



February 15, 2022

Maryland Senate Finance Committee
Annapolis, MD

Re: Comments Regarding Senate Bill 549

To the Members of the Maryland Senate Finance Committee:

Optum writes to oppose SB 549 as it is unnecessary and does not accurately reflect the operations of the Optum Maryland behavioral health administrative services organization (ASO) platform on behalf of the Maryland Medicaid and State behavioral health plans.

Since August 2020, the Optum authorization and claims platform has been performing well within industry standards. Paying out an average of \$34.5 million a week to behavioral health care organizations based on important services provided to Marylanders. Approximately 99.4% of claims submissions are adjudicated in average of 14 days.

The bill before the committee today is about the January 2020 through August 2020 period when the Optum ASO platform was not available to process authorizations for care and adjudicate claims. During that time, Optum was directed by the Maryland Department of Health (MDH) to make weekly estimated payments to behavioral health providers based on the prior year's claims volume. Parties agreed that these estimated payments would eventually be reconciled with actual claims history when the Optum system was operational, and any estimated payments made in excess of actual claims volume would be returned to the state or be provided refunds if their claims experience was higher than their estimated payments.

Working together with our provider stakeholders and MDH, the process to reconcile estimated payments with provider organizations' actual claims history is ongoing and has made significant progress. Of the more than \$1 billion in estimated payments made during the January to August 2020 period, more than \$824 million of those estimated payments have been matched to actual claims and care delivered, and/or providers have voluntarily returned overpayments to the Maryland treasury since they have fully reconciled their books with the Optum ASO platform.

Provider organizations completing or nearly completing offsetting their balances represent both the largest and smallest provider groups, and those in between. For example, 12 of the 67 members of the Community Behavioral Health Association (CBH) that received estimated payments have completed 99% to 100% of their reconciliation efforts, representing nearly \$70.5 million with most providers engaged with our teams. Outside of CBH, most of the largest health systems in the state have competed 99% to 100% of the process.

In addition, we believe this legislation is unnecessary because:



Full claims reports are being delivered for those who have requested the report: Over the last few months, we collaborated and piloted a full claims history report with providers. As of today, the first batch of these reports have been generated and delivered to providers for those requesting the report.

835s are being delivered in standard formats, with proper codes if relevant. Currently, providers are receiving 98% of all claims adjudicated and are making additional improvements that will result in 99.97% of all claims adjudicated in the next couple of weeks. Importantly, where data discrepancies may exist, the provider's reconciliation manager is able to research the issue to confirm the information.

Throughout this process, Optum has worked closely with MDH and provider community stakeholders to collaborate, identify and make process improvements. We offer one-on-one direct assistance to behavioral health organization in reconciling their books, including ensuring all authorizations and claims are properly submitted and both Optum and providers' claims systems are accurate. Additionally, we host Operations Improvement and Provider Council meetings on a recurring basis to keep the provider community abreast of operational status. This process is ongoing, and we will continue to engage with provider organizations.

For these and other reasons, we believe this legislation is unnecessary and does not reflect the significant progress made to date by many provider organizations that have fully reconciled their accounts and returning overpayments to Maryland. While we recognize there is still more to be done to assist providers, we remain committed to working closely with the state and the behavioral health provider community.