



BTST Services, LLC

HB 919

Maryland Insurance Commissioner – Specialty Mental Health Services and Payment of Claims –
Enforcement
House Health and Government Operations Committee
February 25, 2021

POSITION: FAVORABLE

I am Desirae Williams, and I am Payroll and Billing Manager at BTST Services, LLC. We provide behavioral health services in Baltimore City, Baltimore County, Frederick County, Washington County and Prince George’s County. I am submitting this written testimony on HB 919 to urge your support for this bill. Our organization serves approximately 5,000 clients every year, and we employ 200 individuals. A majority of the patients we serve are publicly funded Medicaid patients.

HB 919 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. Optum’s current dysfunction is reducing our revenue and increasing our costs. We have already been forced to redirect resources away from treatment because of Optum. Without immediate enforcement, our agency faces significant staffing and fiscal challenges. Our agency is struggling with staff morale and burnout due to the vastly increased workload caused by Optum’s malfunctioning system and failure to implement processes for issues such as timely filing deadlines impacted by the 7 months that their system did not function. Our agency has seen an increase in HR complaints due to the stressors related to Optum, which are impacting both clinical and administrative staff. We have been forced to hire additional staff to handle the backlog of work while continuing to be underpaid by Optum, and if this continues, we will have to hire even more.

Most importantly, clients will be unable to receive care if these ongoing systemic problems are permitted to continue. The inability to confirm client eligibility causes an inability to obtain client authorizations, and ultimately eliminates our ability to bill for services and decreases our revenue. We are continuing to see clients despite all of this but will not be able to do so indefinitely.

Our experience with Optum to date is illustrated by the examples below:

- **Basic business revenue tools don’t exist:** The ability to run reports, research claims, and reconcile payments—all basic revenue cycle management functions-- are not available in Optum’s system. Billing operations which used to be done electronically now require an

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enormous manual lift for our agency. We've been forced to hire 2 additional billing staff to keep up with this work.

- **Erroneous claims denials:** The limitations and errors in Optum's system mean claims are denied in error constantly. For instance, Optum's system cannot accurately process multiple insurances or changes in client eligibility. All of these claims have denied since August. Additionally, our psychiatric rehabilitation claims continue to deny or pay at lower rates because of manual processing errors in Optum's operations. Our months-long efforts to get Optum to reprocess and pay these claims has been largely unsuccessful.
- **Reprocessed claims:** The substantial volume of erroneous claims denials, as well as a steady stream of claims paid at the wrong rate, mean that our agency has hundreds of thousands of claims reprocessed 1, 2, 3 and sometimes 10 times. What this means is that instead of managing the billing for an agency that submits 10,000 services in a month, our billing staff are managing a revenue cycle equivalent to an agency 5 times our size.
- **Broken functions:** Optum's claims system is constantly malfunctioning. A few weeks ago, we lost the ability to download information on our service authorizations for 2 weeks. Our entire workflow stalled and backed up. Another example is the search function in Optum's system has been broken since early November, inhibiting our ability to access the entirety of client and claims information we need--causing duplicate records, which in turn, causes more claims denials.
- **Reconciliation:** The absence of basic revenue cycle management tools has rendered the reconciliation of 7 months of estimated payments (from the period when Optum's claims system was entirely non-functional) nearly impossible. Our staff are manually reconciling claims from reports remitted by Optum which do not match the receipts we have received which still yet display different information that their claims processing system. This has impacted our recent financial audits and forced our agency to write off hundreds of thousands of dollars. It has also caused challenges with obtaining additional financing as our aging reports date back to the first quarter of 2020 with claims having outstanding balances.

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 HB 919.

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