

# CBH

House Appropriations HHS  
& House HGO Committees

Community Behavioral Health Association of Maryland

November 1, 2022



# Optum | Where We Are Now

- MIA placed Optum on a corrective action plan to pay interest penalties – and to do so automatically
  - Automated interest is not yet in place. Quarterly penalties, calculated manually, were received for first time in April 2022 and twice (July, October) since then.
- Payment delays and problems continue.
  - As of October, Optum is still putting fixes in place to ensure subsets of claims process and pay correctly.
  - Meanwhile, another subset of claims submitted in June and caught up in a HIPAA breach have no estimated payment date.
  - Manual processes to get claims paid continue to break down.
- Recoupment of estimated payments has begun, resulting in significant payback from providers to state.

# Optum | Broken Then, Broken Now

Jan 1, 2020: Optum launches – and **fails**

Aug 3, 2020: Optum relaunches with **incomplete functionality**

Apr 19, 2021: CBH notifies MDH that Optum system **fails** HIPAA compliance testing

Jan 2022: MDH identifies **security flaws** in Optum system

May 2, 2022: CBH notifies MDH that Optum system **fails** HIPAA compliance testing

June 2022: **Optum experiences security breach**. For a subset of claims, records are deleted and pending claims must be resubmitted.

# Optum | Eroding Maryland's Treatment Capacity

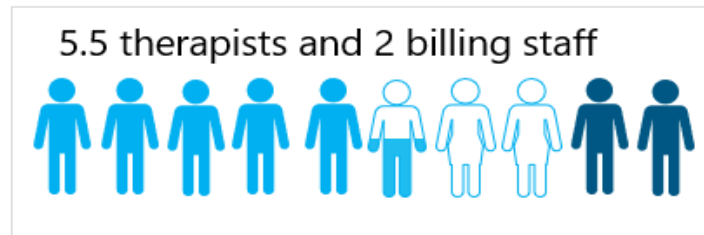
Pre-Optum



Post-Optum



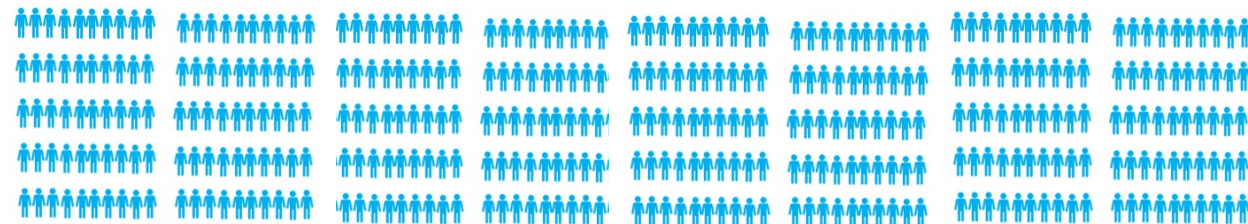
Post-Optum  
+ workforce crisis



3.5 fewer therapists...



400 fewer Maryland residents in treatment annually



# Optum | Triage for the Next Two Years

1. **Limit the Damage.** Legislators should support executive branch's timely and effective procurement process for new ASO vendor, so Optum's contract does not have to be extended.
2. **Staunch the Bleeding.** To minimize ongoing harms from two more years of Optum contract life, legislators should be prepared to support a new Administration's efforts to seek Optum's compliance with existing contract performance, even if litigation is required to do so.
3. **Heal the Wound.** Legislators can't step into MDH's shoes to enforce the contract, but you can mediate the harms through the funding measures in your control to **preserve treatment capacity** in the face of Maryland's mental health crisis and opioid epidemic.

 **3.5 fewer therapists...** = **400 fewer Maryland residents able to receive needed treatment annually**