



June 18, 2021

Dennis Schrader
Secretary of Health
Maryland Department of Health
201 West Preston Street
Baltimore, MD 21201

Dear Secretary Schrader:

With this letter, we write to renew our request of April 19 that the Maryland Department of Health require Optum to replace Incedo and reconfigure the reconciliation process.ⁱ We have not received a substantive response to our April letter, and the requests reflected therein are now joined by the Maryland Addiction Directors Council and Maryland Association of Resources for Families & Youth.

In recent weeks, MDH has engaged stakeholders in a discussion with Optum about the steps needed to achieve a functional claims processing system. Those discussions have thrown into sharp relief how far the system has yet to go before it achieves the minimum performance necessary to secure a stable, effective ASO for the public behavioral health system.

From 2001 through 2018, InfoMC failed over multiyear periods to deliver necessary operational performance required by other payers, leading to contract terminations in two other jurisdictions. Its performance in Maryland to date does not suggest that its demonstrated technology or project management limitations have been resolved. Thus, as you consider our request for the immediate replacement of Incedo and Optum's promises of future Incedo functionality, we invite you to consider these facts:

- **Ohio.** On October 1, 2013, a coalition of Ohio counties contracted with InfoMC for “the development of a healthcare management information system.” *Four years later*, after withholding payments and other efforts, major participants in the coalition determined in November 2018 that “InfoMC has been unable to deliver a working system.” The critical coalition partner withdrew and terminated its participation in the InfoMC contract, indicating that it could “no longer continue to wait for fixes in hopes of receiving an operable system to meet its needs.”ⁱⁱ
- **California.** Sacramento County contracted with InfoMC to manage mental health claims in 2003. *Three years later*, the contract was terminated and Sacramento County reverted to its original system. The county “had considered a lawsuit but that a review of InfoMC's finances indicated that the county would not be able to recover its money.”ⁱⁱⁱ

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- **District of Columbia.** Over a multiyear period, InfoMC failed to deliver a working claims processing system in DC. A federal court had to order provider payments for a three-year period.^{iv} To achieve that requirement, the city had to turn off the pre-authorization capacity,^v and issue advance payments to providers.^{vi} During this period, DC lost a portion of the federal matching funds for Medicaid,^{vii} and DC's auditor cited the product's limitations as an audit risk for DC.^{viii}

Maryland's behavioral health providers cannot afford to wait for years – or even months – for Optum's InfoMC vendor to develop a working claims processing system. Unlike Ohio, California and the District of Columbia, InfoMC's incompetence in Maryland is playing out against the backdrop of the COVID-19 pandemic and an opioid epidemic.

Simply put, we cannot afford to wait.

Please hear us and accept the evidence before you. Incedo must go, and reconciliation processes cannot begin until the correct universe of relevant claims has been resurfaced from Incedo's depths. Given the pressing nature of our concerns, we would appreciate the courtesy of a prompt reply.

Sincerely,



Shannon Hall
Executive Director
Community Behavioral Health Association of Maryland



Josh Grollmes
President
Maryland Association for the Treatment
of Opioid Dependence



Heather Iliff
Executive Director
Maryland Association of Resources for Families & Youth



Craig Lippens
President
Maryland Addiction Directors Council

cc: Aliya Jones, Deputy Secretary of Behavioral Health
Tricia Roddy, Assistant Medicaid Director, Maryland Department of Health
Corey Carpenter, Performance Improvement Lead, Maryland Department of Health
Scott Greene, Chief Executive Officer, Optum Maryland

ⁱ CBH and MATOD, "[Administrative Simplification Rule Noncompliance Complaint](#)" (April 19, 2021).

ⁱⁱ Alcohol, Drug & Mental Health Services Board of Cuyahoga County, "[Resolution No. 18-11-01 Authorizing Withdrawal from Council of Governments \(COG\) Membership](#)" (Nov. 14, 2018).

ⁱⁱⁱ California HealthLine, "[Database Project for Medi-Cal Claims a Bust in Sacramento County](#)" (Feb. 19, 2009).

^{iv} *Dixon v. Williams Consent Order* (Nov 2005) (ordering provider payments for FY03, FY04, FY05) ; see also GAO, "[Status of Reforms to District's Mental Health System](#)" (Mar 2004).

^v D.C. Office of the Inspector General, "[Audit of the District of Columbia Department of Mental Health's Program Management and Administration of Provider Reimbursements](#), Report No. OIG-06-2-13RM, at p. i (December 11, 2007) ("DMH was found to be in violation of the Anti-Deficiency Act during FYs 2001 and 2005. ... DMH intentionally disabled a critical application software control that managed the authorization process for approving provider requests to render consumers services. ... [T]he reason the then Director disabled the authorization module was to allow provider claims to be processed and paid more quickly").

^{vi} *Id.* at 24 ("DMH shut down eCura because of software issues that resulted in failures in Medicaid claims adjudications").

^{vii} *Id.* at p. i ("Denied Medicaid claims have not been reworked and resubmitted since the eCura system was brought to DMH in FY 2001").

^{viii} D.C., "[Schedule of Findings and Questioned Costs](#)" at p. 63 (2008).