CHILD ABUSE INTERVENTION CENTER

Testimony of Russell Mark to the Oregon House Committee for Human Services and Housing

February 9, 2017

Good morning Chair Keny-Guyer and esteemed Members of this Committee. Let me begin by thanking you for this opportunity to testify on this very important legislation. My name is Russell Mark. I am the President and CEO of Juliette's House, a Child Abuse Intervention Center or CAIC, head-quartered in McMinnville and serving Yamhill, Tillamook, and Polk Counties. We are this year celebrating 20 years of providing medical and forensic child abuse assessments, family support services, and robust child abuse prevention education programs to children and adults, especially those that work with children.

As I am sure you are aware, child abuse is a public health crisis that affects thousands of families across all of our communities and occurs across all backgrounds. It is estimated by the Centers for Disease Control and Prevention that 1 in 4 children will suffer significant abuse before the age of 18. In Oregon, routinely nearly 70,000 child abuse reports are made to the Department of Human Services annually, with over 10,400 confirmed child abuse victims last year.

Standing in that breach, along with DHS, Law Enforcement, the DA's Office, Crime Victims Assistance, and other community agencies, CAICs like Juliette's House provide services to more than 6,600 abused or neglected children annually, almost half of which are 6 years old or younger. Centers in Oregon see children for all types of abuse. More than half of the children we see are for concerns of sexual abuse, with close to 30% for physical abuse. Many of us also provide family support services for up to a year to the child and their non-offending family members for the sole purpose of helping this child, their siblings and caregivers heal and move forward. While there are no guarantees, we know early intervention is a major component in facilitating that healing. Tragically, we also know that without early intervention childhood trauma most often leads to long-term, sometimes lifelong health and well-being issues. Substance abuse, unwanted pregnancies, anger issues, school dropouts, ongoing marital and relational problems, chronic unemployment, criminal activity, even some suicides can often be traced to child abuse that went undisclosed, hidden, or simply had no meaningful intervention. Beyond the horrific impact on the victim, these situations quite often have serious economic and other severe implications on the stability of our communities.

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In a study released last year by the San Francisco Child Abuse Prevention Center and the Haas School of Business at UC Berkley, entitled *The Economics of Child Abuse*, researchers found that "child maltreatment results in ongoing costs to taxpayers, institutions, businesses, and society at large. Local communities bear the brunt of these costs in the form of medical, educational, and judicial costs as well as the diminished economic productivity of its workforce." The researchers conservatively estimate that the annual economic burden of child maltreatment to San Francisco alone is **in excess of $400,000 per child victim just in 2015, or a total financial burden of over $300,000,000 annually.** They state further, **"Given that child abuse is vastly underreported, the total economic burden to the city could be as much as $5.6 billion per year."**

While McMinnville is certainly not San Francisco, nor Salem or even Portland, I think you get an extrapolated sense of the serious implications of these costs as they may relate to Oregon and each of the communities you and I serve. However, there is good news in that **with effective, collaborative, evidence-based intervention provided by CAICs, we believe we can reduce the impact of trauma, and help kids have better outcomes throughout childhood and into adult hood, which may, in turn, provide major cost savings of hundreds of thousands, if not millions of dollars to taxpayers.** However, for Oregon's CAICs to have continued success, we greatly need your help.

HB2234 that became effective May 20, 2015 was a major step forward in outlining the important and unique work of CAIC medical assessments and related services; mandating that we are to be reasonably reimbursed by OHA, CCOs, and other payers for that work. OHA has made significant strides helping to communicate the import of HB2234; however challenges remain to its full and intended implementation. Those challenges, I believe, exist predominantly because CAICs are unlike any other medical practice and do not easily conform to the systems and practices that most CCOs currently use.

For instance, CAICs do not cost-shift. As you may know, cost shifting occurs when a hospital or other health-care provider charges an insured patient more than it does an uninsured patient for the same procedure or service. Those with health insurance, in effect, pay for the financial loss hospitals incur when they provide services to those without insurance. At Juliette's House it is a source of pride that none of our client families pay for the services we provide, even those without insurance. If a medical/forensic assessment costs $2000 (which is about average for us) and takes two to four hours to complete, then that is what our claim is for; no more and no less. Yet, routinely we are reimbursed at a rate of $.27 to $.30 on the dollar. It may take several months to be paid and also routinely, it will have

required our bookkeeper to make several re-submissions of the claim before it is finally paid. At any one time our overall Accounts Receivable for reimbursements will be around $100,000 and we only see roughly 200 clients a year (of this total roughly 50% are outstanding claims with CCOs) and we are not a large center. The turn-around time for reimbursements is still very slow AND the primary reasons for the slowness are tied to the reasons for having to resubmit claims time and again.

