

FRAUD PREVENTION IN MEDICAID

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Arkansas State – USA



RELATED CONTENT

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About 5% of home healthcare agencies show potential signs of fraud

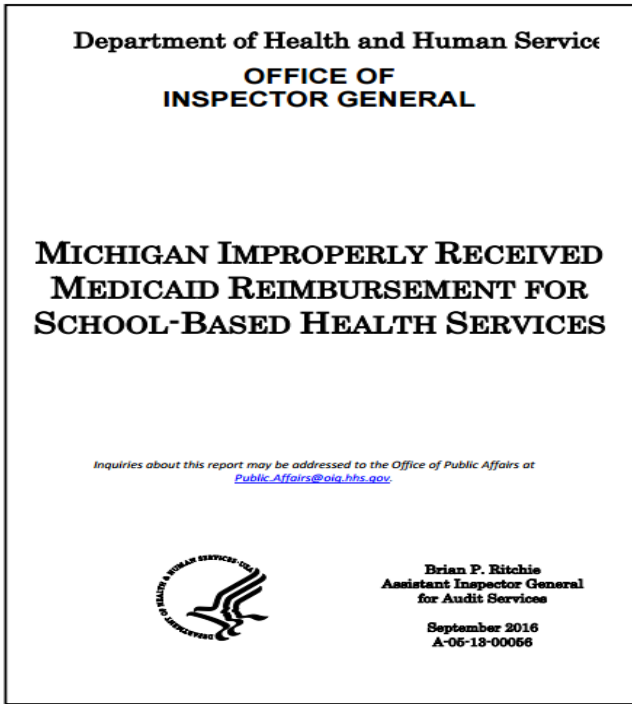
By [Lisa Schencker](#) | June 23, 2016

More than 500 [home healthcare](#) agencies—about 5% of the total—and 4,500 doctors across the country share characteristics that often point to home healthcare fraud, according to a report released by HHS' Office of Inspector General on Wednesday.

An [alert \(PDF\)](#) that accompanied the [report \(PDF\)](#) warned that the federal government is stepping up enforcement when it comes to such crimes.

According to the Office for Inspector General, home healthcare fraud cases typically involve five characteristics, including high percentages of:

- episodes of care during which a beneficiary had no recent visits with the supervising doctors
- episodes of care not preceded by a hospital or nursing home stay
- episodes of care with a primary diagnosis of diabetes or hypertension
- beneficiaries with claims from multiple agencies
- beneficiaries with multiple home health readmission in a short time



OIG: CMS Overpaid Colorado Medicaid Program More than \$38M

Under the CHIPRA legislation, Colorado overstated its enrollment numbers in their Medicaid program and received \$38 million in ineligible bonus payments.



