



SB 638

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

**POSITION: FAVORABLE**

I am Elizabeth T. Hymel, CPA and I am the Chief Executive Officer at Thrive Behavioral Health, LLC. We provide outpatient behavioral health clinic services in Anne Arundel, Montgomery, Prince Georges, Cecil, Frederick, Harford, Howard, Baltimore City, Baltimore County Calvert County and Carroll counties. I am submitting this written testimony on SB 638 to urge your support for this bill. Our organization provided services to approximately 18,000 clients in 2020 with services in excess of 300,000 billable and nonbillable services. We employ 245 individuals. 99% of the patients we serve are publicly funded Medicaid patients.

Subsection 15-1005 of the Insurance Article requires the ASO to do one of the following within 30 days of a claim's submission:

1. Pay the claim
2. Provide notice that the amount of the claim is in dispute, or
3. Deny the claim as not being clean and tell the provider what must be done to make it clean.

Optum has failed to meet these provisions since it took over as the ASO on Jan. 1, 2020. It is costing Providers and the state so much time and money, I don't even know how to express the frustration.

I am a provider with more than 20 years' experience in the public mental health system and have been through at least 4 ASO transitions. I have never seen a change be handled so poorly in the past. It has been 14 months and things are still not running correctly. Never, under any other ASO tenure, have I had to deal with so many systemic errors, erroneously denied claims, and bungled solutions. It just seems unconscionable to let this continue to wreak havoc on community providers in the midst of an already challenging time that is driving high demand for our services. Our attention should be focused on getting and keeping people well, and instead we have had to re-direct staff resources to administrative functions in order to keep our business running.

I really do not want to burden the committee with tons of examples of how, as a mental health provider, we have suffered, so I will only highlight a couple of key examples.

1. Client care is suffering as a result of all the ongoing issues with Optum. Probably the most egregious example I can give is lack of response on some very serious requests. We recently were unable to get approval to provide care to a child for many months because the Optum system had incorrect insurance information—a widespread and still unresolved issue. We forwent payment and our clinical staff continued to provide the care regardless of this issue. Thank goodness they did because the child became suicidal and had we not been providing this care, who knows if a child would have taken their own life. We provide greater than 80% of our services to the black and brown communities and more than 60% of the population we serve are under the age of 18 in over 200 schools. This is not the time for any agency to have to worry that we cannot provide much needed services.

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2. The reports remitted by Optum, if any are received at all, are almost always incorrect. This causes providers to have to resubmit information many times. In fact, 18% of our clean claims have been processed 2 or more times—one as many as 23 times. This alone has caused endless work for our staff, posting and reposting items, often manually because Optum’s system does not enable you to export, research or run reports of claims. Can you imagine if you received an invoice for a bill and it always added up incorrectly? This is the level of errors we see daily.
  - a. Most providers are not data analysts- Our reimbursement rates do not allow for profit margins to support the additional staff hours and FTEs required to manage Optum’s chaotic billing system.
  - b. We rely on our ASO to understand and implement the rules as set forth by BHA. However, every week there is an issue regarding the ASO not understanding how the Maryland public behavioral health system operates. Our staff have spent hours on the phone educating Optum’s customer service on Maryland regulations and billing structures.
  - c. Optum relies heavily on manual processes in the year 2021 - This is a huge issue for providers as the volume of processor errors at Optum is significant—many caused by Optum staff who operate outside the state Maryland and are unfamiliar with the complex rules of Maryland’s system.
  - d. Providers are unable to get the simplest reporting out of Optum. Providers generally would receive a report (277CA) when submitting an electronic batch daily. This is medical industry standard report and Optum cannot produce this report after 14 months. It remains “in testing.”
  - e. Often times, Optum staff are not aware of the errors in their own system- Providers are continually meeting with Optum in order to educate them on their own system issues within the Incedo Platform.
  - f. Providers are told to call Customer service to report problems. Our agency submits greater than 1,000 claims a day. There is no way we can continually call Customer service for systemic issues.

Thrive billed approximately \$18 million in 2019 via Beacon the prior ASO and were unable to collect \$50,000 generally because of insurance changes that we were uninformed of by the client. During 2020, were it not for spending endless hours in Optum’s system, resubmitting and reworking erroneously denied claims, our uncollectible claims would have been greater than \$3,000,000. Currently that number it is approximately \$150,000. This is still unacceptable, and the manhours required to get there is unsustainable.

An OMHC is the easiest type of Provider to bill an ASO. Our issues pale in comparison to other provider types, like Psychiatric Day Rehab, Psychiatric Residential, Supported Employment, Respite, Intensive Outpatient and Crisis care organizations--many of whom are still not getting paid for certain service lines at all. Even after 14 months.

I am asking for your support of SB 638 so we can move forward and hold the ASO accountable for providing a reliable claims payment system to Maryland’s Behavioral health providers. If you have questions or need clarification on any points please contact me. I would be happy to have a virtual meeting if you would like.

Thank you,

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