

**ATTORNEY GENERAL OF THE STATE OF NEW YORK  
HEALTH CARE BUREAU**

---

**In the Matter of**

**INTERSCIENCE DIAGNOSTIC LABORATORY, INC.**

---

**ASSURANCE OF DISCONTINUANCE  
PURSUANT TO EXECUTIVE LAW  
SECTION 63, SUBDIVISION 15**

Pursuant to Executive Law § 63(12) and Article 22-A of the General Business Law, Andrew M. Cuomo, Attorney General of the State of New York (the "Attorney General"), caused an inquiry to be made into certain business practices of InterScience Diagnostic Laboratory, Inc. ("InterScience"). Based on that inquiry, the Attorney General has made the following findings:

**DEFINITIONS**

1. The following definitions apply to this Assurance of Discontinuance ("Assurance"):
  - a.. "Balance Billing" is when a participating provider collects or attempts to collect from an enrollee, covered person or subscriber ("Consumer") of an HMO, health plan or insurer ("Insurer") charges for covered services other than any deductible, co-payment or co-insurance amounts designated as the Consumer's responsibility pursuant to his or her health insurance contract or certificate of coverage.
  - b. "Excessive Out-of-Pocket Expenses" are charges (1) that InterScience has billed to a Consumer whose Insurer was listed on InterScience's List of Insurances (see paragraph 8) but with which InterScience did not have a participating provider agreement, and (2) which are in excess of any deductible, co-insurance or co-payment designated in the

Consumer's health insurance contract or certificate of coverage for covered services obtained from a participating provider.

## **INTERSCIENCE**

2. InterScience is a corporation with a clinical laboratory operating permit issued under Title V of Article 5 of the Public Health Law, and its principal place of business is located at 6910-12 Fort Hamilton Parkway, Brooklyn, New York 11228.

## **APPLICABLE LAW**

3. Contracts between an HMO and its participating providers must "include express provisions [, commonly referred to as a hold harmless provision,] indicating that the provider shall hold MCO [managed care organization] enrollees harmless from liability, and shall not bill enrollees under any circumstances for the costs of covered services rendered by the contracting provider, except [this requirement] shall [not] prevent collection of applicable co-payments or co-insurance or permitted deductibles" (10 NYCRR 98-1.5[b][6][ii]; former 10 NYCRR 98-1.8[b][6][ii] provided similar protection to enrollees).

4. New York State Department of Health guidelines require that all HMO participating provider contracts include the following hold harmless provision:

Provider agrees that in no event, including, but not limited to, nonpayment by the MCO [Managed Care Organization] or IPA [Independent Practice Association], insolvency of the HMO or IPA, or breach of this Agreement, shall Provider bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against a subscriber, an enrollee or person (other than the MCO or IPA) acting on his/her/their behalf, for services provided pursuant to the subscriber contract or county Medicaid Managed Care contract or the state Family Health Plus contract and this Agreement, for the period covered by the paid enrollee premium. This provision shall

not prohibit the provider . . . from collecting copayments, coinsurance amounts, or permitted deductible, as specifically provided in the evidence of coverage, or fees for uncovered services delivered on a fee-for-service basis to a covered person provided that provider shall have advised the enrollee in writing that the service is uncovered and of the enrollee's liability therefore prior to providing the service. Where the provider has not been given a list of covered services by the MCO, and/or provider is uncertain as to whether a service is covered, the provider shall make reasonable efforts to contact the HMO and obtain a coverage determination prior to advising an enrollee as to coverage and liability for payment and prior to providing the service.

(Provider Contract Guidelines for MCOs and IPAs , Department of Health, § IV.4.; former HMO and IPA Contract Guidelines, Department of Health, § I.2. is substantially identical).

5. "An insurer may not enter into a financial risk transfer agreement with a health care provider unless [such agreement contains] a 'hold harmless' provision that prohibits a participating provider from collecting or attempting to collect from a subscriber any amounts owed to such participating provider for covered services, but excluding amounts owed by the subscriber to the provider pursuant to the subscriber's contract" (11 NYCRR 101.4[a][2]).

6. General Business Law §349(a) prohibits "[d]eceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service in this state."