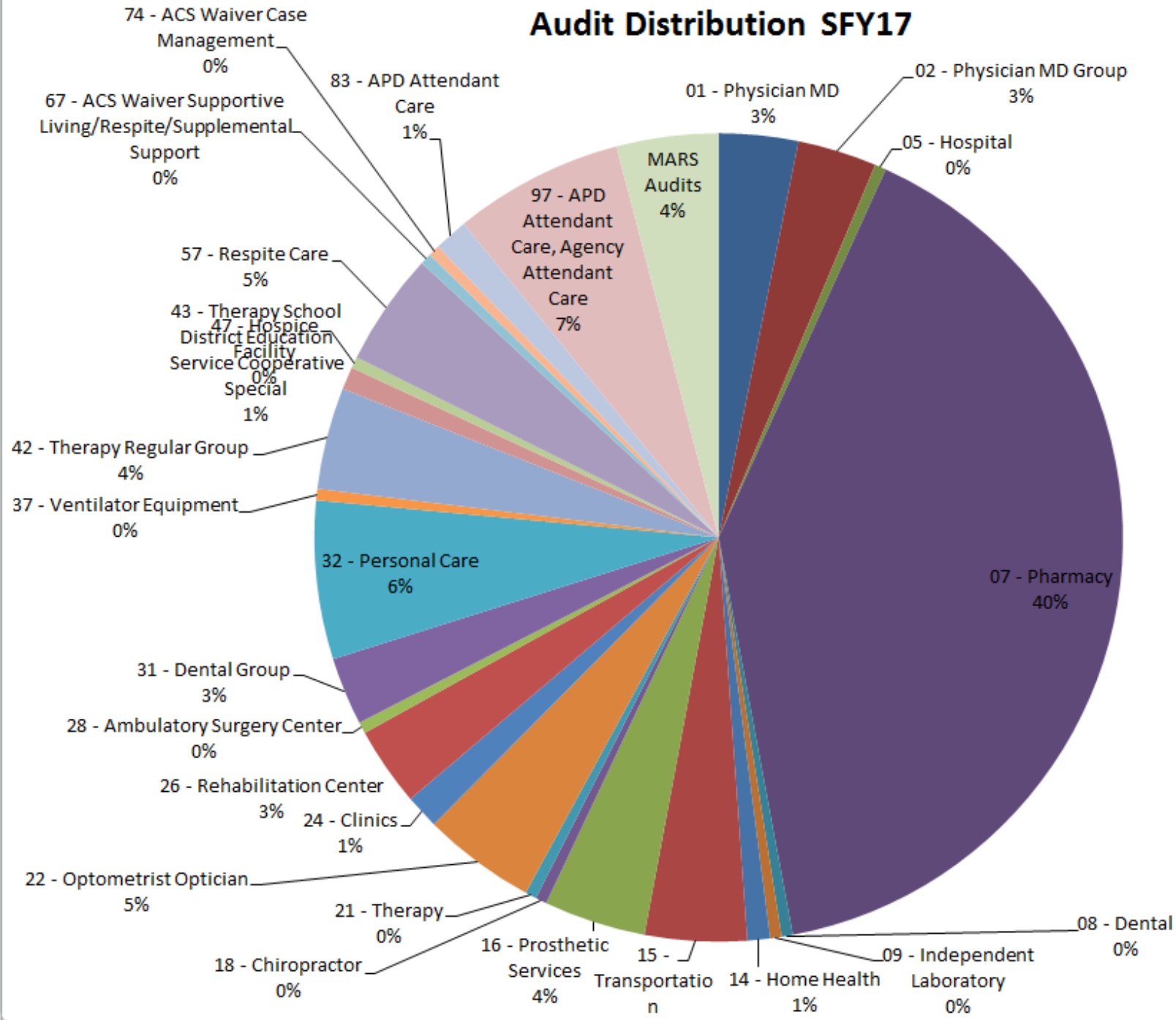
OIG Audit: Texas Should Repay \$21 Million For UT Southwestern Medicaid Overpayments

HOSPITALS | 08/23/2016 | by Matt Goodman | [+ Share Post](#)



Feds recommend Alabama pay back nearly \$100 million in improperly claimed Medicaid money

Audit Distribution SFY17



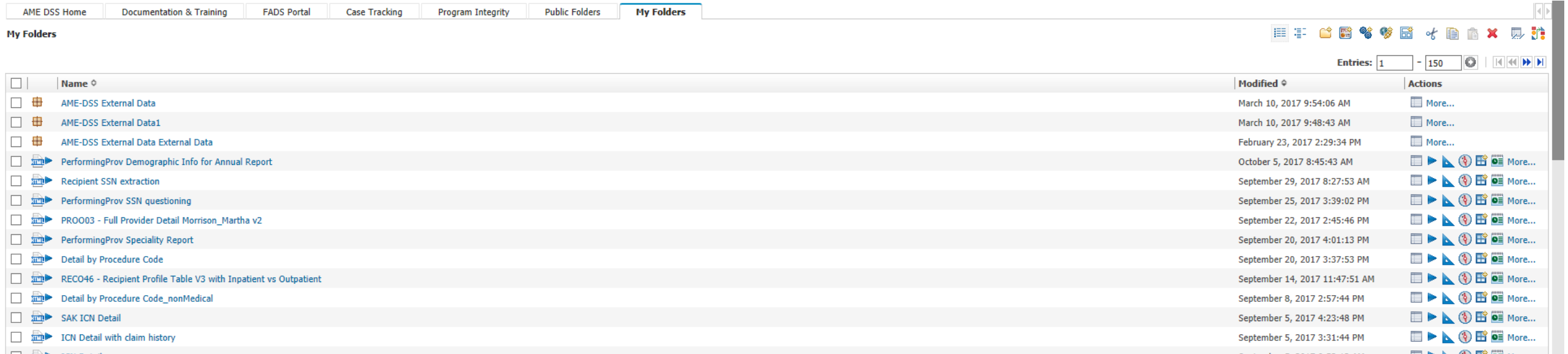
Mission of OMIG

- To detect and prevent **fraud, waste, and abuse** within the medical assistance program
- Verify whether services reimbursed by Medicaid were properly billed and actually furnished to beneficiaries;
- Recover improperly expended funds

