

PUBLIC TESTIMONY – VERBAL COMMENTS

Chairman Burke, Vice Chair Manning, Ranking Member Cafaro, and members of the Senate Medicaid Committee, I am Paulette Trexler from Windsor House, Inc., located in Trumbull County. Our company owns and operates 10 skilled nursing facilities in Ohio, all of which are in the My Care Ohio demonstration program. The proposal to CMS for the State Demonstration in 2012 notes that Managed Care Savings are expected to come from a change in population group mix (decline of population in institutional setting and an increase in community based setting), as well as more cost-effective utilization of services under managed care. The My Care Ohio program in skilled nursing facilities has resulted in duplication of services, delays in discharges, delays in services and many billing issues (overpayment and outstanding claims). The resident population in skilled nursing facilities has changed significantly over recent years, long before My Care Ohio with shorter facility stays for rehabilitation and increased discharges to the community. In addition, the services provided and arranged by the managed care staff are services we have arranged and provided effectively and efficiently for years. I have outlined an extensive list of issues with the My Care Ohio program in my written testimony, but I will highlight several items.

Transportation arrangements have been a significant issue from unavailability of transportation, delayed or late pick-ups resulting in cancelled patient appointments. Contracted transportation providers are coming from thirty plus miles away (across counties) to transport patients. There are delays in discharges from skilled facilities waiting for Case Managers to arrange discharge services. The Nurse Practitioners and Care Managers want to be the first call for changes in condition and will disagree with the attending physician on orders or will request additional unnecessary testing. The poor communication by the insurance companies from the on-set of My Care Ohio has resulted in frustration and dissatisfaction of our medical directors and attending physicians, when there are a limited number of physicians in the community that will follow and care for patients in skilled nursing facilities. The duplicate communication is also time consuming for our nursing staff. There are a lack of providers accepting My Care Ohio for special needs (hearing aids as an example), and the My Care Ohio Insurance companies have had inaccurate lists of patients on the plan as well as current providers.

Billing issues include payment for non-covered days, incorrect provider per diem rate calculations, overpayment of claims due to incorrect or no deduction of patient liability, to list only a few. Medicaid inpatient claims are denied because they require a COB (Coordination of Benefits) from Medicare. The My Care Ohio Insurance want facilities to bill Medicare first to get a denial, then bill Medicaid. Our company also has outstanding claims from the implementation of My Care Ohio (May, June, July of 2014).

The required prior authorizations, notifications and verification procedures which differ for each insurance plans are very time consuming for our staff and we often receive inaccurate or conflicting answers to our questions. As an example, our nursing staff are required to call for prior authorizations for many medications. The nurse is on the phone, 15 to 90 minutes per call, several times a week, and are often transferred to 4 to 5 insurance representatives before they are assisted with the authorization.

Authorization for admission to the skilled facility may take 24 to 48 hours, which can result in a delay in discharge to the skilled facility and our admission staff can be on hold for a significant amount of time to speak to a representative to receive an authorization. The delay in admission results in higher cost care in the acute care setting.

I also received a report that one of the My Care Ohio Insurances is not following CMS guidelines for notification of non-coverage. The managed care insurance plan requires the facility to send skilled updates yet states it would not issue a cut notice and stated the facility should make that determination. Our facilities perform utilization review for fee for service Medicare and some Insurance plans, once again the example shows duplication of service and disregard of CMS managed care rules.

In summary, the My Care Ohio program, as currently structured and implemented in skilled nursing facilities, is a duplication of services and has resulted in disruption of care. The continued problems with billing are a burden on all involved.

The hours spent by our staff on prior authorizations, notifications, re-scheduling and duplicate communication could be spent on increased direct resident care.

My Care Ohio needs to be re-structured and processes simplified for skilled nursing facilities to avoid duplication of services and complicated billing issues.

My Care Ohio should focus its efforts on care coordination in the community where it is needed most.

