

United States Senate

WASHINGTON, DC 20510

March 12, 2024

Mr. Andrew Witty
Chief Executive Officer
UnitedHealth Group
P.O. Box 1459
Minneapolis, MN 55440

Ms. Heather Cianfrocco
President
Optum
11000 Optum Circle
Eden Prairie, MN 55344

Dear Mr. Witty and Ms. Cianfrocco:

I write to urge you to take immediate action to assist health care providers whose operations have been significantly impacted by the February 21 cyberattack targeting Change Healthcare, a subsidiary of Optum and UnitedHealth Group. This attack has resulted in widespread disruptions to insurance claims and payments, creating chaos for patients and health care providers across the country. These disruptions extend far beyond direct care, with many health care-related businesses also facing a sudden lack of cash flow. As a result, some hospitals, doctors, and businesses are facing dire financial circumstances that could compromise their viability, and ultimately patient care, if UnitedHealth Group does not take action.

Many rural providers rely on Change Healthcare to submit claims to payers and to receive payments. For example, four of the New Hampshire hospitals experiencing severe disruptions are small Critical Access Hospitals in areas where there are few alternatives for patient care. These Critical Access Hospitals provide lifesaving care in rural areas including New Hampshire's North Country. As the only emergency care options in the region, these hospitals respond to and stabilize any patient in crisis who comes in their doors. Due to the Change Healthcare hack, these hospitals have seen nearly all – 98 percent – of their claims and cash flow disappear in the last few weeks. These hospitals' ability to care for patients in the weeks to come is seriously compromised without urgent financial support.

Optum's Temporary Funding Assistance Program (TFAP) for hospitals and doctors is well-intentioned but has not yet provided adequate assistance to providers that rely on Change Healthcare. While the program aims to provide advance payments to impacted providers in the form of a loan from Optum, the program's structure has discouraged providers from applying or entering it. I urge you to immediately address the following policies that are putting hospitals and other health care providers at imminent risk of financial instability:

Calculation for financial assistance: Hospitals and doctors use Change Healthcare's services for two main functions: to receive electronic payments from payers, and as a vendor for in-house submission of claims to payers. However, under the TFAP, providers are only eligible for funding assistance in instances where Change Healthcare is involved in sending the electronic payment to the provider, but not instances where the provider has submitted a claim through Change Healthcare. This means that providers have no recourse for claims that were previously

submitted to Change Healthcare systems, but are now frozen – resulting in millions of dollars of unpaid bills with no available remedy.

Loan agreement: Optum is requiring providers to agree to unacceptable terms and conditions as part of the loan agreement, including language that allows Optum to change the terms and conditions of the loan at any time. For example, the contract requires providers to pay back the advance payment within 30 days of receiving it. However, Change Healthcare’s systems are not back up and running yet – and there is no guarantee that providers will receive payments again within four weeks. The loan agreement also allows Optum to recoup funds “immediately and without prior notification.” The terms of Optum’s agreement broadly waive any future liability for the company, requiring providers to sign away their ability to seek future damages related to the hack or assistance program. Finally, Optum reserves the ability to “add, remove, change or otherwise modify any term of this Agreement at any time,” leaving providers vulnerable to future demands from Optum.

As this weeks-long disruption continues, many providers are approaching a financial cliff that could endanger the availability of care. In order to fulfill its obligation to its clients and the patients they serve, I urge UnitedHealth Group to immediately expand and revise its TFAP to address these problems.

Sincerely,



Margaret Wood Hassan
United States Senator