

Dear Ms. Funaro:

My concern **is not** that our patients will be under a managed care umbrella but that this process of appointing new MCOs **appears to be hurried and confusing.**

As a clinic (CMHC) director with 30 years of experience, I find it troubling that we are once again facing uncertainty within psychiatry with respect to a large portion of our payer mix.

Our Title XIX population is roughly 47% of our clinical activity.

My concerns are as follows, not in rank order. I appreciate your review of these items.

1. The newly contracted MCOs are asking us to sign contracts in advance of disclosure of their fees.

As a clinical director with budgeting concerns, this is anxiety-provoking. Margins in psychiatry are relatively thin and there are no other supportive mechanisms to keep clinics like ours solvent.

Psychiatry is a top shortage specialty where physicians are concerned and, psychologists are also VERY difficult to find. With compressed rates, this is only going to exacerbate recruitment in rural areas in particular.

2. Magellan had worked with Community Mental Health Centers in the past and had allowed a cost-finding process to occur that was reviewed by IME accountants.

Providers were "made whole" through this cost-finding process. In the last two years, we, along with other CMHCs, negotiated enhanced rates with Magellan with no cost finding report requirements at the end of the year which is working well. This step was initiated due to some providers not being able to financially function with low IME rates and cost finding reimbursements 18 to 24 months after the procedure dates.

3. We worry that the Title XIX population will be solicited by the MCOs and that we may end up providing services to both current and new patients at a time where there is not a clear read at the time of service on their alignment with a particular MCO.

Heretofore, we simply had to inquire whether or not they were on Title XIX and we could immediately check eligibility and if they were aligned with IME or Magellan.

Now, patients might switch MCOs and not let us know which could cause us to have visits that are unpaid.

4. We are concerned that these companies have been selected without any type of review as to how they will treat providers in terms of paneling our providers and the administrative costs of getting credentialed.

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