

November 12, 2024

RESOLUTION NO. 2024-74

RESOLUTION BY THE FINANCE AND HUMAN RESOURCES COMMITTEE AUTHORIZING THE SETTLEMENT WITH UNITED HEALTHCARE SERVICES, INC., ON BEHALF OF ITSELF AND ITS AFFILIATED COMPANIES

To the Honorable Members of the Racine County Board of Supervisors:

BE IT RESOLVED by the Racine County Board of Supervisors that a settlement with United Healthcare Services, Inc, on behalf of itself and its affiliated companies, is authorized and approved in the amount of \$2,382,205.39 and that the Corporation Counsel is authorized to execute any releases, agreements, or other documents necessary to carry out this settlement.

Respectfully submitted,

1st Reading _____

FINANCE AND HUMAN RESOURCES COMMITTEE

2nd Reading _____

BOARD ACTION

Donald J. Trottier, Chairman

Adopted _____

For _____

Against _____

Absent _____

Robert N. Miller, Vice-Chairman

VOTE REQUIRED: 2/3 M.E.

Jody Spencer, Secretary

Prepared by:
Corporation Counsel

Jason Eckman

Renee Kelly

John A. Wisch

Brett Nielsen

The foregoing legislation adopted by the County Board of Supervisors of Racine County, Wisconsin, is hereby:

Approved: _____

Vetoed: _____

Date: _____,

County Executive

3 **INFORMATION ONLY**

4
5 **WHEREAS**, this settlement is in regards to an issue that arose under United's
6 administration of the Plan under the Administrative Services Agreement between the parties
7 dated January 1, 2008; and

8
9 **WHEREAS**, a member received services during an inpatient admission in 2021; and

10
11 **WHEREAS**, during that time, Sun Life was the stop loss underwriter for the Plan; and

12
13 **WHEREAS**, United has confirmed that Multiple Coordination of Benefits ("COB")
14 adjustments occurring through October 2023 resulted in an erroneous determination that
15 Medicare was the primary payor of the Member's claims. Correcting these cumulative claim
16 adjudication errors resulted in the claims being paid late, and therefore, outside of the applicable
17 stop loss coverage period of the Plan's stop loss contract; and

18
19 **WHEREAS**, United has agreed to issue Client a one-time payment in the amount of Two
20 Million Three Hundred Eighty-Two Thousand Two Hundred Five and 39/100 (\$2,382,205.39)
21 Dollars.

Fiscal Year: **2024**

The authorization of this settlement approves the receipt of \$2,238,205.39 to settle an erroneous determination made by United Healthcare Services, Inc. The vendor has agreed to issue Racine County a one-time payment in this amount and will then invoice us for the exact same dollar amount to settle the erroneous claims. There will be no financial impact to Racine County during this transaction.

FINANCE COMMITTEE RECOMMENDATION

After reviewing the Resolution/Ordinance and fiscal information supplied, your Finance Committee recommends FOR--AGAINST adoption.

REASONS

| FOR | AGAINST |
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