7. General Business Law § 601(8) prohibits any creditor or agent of a creditor from "claim[ing], attempt[ing] or threaten[ing] to enforce a right with knowledge or reason to know that the right does not exist."

#### **ATTORNEY GENERAL'S INVESTIGATION AND FINDINGS**

8. The Attorney General commenced an investigation of InterScience's sales, billing and collection practices after receiving a complaint from a physician who alleged that

InterScience had (1) misrepresented to him that it was a participating provider with all Insurers listed on a document distributed by InterScience entitled "List of Insurances," (attached hereto as Attachment "A"), (2) improperly billed his patients for clinical laboratory services, and (3) improperly caused its collection agency to demand payment from his patients for clinical laboratory services.

9. As part of its investigation, by letter dated February 7, 2006, the Attorney General asked InterScience for certain documents relating to its sales, billing and collection practices and its List of Insurances. InterScience provided the Attorney General with various provider agreements, documents from Insurers, and other documents.

10. InterScience did not provide its sales representatives with any written instructions regarding the use of the List of Insurances.

11. As part of its standard sales practice, an InterScience sales representative provided physicians with the List of Insurances and said it was a list of Insurers with which InterScience had participating provider agreements.

12. Those representations were inaccurate and deceptive because the List of Insurances included Insurers with which InterScience did not have participating provider agreements.

13. Relying on the sales representative's representations, several physicians used InterScience because their patients' Insurers were included on the List of Insurances.

14. In some instances patients' Insurers were included on the List of Insurances, but InterScience was not a participating provider with those entities. The complaining physician and at least two other doctors would not have used InterScience had they known it was not a

participating provider with their patients' Insurers.

15. Numerous patients complained to their physicians that InterScience billed them for the cost of clinical laboratory services for which they had coverage with their Insurers. In some cases, patients' Insurers denied claims from InterScience or only partially paid claims on the basis that InterScience was not a participating provider and the claims were treated as "out-of-network." This resulted in patients being charged Excessive Out-of-Pocket Expenses. In other cases, InterScience Balance Billed patients.

16. InterScience's collection agency, Vision Financial Corp., sent debt collection notices to many patients for Excessive Out-of-Pocket Expenses or for charges that were Balance Billed.

17. InterScience's sales, billing and collection practices resulted in some patients making payments to InterScience or its collection agency which they were not required to make or which they would not have incurred but for InterScience's inaccurate and deceptive representations.

#### **STATUTORY AND REGULATORY VIOLATIONS**

18. Based on these findings, the Attorney General has determined that InterScience's aforementioned sales, billing and collection practices constitute: (1) the use of deceptive acts and practices under General Business Law § 349(a); (2) improper billing of enrollees, covered persons and subscribers of Insurers under 10 NYCRR 98-1.5(b)(6)(ii), former 10 NYCRR 98-1.8(b)(6)(ii), 11 NYCRR 101.4(a)(2) and General Business Law Article 22-A; and (3) improper debt collection under General Business Law § 601(8).

19. InterScience neither admits nor denies the Attorney General's findings or that it has

violated the statutory and regulatory provisions cited above.

**THEREFORE**, in lieu of commencing a statutory or other proceeding against InterScience pursuant to Executive Law § 63(12) and Article 22-A of the General Business Law, the Attorney General is willing to accept this Assurance pursuant to Executive Law § 63(15).

**I. PROSPECTIVE RELIEF**

**A. InterScience Agrees Not to Use Improper Sales, Billing or Collection Practices**

20. InterScience shall not engage in any sales, billing or collection practices which violate any statute, regulation or policy cited above.

**B. InterScience Agrees to Use a Document that Only Includes Insurers with which InterScience is a Participating Provider**

21. InterScience shall not deceive or mislead physicians, other health care providers or Consumers concerning the Insurers with which it is or is not a participating provider.

22. Within 15 days from the effective date of this Assurance, InterScience shall establish and maintain accurate, complete and readily accessible records of all participating provider agreements that it has with any Insurer, and shall program and maintain all of its appropriate computer systems to recognize all Insurers with which it has a participating provider agreement.