WRITTEN TESTIMONY

Chairman Burke, Vice Chair Manning, Ranking Member Cafaro and members of the Senate Medicaid Committee, I am Paulette Trexler from Windsor House, Inc., located in Trumbull County. Our company owns and operates 10 skilled nursing facilities in Ohio, all of which are in the My Care Ohio demonstration program. The proposal to CMS for the State Demonstration in 2012 notes that Managed Care Savings are expected to come from a change in population group mix (decline of population in institutional settings and an increase in the community based setting) as well as more cost effective utilization of service under managed care. The My Care Ohio program in skilled nursing facilities has resulted in a duplication of services, delays in discharges, delays in services, and many billing issues. The resident population in skilled nursing facilities has changed significantly over recent years, long before My Care Ohio with shorter facility stays for rehabilitation and increased discharge to the community. The services provided and arranged by managed care staff are services we have arranged and provided efficiently for years. The challenges with My Care Ohio affect both direct care delivery and billing/reimbursement.

The clinical care delivery issues include:

Discharges

- Some discharged from skilled nursing facilities are delayed waiting for the care manager to arrange discharge services.

Prior Authorizations for Medications

- Medications that have been covered and ordered for patients with proven efficiency require authorization. Our nursing staff need to call the Insurance provider and are on the phone 15-60 minutes, multiple times per week. Our staff are transferred, often 4-5 times, before being assisted with the authorization.

Transportation

- Transportation arrangements have been a significant issue. Some insurance plans use a transportation broker that must arrange the transport. There have been issues with unavailability for transport, delayed or late pick-up resulting in appointment cancellations for the patient. Contracted transportation companies are coming from a distance, often 30 to 60 miles away/across counties, to transport patients. There have been instances where a patient

has been transported to an appointment but there is no return transport arranged or available.

Nurse Practitioners/Care Managers

- Poor communication from the onset of My Care Ohio by the Insurance companies has resulted in frustration and dissatisfaction of our Medical Directors and attending physicians when there are already a limited number of physicians in the community that will follow and care for patients in skilled nursing facilities. Nurse Practitioners and Care Managers want to be the first call for changes in patient condition and will disagree with the attending physician on orders or will request additional unnecessary testing. The duplicate communication is time consuming for our staff and per regulation the facility must notify the attending physician for changes in condition.

Lack of Providers

- There are a lack of providers accepting My Care Ohio for special needs, such as hearing aides.

Authorization for Admissions

- Authorizations for admission to the skilled nursing facility may take 24 – 48 hours, which can delay discharges from acute care resulting in increase care cost. Our staff can be placed on hold for long periods of time to speak to a representative for authorization and records need faxed.

Inaccurate Lists of Current Patients/Providers

- The My Care Ohio Insurances often have inaccurate lists of current My Care Ohio patients and provider lists are not up to date.

Billing Issues

- Claims are not processed properly or timely.
- Part A claims – not paying at the calculated RUG rate.
- Part B claims – denied for an array of incorrect reasons.

SNF Medicaid Claims

- Many outstanding claims from the implementation of My Care Ohio (May – July 2014).
- Claims denied for timeliness when submitted timely.
- Medicaid inpatient claims denied because they require a COB (Coordination of Benefits) from Medicare. Insurances wanting facilities to bill Medicare first to get a denial, then bill Medicaid.
- Paying for non-covered days.
- Incorrect provider per-diem rate calculations.
- Overpayment of claims due to incorrect or no deduction of patient liability.

- Some insurance plans unable to process lump sum adjustments back to the State.
- Hospice claims are not paid correctly.

Part A Co-Insurance Claims

- Plans are not processing claims properly or providing acceptable supporting documentation to meet bad debt requirements.
- Plans are not processing appeals in the 30 day required time frame.
- Some of the plans not following CMS Managed Care Rules to issue cut notices and appeal rights.

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My Care Ohio needs to be re-structured and processes simplified for skilled nursing facilities to avoid duplication of services and complicated billing issues.

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