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Monday Morning Medicaid Must Reads

Helping you consider differing viewpoints. Before it's illegal.

Feb 18, 2019

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Clay's summary: I have said for years there's lots of good reasons to move MH/BH into telehealth.

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“Tele-behavioral health can help improve the efficiency and effectiveness of our provider workforce and remove unnecessary obstacles to provide treatment for MassHealth members who have difficulty leaving their home environment, who live in rural areas, and or have other unique needs,” Dan Tsai, MassHealth’s Assistant Secretary, said in a press release. “In addition, behavioral health providers are also incentivized to promote and utilize telehealth services and are reimbursed at the same rates as in-person visits.”

Read full article in packet or at links provided

Article 2: *Texas announces record $236M Medicaid fraud settlement*

Clay's summary: State settles for pennies on the dollar (compared to original damages sought); re-named tech behemoth ready to put legacy brand behind it so it can win some new MITA bucks.

Key Excerpts from the Article:

Texas hired Xerox in 2004 to evaluate applications for Medicaid-funded dental procedures. The company was supposed to have dental professionals carefully review each application to make sure the tooth repairs were medically necessary, the standard for Medicaid to cover them.

According to the lawsuit, however, the company did little more than rubberstamp the paperwork. Under pressure to keep pace with the exploding number of applications from dentists and orthodontists, Xerox hired untrained workers who often barely glanced at the medical records, molds and x-rays, spending only minutes on each application in some cases, court records show. Those who didn’t keep pace were reprimanded. The company employed a single dentist to review and sign off on several hundred preapproval applications per day.

Read full article in packet or at links provided

Article 3: *Passport sues Kentucky over Medicaid cuts - Louisville Business First*

Clay's summary: In which Passport says mean things.

Key Excerpts from the Article:

Passport alleges that the cuts to its payments and the increase to its competitors' payments "are the result of either an improper motive to harm or eliminate Passport; a motive to assist one or more of Passport's competitors in expansion of market share at the expense of Passport; or gross and deliberate indifference to the harm inflicted on Passport, its 315,000-plus members, its employees and the communities it serves generally."

Read full article in packet or at links provided

Maryland Mulls Medicaid Reimbursement for Telemental Health Services

SourceURL: https://mhealthintelligence.com/news/maryland-mulls-medicaid-reimbursement-for-telemental-health-services

Maryland Mulls Medicaid Reimbursement for Telemental Health Services

Maryland joins a growing number of states moving to expand access to mental health care through telemedicine, and one of several debating more than a dozen telehealth bills.

Source: ThinkStock

 By Eric Wicklund

February 19, 2019 - Maryland lawmakers will soon be debating a bill that aims to reimburse psychiatric services delivered through telemedicine for residents on the state's Medicaid program.

HB 1200, submitted earlier this month, would require the Maryland Department of Health to reimburse telepsychiatry providers through the Maryland Medical Assistance Program at the same rate as providers are paid for in-person visits. It would also prevent state officials from limiting this telehealth service based on the setting.

The bill would include asynchronous (or store-and-forward) and remote patient monitoring services in its definition of telemedicine, but would not permit audio-only, e-mail or fax services.

The bill is one of dozens around the country targeting better access to connected care services for people with mental health disorders and substance abuse issues. Just this month, Massachusetts state officials announced that they would be reimbursing telemental health services through the commonwealth's Medicaid program, known as MassHealth.

"Tele-behavioral health can help improve the efficiency and effectiveness of our provider workforce and remove unnecessary obstacles to provide treatment for

MassHealth members who have difficulty leaving their home environment, who live in rural areas, and or have other unique needs," Dan Tsai, MassHealth's Assistant Secretary, said in a press release. "In addition, behavioral health providers are also incentivized to promote and utilize telehealth services and are reimbursed at the same rates as in-person visits."

The Maryland bill, submitted by Rep. Kriselde Valderrama, is one of roughly a dozen pieces of legislation submitted in that state to establish or improve telemedicine and telehealth guidelines, making Maryland one of at least eight states dealing with that many bills.

Others bills filed in the state aim to set guidelines and reimbursement for psychiatric nurse practitioners, set the ground rules for teletherapy and behavioral health programs delivered through telehealth, and have the state join interstate licensure compacts for both nurses and physical therapists. In addition, the state's Board of Physicians recently completed a year-long project to draft new telehealth regulations.

