

Montana vows changes to avoid delayed contracts: Some health providers still await back pay

February 5 2024, by Katheryn Houghton, KFF Health News



Credit: Pixabay/CC0 Public Domain

The head of the Montana Department of Public Health and Human Services said the agency has nearly cleared its backlog of incomplete contracts that risked people's access to health services.

Even so, some organizations say the state still owes them tens of thousands of dollars for services already provided.

Director Charlie Brereton told state lawmakers during a Children, Families, Health, and Human Services Interim Committee meeting on Jan. 18 that the agency had nearly finished finalizing overdue contracts with organizations that provide [public health services](#).

"We've been working around the clock throughout the fall and the winter to address the issue and hope that it never happens again," Brereton said.

Brereton's comments to lawmakers came after several state health contractors, including county health departments and behavioral health providers, told KFF Health News and other news organizations they had waited months for the department to approve or renew their contracts. As a result, the state didn't cut checks for services provided and workers went without pay; some health organizations laid off employees and stalled services.

The state health department works with more than 4,000 private and public contractors across Montana. More than 700 of those had contracts due for review from June through December. Some providers said that at one point more than 200 contractors were affected, a number state officials wouldn't confirm.

Brereton told lawmakers there could still be a handful of pending contracts "for a variety of reasons" but any that remain are a high priority.

Jon Ebelt, a health department spokesperson, wouldn't specify how many contracts remained as of Jan. 23, but said those that do are "long-standing and complicated."

A finalized document doesn't immediately solve the problem for those still waiting for payments.

The Missoula City-County Health Department is among the organizations that dipped into local government reserves to keep programs running while waiting for the state to approve two contracts. The department's health officer, Damian Chase-Begay, said the state still owed it about \$69,000 in back payments as of Jan. 19 for work done in October and November. Those payments cover the department's Special Supplemental Nutrition Program for Women, Infants, and Children services.

Simultaneously, the county health department was still waiting on a final \$293,000 contract for a program that provides families with access to public health nurses, [social workers](#), and other community health professionals.

Ebelt didn't answer how much money the state owes organizations in backdated pay.

"Agency leadership has directed all programs to escalate outstanding invoices to ensure expedient payment," Ebelt said. "However, some contractors have not yet billed for services pursuant to the terms of their contracts. Invoices will be paid upon receipt."

Don Roberts, who runs a drop-in center in Ronan for people with addiction on the Flathead Indian Reservation, said on Jan. 19 that he was also waiting on a final contract from the state and to be paid for months of work. Roberts heard from state health officials that his case is close to

being resolved, and he submitted invoices dating to October, he said.

"I will count that egg when I see it in my basket," Roberts said.

His company, Never Alone Recovery Support Services, had been without the contract that covers the center's payroll for more than three months. Roberts said he and other workers picked up [part-time](#) jobs this month, leaving unpredictable hours for the site that's a resource for people in crisis.

Roberts said health officials contacted him after he spoke with KFF Health News about the delays.

"All I can say for sure is that, all of a sudden, conversations are being had again," he said. "Before, it was just nothing, we were just in the dark."

Brereton told lawmakers the department skipped sending out a mass letter to its thousands of contractors to avoid "widespread panic" for organizations that weren't affected.

Kim Aiken, the health department's chief financial officer, said the agency started recognizing the severity of its backlog in the fall.

The delay stems from a combination of factors, she said. The state Department of Administration emphasized stringent legal reviews of contracts and increased its focus on compliance. And a new rule requires Montana to confirm contractors won't discriminate against companies that make or sell guns. The state also had more contracts to manage than usual, which Aiken said was in part related to projects to overhaul and improve Montana's behavioral health and developmental disabilities systems.

Another issue, Aiken said, is the staff turnover within the health department and the Department of Administration, which helps manage state contracts.

She said, among other things, that the department will create an agency-wide contract-monitoring system and that health officials worked with the Department of Administration to standardize [contract](#) templates. She also said the health department is considering more training and tools to avoid staff turnover.

"We're looking at every angle of what went wrong," Aiken said.

2024 KFF Health News. Distributed by Tribune Content Agency, LLC.

Citation: Montana vows changes to avoid delayed contracts: Some health providers still await back pay (2024, February 5) retrieved 28 April 2024 from <https://medicalxpress.com/news/2024-02-montana-vows-delayed-health-await.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.