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Report: Many health care providers still unhappy with Medicaid claims system

One out of every three Medicaid providers is still unsatisfied with Idaho's relatively new system for processing Medicaid claims in Idaho, which is a dramatic improvement from when the system went online.

The watchdog arm of the Idaho Legislature surveyed more than 1,400 health care providers as part of a follow-up study on [Molina Healthcare](#)'s Medicaid Management Information System, which went into effect in mid 2010. The report also found that both Molina, based in Long Beach, Calif., and the Department of Health and Welfare have made some recommended improvements to the system and that the state has cut \$2.7 million in payments to Molina.

When the Molina system went online, many health care providers reported payment delays, long waits on the phone and other issues with the system for submitting claims for care given to the more than 200,000 people in Idaho who qualify for Medicaid. Some doctors and providers reported having to take out loans or dip into savings to deal with the delays.

A report released by Idaho's Office of Performance Evaluations (OPE) last year found that DHW, Molina and providers all weren't prepared when the new Molina claims system went online. A new OPE report released Jan. 23 found that DHW and Molina have taken some positive steps, including more on-site provider visits by Molina staff and delayed and reduced payments by DHW to Molina.

The new OPE report also found that now 33 percent of health care providers are unsatisfied or very unsatisfied with the Molina system, whereas 72 percent of providers were unsatisfied when they started using the system.

The Molina system pays 150,000 Medicaid claims per week, and the backlog of pending claims has dropped from 58,000 in late February and 94,000 in late June to 14,000 in late December. Some pending claims are necessary so that Molina and DHW staff can review claims and prevent Medicaid fraud.

OPE will issue another follow up report on the Molina system in the fall of 2012.