

United States Senate

WASHINGTON, DC 20510

March 31, 2015

VIA ELECTRONIC TRANSMISSION

The Honorable Sylvia Mathews Burwell
Secretary
U.S. Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Secretary Burwell:

We write to you to once again raise the concerns that we have previously expressed on numerous occasions over the past 3 years, specifically with regard to the risk of conflicts of interest between the Centers for Medicare & Medicaid Services (CMS) and UnitedHealth Group, its subsidiaries, and its employees. With the departure of former Administrator Marilyn Tavenner, Mr. Andy Slavitt has assumed the position of Acting Administrator of CMS. When Mr. Slavitt was hired last June, we wrote to CMS raising concerns about conflicts of interest between CMS and Mr. Slavitt's previous employer, which is a subsidiary of UnitedHealth Group.¹ CMS responded with a letter last month, which was largely unresponsive and did not provide sufficient information to relieve our concerns.

The recent decision to appoint Mr. Slavitt as the leader of CMS makes the unresolved conflicts of interest questions even more important. By way of illustration, prior to Mr. Slavitt taking a CMS post he was the Chief Executive Officer of Optum - one of many subsidiaries of UnitedHealth Group. In addition, another subsidiary of United is QSSI, which was one of CMS's main contractors for HealthCare.gov. In January 2014, CMS awarded QSSI with a contract to be its senior advisor on HealthCare.gov. As part of its work, QSSI subcontracts with Optum. He was also one of the primary executives involved in fixing HealthCare.gov after its failed launch in October 2013.

The multiple relationships between Mr. Slavitt and United subsidiaries raise real concerns about how, and to what extent, CMS has prevented conflicts of interest given the fact CMS makes decisions that impact United and its subsidiaries every day. While Mr. Slavitt may have recused himself from such decisions in the past, it may be difficult or impossible for him to do so in his current position at CMS.

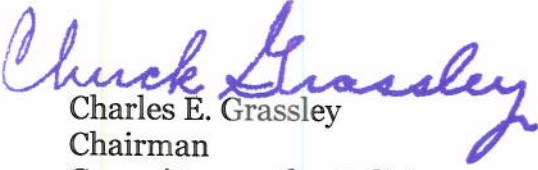
¹ Letter from Senators Hatch and Grassley to Administrator Tavenner, June 19, 2014.

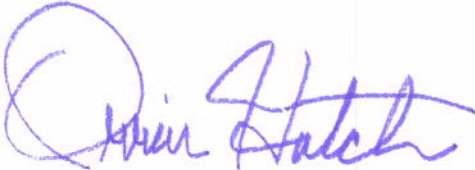
It is crucial that CMS take the necessary action to prevent conflicts of interest. Unfortunately, in the past when we asked CMS about the steps it had engaged in to prevent these conflicts of interest, we were ignored. Therefore, we request that you provide the following:

1. All documents, including memoranda, e-mails and other similar material, regarding any evaluation of potential, apparent and/or actual conflicts of interest concerning Mr. Andy Slavitt.
2. All recusals that involve Mr. Slavitt from June 2014 to present.
3. Any exemptions or waivers issued to Mr. Slavitt concerning potential, apparent and/or actual conflicts of interest.

Thank you for your attention to this matter. We would appreciate a response by April 8, 2015. If you have any questions, please do not hesitate to contact Josh Flynn-Brown with Senator Grassley's Judiciary Committee staff at (202) 224-5225 and Kim Brandt with Senator Hatch's Finance Committee staff at (202) 224-4515.

Sincerely,


Charles E. Grassley
Chairman
Committee on the Judiciary


Orrin G. Hatch
Chairman
Committee on Finance