



SB 549

Administrative Services Organizations – Requirements for Retraction, Repayment, or Mitigation of Claims
Senate Finance Committee
February 16, 2022
POSITION: FAVORABLE

I am Elizabeth Hymel, CEO of Thrive Behavioral Health, which has offices in Catonsville, Millersville, Silver Spring and Rosedale. We service more than 5,000 active Medicaid participants at any point during a year.

More than two years after Optum assumed responsibility for claims processing in the public behavioral health system, Thrive continues to struggle with claim problems that disrupt our operations and distort reconciliation. I recently evaluated a sample of our claims to identify these problems. I found the issues widespread and spanning every month from January 2020 through December 31, 2021. While I was only trying to pull together a small sample to show the errors, I wanted to be sure I identified the ongoing issues with Optum. In reality, the actual total volume of these errors was much larger than even I could imagine:

- **Late Payments.** Maryland law requires Optum to pay claims within 30 days. My sample identified 42 claims paid an **average of 104 days after submission.**
- **Claims Denied, Reprocessed, and Paid Late.** I identified a sample 44 claims denied due to Optum errors and then reprocessed multiple times until finally arriving at payment. These claims **averaged 90 days from submission to payment.**
- **Retractions of Claims Never Paid.** We have identified multiple instances where Optum has retracted payment for which we never received a payment.
- **Claims Submitted and Never Paid.** My sample identified **12 claims submitted to Optum in 2020 and never processed or paid.** This is particularly disturbing as these are valid claims that have increased the amount of money that the State of Maryland will ultimately make Thrive payback as an overpayment. The payment of these claims should be reducing that overpayment balance.

It is clear, that there is a persistent pattern by Optum to not pay or acknowledge claims to Thrive within the 30-day state requirement after submission. The problem continues even today, more than two years after Optum became the ASO for the state of Maryland.

We need accountability for Optum and debt relief for providers. Please support SB 549/HB 715 and behavioral health debt relief.