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Health Care's *Colossus*

Inside UnitedHealth's strategy to pressure physicians: \$10,000 bonuses and a doctor leaderboard



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The emails from UnitedHealth Group managers were filled with exclamation marks and pleasantries about the weather. But the underlying message to doctors in late 2020 was persistent and urgent: Hit your targets to see more patients. We need to bring in more money.

At the time, deaths from Covid-19 were surging, and no vaccine was available. But inside a UnitedHealth practice, the “#1 PRIORITY” became documenting older patients’ chronic illnesses to generate more revenue from the federal government, the emails show.

One email trumpeted “ADDITIONAL BONUSSES!!” for doctors who scheduled more appointments, encouraging them to meet with older patients on weekends. “We need to complete ALL our Medicare Advantage Visits,” one manager declared. The company even started a program where it enticed Medicare Advantage patients with \$75 gift cards if they completed a checkup.

UnitedHealth shared with doctors in the practice a dashboard comparing the percentage of chronic diseases they found among their Medicare Advantage patients to other practices within the company. Those who completed the most appointments with older patients got a “SHOUT OUT!!” in the messages and were eligible for up to \$10,000 in bonuses. “We can do this!!” another email said, encouraging doctors who were falling behind.

These and other internal documents obtained by STAT expose the inner workings of UnitedHealth’s corporate strategy to enlist its doctors to pile moneymaking diagnoses onto [patients covered by Medicare Advantage](#)¹⁷, the federal health care program for older adults that’s run by private insurers. Since the government pays insurers more for sicker patients — a system known as risk adjustment — the company uses its [unrivaled control over its doctors](#)¹⁸ to make those patients look as sick as possible on paper. UnitedHealth relies on a variety of tactics: money, peer pressure, and guilt.

The documents are tied to one specific practice owned by UnitedHealth, which brands its physician groups under the Optum name, and they are from 2020 and 2021. STAT is not naming the practice or the source who provided the documents because they said they feared professional and legal repercussions. However, nine physicians who previously worked at five other Optum clinics across the U.S. described similar practices at their former groups. The points of emphasis, and specific tactics, sometimes varied, but UnitedHealth’s overarching message was the same: Conduct more visits with older patients, and document their illnesses to drive up revenue.

Rubin Hirsch, a retired UnitedHealth doctor in Connecticut, said leaders heavily pushed this message during mandatory seminars, though he did not receive a formal dashboard comparing his rates of diagnoses to others.

“The spiel was, we want to identify these people so we can take care of them better, but really they spent very little time, that I can recall, teaching you how to do better medicine,” Hirsch said.

Rubin Hirsch, a former family medicine physician, at his home in Durham, Conn. *Tim Tai for STAT*

UnitedHealth declined to answer questions for this story without reviewing the documents cited in the article. STAT declined to provide them in order to protect our sources.

At the clinic whose documents STAT reviewed, many of the patients were insured by a UnitedHealth Medicare Advantage plan. Some managers even asked doctors to connect patients with insurance brokers who set up shop inside the clinics and sold UnitedHealth Medicare Advantage plans. Medicare Advantage was the “best” or a “great” option for patients, managers cheered. UnitedHealth is the biggest seller of the private Medicare plans and covers about [9.5 million people](#)¹⁷.

The coding strategy has paid off for the company. UnitedHealth’s physicians produced a [blizzard of diagnoses](#)¹⁸ that allowed the company to reap billions of dollars from Medicare, sometimes for illnesses that [doctors told STAT](#)¹⁹ were either [clinically insignificant, marginally treatable](#),²⁰ or not present in the patient at all.

One aspect of the pressure campaign was the dashboard that compared doctors with peers in their region, and nationally, by the percentage of their Medicare Advantage patients they’d diagnosed with certain chronic diseases. Doctors in two other UnitedHealth-owned clinics confirmed they received a dashboard regularly by email. It set up a kind of leaderboard, a way of fueling competition to detect illnesses.