23. Within 20 days from the effective date of this Assurance, InterScience shall provide the Attorney General with a document that InterScience will use in its business operations ("Participating Provider List") which includes only (1) a complete list of Insurers with which InterScience is a participating provider and (2) an explanation of its purpose and content.

24. Within 25 days from the effective date of this Assurance, InterScience shall

provide the Participating Provider List to all physicians and other health care providers who have used InterScience's clinical laboratory services at any time from January 1, 2003 to the effective date of this Assurance.

25. Starting on or before 25 days from the effective date of this Assurance, InterScience shall provide all physicians and other health care providers with the Participating Provider List before they agree to use InterScience's clinical laboratory services.

26. InterScience shall immediately update the Participating Provider List to reflect any changes to the Insurers with which it is a participating provider.

27. InterScience may, in its discretion, develop and use a document that lists Insurers with which it is not a participating provider ("Non-Participating Provider List"). Any Non-Participating Provider List shall contain an explanation of its purpose and content. Within 10 days of completion of a Non-Participating Provider List, InterScience shall provide a copy of it to the Attorney General.

28. This Assurance does not preclude InterScience from modifying any Participating Provider List, Non-Participating Provider List or computer system provided that any such modifications comply with this Assurance and all applicable federal and New York State laws and regulations.

**C. Staff Training**

29. Within 30 days from the effective date of this Assurance, InterScience shall train all of its staff whose job responsibilities involve sales or billing. Such training shall be on proper sales and billing practices and include, but not be limited to, instruction and materials on the proper use of the Participating Provider List and, if any, the Non-Participating Provider List.

30. Within 10 days from the commencement of work of a new employee whose job responsibilities involve sales or billing, or of an existing employee whose job responsibilities are changed to include sales or billing, InterScience shall train that employee on proper sales and billing practices. Such training shall include, but not be limited to, instruction and materials on the proper use of the Participating Provider List and, if any, the Non-Participating Provider List.

## **II. CONSUMER RESTITUTION**

### **A. Restitution Procedures**

31. Within 60 days from the effective date of this Assurance, InterScience shall complete a review of its records and identify all Consumers whom InterScience Balance Billed or billed Excessive Out-of-Pocket Expenses at any time from January 1, 2003 to the effective date of this Assurance (the "Review"). Within 60 days after completing the Review, InterScience shall refund to Consumers identified in that process amounts they paid for charges that constitute Balance Billing or billing for Excessive Out-of-Pocket Expenses. Such refunds shall not include any amounts that InterScience has already refunded.

32. For any Consumer who InterScience Balance Billed or billed for Excessive Out-of-Pocket expenses, who has not yet paid such charges in full ("Outstanding Bill"), upon completion of the Review InterScience shall immediately cancel the Outstanding Bill, cease any collection efforts and direct any collection agencies it has retained to cease collection on the Outstanding Bill. Within 10 days from completion of the Review, InterScience shall send written notice to each Consumer who had an Outstanding Bill, stating (1) that the Outstanding Bill has been cancelled and (2) that any collection activities on the Outstanding Bill have ceased.

33. Within 60 days from the effective date of this Assurance, InterScience shall (1)

mail the attached letter and notice (Attachments "B" and "C") to all physicians and other health care providers who used InterScience for clinical laboratory services at any time from January 1, 2003 to the effective date of this Assurance, and (2) provide the Attorney General with a list of all physicians and other health care providers to whom it sent the letter and notice.

34. Within seven months from the effective date of this Assurance, a Consumer may submit to InterScience a written, properly documented claim for a refund of amounts he or she paid to satisfy charges that constitute Balance Billing or payment of Excessive Out-of-Pocket Expenses. Proper documentation may include, but need not be limited to, copies of any pertinent bills from InterScience, Explanation of Benefits statements, proof of payments made to InterScience or its debt collection agency (such as cancelled checks or credit card statements), and proof of insurance coverage at the time the services were rendered.

35. Within 45 days of receipt of a claim, InterScience shall make a refund to any Consumer who has substantiated his or her claim. If InterScience determines that a claim is not substantiated, it shall notify the Consumer in writing within 10 days of its receipt of the claim and shall include a statement of reasons for its determination. The notice shall advise the Consumer that he or she may contact the Attorney General's Health Care Bureau Consumer Helpline (1-800-771-7755) for assistance.

