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May 16, 2022

Linda Rittelmann
Maryland Department of Health

Re: Comments on ASO RFP

Dear Ms. Rittelmann:

Thank you for the opportunity to provide suggestions for improvement to the ASO RFP. We welcome this opportunity to share our recommendations for strengthening Maryland's public behavioral health system.

CBH's 105 members deliver every type of covered service in the public behavioral health system. Our members delivered over \$553 million in community-based behavioral health services to Maryland residents in FY2022, **about one-third of the state's public behavioral health spending.**

RECOMMENDATION 1: INCREASE PERFORMANCE-BASED INCENTIVES AND FLEXIBILITIES FOR ASO VENDOR

The current RFP offers modest incentives related to improving performance for follow-up after hospitalization, re-admission rates, medication adherence, and engagement of individuals in care (pp. 68-69). We recommend that MDH increase the ASO vendor's performance incentives on these measures, and ensure that the ASO has the authority to contract flexibly with its provider network to reward provider performance in meeting these goals.

In recent years, MDH has struggled to ensure quality and outcome focus in the behavioral health provider network. Regulations and strict application of medical necessity requirements can apply a floor of provider performance, but enhancing opportunities for risk-based performance incentives creates an important path forward to improving the quality of care in the public behavioral health system.

Maryland Behavioral Health Solutions (MBHS), a provider network, launched by CBH in 2019, has integrated its data warehouse with CRISP. Participating providers have a passive data connection to CRISP, supporting real-time data exchange and dashboards that create actionable data for providers about patient interactions with hospitals. By delivering provider-level analytics, the MBHS network is positioned to help the state and a future ASO vendor improve performance in the desired HEDIS areas. Ensuring that the ASO vendor has the incentives and ability to take advantage of provider interest in meeting HEDIS performance measures is important to include in the RFP. We believe that these changes in the RFP will strengthen the quality of care and performance for the ASO vendor and its providers.

RECOMMENDATION 2: PROCUREMENT REFORMS

The ASO procurement process suffers from several defects that decrease Maryland’s ability to select the best proposal. Since its inception, the ASO RFP has always selected the lowest-bid vendor. In addition, stakeholders like provider trade associations are excluded from the ASO RFP selection process, preventing providers from bringing their industry knowledge to bear in the evaluation of bidders’ proposals. We recommend that MDH undertake reforms to ensure that the procurement process is adequately informed by the expertise of industry experts and that the bids are scored accurately to ensure minimum necessary performance.

In addition, we suggest that MDH consider RFP amendments that preclude changes in sub-vendors unless reviewed for adequacy and approved in advance by MDH and stakeholders.

RECOMMENDATION 3: AUTHORIZATION REQUIREMENTS

We encourage the Department to refine its performance expectations for authorization turnaround time to align timeframes with the urgency and level-of-care of the requested service.

The RFP currently requires the vendor to “process *inpatient* authorization requests 24 hours per day, 7 days per week” (page 24, emphasis added) and this is a measured performance requirement for the vendor (p. 70). We encourage the Department to develop more detailed authorization performance guidelines, including:

- Ensuring a 24-hour authorization or less turn-around time (TAT) on all crisis-related authorizations at any level of care, including residential crisis services (RCS) and crisis evaluation (OMHC, 90839);
- Aligning the authorization TAT with the authorized length of stay. The current TAT of 14 days exceeds the authorization period for some higher levels of community-based care, such as partial hospitalization, residential SUD or residential crisis services. This unfairly leaves the provider at risk if an unfavorable decision is returned. For this reason, the auth TAT should be shorter than the authorized length of services.

In addition to modifying the substantive performance of authorization turn-around times, we encourage the Department to more clearly delineate the process for authorization requests as follows:

- Inclusion of all pending or in-process authorizations in calculating compliance with contract performance;
- The contract requires the ASO vendor to have the capability to deliver bundled authorizations (p. 24), as well as the ability to automatically pay multiple claims with different service codes and sources of payment against a single authorization without any manual intervention (p. 24). These provisions have not been required of Optum, increasing the administrative costs on providers, while increasing complexity and error rates. We recommend that capability to offer bundled authorization be a required contract service.
- The contract requires that the ASO’s “system must be structured so that the provider will only be allowed to get authorizations for services they are approved to provide” (p. 24). This provision has not been required of Optum, increasing the administrative costs on providers,

while increasing complexity and error rates. We recommend that the contractor be able to prevent conflicting authorizations and enable split authorizations.

- Ensure that the claims processing system used by the next ASO enables live reporting features for authorization without Excel download requirements.

RECOMMENDATION 4: CLAIMS PERFORMANCE

We recommend that MDH make a wording change to the RFP to ensure that future vendors operate on the same performance standards as past vendors for prompt payment. Specifically, we recommend changing contract expectations from “[p]rocess 100 percent of clean electronic claims” (p. 71) to “pay 100 percent of clean electronic claims within 14 calendar days of receipt.”

Given the narrow profit margins and low liquidity in the community behavioral health sector, timely claims payment is essential to the fiscal health of the provider community. For this reason, we recommend that MDH consider increasing the penalties for non-performance on this measure.

RECOMMENDATION 5: CUSTOMER SERVICE

We encourage MDH to more clearly define and strengthen performance expectations relative to provider inquiries and provider-related customer service.

Providers have struggled with Optum’s customer service response and found that Optum met the contract’s customer service requirements differently than past vendors. Optum assigns a single number to a contact, even if the contact spans multiple claims or issues. This prevents tracking resolution of individual issues. In addition, when providers call back on the same issue, a new issue number is assigned. There is no apparent process in place to secure compliance with the contract requirement that the ASO vendor “[r]esolve claims problems and open tickets within the same week or report delays in resolution directly to the provider and Contract Monitor (p. 16). We recommend several changes:

- Require the ASO vendor to ticket individual issues separately, retaining a single identification number for each individual issue, until the issue is resolved. The issue number should be reported to the provider at the time of the provider’s report, and open tickets, including the length of time they have been open, should be reported to the Contract Monitor on a weekly basis.
- We encourage the state to move this performance into SLA with penalties associated.

ADDITIONAL RECOMMENDATIONS

We encourage MDH to consider more clear requirements around the following items in the ASO RFP:

- Pre go-live testing across every program type in the public behavioral health services, particularly in services unique to Maryland such as residential crisis services, supported employment, and psychiatric rehabilitation services.
- We recommend increasing the performance penalty associated with this measure.

Please don’t hesitate to reach out if you have any questions.

Comments on ASO RFP

May 16, 2022

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Sincerely,

Shannon Hall
Executive Director

cc: Laura Spicer