Among the assertions peppered throughout the emails was that doctors ought to give back to UnitedHealth for all of the company’s support during a challenging pandemic. “They expect us to do our best to perform as well as possible,” an administrator wrote in one email.

One document shared with STAT was a handout that offered doctors tips on how to code patients for various

illnesses. “Think Chronic Conditions,” it urged. Several doctors who reviewed the guidelines for STAT said they seemed reasonable, although Ishani Ganguli, an associate professor of medicine at Harvard Medical School, said she could understand the frustration doctors might feel being asked to focus on coding during their limited time with patients.

At some practices, like the Oregon Medical Group in Eugene, the bonuses were attached to checking off diagnoses in patients’ charts. Eventually, doctors couldn’t close out visits in the computer system until they responded to whether or not patients had certain conditions, said Nick Jones, a primary care physician who used to work at the practice and now runs his own. Doctors also had to attend education sessions where UnitedHealth managers taught them how to code patients’ conditions during visits.

“They would say, ‘You should talk about these other high-risk disease states so that we get more compensation for it,’” Jones said. “I think that’s an inherent conflict of interest. Effectively what you’re incentivizing is sicker patients, or at least sicker appearing on paper, which I think is a joke.”

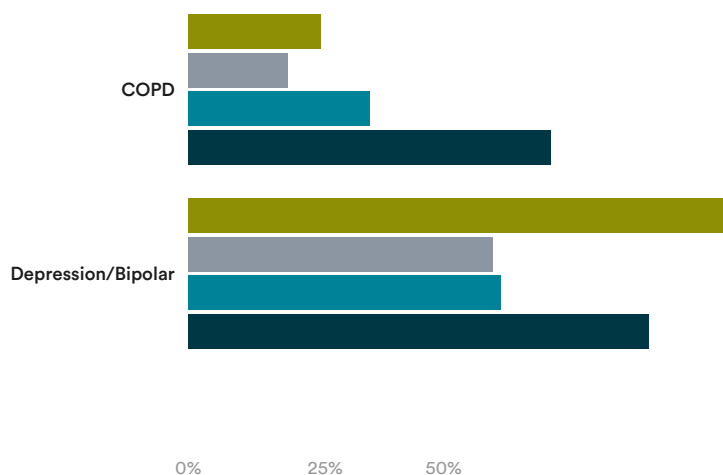
One former UnitedHealth primary care doctor said it was a constant struggle to push back against the company’s exhortations to increase revenue. Clinicians would strategize about how to talk corporate managers off overly ambitious goals for diagnosing more chronic conditions and increasing patients’ risk scores to fetch more money from Medicare, the doctor said. There was an expectation those scores would go up every year, the physician said. And while doctors weren’t penalized if they weren’t coding enough diagnoses, those who were at the bottom were offered remedial training.

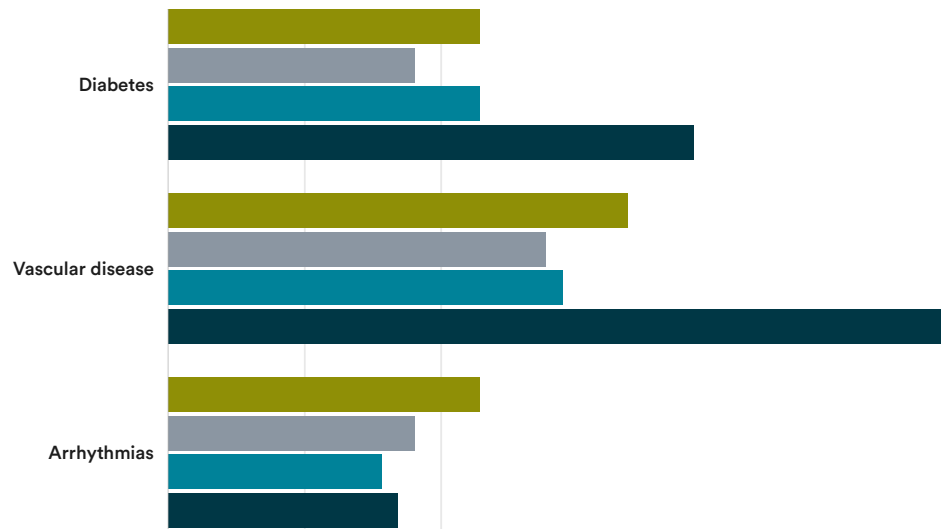
“There is only so much pathology in a given population of people,” the former primary care doctor said. But UnitedHealth’s managers compared the doctor’s clinic with practices in other states that generated more diagnoses and higher patient risk scores. The implication, the doctor said, was that their clinic was behind and needed to catch up. They were leaving money on the table.