#### **B. INTEREST**

36. Any payments made to Consumers pursuant to paragraphs 31 and 35 shall include interest at six percent (6%) per annum calculated from the date the Consumer paid the bill.

### **III. REPORTING TO ATTORNEY GENERAL**

37. Within nine months from the effective date of this Assurance, InterScience shall

submit to the Attorney General a report containing the following: (1) a list of all refunds made to Consumers who paid charges that constitute Balance Billing or Excessive Out-of-Pocket Expenses, including an identifier for each Consumer, and the amount refunded to each; (2) a list of all claims for refunds made by Consumers, including an identifier for each Consumer, the amount claimed by each, the amount refunded, and the reasons for any total or partial denials of claims; (3) a list of all Outstanding Bills cancelled, including an identifier for each Consumer, and the amount cancelled for each; and (4) information on all remedial steps that InterScience has undertaken, including but not limited to copies of training materials on proper sales and billing practices, the Participating Provider List and, if any, the Non-Participating Provider List.

#### **IV. COSTS**

38. Within 30 days from the effective date of this Assurance InterScience shall pay the Attorney General \$3,000 pursuant to Executive Law § 63(15) for costs incurred during the investigation of this matter. All checks issued pursuant to this paragraph shall be made payable to "State of New York Department of Law."

#### **V. MISCELLANEOUS**

39. InterScience hereby accepts the terms and conditions of this Assurance and waives any right to challenge it in a proceeding pursuant to Article 78 of the Civil Practice Law and Rules or in any other action or proceeding.

40. Nothing in this Assurance shall limit in any way the Attorney General's ability to investigate or to take other action with respect to any non-compliance at any time by InterScience with respect to any other applicable law.

41. This Assurance shall be binding on and enforceable against InterScience and any

of its successors or assigns, including but not limited to any future owner or operator of InterScience.

42. Nothing herein shall be construed to deprive any Consumer or other person or entity of any private right under the law.

43. Nothing herein shall be construed as an approval by the Attorney General of any activities of InterScience, its subsidiaries, parents, officers, employees, agents or assigns, and none of them shall make any representations to the contrary.

44. All correspondence, payments and reports InterScience submits to the Attorney General pursuant to this Assurance shall be mailed to:

James E. Dering, Esq.  
Office of the Attorney General  
Health Care Bureau  
The Capitol  
Albany, N.Y. 12224.

#### **VI. EFFECT OF VIOLATION OF THIS ASSURANCE OF DISCONTINUANCE**

45. Pursuant to the terms of Executive Law § 63(15), in the event this Assurance is violated, evidence of such violation shall be *prima facie* proof of a violation of applicable law in any civil action or proceeding thereafter commenced by the Attorney General.

#### **VII. EFFECTIVE DATE**

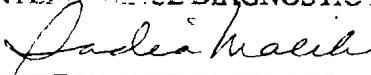
46. This Assurance is effective on the date on which the last signature is executed.

IN WITNESS HEREOF, the undersigned subscribe their names:

Dated: Brooklyn, New York

~~July 16, 2007~~  
August 16, 2007

INTERSCIENCE DIAGNOSTIC LABORATORY, INC.

By:   
SADIA MALIK, Vice President

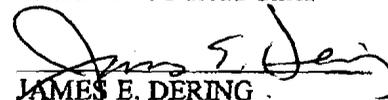
CONSENTED TO:

Dated: Albany, New York

~~July 16, 2007~~  
October 10, 2007

ANDREW M. CUOMO  
Attorney General of the State of New York

TIMOTHY A. CLUNE  
Health Care Bureau Chief

By:   
JAMES E. DERING  
Assistant Attorney General  
Health Care Bureau

Attachment A

InterScience  
Diagnostic Laboratories

Mazhar N. Malik, Ph.D.  
Director of Laboratories

6910-12 Fort Hamilton Parkway  
Brooklyn, New York 11228  
(718) 745-0443 • Fax: (718) 745-3966

