



March 15, 2024

Secretary Xavier Becerra
Department of Health and Human Services
200 Independence Ave., SW
Washington, D.C. 20201

**Re: Nonprofit, Community Health Plans Response Throughout Change Healthcare
Cyberattack Fallout**

Dear Secretary Becerra,

In response to the Change Healthcare cyberattack, the Alliance of Community Health Plans (ACHP) appreciates the Administrations updates and partnership as health plans identify and provide solutions for impacted providers. Our nonprofit, community-based health plan members continue to assess and address the array of provider impacts and needs, offering a range of systemic and tailored solutions. Our member companies are dedicating significant resources, staff time and financial flexibility to support providers, consumers and communities until Change Healthcare system security is reestablished. We are pleased to report the vast majority of our member plans have successfully implemented workarounds and addressed the immediate crisis.

The Alliance of Community Health Plans (ACHP) is the only national organization promoting the unique payer-provider aligned model in health care. ACHP member companies collaborate with local clinicians to deliver higher-quality coverage and care to tens of millions of Americans across nearly 40 states and D.C. and in all lines of business. Thanks to ACHP member companies' model and close provider partnerships, plans were able to take swift action with proven successes.

ACHP supports the Administration's goal to increase transparency into the cyberattack and response. We look forward to gaining a clearer line of site into UnitedHealth Group and Change Healthcare's provider support processes as they work to resolve this incident as expeditiously as possible. We remain concerned about the duration of this crisis and any lingering security threats.

Until Change Healthcare processes resume to normal functionality, ACHP member companies are committed to rerouting and reestablishing claims processing connections, advancing payments where needed, providing flexibility within existing contract terms if necessary and conducting outreach to support providers through this crisis. The impact to ACHP members is highly variable and depends on the nature of the health plan's dependence on Change Healthcare's operations. Many ACHP member companies have seen little to no impact to either internal processes or provider partners while others responded immediately when connectivity between Change



Healthcare ceased. Our nonprofit, community health plans are taking extraordinary actions to assist providers, including:

Education and Outreach

Community health plans are leveraging the close, trusted relationships with provider partners to effectively and efficiently navigate this crisis together. ACHP members are using multiple methods of proactive communication to ensure providers remain up to date on process changes or opportunities for assistance. From the moment this attack became known, ACHP members have been directly calling and emailing providers, prioritizing communication to the most at-risk or high claim volume providers, issuing resources and statements on websites or continuing to provide updates via provider newsletters. Our member companies maintain close communication with all providers to continually assess their needs and ensure they can continue to deliver care and be reimbursed.

One ACHP member company, UCare in Minnesota, began contacting providers as soon as Change Healthcare systems went down. In the following weeks, multiple provider partners have complimented the company’s diligence and quick response to the Change Healthcare crisis. UCare provider relations staff are actively engaged in the incident management process and prioritize provider impact and need status updates twice daily.

Reestablishing Claim Flow

ACHP member companies worked quickly to help affected providers receive accurate, timely payments. Most health plans are prioritizing reestablishing claims flow either through connections to new clearinghouse options or via paper claims. Health plans have seen an increase in paper claims and can confirm that providers successfully changed clearinghouses. Many health plans also have processes in place for claims remittances via paper checks to ensure timely provider payments. Due to the varying needs of providers, health plans may have multiple active claims workarounds with additional dedicated staff and resources, requiring significant financial investment and potential reconciliation.

One ACHP member, Priority Health in Michigan, was able to transition to an alternative pathway for pharmacy claims and Rx claim volume returned to normal levels within a few days. For medical claims, Priority Health ramped up paper claim processing and increased connectivity with alternative clearinghouses in partnership with various providers to get claims flowing again. Priority also issued manual payments from its internal systems to accommodate payments to providers dependent on paper checks and expanded electronic fund transfer capabilities.

ACHP member Presbyterian Health Plan in New Mexico identified highly impacted providers by proactively assessing claim volumes, provider payments and call center sentiment all assisted



with analytics technology. Presbyterian then proactively outreached to providers to offer solutions like assisting them in connecting with new clearinghouses and setting up direct mechanisms for them to submit electronic claims. Most of the impacted providers were able to either switch clearinghouses or send direct electronic and paper claim files. Presbyterian continues to partner with providers as the situation, and its impact, unfold.

Advance Payments

Virtually all ACHP member companies with whom we have communicated in advance of HHS' inquiry have taken steps to advance payments to targeted providers. Those that are not actively issuing advance payments either have systems in place and are prepared to distribute should provider partners need immediate financial assistance or have a majority of contracted providers in capitated arrangements negating the need. Advance payments are prioritized based on provider need and requests with specific attention to the most at-risk providers and groups. However, accurate timely payments are preferred over advance payments as the later requires significant back-end reconciliation and long-term complexities. Many ACHP member companies offered similar types of payments during the COVID-19 pandemic and appreciate the challenges associated with advance payments. Providers also greatly benefited from value-based and capitated payment arrangements during the pandemic.

ACHP member company, CommunityCare in Oklahoma relies on value-based capitated arrangements with most of its providers. This dramatically mitigated the local provider impact as a result of the Change Healthcare cyberattack. For the remaining providers, CommunityCare continued issuing payments biweekly for all claims received prior to the cyberattack, and they are currently working through options to offer advanced payments.

Following the Change Healthcare incident, ACHP member HAP in Michigan acted swiftly to stand up an alternative clearinghouse option, ensuring providers were able to get claims submitted to HAP for payment as quickly as possible following the outage. While the Change Healthcare outage is still affecting providers' ability to receive remittance and enrollment transactions, HAP is committed to ensuring providers are able to receive payment for services during this unprecedented time. To that end, HAP has also established processes to issue interim advance payments to providers whose internal processes are affected by the Change Healthcare outage and are facing financial hardship as a result.

Extending Deadlines

Most health plans have claims filing deadlines around 120 days from the date of service. While many expect to have claim flow back to near normal volumes before that timeframe, our member companies are prepared to extend deadlines should the need arise.



Additional Payer-Provider Relation Considerations

Throughout engagement with our respective member companies, we continue to hear that capitated and salaried providers are weathering this crisis better than others. Importantly, prior authorization systems were not widely impacted by the Change Healthcare cyberattack. In fact, very few health plans reported any impact to prior authorization processes. At this time, lifting requirements would not improve claim flow and could result in inappropriate care delivery. Due to strong payer-provider alignment, ACHP member plans generally have less restrictive prior authorization requirements. Further, since the Change Healthcare cyberattack, plans experiencing prior authorization impacts have shifted to manual processes but continue to report that turnaround times are maintained.

ACHP member companies will continue to support their communities and providers as Change Healthcare resolves its systems, and we will continue to keep HHS apprised of our member companies' efforts until this crisis is resolved. We anticipate widespread interest in ensuring system redundancies and mitigating similar future incidences. Thank you for your attention to this issue. Please contact Dan Jones, Senior Vice President of Federal Affairs, ACHP (djones@achp.org) with any questions or to discuss our recommendations further.

Regards,

Ceci Connolly
President and CEO