How UnitedHealth compared its doctors

UnitedHealth Group sent doctors at one of its practices a dashboard comparing the prevalence of chronic conditions among their Medicare Advantage patients to the averages at their practice, and among UnitedHealth’s providers regionally and nationwide. One example is recreated in part below.

■ Doctor ■ Practice ■ Regional ■ National





This is a reproduction of a portion of the dashboard provided to STAT. Exact values have been rounded to protect the identity of the source.
 Chart: J. Emory Parker/STAT

In clinics nationwide, UnitedHealth has capitalized on a simple tactic for capturing more of those dollars: It pays doctors to spend time with Medicare Advantage patients in a formal sit-down known as the [annual wellness visit](#)²¹.

The Affordable Care Act created Medicare’s annual wellness visit in 2011 as a way for doctors to take stock of their patients’ chronic health conditions. The visits require primary care doctors to screen for problems that are common in older adults, like dementia and depression, but they don’t include a physical exam beyond checking vital signs like blood pressure. The federal government pays doctors more for these visits than other types of appointments.

“I like the concept because it is an opportunity for the provider and the patient, and sometimes their family, to sit down and talk about what they can do to remain healthy going forward,” said Patrick Coll, chief of geriatrics and medical director for senior health at UConn Health. “I think, in principle, it’s a good thing.”

But eventually, Medicare Advantage plans started using them as a way “to improve or optimize the revenue stream” by updating coding, said Jeffrey Millstein, an internal medicine physician at Penn Medicine.

In 2022, Medicare Advantage plans received nearly \$8 billion in taxpayer funds based on the medical codes that were jotted down during annual wellness visits, according to the [Medicare Payment Advisory Commission](#)²², known as MedPAC. Insurers got another \$5 billion that year from codes that were part of a health assessment in someone’s home.

“It does not surprise me at all that United would use the annual wellness visit to generate codes,” said Mark Miller, who leads health care policy at Arnold Ventures and who [studied](#)²³ how Medicare Advantage plans used wellness visits when he was the executive director of MedPAC. “This seems to be a play that they have been involved in for years.”

Research into annual wellness visits has found they don’t increase preventive screenings [enough to actually](#)

[lower](#)²⁴ the prevalence of chronic conditions among older patients. The government designed the visit to strengthen relationships between patients and their primary care doctors, but it's also a "natural time" for doctors to take inventory of their patients' conditions and code for them, Ganguli said.

"It is annoying as a physician, I would say, because it doesn't feel closely connected to our desire to take care of patients," she said. "It feels like an administrative task. I empathize with doctors who feel like this isn't the reason I went into medicine."

Annual wellness visits aren't the only type of visit where clinicians enter diagnoses into patients' records — they just happen to be a convenient time to do so. There's also a [cottage industry of consultants and coding specialists](#)²⁵ who collect diagnoses during assessments they perform in patients' homes, typically on behalf of Medicare Advantage insurers.

Many primary care doctors say while this process is flawed, it's the main way to get more money so they can provide good preventive care. UnitedHealth also isn't the only company that prioritizes patients' medical codes. Humana, CVS Health's Aetna, Blue Cross Blue Shield insurers, and even hospital systems that participate in Medicare "accountable care" programs use technology and various vendors to maximize Medicare Advantage patients' conditions.

