiner ("Rx"), who will oversee compliance with all aspects of the agreement and report to the Attorney General every six months.

Under the model, insurers will:

- Ensure that rankings for doctors are not based solely on cost and clearly identify the degree to which any ranking is based on cost;
- Use established national standards to measure quality and cost efficiency, including measures endorsed by the National Quality Forum (NQF) and other generally accepted national standards;
- Employ several measures to foster more accurate physician comparisons, including risk adjustment and valid sampling;
- Disclose to consumers how the program is designed and how doctors are ranked, and provide a process for consumers to register complaints about the system;
- Disclose to physicians how rankings are designed, and provide a process to appeal disputed ratings;
- Nominate and pay for the Ratings Examiner, subject to the approval of the Attorney General, who will oversee compliance with all aspects of the new ranking model and report to the Attorney General's office every six months; the Ratings Examiner must be a "national standard setting organization" and will be national in scope, independent, and an Internal Revenue Code § 501(c)(3) organization.

Doctor-ranking programs are a rapidly growing practice within the healthcare industry. Major insurers nationwide either operate or are in the process of developing these programs.

Today's agreement with UnitedHealthcare also covers Oxford Health Plans, Inc.

The Attorney General's industry-wide investigation of doctor ranking programs is ongoing and is being handled by Linda Lacewell, the head of the Attorney General's Healthcare Industry Taskforce.

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