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Steve Walsh
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Massachusetts Insurance Partners:

On behalf of MHA and our members, I am writing to highlight the concerns our members have shared and to discuss potential solutions regarding the significant effects of the Change Healthcare cyberattack on local healthcare organizations, healthcare professionals and, most importantly, patients.

MHA appreciates that the resolution to this attack ultimately lies with Change Healthcare and its parent company UnitedHealth Group, and we are working with the American Hospital Association, state agencies, and the federal government to mitigate the financial and operational effects on our members. We also recognize and appreciate that most plans have been diligent about reaching out to providers in their efforts to identify workarounds to minimize service disruptions. We thank BCBSMA and Point32Health for their collaborative approach to discussing the issues with MHA and the Massachusetts Medical Society.

As you know, Change Healthcare has announced a temporary funding program for provider organizations impacted by the payer system outage. However, Change also notes that "this is not a program for providers who have had claims submission disruptions but rather for those whose payment distribution has been impacted." It remains unclear whether this step will be responsive to the challenge. We have also been made aware that the White House's National Security Council is looking into ways to provide short-term financial relief to U.S. hospitals facing significant cash constraints due to the cyberattack.

While we welcome these efforts and hope they come to fruition, we believe there are several areas in which hospitals and health systems may need additional, immediate support as the disruption persists. As you are aware, Change Healthcare provides a variety of services to hospitals and health plans, including eligibility verification, claims processing, and prior authorization submissions. We are asking that health plans consider implementing the three following flexibilities until Change Healthcare is fully back online.

1. **Waive claim filing limits.** Contracts currently outline time requirements for filing claims for payment. For example, the hospital/provider must file claims within 90 days of the date of service or the claim gets denied.
 - Many providers cannot confirm that the patient is covered by the health plan (eligibility) and rely on the health plan member to tell them the correct information. In the event the member indicates that he/she is covered by, say, Harvard Pilgrim Health Care but is actually covered by BCBSMA, the provider may not file the claim to the right payer on first submission, and will therefore miss the timely filing window with BCBSMA.

- Claims for services rendered in the last 90 days may have been submitted but are now sitting at Change Healthcare and will be delayed by the time the cybersecurity problem is fixed.
- 2. **Ease prior authorizations** for certain drugs, medical treatments and/or hospital services. Providers relying on Change Healthcare will be unable to file the necessary documents for prior authorization. Waiving PA and providing reimbursement for all medically necessary care rendered during the outage would be an appropriate remedy.
- 3. **Extend appeals filing limits.** Similar to claims filing limits, payer contracts typically require that an appeal be submitted within a certain timeline. These appeals may be administrative or clinical denials of claims. We ask that filing limits are extended to account for the period of the Change Healthcare outage.

In addition to the above, and depending on how both Change Healthcare and the federal government address cash flow, we ask that health plans consider bridge payments similar to those Point32Health provided last year during the cyberattack that impaired its network. Hospitals rely heavily on reimbursements from commercial and Medicare Advantage plans to maintain daily operations. Should this disruption continue, there are providers that will be harmed significantly if claims cannot be paid. According to MHA's member survey, hospitals report a wide range of financial impact while Change remains offline, extending to \$1 million a day for a community hospital to \$12 million a day for a health system. Prolonged disruption of Change Healthcare's systems will negatively affect the ability of many hospitals to offer a full set of healthcare services to their communities. If health plans are unable to pay claims, hospitals and health systems may be unable to pay salaries, acquire necessary medicines and supplies, and pay for mission-critical contract work in areas such as physical security, dietary, and environmental services.

Further, while we understand it may be necessary, replacing previously electronic processes with manual processes or switching to a different clearinghouse will add considerable administrative costs and operational burdens on providers, as well as divert team members from other tasks.

Lastly, we ask that the health plans continue their efforts to facilitate communication and transparency around the Change Healthcare breach.

Thank you for your continued partnership, collaboration, and support. We are happy to further discuss how we can work together to mitigate the impacts of this breach on patients, payers, and providers in the commonwealth.

Sincerely,



Steve Walsh
President & CEO
Massachusetts Health & Hospital Association