



GIVING VOICE • SEEKING SOCIAL JUSTICE • EMPOWERING PEOPLE

# IMPROVING IOWA'S MEDICAID MANAGED CARE SYSTEM



Human services providers deliver quality care to Iowa's most vulnerable people: individuals with disabilities, Iowans with mental illness, children with behavioral health needs, and people who have experienced extreme trauma.

**Like all businesses, providers like LSI rely on timely payment to ensure we have the resources to continue to deliver the best outcomes for the people we serve – and save Iowa taxpayers money by preventing higher levels of care for our clients.**

**PROVIDERS WANT STRONG PARTNERSHIPS WITH IOWA'S MEDICAID MANAGED CARE ORGANIZATIONS (MCOs).**

## **MCOS HAVE THE ABILITY TO IMPROVE THE MEDICAID SYSTEM BY:**

- 1** Reducing administrative hurdles that result in late payments to providers
- 2** Speeding up authorization processes to ensure children and adults in acute crisis receive the care they deserve
- 3** Responding to appeals in a timely manner
- 4** Valuing the individual's, family's, and family medical team's voices when determining levels of care
- 5** Eliminating systemic errors in the MCOs' systems that result in incorrect payment amounts to providers

**LSI assists more than 3,000 children and families who depend on Medicaid. MCO billing complexities have resulted in unnecessary burdens and hundreds of thousands of dollars of unpaid claims for providers like LSI.**

The balance of LSI claims submitted but not paid as of November 2018 is  
**\$889,950**  
since the MCO transition in 2016.

Of the claims owed to LSI by the MCOs,  
**44%**  
are more than 90 days past due

**LSI staff continue to deliver the same high level of care our clients expect and deserve. But we cannot risk the persistent financial strain on many of our services if Medicaid instability continues.**



*When Michelle learned she would need a wheelchair, she couldn't motivate herself to get out of bed in the mornings. She didn't want to leave her home, and she felt disconnected. Through LSI's Services for People with Disabilities, Michelle found her independence, became employed, and was thriving in her community. But due to documentation errors in the new MCO system, Michelle's access to service was cut. Her mental health spiraled out of control and she ended up in a psychiatric unit. Not only did the error drastically impact Michelle's lifestyle, but her stay in the psychiatric unit cost Iowa taxpayers \$1,000 each day, as opposed to \$50 each day as an LSI client.*



Lutheran Services in Iowa

LSIowa.org

