



COMPLEMENTARY CARE
Health & Wellness

TO: Iowa Health Policy Oversight Committee
FROM: Kerry Sauser, ARNP, ND, PhD
DATE: August 26, 2016
RE: Public Comment on MCOs slated for Monday, August 29, 2016 Room 103.

I'm unable to attend the Committee meeting for public comment, but would like to offer the following observations on the changes in Medicaid and privatization of management services. I am an Advanced Registered Nurse Practitioner who follows an Integrative medicine approach. I own and operate a clinic in Atlantic, Iowa and we serve clients who cover the cost of their services through private insurance, Medicare, Medicaid and self pay options. From my perspective, the following issues have arisen due to new requirements by DHS and MCOs:

- **Great confusion** on the part of Patients and Practitioners regarding program requirements, management, and oversight.
 - a. Medicaid's communications to clients have been confusing and/or nonexistent in some cases. In other cases the assignment of services has been illogical. For instance, one of our clients has 4 children in the same household who receive services, but each child was referred to a completely different healthcare provider.
 - b. To further complicate matters, we find no clearinghouse where one can receive consistent, authoritative answers to questions. Our office was recently told the following by a representative of United Healthcare's MCO: "If one of your designated patients elects to receive non-compliant healthcare that is delivered by another provider, you will be responsible for covering the cost of the non-compliant care—even if you did not have knowledge of it." Really? We have no idea how to confirm or disprove this statement with confidence.
- **Offering Medicaid services is becoming unsustainable** to any but the largest of health care providers. Since the new plan was implemented our clinic has:
 - a. Experienced untimely payments that have had a detrimental effect on our operating capital. Four (4) months or more have lapsed between Dates of Service and Reimbursement Dates.
 - b. Seen reimbursement rates for a standard office visit drop from 61% to 24%. (A \$111 office visit now receives a \$27 reimbursement.)
 - c. Had an increase in our administrative costs for Medicaid. Instead of one agency to deal with, we now have multiple parallel systems for the same

service.

Ultimately, the increased cost of offering Medicaid services combined with the lower reimbursement rates will cause us to drop Medicaid because it's financially unfeasible.

- **Poor healthcare for patients and a poor use of taxpayer dollars** is the ultimate outcome. The opportunity to take the time to determine the real, underlying causes of health issues and initiate well outcomes is being snuffed. Although standardized steps to manage health can be a good guide, the human body doesn't always comply with "rules". There is a need to tailor healthcare according to the individual patient because the human body responds uniquely in health situations. The current protocols allow for few deviations to assure a healing path.

In closing I would add that the Medicaid population is classically underserved, and in my opinion adding MCOs has only exacerbated that problem. I understand that the State is attempting to "save money" by using MCOs to manage citizen healthcare, but frankly, healthcare will be a money-losing proposition until we help our friends and neighbors become healthy by dealing with the underlying causes of disease. The current health care system does NOT do that, and adding privatization simply adds a "for profit" component to the already-losing equation. In reality, the cost of care remains the same, it's just that the money the MCOs save is translated into money the clients and providers pay—via poorer health, loss of small, patient-oriented, local clinics, and additional expenses to healthcare providers.

Thank you for the opportunity to present my views. If you have any questions or would like to talk further, please don't hesitate to contact me.

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