

Change Healthcare Cyberattack Update & Townhall

The New York Times

March 20, 2024

Cyberattack Paralyzes the Largest U.S. Health Care Payment System

The hacking shut down the nation's biggest health care payment system, causing financial chaos that affected a broad spectrum ranging from large hospitals to single-doctor practices.



Financial Disclosure

None of today's speakers have relevant disclosures to report.



Today's Speakers



Michael X. Repka, MD, MBA Medical Director, Governmental Affairs President-elect

John T. McAllister, MD Secretary for Federal Affairs



Today's Speakers



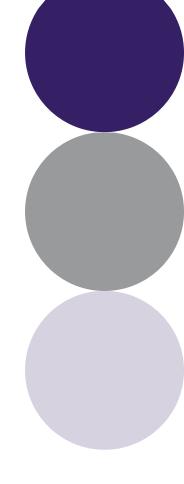
Brandy Keys, MPH Director, Health Policy



Joy Woodke, COE, OCS, OCSR Director, Coding & Reimbursement



What happened



Cyberattack shutters Change Healthcare operations

- On Feb. 21, Change Healthcare began experiencing a cyber security issue and isolated its systems to prevent further impact.
- As a result, all electronic transactions were shut down.
- Optum, UnitedHealthcare, and UnitedHealth Group (UHG) systems were not affected by the issue.







Change Healthcare

- One of the largest health information exchange (HIE) platforms in the U.S.
 - manages 15 billion claims a year, totaling over \$1.5 trillion
 - Also has scheduling, decision support, patient portals and secure messaging functions
- Purchased by United Healthcare Group in 2022





- BlackCat (ALPHV) claimed responsibility.
- Planted malware that encrypted data making it inaccessible until a ransom is paid
- \$22 million was demanded and allegedly paid by UHG



Academy urges government to step in



March 4 letter to top officials at HHS & CMS urging financial assistance and flexibilities

MERICAN ACADEMY

OF OPHTHALMOLOGY®



March 7 meeting with HHS leaders hosted by AMA



March 4, 2024

The Honorable Xavier Becerra Secretary U.S. Department of Health and Human Services 200 Independence Avenue, SW Washington, DC 20201

Re: Mitigating the Impact on Medical Groups from the Cyberattack on Change Healthcare

Dear Secretary Becerra,

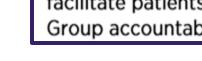
The American Academy of Ophthalmology (the Academy) appreciates the work you and the Department of Health and Human Services (HHS) are doing to address the harmful impact resulting from the cybersecurity attack on Change Healthcare. Due to the size of Change Healthcare and scope of services it provides to physician groups and healthcare facilities, the consequences of this malicious cyberattack are affecting the entire healthcare ecosystem, including our members. The Academy is the largest association of eye physicians and surgeons in the United

We urge HHS to use its authority to support physician practices, facilitate patients' continued access to care, and hold UnitedHealth Group accountable to restore electronic transactions expeditiously.

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medical doctors, we

indards for ophthalmic r our patients and the

to ensure the

HHS/CMS's response after physician community outcry



- Instructing MACs to expedite processing of EDI change paperwork
- Providing a blanket waiver for paper claims submission
- Encouraging Medicare Advantage, Part D, Medicaid, and commercial payors to relax prior authorization, timely filing and other utilization management
- Urging other payors to offer financial assistance



HHS/CMS's response after physician community outcry



- Working with States to open financial assistance for Medicaid providers
 - Confirmed Managed Care Medicaid plans already have this authority
- Pushed PY 2023 MIPS data submission to April 15
- Reopened PY 2023 MIPS Extreme & Uncontrollable Circumstances Application until April 15
- Office of Civil Rights to investigate whether HIPAA breach occurred





Academy demands UHG action



March 12 letter to UHG President demanding action on unresolved issues



Weekly/bi-weekly status update calls with UHG leadership



March 12, 2024

Mr. Dirk McMahon President and Chief Operating Officer UnitedHealth Group P.O. Box 1459 Minneapolis, MN 55440-1459

Dear Mr. McMahon:

The American Academy of Ophthalmology (the Academy) is reaching out to you to express our <u>serious and significant concerns</u> about the continued disruption to ophthalmology practices serving their patients because of the cybersecurity attack on Change Healthcare. Due to the size of Change Healthcare and scope of services it provides to physician groups and healthcare facilities, the consequences of this malicious cyberattack affect the entire healthcare ecosystem, including our members. The Academy is the largest association of eye physicians and surgeons in the United States. A nationwide community of nearly 20,000 medical doctors, we protect sight and empower lives by setting the standards for ophthalmic education, supporting research, and advocating for our patients and the public. We innovate to advance our profession and to ensure the delivery of the highest-quality eye care.

The Academy continues to receive alarming feedback from our physician members about the negative ways their practices have been impacted since the disruption to Change Healthcare services began <u>over two weeks ago</u>. Affected ophthalmology practices have experienced nearly a complete halt to electronic transactions and revenue cycle processes since the outage began, including:

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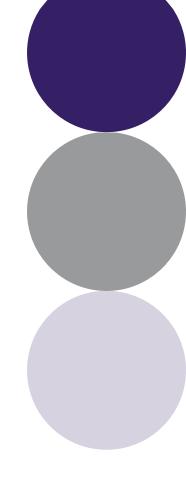




- March 9 CMS opens advance payments for Part B providers/suppliers
- March 11 UHG extends emergency financial assistance to practices experiencing claims submission issue
 - United Healthcare opens advance payment program to network providers
- UHG started testing claims submission network on March 18 and rolling out connectivity throughout the coming weeks



What practices can do





Workarounds are poor, but may be necessary for some practices

- Communicate directly with practice management vendors on recommended options
- Pivot to another clearinghouse
 - UHG is steering impacted providers toward their Optum I-EDI product
- Manually submit claims, pull remittances, and check eligibility via payor portals
- Paper claims submission to the MACs if needed
 - No waiver needed per CMS



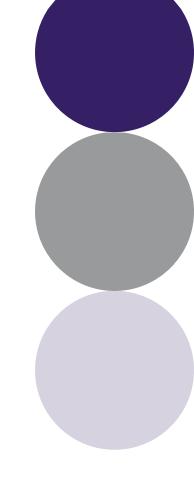
Financial Assistance Resources

- Optum Pay Temporary Financial Assistance <u>Inquiry Form</u>
- Advance Payments for Part B Providers/Suppliers

Application processed through your MAC	
Cigna Government Services (PDF)	<u>Noridian</u>
First Coast Service Options (PDF)	<u>Novitas</u>
National Government Services (PDF)	WPS Government Health Administrators (PDF)
Palmetto J (PDF)	Palmetto M (PDF)

- Check with your other payors to see if they are also offering prospective payments or other financial assistance.
 - Be wary of additional fees for premium electronic transaction services (e.g., Optum Pay Premium subscription).

What happens when the lights come back on?



Be prepared for lingering issues

- The Academy expects issues to continue after Change Healthcare reconnects claims submission functionality:
 - Denials for no prior authorizations
 - Denials for timely filing
 - Patient eligibility issues
 - Duplicate claims
 - Claim batches that never made it to the payor
- Develop a plan for how you plan to address these issues.



Stay up to date by bookmarking the Academy's resource page:

https://www.aao.org/practicemanagement/newsdetail/unitedhealth-groupoptum-change-healthcare-cyber







Q&A