Texas announces record $236M Medicaid fraud settlement

SourceURL: https://www.houstonchronicle.com/news/politics/texas/article/Texas-announces-record-236M-Medicaid-fraud-13627611.php

Texas announces record $236M Medicaid fraud settlement

By Eric Dexheimer, Austin Bureau Feb. 19, 2019 Updated: Feb. 19, 2019 11:16 a.m.

FILE - In this May 1, 2018, file photo, Texas Attorney General Ken Paxton speaks at a news conference in Austin, Texas. On Feb. 19, Paxton hailed a $236 million settlement of a long-running Medicaid fraud case as a victory for the state, noting it was “the largest single resolution in a case filed by the attorney general’s office for Medicaid-related claims,” andadding that “We’re proud of this recovery of taxpayer money.” (Nick Wagner/Austin American-Statesman via AP, File)
Photo: Nick Wagner, MBO / Associated Press
The State of Texas announced Tuesday it had settled a multi-billion-dollar lawsuit against one of its largest private contractors over what state and federal regulators claimed was a scheme that caused taxpayers to pay for thousands of unnecessary children’s dental and orthodontic procedures over nearly a decade.

Attorney General Ken Paxton said Xerox Corporation - since renamed Conduent Business Services - would pay Texas $236 million to settle all of Texas’s claims against it. As part of the settlement, the company did not admit any wrongdoing.

Texas hired Xerox in 2004 to evaluate applications for Medicaid-funded dental procedures. The company was supposed to have dental professionals carefully review each application to make sure the tooth repairs were medically necessary, the standard for Medicaid to cover them.

According to the lawsuit, however, the company did little more than rubberstamp the paperwork. Under pressure to keep pace with the exploding number of applications from dentists and orthodontists, Xerox hired untrained workers who often barely glanced at the medical records, molds and x-rays, spending only minutes on each application in some cases, court records show. Those who didn't keep pace were reprimanded. The company employed a single dentist to review and sign off on several hundred preapproval applications per day.

The state's lawsuit said the porous gatekeeping had cheated Texas taxpayers out of hundreds of millions of dollars spent on cosmetic tooth repairs that shouldn't have been covered under the publicly funded program.

In a statement released this morning, Conduent's chief executive officer said the company is ready to move on. "We are pleased to put this legacy issue behind us," Ashok Vemuri said. According to a public securities filing made public Tuesday, the company will pay the $235,942,000 to Texas in installments, with the final payment scheduled for July 2021.

Texas Take: Get political headlines from across the state sent directly to your inbox

In a written statement, Paxton hailed the deal as a victory for the state, noting it was "the largest single resolution in a case filed by the attorney general's office for Medicaid-related claims," andadding that "We're proud of this recovery of taxpayer money."

Yet the settlement was hardly a complete win for Texas. According to Xerox's public securities filings, the state's lawyers initially sought more than $2 billion in recovery and penalties from the company.

A 2015 federal audit, meanwhile, calculated Texas had paid $191 million for unnecessary orthodontic work during only a 2.5-year period between 2008 and 2011 - meaning the state's losses were probably much greater over the full length of the contract. The state Health and Human Services Commission last year wrote the U.S. Department of Health and Human Services a $133 million check to reimburse the federal portion of the improperly approved procedures identified in the audit.

And those sums don't account for the approximately 60,000 hours in legal work performed by more than three dozen attorneys representing the state.

Beyond the monetary costs of the dental debacle, the state also sustained a black eye thanks to revelations that its own oversight of the flawed preauthorization program was at least partly to blame for the program's failure.

In court filings, Xerox blamed dentists seeking permission for procedures for knowingly skirting Medicaid rules. Yet the company also noted that state regulators had long been aware of how it was processing applications and did not act, thus tacitly approving of Xerox's cursory vetting of the Medicaid pre-approvals.

A program audit as early as 2008, as well as internal communications among state Medicaid program managers, confirmed Texas officials had plenty of early warning of Xerox's skimpy reviews, yet did little to stop them as millions of taxpayer dollars flowed out the door.

Court records show no state workers were disciplined for the lapses.

