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Behavioral Health Provider Update
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Good afternoon Chairwoman Kelley, Vice-chair Feldman, Chairwoman Griffith and members of the Finance committee and Health and Human Services subcommittee.

I am the CEO of Cornerstone Montgomery, one of the behavioral health providers that has been struggling to deal with the Optum transition the last 10 months. The impact of this ongoing fiasco has been administrative and clinical. It is negatively affecting both staff and clients. While we appreciate that the Department of Health has been communicating with us about this the entire time and trying to work with us, we have not seen any substantive improvements. Cornerstone Montgomery has gone through 4 ASO transitions in the last 23 years, and we have never experienced anything like this.

As we work with the Department of Health and Optum, timelines are constantly changing without any formal announcements. We only know what is going on because of the weekly CBH trade association meetings. The latest is that reports about payments and denials were supposed to come out on 11/6. Now they are saying the reports will come by 11/30. These reports have been coming in randomly for months so that one week a claim will be retracted twice and the next week it will be paid 3 times. This is a nightmare for our billing staff to reconcile – they are literally reconciling payments and denials multiple times for an individual service.

Optum's system continues to be unable to effectively authorize services, reliably pay claims, or provide the reports needed for providers to post and track the status of claims. Cornerstone Montgomery had authorizations for services in our vocational program that should have carried through the transition which didn't pull through resulting in hundreds of hours of administrative work from our staff who could have been engaged in providing services to clients but instead they had to resubmit over 500 authorizations. The authorization download reports we **do** receive do not include level of care which is a change from the previous ASO – our staff has to go into each request and make sure the level of care assigned matches what was requested – an extremely time consuming task for an organization the size of Cornerstone Montgomery – we serve over 700 people in our vocational program alone and more than 1,600 in our clinics.

In additional to dysfunctional authorization systems, the claims payments are also problematic. As a result, providers were given advances - or "estimated payments" - to keep us afloat until such time as Optum could fix their system. Those estimated payments ended on August 6, 2020. These payments were based upon last year's billing and now we are working on reconciling those payments. Optum released a reconciliation summary report in July before the end of the reconciliation period and before the end of estimated payments so it was immediately obsolete. Also, they released it before they verified that they would be able to create detailed reports to go with it and while they are reprocessing hundreds of claims – also rendering the reports useless. It then took them three months to get us the detailed report so it no longer has any relationship to the reconciliation summary report from July. When live claim processing started in July, we received payments for services that happened during the estimated payment months. This meant that they were paying us twice for services while live claims were underpaid. This only adds to the confusion of reconciling the

estimated payments. We believe that it is going to take months to resolve the estimated payment reconciliation – that is hours of administrative tasks that take staff away from their usual duties. Not only are we proceeding into reconciliation while they still can't process current claims correctly, they also can't get out any of the needed technical enhancements to Incedo. It is important to note that these enhancements are not luxury items, but things that should be been in place before January 1.

a. The ability to see if claims are paid or denied.
b. The ability to see the correct denial reason, the correct processed and/or paid date, the check/remit number.
c. The ability to see service authorization – the approved level of care, start and end dates that are in the middle of a month – which creates an administrative nightmare each month.
d. The ability to verify what claims went into the system and what claims were processed – we don't even know if they got all of our claims because the reports are so inaccurate.

At this point - having experienced four payment cycles from Optum since estimated payments ended - we are still receiving only a fraction of claims we have recently submitted for services rendered. As you may know, behavioral health providers have been chronically underfunded so we cannot withstand even short periods of time without payment. My organization employs more than 300 staff; we are very concerned about our ability to make payroll if Optum's functionality is not quickly fixed. We continue to see denials of service for reasons that don't make sense. Last week we were denied an authorization for a referral from one of our clinicians in our OMHC to one of our Psych Rehab programs, we have different MA numbers for these programs and this is an allowable practice, but we were denied because the referring clinician was a Cornerstone Montgomery employee. Many of our clients have both private insurance as well as Medicaid – private insurance does not and has not ever covered our services, but we are being told we need to bill private insurance and be denied before being paid through Medical Assistance – this has never been the case previously. We continue to get denials based on clients having "other insurance" and until this is fixed, we are not being paid. If we aren't getting paid from Optum, we have no way to pay our staff who are continuing to provide daily services throughout a global pandemic.

Recently a client had his PRP auth denied due to having a concurrent authorization open at another agency. Staff worked with the client to contact Optum to discuss changing it to us. The client called and had difficulties with managing the representative who spoke over the client and engaged in rapid fire questions with the client. The client became visibly agitated during this interaction, requiring staff support to manage their stress and complete the call. The client indicated several times that they might hang up, but staff worked with them to stay on the line. At the end the rep said that the issue was corrected, confirming that the client selected Cornerstone Montgomery as his PRP provider. We reprocessed the auth request and it was again denied for the same issue. When staff told SC that he would need to contact Optum again he became extremely upset and agitated. This issue was supposed to be resolved, but instead simply added stress to one of our clients and additional administrative tasks to our staff.

Resolving issues and questions takes at least 2 weeks often will multiple calls taking place before there is a response. There is no apparent tracking of provider problems so it is not clear how Optum is identifying problems and reporting open items to the Department of Health as required by their contract. In addition, there has been a negative impact on our clients as they deal with these issues.

They receive letters when services are denied – even though these denials are not always accurate. This only increases their symptoms.

There are many more examples that I could share. The Community Behavioral Health Association of Maryland (CBH) has also raised these issues with Optum and the Maryland Department of Health (MDH) but we have not seen the improvements that are needed. Significant problems with Optum continue to hamstring our operations, tie up significant amounts of staff time, and threaten our financial well-being.

I am worried not only about our organization, but the clients that will suffer if providers are no longer able to sustain and pay their employees. We provide treatment and services to 2,500 individuals in Montgomery County. Simply put, no employees mean those adults and children suffering from mental health and addiction issues complicated by a pandemic will go untreated. If Optum/Incedo cannot perform the functions of the contract, then one or both must be replaced.

Respectfully submitted,

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