



**Health and Government Operations Committee
Specialty Mental Health Services and Payment of Claims – Enforcement
February 25, 2021
Support of House Bill 919**

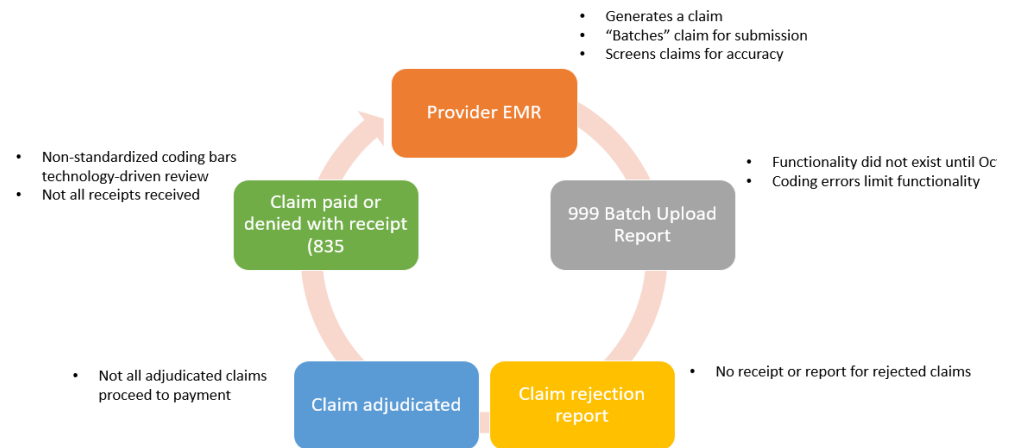
MATOD is a provider and advocacy association comprised of the majority of the state’s 95 opioid treatment programs (OTPs). Maryland OTPs currently provide comprehensive medication assisted treatment for over 40,000 Marylanders with opioid use disorder (OUD).

The transition of administrative services organizations (ASO) from Beacon Health Options to Optum Behavior Health has created immense difficulties for the Maryland public behavioral health system. OTPs have not been exempt from these problems.

In the first half of 2020, the claims system did not work. Providers had difficulties entering claims into Optum’s claims processing system, and even more difficulty receiving payment for these claims. The Maryland Department of Health (MDH) allowed for estimated payments based on historic claims payments from the period of late January to August 3, 2020. The reprieve of estimated payments offered Optum an extra seven months to build and implement an effective claims system during this period.

A DYSFUNCTIONAL SYSTEM

When the “live” claims system came back online in early August, the system still demonstrated significant limitations and problems. Providers began receiving payment for claims submitted, but to this day, there is concern that the data is inaccurate. To explain why, a simple understanding of the claims processed must be understood (see flow chart below):



At virtually every step in Optum’s claims processing system, there are limitations or missing report functions. Claims trapped in these gaps are difficult – if not impossible – to identify. Missing claims means reduced revenue for providers. We do not know what Optum has rejected, which leaves claims unpaid for weeks or months (or forever) without the providers knowing. Maryland law requires Optum, within 30 days of receiving a claim, to deliver payment or a detailed receipt identifying the information needed to pay the claim. Optum has not complied with these standards. Enforcement action is needed to ensure that providers can be paid for the services provided.

(over)

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MATOD members include community and hospital based Opioid Treatment Programs, local Health Departments, local Addiction and Behavioral Health Authorities and Maryland organizations that support evidence-based Medication Assisted Treatment. MATOD members include thousands of highly trained and dedicated addiction counselors, clinical social workers, physicians, nurse practitioners, physician assistants, nurses, peer recovery specialists and dedicated staff who work every day to save and transform lives.

CURRENT FAILURES COMPOUNDED BY RECONCILIATION MESS

Optum's ongoing inability to process claims correctly is compounded by the reconciliation process in which Optum has begun to compare providers' estimated payments to what was billed and approved. This process cannot be accurately completed until all information and all claims submitted is received by providers - including the aforementioned rejections. Providers currently must work through roughly eight reports with hundreds of thousands of lines of data to crosscheck that the determinations Optum has made are correct.

This requires an immense amount of time and resources that the providers are being forced to utilize, even though the inefficient system that created the problem was Optum's responsibility. The time and resources are being diverted from daily claims processing (needed to maintain the stability of programs) all while revenues are down due to the inefficient Optum system.

The diversion of these resources and its effects on daily processing is happening in the shadow of impending recoupments that MDH is seeking for overpayments made during the estimated payment period - which is currently impossible for providers to verify the accuracy of the amount determined by MDH/Optum.

Moreover, this entire process is happening during a pandemic that required providers to completely re-design their workflows and impacts productivity.

These issues have been identified, raised, and discussed by the provider community since the initial transition to Optum on 01/1/2020. There are still systemic problems with the Optum system that need to be addressed outside of Optum and MDH to ensure providers are protected.

MATOD supports SB638/HB919 because it gives the Maryland Insurance Administration the authority to hold Optum accountable and provide financial support for errors made by Optum. This is a crucial missing piece in the public behavioral health system that will support providers and not allow Optum to create financial deficiencies and expect providers to clean up their mess.