

This is to record my opposition to the corporatization/conglomeratization of Iowa's Medicaid program. Currently, it is working well, In my opinion, with mental health issues, and Magellan has been very responsive with excellent customer service. Despite this, Medicaid clients report a lot of difficulty finding someone who accepts Medicaid. And this corporatization/conglomeratization of Medicaid will make it much worse.

Of course there will probably be a honeymoon period where there are limited issues. At some point the issues will begin with the typical corporate strategies for limiting services and reimbursements through authorization, treatment and admission requirements and rate reductions. Already, at least one of these companies pays less than Medicaid.

DHS is referring to this as modernization. But, it is more accurately described as a corporate/conglomerate take-over. These contracts are highly lucrative and these companies are in it to make money with a business model based on bonus and profit structures. These are Wall Street companies that will siphon money away from our economy to Wall Street with the profits they can make at the expense of providers and clients alike. One person described this as a backlash against the ACA, along with a multitude of other strategies designed to outmaneuver the ACA. This is just one of them. Of course, the biggest issue is how this will affect Medicaid clients, which accounts for nearly a quarter of our population in Iowa. These clients are often facing issues that makes it difficult to navigate even the most navigable system. Both the complexity of the changes and the short timeline, along with all the regulations will create even more barriers to clients, who are already facing barriers on their own. This is compounded by the existing challenges they face trying to find providers who take Medicaid.

From a provider perspective, it has been very difficult to deal with the insurance companies and IME and to get questions answered, partly due to the 5-day rule, where they respond to queries, but do not answer the question. I had to resort to extreme measures to get answers. I understand they are all over-whelmed. But, this clearly indicates the timeline is way too short.

This ACA backlash punishes Iowa, providers and Medicaid clients.

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