September 20, 2019

AHCCCS – sent via e-mail: Centene-WellCareMerger@azahcccs.gov

Ironwood Physicians is providing public comment to the proposed merger agreement between Centene Corporation (“Centene”) and WellCare Health Plans (WellCare) which will result in two AHCCCS contracted health plans, Arizona Complete Health-Complete Care Plan (AZCH-CCP) and Care1st Health Plan of Arizona affected by an organization currently unable to operate by state and federal regulations.

Ironwood Physicians has submitted complaints to both the Arizona Department of Insurance (Ambetter Exchange – July 6, 2019 – Case 31270) and AZCH-CCP (July 10, 2019), both operating under the Centene parent company, as a result of the health plan’s non-compliance with provider contract terms, Arizona Laws 20-3102 -Timely payment of healthcare providers’ claims grievances, and the inability to manage their internal subcontractor prior authorization partner, Evicore. All of these issues create a financial burden on providers serving the most vulnerable AHCCCS recipients residing in the State of Arizona and accessing Non-Title XIX/XXI medical benefits.

Reviewing the letter submitted to AHCCCS from Skadden, Arps, Slate, Meagher & Flom LLP, we would like to bring your attention to Paragraph #2. Arizona Complete Health-Complete Care Plan intends to operate under the current processes and platform and they do not expect any changes for members, providers or daily operations in this service area. This response is unsettling to providers and recipients served by this platform. Should AHCCCS approve this merger and grants Centene Corporation the ability to assume oversight for Care1st, then it is Ironwood Physician’s interpretation that AHCCCS does not view the sanction as enforceable and valid, thereby not protecting the health care resources that AHCCCS recipients require. AHCCCS contracted providers CHOOSE to do the right thing and accept AHCCCS patients regardless of the minimal reimbursement. Ironwood accepts the most vulnerable patient population because it is the community’s responsibility to provide the best possible care, aligned with the Medicare Non-Title XIX/XXI requirements.

Please reference Paragraph 3 referenced above, whereby “Centene and WellCare will create a premier healthcare enterprise focused on government-sponsored programs with a shared commitment to the local communities in which they serve...” Again, this health care organization’s statement of intent confirms the
health plan does not have the ability to serve the providers providing health care on behalf of government-sponsored programs.

Internal resources have been affected resulting in additional staffing costs to ensure claims are submitted and reconsidered/appealed appropriately to protect our financial interests for both the AZCH-CCP AHCCCS and Ambetter Health Plans.

Ironwood Physicians has actively attempted to resolve inability to process claims dating back to 2017. There has been very little movement to resolve any identified claims, although we have made exhaustive efforts. We have worked with health plan provider representatives, as directed. Our most recent complaint to Mr. James Stover, CEO of AZCH-CCP and Ambetter, addressed Ironwood’s issues and also pointed out the AHCCCS sanction imposed on January 25, 2019 whereby the health plan was required to comply with provider claim processing issues by April 30, 2019. To date, the claim processing issues remain unresolved and as a result AHCCCS has required weekly updates and next steps from AZCH-CCP provider complaints.

Ironwood Physicians is not the only medical practice impacted by this issue.

Ms. Silver, Ironwood Physicians presents these concerns before you as a plea to consider and delay this acquisition and oversight of Care1st Health Plan Arizona until such time the existing claim processing issues are resolved and in compliance with the State of Arizona and government regulations for at least a period of one year. The Health Plan should “prove” stability and compliance before they are granted the ability to impact another AHCCCS Health Plan. AZCH-CCP’s inability to service their current member population of 209,600 will create an even larger stress on providers when faced with absorbing AZCH-CCP’s Care1st additional membership of 173,400 members.

Ironwood Physicians strongly objects to this proposed merger. We certainly hope you will take our statements into consideration as you make this decision.

Sincerely,

Ironwood Physicians