



## DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

### MEMORANDUM

**TO:** Providers Billing the Public Behavioral Health System

**FROM:** Laura Herrera Scott, MD, MPH  
Secretary

**DATE:** October 2, 2023

**SUBJECT:** Extension of Overpayment Reconciliation

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MDH has undertaken a serious review of the issues that occurred impacting behavioral health providers when the Public Behavioral Health System transitioned to a new behavioral health ASO. Optum's system was not fully implemented for the January 1, 2020 go-live date resulting in the decision to move to estimated payments to keep providers whole while Optum took time to make necessary improvements. In CY 2020 and 2021, there were concerns with higher than expected volumes of denials.

In response to these concerns, MDH launched the claims denial mitigation project in July 2023. This project has been undertaken to audit denials for claims originally submitted to Optum in CY2020 and CY2021. This was launched to restore confidence to the provider community regarding the accuracy of claim denials, and the opportunity to reduce estimated payment balances owed by some providers for overturned denials. The mitigation project launched July 1, 2023 and is expected to be completed by December 31, 2023.

In order to incorporate findings from the denials mitigation project, MDH is offering an opportunity to providers who have balloon payments that are due 12/31/2023. Community based providers who are actively billing the PBHS who reliably provide services to Medicaid and uninsured Marylanders are eligible for an extension of six additional months to make their balloon payment.

While any provider type may benefit from the denial mitigation project, not all providers are eligible for the extension. Hospitals, laboratories, out of state providers, and more broadly, providers who are not primarily serving the Maryland PBHS are not eligible for an extension of repayment. Additionally, non-responsive providers, providers with no payment plans and providers who are not directly billing the PBHS (rendering providers who are not on repayment plans) are also not eligible for this extension.

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Eligible providers may select one of the below options:

**Option 1:** Keep your current repayment plan (or increase your payments if you can) with the existing balloon payment due 12/31/2023.

**Option 2:** Optum will work with you to establish a new payment that results in full payoff of overpayments by June 30, 2024. This six month extension is interest free during this period but your weekly payments (or monthly ACH) must be met in their entirety and your full balance must be paid off at the end of the six months.

During the month of October, Optum will issue a survey to all extension eligible providers to make adjustments to existing repayment plans. More information will be issued via provider alerts. All providers are responsible for keeping updated contact information in their Medicaid enrollment file. Providers sign up for provider alerts following instructions provided under this link: <https://maryland.optum.com/content/ops-maryland/maryland/en/bh-providers/alerts.html>

It is every provider's responsibility to ensure that overpayments from the publicly funded system are promptly returned to the State. These funds are necessary to continue to support behavioral health services for those most in need.

While more information will be forthcoming, you can send questions regarding this memo to: [maryland.provpymt@optum.com](mailto:maryland.provpymt@optum.com).

cc: Ryan Moran, Deputy Secretary, Health Care Finance  
Alyssa Lord, Deputy Secretary, Behavioral Health Administration  
Sandra Kick, Deputy Director, Office of Medical Benefits Management