



Cover Oregon health insurance exchange fiasco spawns problems for low-income Oregonians' health plan

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Problems with the Cover Oregon health insurance exchange have spilled over into the state's low-income health plan. The exchange's promised Medicaid interface remains unfinished. *(Nick Budnick/The Oregonian)*

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Nearly 4,000 applicants for a **state program** that provides undocumented immigrants with pregnancy services were instead enrolled in full Oregon Health Plan coverage, contrary to **federal law**, thanks to problems with the Cover Oregon health insurance exchange.

State officials say they discovered the problem several weeks ago and are correcting it.

The pregnancy program goof, however, is just one of many little-known problems that Oregon Health Plan members, providers, care groups and state officials have wrestled with as Oregon's system for enrolling people undergoes chaotic change.

It's the flip side of the Cover Oregon debacle, where much of the attention has focused on the travails of people applying for private or commercial insurance.

Two thirds of Cover Oregon's enrollments -- more than 70,000 -- have gone into the low-income Oregon Health Plan, the state's version of Medicaid. Combined with other enrollments since Oct. 1, OHP membership has swelled by more than 200,000, or about a third -- a favorite talking point of state officials.

Many of those enrollments, however, have not gone smoothly:

- Thousands of OHP enrollees were labeled as individuals rather than family members, meaning some families were split between care organizations -- creating needless hassles for parents seeking care.
- For months, the state grappled with inaccurate Medicaid coding, crucial to securing accurate federal matching funds.
- Department of Human Services workers who used to help clients afflicted by erroneous information now face difficulties doing so because their responsibilities have been transferred to Cover Oregon.

Some of the problems with OHP enrollments are due to limitations with the Cover Oregon exchange information technology. Others stem from flaws in the many "workaround" band-aid systems set up to patch for problems with the exchange. Officials say they are working through these issues slowly and attribute them to standard growing pains.

"It never works perfectly the first time out," said Kathleen Paul, an Oregon Health Authority manager who has worked on the Cover Oregon information-technology project.

The Cover Oregon health insurance exchange was designed to communicate electronically with the Oregon Health Authority, which has a system for tracking Oregon Health Plan members.

That interface failed to work, however, and in late November Cover Oregon set up a backup system by which new OHP enrollee information is sent to the Oregon Health Authority, where state workers upload the data manually.

The information was sent over incorrectly and in an incomplete fashion until a few weeks ago, Paul said Friday. That resulted in 3,800 applicants for the **Citizen/Alien-Waived Emergent Medical** program receiving full OHP benefits instead. The program is set up for immigrants who are either undocumented or haven't met the residency requirement for Medicaid.

"We were just getting people into the services," Paul said, adding that the state will finish fixing the problem in the coming week.

Not only that, but Cover Oregon sent over names of thousands of Oregon Health Plan enrollees as individuals, rather than labeling them properly as families. In some cases this has caused some family members to be assigned to one care organization and provider group while others are assigned to a completely different one.

Paul says that problem is being fixed manually on a case-by-case basis.

"It's been a mess for us," said Jeff Heatherington, CEO of Family Care, Inc., one of the organizations that cares for Oregon Health Plan members in the Portland area. "It makes it very difficult for us to tie families together in our database. We can't identify them, so we have to go through and set up a new data structure internally and then match addresses -- all of which have been hand-entered so they don't necessarily match."

Jan Buffa, CEO of the Willamette Valley Providers Health Authority, an OHP provider organization based in Salem, says her group has seen fewer problems, but has been perturbed by mysterious fluctuations in its member rolls maintained by the Oregon Health Authority.

"We had a few hundred people disappear off of our enrollment, and (OHA) couldn't explain it," she said. "We've been waiting patiently for their explanation."

Another problem: Oregon Health Authority workers have had to send out federally required notices to OHP members by hand, rather than in the automated way originally intended.

Many of the problems faced by OHP clients filter down to the caseworkers and eligibility specialists who staff the offices of the Department of Human Services, which used to handle enrollment before the exchange came along.

There, workers used to be able to fix problems such as address changes or incorrect information. But now, under the new system, they are largely denied the ability to change files to correct the many problems clients are reporting.

"It's a very confusing and trying time right now," said Jan Mautz, an eligibility analyst for the Oregon Health Authority, who says the situation was "horrendous" but is improving. She spoke through the Service Employees International Union, which represents Mautz and other caseworkers. "We're trying our best to get people through the broken system. The systems don't talk to each other."

Lawmakers recently received an anonymous letter from state employees detailing a dozen such problems affecting tens of thousands of enrollees, including that the new IT system used by the Oregon Health Authority for OHP doesn't properly calculate the code used to determine federal matching funds. "Medicaid has suffered an assault (and) is bleeding profusely," the letter said.

Paul says there have been problems with the Medicaid code cited, but they've been recently fixed and stemmed not from the technology, but how the system was programmed. She said the letter reflects a misunderstanding of many of the issues, and many of the problems have been resolved.

"Things are different than they used to be, and that is presenting challenges for staff," she said.

The agency is slowly making progress, officials stressed. For instance, a backlog of 30,000 applications and change orders that existed in late January has been whittled down to about half that figure.

Donald White, a spokesman for the Office of the Inspector General for the U.S. Department of Health and Human Services, said he couldn't comment on the allegations made by the anonymous state employees.

"Until we have the results of an investigation, or at least a request for an investigation, there's not much that I could actually say," White said. "To the degree that there is HHS grant money involved, of course the Office of the Inspector General is very interested in pursuing the facts of this matter."

--Nick Budnick

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