

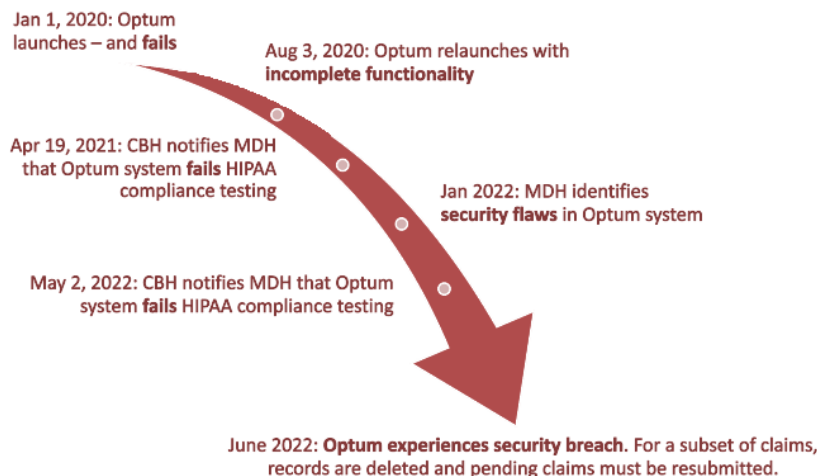
Address Broken ASO Vendor Enforcement & Procurement | December 2022



Maryland's publicly-funded mental health and addiction treatment programs are managed by the Administrative Services Organization (ASO) vendor. In 2019, the Hogan Administration awarded the ASO contract to Optum, whose performance has increased administrative costs and reduced revenue for behavioral health providers.

Broken Technology

Since selected as the ASO vendor, Optum has been plagued by a series of problems associated with a broken technology system and inadequately staffed contract. These problems continue today and require immediate attention from the incoming Moore Administration.



Release ASO RFP by March to avoid extending Optum's contract

Optum's technology to manage authorizations and claims relies heavily on manual processing for many types of claims, and the system continues to be plagued with uneven performance and poor upgrades. With flawed technology and insufficient staffing, providers report a high level of denials, difficulties ascertaining why a claim or auth has denied, and trouble securing timely corrective actions. Additional focus to the contract monitoring of Optum's existing contract would be helpful in identifying areas ripe for improved performance.

Triage Responses Needed Due

Providers continue to experience excess administrative burden associated with Optum's inadequate technology and insufficient customer service. Problems manifest in eligibility determination, authorization decisions, claim processing, and audit performance. Significant provider resources are being diverted from treatment to managing the downstream consequences of Optum's failures.

1. Limit the Damage.

In order to avoid extending Optum's existing contract, the Moore Administration would need to release the RFP for the next ASO no later than March. We ask Governor Moore to prioritize this step.

2. Staunch the Bleeding.

To minimize harm from two more years of Optum's contract, we ask Governor Moore to enforce existing contract requirements, such as holding Optum accountable to itemize & resolve disputed claims.

3. Heal the Wound.

We ask Governor Moore to fund Medicaid mental health & addiction treatment at rates that are sufficient to ensure that low-income Marylanders can access treatment when needed.