OMIG Auditing with Data Analytics

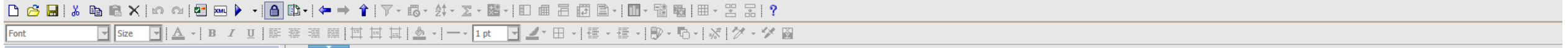
Top outliers are selected for audit or investigation

- Audit and Fraud Detection System
 - Review and analysis of payments and billing claims
 - Report Studio / Query Studio - OPTUM



The screenshot shows a web application interface with a navigation bar at the top containing tabs: AME DSS Home, Documentation & Training, FADS Portal, Case Tracking, Program Integrity, Public Folders, and My Folders. The 'My Folders' tab is active. Below the navigation bar is a toolbar with various icons for file operations. The main content area displays a table of folders and reports. The table has columns for Name, Modified, and Actions. The entries are as follows:

Name	Modified	Actions
AME-DSS External Data	March 10, 2017 9:54:06 AM	More...
AME-DSS External Data1	March 10, 2017 9:48:43 AM	More...
AME-DSS External Data External Data	February 23, 2017 2:29:34 PM	More...
PerformingProv Demographic Info for Annual Report	October 5, 2017 8:45:43 AM	More...
Recipient SSN extraction	September 29, 2017 8:27:53 AM	More...
PerformingProv SSN questioning	September 25, 2017 3:39:02 PM	More...
PROO03 - Full Provider Detail Morrison_Martha v2	September 22, 2017 2:45:46 PM	More...
PerformingProv Speciality Report	September 20, 2017 4:01:13 PM	More...
Detail by Procedure Code	September 20, 2017 3:37:53 PM	More...
RECO46 - Recipient Profile Table V3 with Inpatient vs Outpatient	September 14, 2017 11:47:51 AM	More...
Detail by Procedure Code_nonMedical	September 8, 2017 2:57:44 PM	More...
SAK ICN Detail	September 5, 2017 4:23:48 PM	More...
ICN Detail with claim history	September 5, 2017 3:31:44 PM	More...



Source

- Ad Hoc Model
 - All Claims
 - Recipient
 - Recipient PPO Daily Update
 - TPL Recipient
 - Suspense Claims
 - Financial
 - Provider
 - CMS NPES NPI
 - Symmetry
 - Drug Info
 - Prior Approval
 - Report Summary

Query Explorer

- Data Items
- Hdr Billing Provider ID w Name
 - Hdr Billing Provider Addr Street1
 - Hdr Billing Provider Addr Street2
 - Hdr Billing Provider Addr City_State_Zip
 - Hdr Billing Provider Type
 - Billing Prov Type
 - Billing Prov Specialty
 - Recipient Full Name
 - Recipient Date of Birth
 - Recipient ID
 - Recipient Keyed ID
 - Claim Line
 - Claim Status
 - Claim Nbr
 - Dtl Service Begin Date
 - Dtl Service End Date
 - Proc Code Plan Code TOS w Desc
 - Proc Mod 1
 - Proc Mod 2
 - Dtl Place of Service
 - Diag Code
 - Dtl Total Billed Amt
 - Qty Billed
 - Prior Auth Nbr
 - Dtl Paid Amt
 - Paid Date
 - Dtl Performing Provider ID w Name
 - Dtl Performing Provider Type Desc
 - Count Distinct(Recipient ID)
 - Paid Amount of ICN
 - Total(Qty Billed)
 - Total(Dtl Paid Amt)
 - Total(Dtl Total Billed Amt)
 - Performing Prov NPI
 - Claim Type w Desc

- Detail Filters
- [Dtl Service Begin Date] between ?prompt_date_s...
 - [All Claims],[Claim Detail],[Dtl Claim Status D...
 - [All Claims],[Include Medical Claims Only]
 - [All Claims],[Hdr Billing Provider Specialty],[...
 - [All Claims],[Hdr Billing Provider Location Add...
 - [Paid Amount of ICN] > 0
 - [Claim Status] = 'A'
 - [All Claims],[Claim Detail],[Proc Code]=?Proc_C...