Those organizations, some contend, are simply responding to the incentives and systems created by Congress and the Centers for Medicare and Medicaid Services, the federal agency that regulates all Medicare programs.

"Did the rules that CMS set up make the corporate entity focus on risk adjustment more than certain things? Of course," said Reza Alavi, who used to be a medical director within one of UnitedHealth's Optum practices. "I don't think that is good or bad or sideways. It just is a fact."

But UnitedHealth's size and control over physicians makes it uniquely capable of financially benefiting. The company operates its own business unit that specializes in home visits called HouseCalls, and employs thousands of clinicians through that service.

The documents obtained by STAT, along with interviews with former UnitedHealth primary care doctors, show that HouseCalls was another piece of the strategy to maximize patients' risk scores.

An email from a manager at a UnitedHealth clinic details a layered strategy. Physicians were offered bonuses to conduct annual wellness visits. Clinics added appointment times on Saturdays to squeeze in more visits, and the company deployed clinicians from both within the practice and HouseCalls to visit patients in their homes. "Our patients love them!!" one email said of the weekend openings.

If there was ever any question about why UnitedHealth was fixated on wellness visits, the emails made it clear: risk adjustment. One manager's email listed the reasons for performing the visits. The first bullet point was increasing risk coding, followed by supporting patients, receiving bonuses and, finally, "Show our appreciation for the support we have received from Optum!"

Another practice leader’s email from late 2020 listed the top three priorities going into 2021. The first: “Risk adjustment.” But even as the emails did this, they used careful language that emphasized the coding must be done “accurately.”

One document ranked clinicians based on how many annual wellness visits they had completed with Medicare Advantage patients, and cheered those in the lead. “TOP 10 IN AWVs TOTAL!! SHOUT OUT!!,” the email blared, listing the doctors with the most visits. The message also listed bonuses for conducting more visits and explained the weekend clinics were a “win” for patients and providers because they helped increase coding of chronic conditions such as peripheral artery disease, or PAD, a narrowing of the arteries that bring blood to the arms and legs.

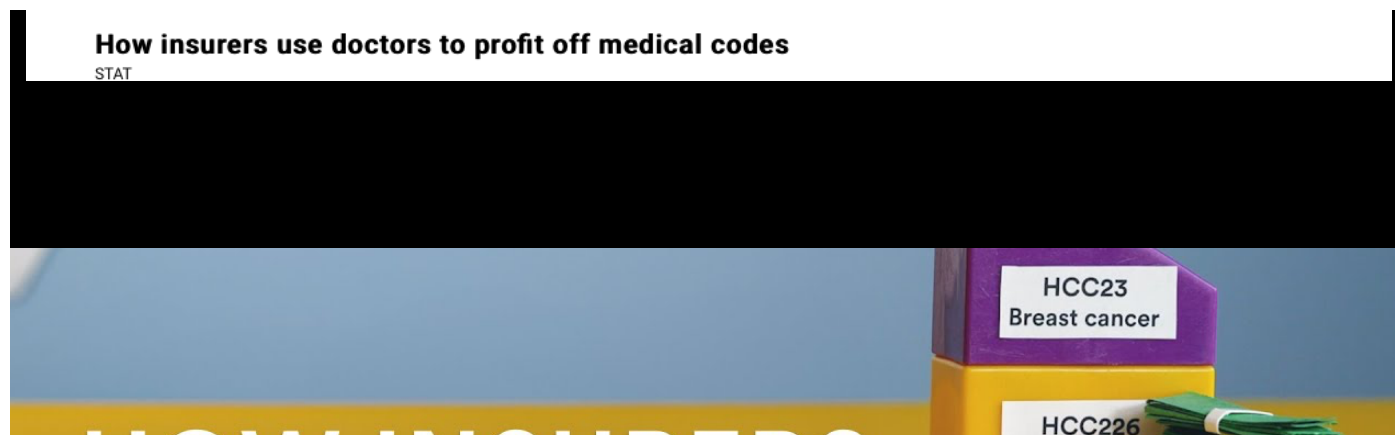
As managers urged doctors to document positive PAD results as quickly as possible, one primary care physician complained the results were sometimes inaccurate. The doctor flagged multiple false positives and called for a halt to testing with a [thinly validated device called QuantaFlo](#)²⁰. It is unclear what, if any, follow up action was taken.

