

October 20, 2021

### **Statement on Auditor of State Medicaid Member Appeals and MCO Compliance Report**

While the Department of Human Services welcomes external oversight, this report is inaccurate and shows a deliberate lack of understanding of the Medicaid appeals process. Unfortunately, after multiple meetings with the Auditor of State to educate, the decision to publish an incorrect and flawed report is disappointing.

“The Auditor of State report attempts to compare the appeals processes between the old fee-for-service, and the managed care models. We worked with the Auditor of State’s team to explain why this was an apples to oranges comparison. The process is not the same, so making a comparison without factoring in the improvements we built into the MCO appeals process prior to ever seeing an administrative law judge (ALJ) is just wrong,” said Iowa Medicaid Director Elizabeth Matney. “Under managed care, most appeals can be resolved without an ALJ, allowing them to focus on more complex cases.”

Additionally, Medicaid’s clinical staff takes the time to review each ALJ case, no matter how it turns out, and resolves any issues as they are identified.

It’s clear DHS is committed to accountability and openness with Iowa’s Medicaid system.

“Over the past couple of years, my team and I have made many good faith efforts to demonstrate transparency and integrity with the Auditor of State, which is why this is so disappointing. I’m proud of the work Iowa’s Medicaid team is doing and I am excited for the positive changes as Director Matney builds out Iowa’s Medicaid team to ensure strong managed care oversight, as well as innovative improvements to the program,” said DHS Director Kelly Garcia.