

# Comment Report

HSB 225

A bill for an act relating to the time frame applicable to the adjustment of overpayment of claims under the Medicaid program, and including effective date provisions.(See HF 736.)

Subcommittee Members: Boden-CH, Brown-Powers, Moore, T.

Date: 02/23/2021

Time: 12:00 PM

Location: RM 103, Sup. Ct. Chamber

**Name:** Theresa Brockmeyer

**Comment:** We are a community based mental health center not for profit and we have more than 85% Medicaid patients. We need this HSB 225 bill in place and if it is error by the MCO's they need to write the cost of their errors. When they underpay for services and then they recoup the charge and pay the correct amount in the future that is lost revenue to keep our services running and this creates double work for us we enter each charge line by line for payments/recoups/corrected claims. There is a huge need of mental health in rural South West Iowa. We are here for the people to help the people.

**Name:** Chris Hoffman

**Comment:** Dear committee members,I very much appreciate your willingness to hold a hearing on recoupments related to Medicaid. Pathways Behavioral Services based out of Waterloo recoupment cost is approaching \$100,000 going back as far as 2017. The majority of these are for services which were provided after having been preauthorized by the MCOs. We have attempted to appeal them without success.In Pathways experience the majority of these were for individuals that for one reason or another were still on correctional status at the time of services but listed by IME as having Medicaid. The current system does not work and the only solution we have ever been offered is to call and ask to have the corrections database checked one at a time. In an average year we see 4000 substance use related clients thus calling to check one at a time is at best impractical.The recoupment issue needs to be resolved in a way that does not leave providers holding the bag. We support HSB225 and feel that lack of a solution is a barrier to providing services Iowans expect.

**Name:** Dawn Hall

**Comment:** Dear committee members, I appreciate the opportunity to discuss recoupments related to Medicaid. The Substance Abuse Services Center (SASC) serving Dubuque County and Delaware County. Our Medicaid recoupment cost is approaching \$20,000 going back as far as 2016. All of these services provided were preauthorized by the MCOs. We have attempted to appeal them without success. The majority of these were for individuals that were on correctional status at the time of services but listed as having active Medicaid. Many of those denied and recouped were at the Elm Street Facility in Dubuque at the time of service. We are a small outpatient facility and \$20,000 of recoupments is a big deal to us. Also it is not fair that MCOs can go back as far as they please (or so it seems) and providers like us can only go back 12 months on a claim. It should be the same both ways. The recoupment issue needs to be resolved so providers holding the bag and taking the financial hit. We support HSB225 and feel that lack of a solution is a barrier to providing services Iowans expect.Thank you, Dawn Hall, Interim Executive Director

**Name:** Mary Smith

**Comment:**

We just got a email from an MCO as to why they shorted us thousands of dollars on a spreadsheet on each remit and it is because they are doing a project and going back to 2019 with us and this is ridiculous it was there error. \$20.10 each claims for several year adds up we can barely keep the doors open and people need counseling more than ever.