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KATIE HOBBS
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DIRECTOR

October 24, 2025

Francine Pechnik
Executive Director
UnitedHealthcare Community Plan_LTC
1 East Washington Street – Suite 800
Phoenix, AZ 85004

Subject: Final Results of Sanctionable Pended Encounters June 2025

Dear Ms. Pechnik:

This attached information will provide the final aged, pending encounter sanctions for the quarter ending June 2025. According to the Contract (YH18-0001-03) UnitedHealthcare_LTC (UHC_LTC), it is required to resolve all pending encounters within 120 calendar days of the processing date. If this requirement is not met, the Contractor is subject to sanctions.

The exception to the above is when the pending encounter is due to an Arizona Health Care Cost Containment System (AHCCCS) error. AHCCCS error is defined as a pended encounter, which AHCCCS acknowledges to be the result of its own error, and requires a change to the system programming, an update to the database reference table, or further research by AHCCCS. Contractors must notify AHCCCS, in writing, that the resolution of a pended encounter depends on AHCCCS instead of the Contractor. Pended encounters do not qualify as AHCCCS error if AHCCCS reviews the Contractor's notification and asks the Contractor to research the issue and provide additional substantiating documentation, or if AHCCCS disagrees with the Contractor's claims of AHCCCS error.

AHCCCS distributed the preliminary sanction results, including a summary of encounters excluded from sanctions as AHCCCS error, on July 17, 2025. The Contractor was provided an opportunity to review the preliminary results, and challenge those encounters believed to be sanctioned in error. The Contractor's submitted mitigation was considered, and when appropriate, the mitigated encounters were removed from the final sanctionable encounters. The preliminary sanctionable number of pending encounters for UnitedHealthwas 980 and the final sanction number pending encounters for this quarter is 0. The final sanction dollar amount for UnitedHealth_LTC is \$0.

Even if sanctions are waived, the Contractor is liable for addressing all pending encounters (except those errors which have been identified as due to AHCCCS error or as being under review by AHCCCS). When error codes are identified as an AHCCCS error and are corrected or are identified as being under AHCCCS review and then released, the Contractor is responsible for addressing any remaining error codes and

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will be afforded a new 120-day clock for resolution. However, the true age for these pending encounters will continue to appear on the Aging Reports.

Per the terms of the Contract, sanctions are not the Administration's exclusive remedy. In particular and without limiting possible future actions, if any legal action is brought against the Administration as the result of your non-compliance with the Contract, the Administration will seek compensation from you for any damages arising from such legal action including but not limited to the Administration's cost of representation as well as the cost of any attorneys' fees and costs payable to the party bringing the action.

If UnitedHealth_LTC disagrees with this decision, the Contractor may file a dispute with the AHCCCS Administration using the process outlined in A.A.C. R9-34-401 et.seq. The dispute must be filed in writing and must be received by the AHCCCS Administration, Office of General Counsel at 801 E. Jefferson Street, Phoenix, Arizona 85034, no later than 60 days from the date of this letter. The dispute shall specify the legal and factual bases for the dispute as well as the relief requested.

If you have any questions regarding your pending encounter sanctions, please contact Gina Aker at Gina.Aker@azahcccs.gov, (602) 417-4016.

Sincerely,

DocuSigned by:

6720D03F007E4A8...

Meggan LaPorte, CPPO, MSW
Chief Procurement Officer
Division of Business and Finance
Mail Drop #15003

cc: Devra Navas
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Certificate Of Completion

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Status: Completed

Subject: Complete with Docusign: UHC_LTC June 2025 Enc Final Ltr.docx

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Document Pages: 2

Signatures: 1

Envelope Originator:

Certificate Pages: 2

Initials: 0

anntonia cota

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Phoenix, AZ 85034

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anntonia.cota@azahcccs.gov

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Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: Arizona Health Care Cost Containment System

Location: Docusign

Signer Events

Meggan LaPorte

Meggan.LaPorte@azahcccs.gov

Chief Procurement Officer

AHCCCS

Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:


6720D03F007E4A8...

Signature Adoption: Uploaded Signature Image
Using IP Address: 20.245.184.185

Timestamp

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Viewed: 10/23/2025 2:09:32 PM

Signed: 10/23/2025 2:09:45 PM

Electronic Record and Signature Disclosure:

Not Offered via Docusign

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Tracey Thomas

Tracey.Thomas@azahcccs.gov

Procurement Manager

AHCCCS

Security Level: Email, Account Authentication (None)

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Electronic Record and Signature Disclosure:

Not Offered via Docusign

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent

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Certified Delivered

Security Checked

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Envelope Summary Events	Status	Timestamps
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Completed	Security Checked	10/23/2025 2:09:45 PM
Payment Events	Status	Timestamps