

DHHS Sued by Docs, Threatened by Feds

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With High Country families facing hunger as food stamp delivery is faltering in the state, Federal officials are threatening to take over the process due to the state's continuing problems. Word leaked out of the potential suspension in a Dec. 11 in a letter sent to N.C. Health and Human Services Secretary Aldona Wos, according to NC Policy Watch. Their report quoted Donald Arnette, a regional administrator of the U.S. Department of Agriculture's food and nutritional safety division, who wrote Secretary Wos, "This letter serves as advance notification that the North Carolina Department of Health and Human Services (DHHS) may soon be subject to the suspension or disallowance of administrative funds." In a Dec. 23 response provided by DHHS, Wos, she told federal officials that the department was working to resolve the issues by working closely with social services workers on the county level, saying, "We trust these corrective actions demonstrate our commitment to ensure that we comply with statutory requirements." A spokeswoman for USDA's Food and Nutrition Services said federal authorities were still looking into the matter and had not made any determinations about what would happen to North Carolina's funding, according to NC Policy Watch. Thousands of poor families were unable to receive food stamps last year when DHHS implemented a new computer system, NC FAST, resulting in a decidedly slow state response, and a spike in the demand for food at emergency food pantries in the state. USDA, leaning on estimates provided by DHHS, indicated in the Dec. 11 letter that 20,000 families were still experience delays in December, with nearly a third waiting three or more months for their food stamps, according to NC Policy Watch.

Then there is the issue of reimbursement to physicians from another arm of NC's Department of Health and Human Services. Doctors are now suing the state, a software vendor and consultants over the state's Medicaid claims system, pointing to errors resulting in financial losses as well as harm to patients. The Raleigh News & Observer says the medical practices are suing the state Department of Health and Human Services, Computer Sciences Corp., which built and is billing the system, SLI Global Solutions, hired to test the software, and Maximus Consulting Solutions, which provided independent reviews. The suit started with seven medical practices in Wake County Superior Court on Wednesday, asking to be certified as a class-action suit, saying a majority of the state's 70,000 Medicaid providers suffered damages that should be recovered. The N & O article says the flaws in NC Tracks "have been chronicled in state audits, news reports and medical workers' comments at legislative hearings, and that, "The NC Tracks system was trouble almost as soon as the state started using it on July 1." DHHS told the paper Thursday it would not comment on pending litigation but sent a statement from its IT chief and a fact sheet that emphasizes claims paid. Joe Cooper, the agency computer systems' chief, said in a statement. "To date, the new system has processed more than 104 million claims and paid more than \$5.5 billion to North Carolina healthcare providers, out-performing the 35-year-old system it replaced. The paper pointed out that the lawsuit comes as the department is dealing with a new set of troubles—the violation of the privacy of nearly 50,000 children that came when it mailed insurance cards to incorrect addresses. While Wos says they're working out the problems, the lawsuit says that even when software errors were fixed, doctors weren't paid for claims that had been improperly denied.