



Arundel Lodge, Inc.
SB 638
Maryland Insurance Commissioner – Specialty Mental Health Services and Payment of Claims –
Enforcement
Senate Finance Committee
February 24, 2021

POSITION: FAVORABLE

I am Michael Drummond, and I am Executive Director at Arundel Lodge. We provide behavioral health services in Anne Arundel County. I am submitting this written testimony on SB 638 to urge your support for this bill. Our organization serves approximately 2500 every year, and we employ 160 individuals. A majority of the patients we serve are publicly funded Medicaid patients.

SB 638 authorizes the Maryland Insurance Commissioner to enforce minimum performance standards for the Administrative Service Organization (ASO) that is responsible for managing care and paying claims for Maryland public behavioral health system. The bill is emergency because immediate action is needed to prevent continued harm that reduces our capacity to treat Maryland residents at a time when the pandemic is driving need higher than ever.

We have been working under the current ASO vendor for over a year. Fixes have not been delivered in the timeframes promised, and critical functions remain absent. The system is not stable and not functioning at the level needed to. Optum's current dysfunction is reducing our revenue and increasing our costs.

Here are some examples:

1. A few weeks ago, we lost the ability to download information on our service authorizations for 2 weeks.
2. On the 12/31/20 check processing, "New Date Claims" were processed and were offset against our estimated payments for the period between January 2020 through July 2020. The following week, on the 1/7 check processing, Optum repaid these claims correctly but did not provide providers with electronic provider reports retracting the incorrect payment on 12/31. They have informed providers that Optum "voided" the incorrect payments in their system but providers will need to manually retract the incorrect payments in their EHR's. This is a very time consuming process and puts unnecessary additional work on providers without electronic payment files..

3. Our Substance Use Disorder and Supported Employment Programs there is an issue of not receiving provider reports on our denied or pended claims. We are manually having to research these claims on Optum's system.

As a provider on the front lines of behavioral health care in Maryland, we urge you to act now to preserve Maryland's treatment capacity and vote a favorable report on SB 638.

Sincerely,



Michael J Drummond
Executive Director
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