Xerox managed the dental preauthorization program until 2012, when, following another scathing audit, it was replaced with a managed care model. Texas officials fired the company two years later when the state filed its lawsuit.

In its public securities filings, Xerox consistently claimed it performed according to the terms of its contract, and would contest the lawsuit vigorously. Yet last summer the company was dealt a crippling legal blow when the Texas Supreme Court ruled it could not share legal blame for the Medicaid losses with the dentists and orthodontists. That left Xerox alone on the hook for the misspent money.

The company was under additional pressure to settle because a court finding of fraud could have imperiled its work with other governmental agencies, under federal rules. Last September, the company set aside $110 million to cover its potential legal costs in the case, according to public securities filings.

Tuesday's settlement does not end the legal wrangling over the botched pre-authorizations. The State of Texas also has sought to recover money from scores of dentists and orthodontists for what state inspectors say were procedures the practitioners knew were cosmetic, thus not covered by Medicaid. The dentists have prevailed in actions brought in administrative court, however, several lawsuits remain pending in district courts.

Jason Ray, an attorney representing many of the providers, said the settlement should prompt the state to end the cases against the dentists. "Five years of expensive and time consuming litigation has proven that the blame should have always been on Xerox, not the providers," he said in a statement. "Continuing to blame the dental providers—who only did what Xerox told them to do under penalty of law—makes no sense."

The providers, meanwhile, have an active lawsuit against Xerox, claiming the company's negligence exposed them to the regulatory blowback.

Passport sues Kentucky over Medicaid cuts - Louisville Business First

SourceURL: https://www.bizjournals.com/louisville/news/2019/02/18/passport-sues-state-over-medicaid-payments-claims.html

Passport lawsuit claims state Medicaid cuts could push it to insolvency

By Chris Larson
– Reporter, Louisville Business First

Feb 18, 2019, 7:58am EST
Updated a day ago

Passport Health Plan claims in a recently filed lawsuit that Kentucky's cuts to its Medicaid payments would force it out of business.

The Louisville-based nonprofit insurer sued the state's Cabinet for Health and Family Services and the Finance and Administration Cabinet, claiming that the agencies violated the state's contract with Passport and that the state acted in bad faith by cutting payment rates for Passport while increasing rates for Passport's competitors.

The 45-page suit also named CHFS Secretary Adam Meier and Finance Cabinet Secretary William Landrum III as defendants. The suit was filed in Franklin Circuit Court on Friday and assigned to Judge Thomas Wingate.

"We are currently reviewing the lawsuit," Doug Hogan, a spokesman for the Cabinet of Health and Family Services, said in an emailed statement. "But we were certainly surprised to receive it given that we had extensive meetings with [Passport's] actuaries and they were unable to identify any legitimate issues with the soundness of our rates."

Passport's lawsuit states that officials changed the monthly payments it receives for each member it covers twice since July 2018. The most recent change reduced payment rates for its members in Jefferson County and the surrounding 14 counties, called Region 3, by 4.1 percent.

Specifically, the lawsuit asks the court to force the state to pay Passport money it would have received if rates weren't reduced, starting from the time rates were reduced, and to block the state from using the lower rates.

"While we would prefer to resolve the matter in negotiation with state leaders, our fiduciary responsibility requires us to explore all options," Ben Adkins, a spokesman for Passport, said in an email. "Without an immediate rate adjustment, Passport Health Plan will face insolvency in 2019."

On top of the reduced rate, the state also reduced additional payments Passport can receive for covering less healthy people who require more health care.

Hogan said in a followup email that Passport's rates are based on independent actuarial analysis that uses the state's experience all state regions and MCOs.

He added that CHFS' foremost responsibility is to continuity of and quality of care for Medicaid members if Passport were to become insolvent.

"In the event of future insolvency, the state would leverage previous experience and work to ensure as smooth a transition as possible," Hogan said.

Passport alleges that the cuts to its payments and the increase to its competitors' payments “are the result of either an improper motive to harm or eliminate Passport; a motive to assist one or more of Passport’s competitors in expansion of market share at the expense of Passport; or gross and deliberate indifference to the harm inflicted on Passport, its 315,000-plus members, its employees and the communities it serves generally.”