



SB 549

Administrative Services Organizations – Requirements for Retraction, Repayment, or Mitigation of Claims

Senate Finance Committee

February 16, 2022

POSITION: FAVORABLE

My name is Al Laws, CEO of WIN Family Health. Since 1992, WIN has provided behavioral health services in Baltimore City, Baltimore, Cecil and Prince Georges Counties. WIN currently employees over 70 full time staff, 60 contractors, 70 foster parents, and serves over a thousand clients each year. We are members of Maryland's Community Behavioral Health (CBH).

I am writing to implore you to pass this bill which would require OPTUM to provide standard documentation required for providers to accurately reconcile payments, and identify and pay for an independent auditor to ensure fair outcomes in a 2+ circular process fraught uncorrected errors. We also ask that the legislature provide debt relief to the provider community as the cost of correcting and surviving Optum's never-ending claims-processing errors cannot be understated, and this burden has been layered on providers in the midst of COVID and an unprecedented workforce crisis.

Base claims processing is a complex process to understand, below is the best analogy I can offer to give a picture of the utter incompetence that Optum has demonstrated and the chaos they have created for the provider community to untangle.

Normally when you interact with a bank, the bank processes your payments to creditor, manages your deposits, tracks loan repayments, and provides documented verification of these transactions with detailed balance reporting on a monthly basis. This allows you to verify or dispute any information, clarify your financial standing, and close out your monthly activities by balancing your monthly statements.

Now imagine that the banker informs you that their electronic banking system is not operating and all of the deposits, transactions and payments done during the first quarter of the year cannot be processed according to standard processes. The bank gives you a loan to cover you until the system issues are fixed.

Later, the bank indicates their system is working, your loan payments cease, and you expect to be able to return to banking as normal. Instead, what you find is that payments that the bank indicates were paid are not, other are double paid, and deposits are verified as received but then go missing.

The bank begins to credit and debit funds from your various accounts multiple times over without a paper trail, so you can't determine if the transactions history is correct, or in what account each transaction occurred. All inquiries and error corrections must be resolved through their hotline; the representatives are not properly trained, put you hold for lengthy times, drop calls, and do not return calls.

Amidst this dysfunction, the bank now demands repayment of the loan, which was required through no fault of your own. The bank offers various accounting reports that group and display transactions in formats that are foreign to the standard banking practices. There is no appeals process transaction errors.

I hope this analogy helps to paint a picture of the provider experience and the failure of the ASO over the past 2 years. We want nothing more than to continue to serve the people that come to us for support, but the ongoing challenges with Optum and the imminent recoupment of unverified money puts us and those that we serve in harm's way.

I ask for a favorable report on SB549. Thank you so much.