

February 28, 2022

Delegate Shane E. Pendergrass, Chair  
Delegate Joseline A. Pena-Melnyk  
Health and Government Operations Committee  
House Office Building, Rm 241  
Annapolis, MD 21401

**RE: HB 715 SUPPORT**

Dear Chair, Vice-Chair, and Members of the Committee:

I am writing as the CEO and Owner of Eastern Shore Psychological Services (ESPS) on the Eastern Shore of Maryland since 1999 to ask you to **report favorably on HB 715**.

The inadequate staffing, policies, procedures, and computer-based systems problems of the current ASO of the Maryland Medical Assistance specialty behavioral health program have imposed great financial burden and instability on ESPS and other behavioral health providers in Maryland. As a result of their policies and ongoing computer and software problems, the behavioral health network in Maryland for those with Medical Assistance has been reduced in size and access to care and is in danger of an even greater reduction in size and stability in the near future.

A summary of the impact of Optum's policies and procedures on ESPS is as follows:

- Optum is attempting to reconcile their inconsistent funding and disputed denial of payments to Behavioral Health providers across Maryland by withdrawing massive amounts of funds from providers without adequate financial accounting and reporting to Behavioral Health providers and with no outside financial review of the matter. The payments system for Maryland's Medicaid providers continues to cause excessive financial hardships to many safety net providers. An outside independent financial reviewer is desperately needed.
- Excessive amounts of provider time, effort, and resources have been spent on counteracting Optum's inadequacies. This has not been factored into the reconciliation.
- Instructions to ESPS on how to bill for services have been and still are inaccurate, and inconsistent, despite our staff attending all of Optum's trainings on this matter and requesting assistance many times over the last 18 months.
- Our mission is to provide services to clients with their behavioral health issues. Large numbers of authorizations and payments have been denied and need to be reviewed for clinical appropriateness. There is no outside accounting of the appropriateness of denials of authorizations and payments.

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- The Reconciliation processes are not adjusted to account for errors in denials of authorizations and payments.
- Diagnosis codes have been arbitrarily and improperly eliminated from eligibility for payment, and without sufficient clinical review. This has created many billing difficulties.
- The emotional toll on my staff and I due to the instability of payments, supports and services during Optum's tenure as ASO has been great and is perhaps unmeasurable.

**I urge you to provide a favorable report on HB 715. HB 715** will provide some relief for Medical Assistance subscribers and providers and require accountability from the current Medical Assistance ASO.

Please feel free to contact me at [k.seifert@espsmd.com](mailto:k.seifert@espsmd.com) if I can answer questions or be of further service.

Sincerely,

Dr. Kathryn Seifert