



SB 638  
Maryland Insurance Commissioner – Specialty Mental Health Services and Payment of Claims –  
Enforcement  
Senate Finance Committee  
February 24, 2021

**POSITION: FAVORABLE**

I am Cindy Pixton, and I am the Chief Executive Officer at Advantage Psychiatric Services. We provide behavioral health services in Districts 8, 10, 34A, and 36. I am submitting this written testimony on SB 638 to urge your support for this bill. Our organization serves approximately 1200 adults and children every year, and we employ 75+ individuals. A majority of the patients we serve are publicly funded Medicaid patients.

SB 638 authorizes the Maryland Insurance Commissioner to enforce minimum performance standards for the Administrative Service Organization (ASO) that is responsible for managing care and paying claims for Maryland public behavioral health system. The bill is emergency because immediate action is needed to prevent continued harm that reduces our capacity to treat Maryland residents at a time when the pandemic is driving need higher than ever.

We have been working under the current ASO vendor for over a year. Fixes have not been delivered in the timeframes promised, and critical functions remain absent. The system is not stable and not functioning at the level needed to. Optum's current dysfunction is reducing our revenue and increasing our costs. We have already been forced to redirect resources away from treatment because of Optum. *Without immediate enforcement, our agency is in jeopardy of not making current payroll.*

We have been struggling with underpayments, erroneous denials and inadequate customer service for over a year under the current ASO vendor. These problems with Optum's performance remain unresolved. My inability to get sufficient payment is jeopardizing my ability to meet my payroll obligations. My immediate concerns include:

- Over \$20,000 in claims unpaid due to errors in Optum's system such as its inability to accurately process multiple insurances or changes in client eligibility. These unpaid claims have accumulated since August and are still waiting for systemic fixes.
- \$4,000 in claims denied for children services for reasons that I can't identify and which multiple Optum staff have failed to clarify.

As a provider on the front lines of behavioral health care in Maryland, we urge you to act now to preserve Maryland's treatment capacity and vote a favorable report on SB 638.