But the documents show that UnitedHealth’s doctors diagnosed PAD in 47% of their Medicare Advantage patients — three to four times the [estimated prevalence](#)²⁷ of the condition in older Americans. Each diagnosis generates about \$3,000 a year in extra payments from Medicare.

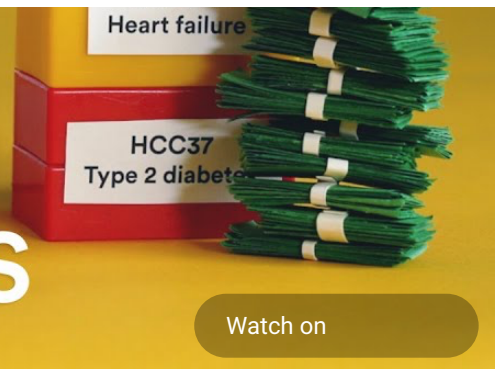
In November 2020, a time when Covid-19 deaths were rapidly climbing toward the [deadliest weeks of the pandemic](#)²⁸, UnitedHealth was focused on logging chronic illnesses and getting older adults back into its clinics for annual wellness visits, both in-person and virtually. A practice leader’s email at the time urged doctors to use “creative solutions” like expanded hours, an app for scheduling, and rapid Covid-19 testing and masks. Annual wellness visits, it declared, are “good for patients, and good for our business.”

For its part, Jones said the Oregon Medical Group did not push annual wellness visits at that time, given the risks.

“To hear that other organizations are incentivizing annual wellness visits during a pandemic and getting people in for routine care, meanwhile, the number of patients dying across the country is skyrocketing, that makes me sick,” Jones said.



HOW INSURERS PROFIT OFF MEDICAL CODES



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Doctors in the practice were also enlisted to help enroll more patients in Medicare Advantage. UnitedHealth owned a Medicare Advantage plan that covered many of its patients, and one manager reminded doctors in a memo that the annual open enrollment period was an “opportunity for us to attract new patients while doing what’s right for those we serve.”

The doctors didn’t have to be “Medicare experts,” the memo stated, but they could “connect patients to our licensed insurance agent partners so that patients could make informed decisions,” adding that “Medicare Advantage is a great option.”

An email from a different manager derided traditional Medicare as “reactive, costly, and unsustainable.” By contrast, the email stated, “Medicare Advantage has benefits for both our patients and our health care system.” Another Optum clinic had informational booths advertising Medicare Advantage plans as recently as this year, according to photos obtained by STAT.

Tricia Neuman, a senior vice president at the health policy organization KFF who has studied Medicare for three decades, thought the language describing traditional Medicare was troublesome. “It surprises me that this type of communication is allowable under [Medicare’s] marketing guidelines,” she said.

She said doctors are experts in clinical matters, and not necessarily in the tradeoffs and details of health insurance. “Patients trust their doctors, and they rely on their doctors to provide advice,” Neuman said. “It’s not clear that doctors understand the nuances of various Medicare Advantage plans in their area.”

UnitedHealth’s promotion of Medicare Advantage over traditional Medicare stands in stark contrast to recent remarks made by a group of Connecticut lawmakers, including Democratic Sen. Richard Blumenthal, who [held a press conference](#)²⁹ earlier this month to discourage patients from selecting Medicare Advantage plans.

“There is no advantage to Medicare Advantage,” said Blumenthal, the chair of a Senate Subcommittee on Investigations that will soon release a report on the program. “There is a distinct disadvantage.”

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To submit a correction request, please visit our [Contact Us page](#)⁴¹.

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