



Bringing physicians together for a healthier Ohio

March 20, 2024

Judith L. French
Director
Ohio Department of Insurance
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Columbus OH 43215

Director French:

On behalf of the Ohio State Medical Association (OSMA) and Ohio Hospital Association (OHA) membership, we are requesting your help to minimize the adverse impacts from the recent cyberattack on Change Healthcare. While the Centers for Medicare and Medicaid Services (CMS) has taken steps to address the issue as the largest government payer, we believe immediate action is also needed at the state level to ensure hospitals, physicians, and other health care providers are supported during this unprecedented disruption.

The recent cyberattack against one of the country's largest health care technology providers has caused significant operational and financial consequences on hospitals, physicians, and the patients and communities they serve. Our members have been unable to electronically verify patient eligibility and coverage, confirm patient cost-sharing amounts, communicate with payers for authorizations and notices of admissions, transmit pharmacy prescriptions, file claims (including initial and corrected claims), determine coordination of benefits, or receive reimbursements to support operations. This disruption has resulted in significant cash flow concerns for many of our members, both large and small, which have immediate impacts on the ability to make payroll and meet other obligations. Some Ohio health care providers have been impacted by tens of millions of dollars and counting, raising concerns about their continued viability, as a full return to operations at Change Healthcare may be weeks away.

Replacing electronic processes with payer-suggested manual workarounds have added considerable administrative costs and time as our members are pursuing all possible avenues to ensure claims are processed, including utilizing paper claims and seeking alternative clearinghouses. While Change Healthcare is slowly bringing its processes back online, it will likely be months before claims submission and other processes fully return to normal. Even then, the issues caused by the inability to electronically verify eligibility and obtain prior authorization for care provided during the outage will continue to cause payment delays and additional costs and interfere with patients' ability to get the care they need. Our members are also bearing additional costs associated with onboarding new clearinghouses and increased labor expenses as workarounds have included manual patient eligibility verifications, prior authorization submissions, and claim submissions.

Many of our members have been working with individual commercial payers in the state for some relief during these unprecedented disruptions but this approach is both time consuming and has not resulted in a great deal of success. Therefore, we are respectfully asking the Department to issue a directive to encourage that all carriers take the following steps:

- Allow maximum flexibility to contracted providers in performing claims submission, appeals, claims editing, prior authorization, reimbursement, or other functions impacted by the Change Healthcare cyberattack. This should include such steps as waiving prior authorization requirements in certain situations where the provider and carrier are unable to share necessary information.
- Clearly articulate on the company website information about the potential impacts of the Change Healthcare cyberattack on enrollees and on providers and information for providers and enrollees about alternative approaches for impacted services and how to access them.
- Provide frequent and direct communication with all contracted providers about alternative approaches that are in place for claims submission, appeals, claims editing, prior authorization, reimbursement, and other services performed by Change Healthcare, and maintain processes for providers to get assistance in using these alternative approaches.
- Ensure that statutory requirements for prompt payment of claims submitted by providers continues uninterrupted, and, if necessary, work with impacted providers to ensure that the process for extending statutory claims-submissions timelines is as simple and transparent as possible.
- As an alternative, or in addition to, the financial assistance program announced by Change Healthcare, carriers should consider their ability to offer financial assistance or financial advances to impacted providers during the period when billing and reimbursement processes are delayed or unavailable. Additionally, these advanced payments should not be conditional on the release or waiver of future legal claims against the payer or contain other onerous terms, such as high interest rates, that make accessing such payments prohibitively costly.

We appreciate the Department's commitment to ensuring all Ohioans have access to high-quality care and look forward to working with you and all the commercial insurers in the state moving forward.

Sincerely,



Todd Baker
Chief Executive Officer
Ohio State Medical Association



Mike Abrams
President & CEO
Ohio Hospital Association