LIST OF INSURANCES

LOCAL 342 WELFARE FUND	N.J. CARPENTER HEALTHFUND	SCREEN ACTORS GUILD PROD.
LOCAL 348 MALONEY ASSOC.	NALC HEALTH BENEFIT PLAN	SEAFARERS WELFARE PLAN
LOCAL 351 WELFARE FUND	NATIONAL CASUALTY	SECURITY INDEMNITY INS. C
LOCAL 365 VAW WELFARE FUND	NATIONAL ELEVATOR IND. HEALTH BEN.	SELECT INS. CO. OF AMERICA
LOCAL 377 WELFARE FUND	NATIONAL GENERAL INS. CO.	SHEET METAL WORKERS LOCAL
LOCAL 381 GROUP INSURANCE	NATIONAL HEALTH PLAN CORP G.	STIBA, LTD
LOCAL 389 WELFARE FUND	NATIONAL ORG. IND. TGRADE	SOLO BENEFIT FUND
LOCAL 4-69 HEALTH FUND	NEIGHBORHOOD HEALTH PROVIDER	SOUTH CENTRAL PREFERRED
LOCAL 413, SHALOK MORIS	NEW ENGLAND FINANCIAL EMPL. BEN.	SRS ADMINISTRATORS
LOCAL 418 WELFARE FUND	NEW ENGLAND HEALTH PLAN	STATE FIRM INS. CO.
LOCAL 463 HEALTH FUND	NEW JERSEY MANUF.	STATE INS. CO.
LOCAL 464A WELFARE FUND	NEW JERSEY MEDICAID UNISY	STATE OF CONNECTICUT DEPT.
LOCAL 523 WELFARE FUND	NEW YORK LIFE INSURANCE CO.	STEAMPITTERS INDUSTRY WEL
LOCAL 54 WELFARE FUND	NIPPON LIFE INS./AMERG.SER	T.P.A. INC.
LOCAL 550 BAKERY DRIVERS	N.I. MANUFACTURERS INS. CO.	TEAMSTER LOCAL 911 WELFARE
LOCAL 560 TEAMSTERS WELFARE	N.I. CARD GROUP TRUST FUND	TEAMSTERS LOCAL 428 WELFARE
LOCAL 670 WELFARE FUND	N.I. CARGIT	TEAMSTERS LOCAL 965
LOCAL 707 WELFARE FUND	N.J. CARPENTER HEALTH FUND	THE EQUITABLE SCIENCE CEN
LOCAL 731 WELFARE FUND	NOITU	THE GUARDIAN
LOCAL 734 EMPL. WELFARE F.	NORTH AMERICAN HEALTH PLAN	THE MAXON CO. LOCAL 210F
LOCAL 74 WELFARE FUND	NORTHERN NJ TEAMSTERS BEN	THE T.P.A.
LOCAL 804 TRUST FUND	NYC DIST. COUNCIL OF CARP	THE T.P.A. INC.
LOCAL 805 WELFARE FUND	NYL CARE	THE UNION LIFE INS. CO. 1A.
LOCAL 806 TRUST FUND	OHIO CASUALTY INS.	TOTAL PLAN ADMINISTRATORS
LOCAL 810 HEALTH WELFARE	OXFORD FREEDOM PLAN	TR UNION HEALTH FUND
LOCAL 812 VISTA PLAN ADM.	OXFORD HEALTH PLANS (NY)	UHC MANAGEMENT CO. ST 297
LOCAL 813, PVTO SANITATION	PANTING INDUSTRY INS. CO.	UNICARE
LOCAL 814 WELFARE FUND	PALISADES SAFETY INS. ASSOC.	UNION LOCAL 1944
LOCAL 815 WELFARE FUND	PAN AMERICAN ASSISTANCE I	UNION SECURITY TRUST FUND
LOCAL 817 WELFARE FUND	PENSION HOSP. BENEFIT PLAN	UNISYS
LOCAL 863 WELFARE FUND	PENNSYLVANIA BLUE SHIELD	UNITED SECURITY LIFE INS.
LOCAL 88 WELFARE FUND	PERFERMAX	UNITED FURNITURE WORKERS
LOCAL 94 WELFARE FUND	PERFOMAX CORP. HEALTHCARE	UNITED HEALTH CARE OF NY
LOCAL 966 HEALTH FUND	PHOENIX GROUP SERVICES	UNITED HEALTH CARE RAIL R
LOCAL UNION 4-69 WELFARE	PHS	UNITED HEALTH CARE-ABNL
LOCAL UNION 413 IUE AFL-C	PIONEER HEALTHCARE	UNITED HEALTHCARE SERVICE
LUTHERAN SOCIAL SERVICE	PRECISE BENEFIT	UNITED SERV. EMP. UNION LOCAL
MAGNA CARE L-802 BAKERY	PRINCIPAL LIFE INS. CO.	UNITED STATES LIFE INS. CO.
MAIL HANDLERS BENEFITG PL	PRODUCTION SERVICE AND SA DIST. C.	UNITED WIRE, METAL & MECH HEALT
MAJOR LEAGUE BASEBALL PLAYERS	PROENX LIFE INS. CO.	UNIVERSITY HEALTH PLANS
MALONEY ASSOCIATES	PROTECTIVE LIFE INS.	UNIVERSITY HEALTH PLANS I
MANAGED HEALTH CARE OF MY	PRUDENTIAL HEALTH CARE	U.S. DEPT. OF LABOR
MARBLE INDUSTRY TGRUST FUND	PRUDENTIAL HEALTH CARE	US HEALTHCARE
MAXON CO.	PRUDENTIAL HEALTH CARE	USAA
MEDCHOICE-NETWORK INC.	PUBLISHERS - NEWSPAPERS MAL	USI
MEDICARE PART B	PUBLISHERS WELFARE FUND	UST ADMINISTRATOR
MET LIFE INS	QUAL CHOICE	VYTRA HEALTH PLANS
METRA HEALTH CARE INS. CO.	QUALCARE	WAUSAU INSURANCE CO.
METROPOLITAN OPERAS ASSOC.	QUALCARE HMO	
MHS HEALTH PLAN OF N.J.	R.W.D.S.W. FUND. OFFICE	
MONTEFIORE CMD	ROBERT FALCONE, S-TR	
MULTIPLAN, INC	SAT PLUS	
MUTUAL ASSOCIATION ADMIN	SAMBA	

