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## Medicaid processor to face review

BOISE -- Rep. Janice McGeachin on Monday called for an audit of a California company that Idaho business owners say has struggled for months to properly reimburse them for Medicaid services. After hearing testimony from McGeachin, an Idaho Falls Republican, members of the Joint Legislative Oversight Committee voted unanimously to proceed with a performance evaluation study of Molina Medicaid Solutions.

The state Office of Performance Evaluations will complete the study. McGeachin hopes it can be finalized before the Legislature adjourns sometime in April.

Molina is private health care company that began processing the state's Medicaid claims and payments last year. The company started handling claims after a state-mandated payment freeze in June. Since then, representatives from dozens of Idaho businesses have said they were not properly reimbursed by Molina for valid claims.

Sue Filutze, business manager from Idaho Falls-based Pearl Health Clinic, said Molina is still struggling. Last week, Filutze said Molina has not reimbursed her company for approximately \$100,000 of Medicaid-eligible services provided by two of Pearl's doctors. "I think an audit would be very good," Filutze said.

McGeachin has questioned Molina's performance for months, telling state officials it is unacceptable to make health care companies wait to be paid for their work. She hopes the results of the audit can correct any lingering problems and help other state agencies avoid similar issues in the future.

"The (payment) problems started sometime in June, and unfortunately this is still going on," McGeachin said. "Many providers have not been paid, or paid partially or, in some cases, paid incorrectly."

Ann Koontz, a Molina senior vice president for provider payments, said Molina has reduced the number of pending claims from 155,000 in July to slightly more than 33,000 last week.

"I do believe we've made significant progress since that point," Koontz said. "There are still some issues we continue to work on, but that list is getting smaller and smaller."

Since the switch to Molina's online Medicaid claims system, businesses have said it's confusing or unreliable and that they waited on hold on the phone for hours before reaching Molina officials who could answer their billing questions.

Several members of the oversight committee expressed similar concerns with Molina.

Rep. Shirley Ringo, D-Moscow, said the reimbursement issues led to some health care providers refusing to offer services to Medicaid patients.

"We have two dentists who are (no longer) taking Medicaid patients because of the frustration with this," Ringo said.

Last year, Idaho Department of Health and Welfare officials said Molina has a \$1.5 million-per-month contract to process claims within the state.

Koontz said the company's transition to the Idaho system was complicated, which she said led to some issues. Molina took over the company that won the state contract for Medicaid claims, UNISYS, about 30 days before getting to work, Koontz said. Additionally, all Idaho providers had to re-enroll in the Medicaid system, which Koontz said led to delays and incomplete paperwork.

In order to combat payment issues, Koontz said Molina increased the number of employees handling Idaho claims from about 140 last summer to 260 last month.

That staff increase helped Molina reduce the average amount of time providers waited on hold from more than an hour to about 21/2 minutes, Koontz said.

Koontz said she was based in California but took an apartment in Idaho to help with the claims process. Although she isn't aware of what will be asked of Molina in the audit, Koontz said her agency will cooperate with the state.

"We do work closely with the state and give status and update reports on a regular basis," Koontz said. "We are willing to participate in whatever we need to do to ensure the contract is working well."