

# Affirmation of non-incentives for utilization management decision making

Heritage Provider Network (“HPN”) and its contracted Medical Groups (“Groups”) do not practice economic profiling and specifically do not encourage or reward employees or downstream entities conducting utilization management (“UM”) review activities for issuing denials of coverage or service. HPN also promotes appropriate utilization and discourages under-utilization or barriers to care and services.

HPN’s and its Groups’ compensation to providers, employees and other individuals conducting utilization review on its behalf does not contain incentives, direct or indirect, to approve or deny payment for the delivery of any health care service. Utilization-related decision making is based on the individual clinical needs of the member, benefit availability, medical appropriateness of care and service, and existence of coverage.

Groups’ UM decisions are subject to the evidence of coverage and benefits contractually provided by the health plan to members.

Employment, compensation, termination and promotion decisions (or any other similar matters) are not made based on likelihood that the individual (such as a claims adjudicator or medical expert) would support the denial or any modification of benefits or services.

Annually, inclusive of this calendar year, HPN and its Groups affirm the following:

- UM decision making is based only on appropriateness of care and service and existence of coverage;
- Groups do not specifically reward employees or workforce members conducting utilization review for issuing denials of coverage or service; and
- Groups do not offer incentives to encourage decisions that result in underutilization.