InterScience  
Diagnostic Laboratories

Attachment A

Mazhar N. Malik, Ph.D.  
Director of Laboratories

6910-12 Fort Hamilton Parkway  
Brooklyn, New York 11228  
(718) 745-0443 • Fax: (718) 745-3966

LIST OF INSURANCES

1115 HEALTH BENEFIT FUND  
1199 HEALTH CARE IND. BENEFIT  
1199 NATIONAL BENEFIT FUND  
21<sup>ST</sup> CENTURY INS. CO.  
AARP HEALTH CARE OPTION  
ADMINISTRATIVE ENTERPRICE  
AETNA HEALTH PLAN  
AETNA INSURANCE  
AETNA LIFE INS. CO.  
AETNA SERVICE IND  
AFFINITY HEALTH PLAN  
AGA  
AJO  
ALICARE  
ALICARE INC.  
ALLIED WELFARE FUND  
ALLMERICA FINANCIAL  
ALLSTATE INSURANCE CO.  
AMALGAMATED ALLIED INS. FUND  
AMALGAMATED FUND ADMIN  
AMALGAMATED LIFE INS. CO.  
AMERICAN GROUP ADMINISTRATORS  
AMERHEALTH  
AMERICAD  
AMERICAN INT. CO.  
AMERICAN PROVIDER NETWORK  
AMERICA CHOICE PERSONAL CARE  
AMERHEALTH SERVICE CENTER  
ANTHEM BOYS CT  
ANTHEM HEALTHCARE  
ANTHEM HEALTH NY  
APWU HEALTH PLAN  
ASO NORTH AMERICA  
ASR CORPORATION  
ASSOCIATION PLAN ADMINST  
ATLANTIS HEALTH INS.  
BAKERY & CONF. WKERS LOCAL  
BAKERY & CONF. LOCAL 3W.  
BC OF NORTHEASTERN PA  
BC/BS  
BC/BS OF PA  
BC/BS OF PA/PO.  
BC/BS OF TENNESSEE  
BELL ATLANTIC DED. SERVICE  
BENEFIT CONCEPTS  
BENEFIT CONCEPTS INC.  
BENEFIT HEALTH PARTNERSHIP  
BENEFIT PALM ADM. INC.  
BENEFIT SERVICES OF PA/91  
BLAIR MILL ADMINISTRATION  
BLUE CHOICE HMO  
BROOKLYN CENTER CLAIMS  
BUILDING SERVICE 32 BJ FUND  
BUILDING TRADES WELFARE B

