



Palo Verde
BEHAVIORAL HEALTH



QUAIL RUN
Behavioral Health



VALLEY
HOSPITAL
MENTAL HEALTH AND CHEMICAL DEPENDENCY CARE

Public Comment

Proposed Transition Plan: Centene-WellCare Merger

On behalf of the of the UHS Inpatient Psychiatric Facilities in Arizona:

- Palo Verde Behavioral Health
- Quail Run Behavioral Health
- Valley Behavioral Health

We appreciate opportunity to offer comments on the proposed merger agreement between Centene Corporation (“Centene”) dba as Arizona Complete Health-Complete Care Plan and WellCare Health Plans (“WellCare”) dba Care1st Health Plan of Arizona whereas Centene would acquire of WellCare.

We want to express to you our serious concerns regarding the merger and its impact on our ability to care for patients. These concerns stem from a high number of issues that have arisen over the past year with the operation of AZ Complete Health in the central and southern regions.

We continue to experience:

- Untimely claims reimbursement
- Reimbursement at incorrect rates
- Lack of support provided for discharge planning and aftercare coordination
- Difficulty coordinating to resolve these problems

While our hospitals continue to provide care to AHCCCS members, in many instances our facilities are providing these services despite receiving incomplete, inaccurate, and, in many cases no reimbursement. Over the past 6 months, AZ Complete Health has stated on multiple occasions that they are making every effort to correct these processes. To date, however, there has been little evidence of this progress. These errors have resulted in incorrect payments, additional appeals and additional administrative costs to correct the AZ Complete Health’s errors and secure the correct reimbursement.

Because AZ Complete Health is the “acquiring” entity in the merger, and thus would potentially be migrating Care1st’s providers, claims and similar elements into their operations, we are asking for AHCCCS’s assurance that AZ Complete Health will be required to immediately rectify the provider load and reimbursement issues and provide

assurance that these problems will not occur again on a greater scale under a merger agreement.

It is also important to note that our hospitals located in the Northern Arizona region report a generally positive and collaborative relationship with Care1st Arizona since the health plan established a presence as a Medicaid MCO to that region last year. We offer our support to an agreement that preserves the Care 1st leadership structure that has been integral to ensuring a successful transition.

Lastly, we want to express our concern that the merger could violate the “spirit” of the original AHCCCS program Request for Proposal (RFP), which indicated that a single ACC contractor will not be able to contract for more than two of the three regions. The combined AZ Complete Health entity will have a statewide presence and contradicts the AHCCCS RFP directive.

Thank you for the opportunity to comment. If you have any questions, please feel free to contact David Carnahan, CEO, Quail Run Behavioral Health at email address: David.Carnahan@uhsinc.com.