



February 16, 2022

**Senate Finance Committee  
TESTIMONY IN SUPPORT**

*SB 549 Administrative Services Organization—Requirements for Retraction, Repayment,  
or Mitigation Claims*

Behavioral Health System Baltimore (BHSB) is a nonprofit organization that serves as the local behavioral health authority (LBHA) for Baltimore City. BHSB works to increase access to a full range of quality behavioral health (mental health and substance use) services and advocates for innovative approaches to prevention, early intervention, treatment and recovery for individuals, families, and communities. **Baltimore City represents nearly 35 percent of the public behavioral health system in Maryland, serving over 78,000 people with mental illness and substance use disorders (collectively referred to as “behavioral health”) annually.**

**Behavioral Health System Baltimore supports SB 549 Administrative Services Organization—Requirements for Retraction, Repayment, or Mitigation Claims.** This bill prohibits Maryland’s Administrative Services Organization (ASO), Optum, from collecting payment from community-based behavioral health providers unless the ASO can provide accurate insurance encounter, claim, and payment information. To date, Optum has not provided timely or accurate information to behavioral health providers, which is needed to move forward with repayment reconciliation process.

Maryland’s fee-for-service PBHS is managed by an ASO through a statewide contract with the Maryland Department of Health (MDH). In 2020, the ASO transitioned from Beacon Health to Optum Maryland. Since this transition occurred, Optum Maryland has not met provisions and performance metrics within its contract with the Maryland Department of Health. This has resulted in an array of challenges for local behavioral health authorities (LBHAs), including a largely inoperable provider portal system that provides very limited and often in accurate information to LBHAs, which inhibits their ability to provide proactive care coordination for people with complex behavioral health needs.

As the system manager for Baltimore City, BHSB is required to provide care coordination for people with behavioral health needs who are considered high utilizers of hospital services. However, the Optum provider portal system is unable to provide BHSB with the daily list of “high-utilizers.” When provided this information, BHSB can intervene and help the hospital to implement a discharge plan for the individual by assisting that individual access services in the community that can support their health and wellness. Without these daily reports, BHSB is unable to assist individuals and as a result people end up staying longer than necessary in hospital EDs and inpatient psychiatric units.

The challenges with the Optum provider portal system are not limited to LBHAs. Behavioral health providers in the PBHS to have experienced ongoing challenges, including but not limited to a largely inoperable provider portal for entering and managing provider claims, denied authorizations, incorrect claims payments to providers, inaccurate information for reconciliation of claims. A functional provider portal system is key to ensuring providers can submit claims for payment. Because the provider portal system was not functional, in 2019 MDH began to provide estimate payments to behavioral health providers, allowing time for Optum Maryland to fix the provider portal system, however, to date, this system is still not providing accurate and timely information to providers.

SB 549 will ensure the behavioral health provider network remains stable at a time when it is most critical. Deaths from suicide have risen steadily over decades, with alarming trends showing a doubling of suicide deaths among Black Maryland residents in the years leading up to the COVID-19 pandemic. Overdose deaths have skyrocketed, increasing four-fold over the last decade to almost three thousand deaths per year. The COVID-19 pandemic has only made the mental health needs of Marylanders more urgent. If Maryland fails to ensure the provider network remains stable, people struggling with mental health and substance use needs will fall through the cracks.

SB 549 would put in place fair processes for reconciliation of payment from behavioral health providers and hold the ASO, Optum Maryland, accountable for providing accurate information before collecting repayment from behavioral health providers. **As such, BHSB urges the Senate Finance Committee to pass SB 549.**