C & C CLAIMS SERVICE  
CARE MANAGEMENT GP. OF NY  
CARE PLUS HEALTH PLAN  
CATHOLIC HOME BUREAU  
CEMENT & CONCRETE WORKERS  
CEMETARY WORKERS WELFARE  
CENTRAL BENEFIT WELFARE FUND  
CHESTERFIELD RESOURCES  
CHILD HEALTH PLUS CLAIMS  
CIGNA  
  
CIGNA BEHAVIORAL HEALTH CARE  
CIGNA COMED  
CIGNA HEALTH PLAN  
CIGNA HEALTHCARE SERVICE  
CIGNA MEDICAL HEALTHCARE  
CLAIM ADMINISTRATOR SERVICE  
CMO  
CNA COMMERCIAL INS.  
CONSOLIDATED BUS TRANSIT  
CONSOLIDATED WELFARE FUND LOC.157  
CORRESPONDENCE  
CORPORATE HEALTH ADMIN.  
CORPORATE HEALTH CARE SOLU  
CORVEL CORPORATION  
DADRYLAND INS. CO.  
DC 1707 LOCAL 389 CLAIM DEPT.  
DISTRICT COUNCIL 1707 HB  
DIV. 1111 ATU, NY WELFARE  
EBC/BS FEDERAL EMPLOYEES  
EAGLE INS. CO.  
EASTERN BENEFIT SYSTEM IN  
EASTERN STATE HEALTH WELFARE  
EDSA  
EL DORADO CLAIMS SERVICE I  
EMPIRE BC/BS  
EMPIRE BC/BS BLUE CHOICE  
EMPIRE BC/BS DC 1707 LOC.  
EMPIRE BC/BS PPO  
EMPIRE BC/BS PPO.  
EMPIRE BC/BS BLUE CHOICE HMO  
EMPIRE BLUE CHOICE HMO  
ENGINEERS UNION LOCAL 30  
EQUITY LEAGUE HEALTH TRUST  
ERISA DESIGNED SYSTEM  
EXCAVATOR UNION LOCAL 731.  
FCI - FORT DIP SAFETY MS.  
GE MEDICAL BENEFIT FUND  
GERA  
GENERAL AMERICA LIFE INS  
GHA  
GREAT WEST MEDICAL CLAIMS  
GROUP HEALTH INCORPORATED (GHI)  
GUARDIAN

GUARDIAN/PHCS  
HANOVER INS. CO.  
HARRINGTON BENEFIT SERVICE  
HARTFORD INSURANCE  
HEALTHCARE PLUS  
HEALTH FIRST  
HEALTH FIRST 1199 HOMECARE  
HEALTH NETWORK AMERICA-PA  
HEALTH SERVICE  
HEALTHCOMP  
  
HEALTHFIRST 65 PLUS  
HIP OF NEW YORK  
HOLLOW METAL TRUST FUND  
HOME CARE INDUSTRY/LOC.3  
HORIZON HEALTHCARE OF NY  
HORIZON HEALTHCARE ADM.  
IAM DISTRICT NO. 13 HEALTH WELP  
INDEPENDENT PROCESSING  
INSURANCE DESIGN ADMINIS  
INTERNATIONAL BENEFITS AD  
ITPE-MEBANMU HEALTH WELP  
JERSEY CITY WELFARE  
JOCKEY GROUP HEALTH PLAN  
LIBERTY MUTUAL INS CO  
LIFE BENEFIT PLAN  
LIFE GUARD INS. CO.  
LOCAL 1-D MAJOR MEDICAL P  
LOCAL 102 WELFARE FUND  
LOCAL 1102  
LOCAL 1198 WELFARE FUND  
LOCAL 1265 TEAMSTERS  
LOCAL 144 WELFARE FUND  
LOCAL 147 CONSTRUCTION WE  
LOCAL 15 WELFARE FUND  
LOCAL 17-18 WELFARE FUND  
LOCAL 1730 I.L.A.  
LOCAL 174 WELFARE FUND  
LOCAL 1964 I.L.A.  
LOCAL 210 WELFARE FUND  
LOCAL 259 U.A.W.  
LOCAL 27 INT. WELFARE FUND  
LOCAL 272 WELFARE FUND  
LOCAL 282 WELFARE FUND  
LOCAL 295  
LOCAL 295-295BC-295D  
LOCAL 202 UNION WELFARE FUND  
LOCAL 30 TRUST FUND  
LOCAL 3127 WELFARE FUND  
LOCAL 3127 WELFARE FUND  
LOCAL 32E AFL-CIO  
LOCAL 32E WELFARE FUND  
LOCAL 338 R.W.D.S.U. MAJOR  
LOCAL 342 SEAFOOD MALONEY