For context, you should know at Juliette's House we have one bookkeeper who manages all of our day-to-day accounting needs and manages all of our medical billing. She also only works 30 hours a week.

One example of a billing challenge is with one CCO with whom we work that denies most of our New Patient codes. Their claim system pulls the providers NPI and denies the New Patient code if that child has been seen by that provider within the past 3 years. As it happens, our Medical Examiner, Dr. Margaret Miller (who is part time), until recently worked as a Primary Care Physician at another unrelated medical center. CPT guidelines state that because we are not part of the same facility or group practice the insurance claim should be treated as a New Patient. This particular CCO has asked us repeatedly to rebill all of these patients as Established Patients to satisfy their system as it is incapable of recognizing that a single patient could be seen by the same provider in totally different settings for totally unrelated reasons and be considered a New Patient. We are at an impasse currently to find a resolution and are requesting an intervention from OHA. The result is that 74% of our Accounts Receivable from CCO's are tied with this one CCO and remain unpaid.

There's another CCO that routinely rejects our claims saying the NPI or the provider's name is not on the claim, when clearly it is. For some reason that does not seem to be correctable, their electronic scanning system does not seem to properly "read" the submitted claim forms, even though it's their claim form. Eventually, after 3 or 4 resubmissions the claims get paid.

Another CCO will only accept an all machine typed or all hand written claim. Our bookkeeper has to hand write the entire claim. Normally, most claims are filed electronically and at most she would have to write in an NPI numbers or any atypical information on the claim. So, theirs is a time consuming claim process to meet their antiquated system.

Another CCO subcontracts with a Managed Care Plan and requires that all claims be submitted directly to that MCP. If the Insurance card is presented we know where to send the claim, but in most cases we

are told by our client's caregiver they have OHP. OHP does not list the Managed Care Plans on their Web Portal. So, our bookkeeper has to call the CCO to find out the MCP and where to submit the claim. Again, a very time consuming process and not consumer friendly.

Lastly, I am happy to report a positive relationship with a CCO that changed its policies to accommodate our operational realities. This CCO routinely requires Prior Authorization for services; a very common practice. However, Prior Authorization is almost impossible for an assessment because of the circumstances, and because it is very difficult to acquire insurance information prior to the family arriving at Juliette's House. So, once this CCO understood the realities of what is involved in our kind of trauma intervention they dropped the Prior Authorization requirement for our clients, saving us time and effort. Plus, they pay the claims faster than most.

I hope these examples help to illuminate some of the challenges the CAICs of Oregon deal with every day. I'm sure my colleagues in the Oregon Network of CAICs have many other unique stories to tell. But as you can understand, the hurdles are not insignificant, particularly for smaller centers. And while we are extremely grateful for the financial support we receive from Federal VOCA funds and State CAMI funds (and please forgive my unrepentant plug - we hope and pray CAMI funding remains steady if not moderately increased this year), CAICs have to do an extraordinary amount of fundraising to maintain just our medical/forensic assessment programs, not to mention prevention education and other services. Moving CAICs to a Case Rate with OHA and the CCOs would be ideal I think for all stakeholders, but that's a discussion for another day.

HB2221 which will require OHA and Department of Consumer and Business Services to report to the Legislative Assembly each calendar quarter on implementation of requirements to reimburse cost of child abuse medical assessments conducted by CAICs is another step forward to better securing the well-being of many of our most vulnerable citizens. It will provide greater accountability and oversight, as well as incentive to insure the intent of HB2234.

Overall, I remain hopeful that the important work of CAICs will be appropriately and proportionately supported as the Oregon Legislature has intended and as we, the CAICs of Oregon desperately need. Your support of HB2221 will help propel this forward. Thank you again for your time and sincere interest in these important issues regarding the well-being of our children. I am happy to answer any of your questions.