Edward Weiner, M.D.  
Assistant Director of Histopathology  
& Cytopathology

Nan Zhong, M.D.  
Assistant Director of Genetics

Richard Kascsak, Ph.D.  
Assistant Director of Virology

**Attachment "B"**

[Date]

Dear Health Care Provider:

We are writing to notify you of billing issues that may have affected some of your patients. In certain circumstances, your patients may have been overcharged for clinical laboratory services. This occurred in two ways:

1. patients being charged more than applicable deductibles, co-insurance or co-payments despite InterScience Diagnostic Laboratory, Inc. ("InterScience") being a participating provider with the patients' health insurance plans; and
2. patients being charged more than they should have because InterScience told their doctors and other health care providers that it was a participating provider with the patients' health plans or was in the plans' network of providers when it was not. Because of this, some patients paid more money than their health plans required them to pay.

The New York State Attorney General and InterScience have settled a dispute concerning these overcharges. Corrective measures have been put in place and a process has been established whereby affected patients can receive refunds.

We have reviewed our records to identify affected patients and have contacted those patients directly. To ensure that we do not overlook anyone who is deserving of a refund, we ask that you share this information with your patients by posting the accompanying notice in a conspicuous place in your office, provide a copy of the notice to any patient you believe may be eligible for a refund, and, if necessary, contact any such patients.

Patients can contact InterScience at 1-xxx-xxx-xxxx if they have any questions. They can also call the Attorney General's Health Care Bureau Hotline at 1-800-771-7755 for unresolved issues or if they need help making a request for a refund to InterScience.

Please accept our apologies for any inconvenience this may cause you or your patients.

Sincerely,

[Name]

[Title]

InterScience Diagnostic Laboratory, Inc.

ATTACHMENT "C"

**PLEASE POST**

**YOU MAY BE ELIGIBLE FOR A REFUND FOR LAB SERVICES**

Dear Patient:

The New York State Attorney General and InterScience Diagnostic Laboratory, Inc. ("InterScience") recently settled a dispute about InterScience's overcharging of patients. If, at any time since January 1, 2003, your doctor or other health care provider used InterScience for your blood, urine or other tests and you had health insurance but paid InterScience for its work, you may be eligible for a refund.

InterScience overcharged patients in at least two ways:

1. patients being charged more than applicable deductibles, co-insurance or co-payments despite InterScience being a participating provider with patients' health insurance plans; and
2. patients being charged more than they should have because InterScience told their doctors and other health care providers that it was a participating provider with the patients' health plans or was in the plans' network of providers when it was not. Because of this, some patients paid more money than their health plans required them to pay.

If you believe that you paid InterScience more money than you were supposed to pay, you can request a refund from InterScience. You should send InterScience paperwork like bills, insurance statements, cancelled checks, credit card receipts, and proof of insurance coverage at the time services were rendered to show that you are entitled to a refund. You should send your request as soon as possible, but before [date as per AOD], to:

InterScience Diagnostic Lab, Refund Program, 6910-12 Fort Hamilton Parkway, Brooklyn, New York 11228.

You can contact InterScience at 1-xxx-xxx-xxxx if you have any questions. You can also call the Attorney General's Health Care Bureau Hotline at 1-800-771-7755 for assistance.