- Summary Filters
-

- Slicer
-

Properties - Query

Data	
Auto Group & Summarize	null
Generated SQL	
Override Dimension Info	No
Define Member Sets	No
Query Hints	
Auto-Sort	
Processing	
Avoid Division by Zero	
Rollup Processing	
Execution Optimization	
Maximum Rows Retrieved	1500000
Maximum Tables	
Maximum Execution Time	
Maximum Text Blob Characters	
Outer Join Allowed	
Suppress	
Cross Product Allowed	
Use SQL With Clause	
Use Local Cache	
Execution Method	
Use for Parameter Info	
SQL Join Syntax	

Projected Data Items

OMIG Auditing with Data Analytics

- Provider Spike Detection: Increase/Decrease
 - Spike Detection compares a provider to his own previous activity, and not against his peers

Useful Links

State of Arkansas
Department of Human Services
Provider Activity Spike Detection Prompt

Activity Type	Week Ending	Prov Type /Desc
<input type="radio"/> Increase <input type="radio"/> Decrease	<input type="radio"/> Oct 9, 2017 <input type="radio"/> Oct 2, 2017 <input type="radio"/> Sep 25, 2017 <input type="radio"/> Sep 18, 2017 <input type="radio"/> Sep 11, 2017 <input type="radio"/> Sep 4, 2017 <input type="radio"/> Aug 28, 2017 <input type="radio"/> Aug 21, 2017 <input type="radio"/> Aug 14, 2017 <input type="radio"/> Aug 7, 2017	<input type="checkbox"/> 01-Physician MD <input type="checkbox"/> 02-Physician MD Group <input type="checkbox"/> 03-Physician DO <input type="checkbox"/> 04-Physician DO Group <input type="checkbox"/> 05-Hospital <input type="checkbox"/> 06-Autism Intensive Intervention Provider <input type="checkbox"/> 07-Pharmacy <input type="checkbox"/> 08-Dental <input type="checkbox"/> 09-Independent Laboratory <input type="checkbox"/> 10-Independent Radiology <input type="checkbox"/> 11-Skilled Nursing Facility <input type="checkbox"/> 12-Intermediate Care Facility <input type="checkbox"/> 13-Intermediate Care Facility Mentally Re <input type="checkbox"/> 14-Home Health <input type="checkbox"/> 15-Transportation <input type="checkbox"/> 16-Prosthetic Services <input type="checkbox"/> 17-Podiatrist <input type="checkbox"/> 18-Chiropractor <input type="checkbox"/> 19-Psychology <input type="checkbox"/> 20-Hearing Services <input type="checkbox"/> 21-Therapy <input type="checkbox"/> 22-Optometrist Optician <input type="checkbox"/> 23-Optical Dispensing Contractor <input type="checkbox"/> 24-Clinics Select all Deselect all

Select Primary Sort Column

No Selection

Select Secondary Sort Column

No Selection

Select Primary Sort Order

No Sort

Select Secondary Sort Order

No Sort

Enter or click finish to resubmit report

Week Ending: Sep 25, 2017

Activity Type: Increase

Prov Type- Desc	Min Pd Amt	Min % Change Pd Amt	Min % Change Bene Count	Min % Change Clm Count
07-Pharmacy	\$6,810.00	40%	40%	40%

Row	Prov ID	Prov Name	Prov Type	Prev Week Paid Amt	Curr Week Paid Amt	% Change Paid Amt		Prev Week Bene Count	Curr Week Bene Count	% Change Bene Count		Prev Week Claim Count	Curr Week Claim Count	% Change Claim Count	
						From:	To:			From:	To:			From:	To:
1			07	\$7,787.28	\$11,406.73	<input type="radio"/> Lowest value	<input type="radio"/> Highest value			<input type="radio"/> Lowest value	<input type="radio"/> Highest value			<input type="radio"/> Lowest value	<input type="radio"/> Highest value
2			07	\$3,228.84	\$10,051.00										
3			07	\$6,960.46	\$14,689.20										
4			07	\$8,363.85	\$12,811.31										
5			07	\$4,337.50	\$6,958.08										
6			07	\$4,040.59	\$7,276.76										
7			07	\$4,495.38	\$11,475.25										
8			07	\$2,934.19	\$7,994.09										
9			07	\$4,470.32	\$9,123.26										
10			07	\$6,628.68	\$9,366.69										
11			07	\$5,956.50	\$9,343.13										
12			07	\$3,402.04	\$7,249.49										
13			07	\$11,965.95	\$17,172.46										
14			07	\$7,892.78	\$11,651.11										
15			07	\$5,999.93	\$10,271.97										
16			07	\$10,798.39	\$15,667.42										
17			07	\$82,597.61	\$69,959.14										

OMIG Auditing with Data Analytics

- Peer Review Analysis and Outlier Identification
 - Top outliers are selected for audit or investigation – when billing stands out from the average in peer group

FADS: PEER GROUP PROFILING

- Peer Group Profiling study can be constructed to
 - identify peers – providers who are similar on user-defined criteria – and
 - rank those peers in order of severity based on a statistically proven method
- Peer Grouping is a tool to compare overall behaviors among a population with common characteristics.

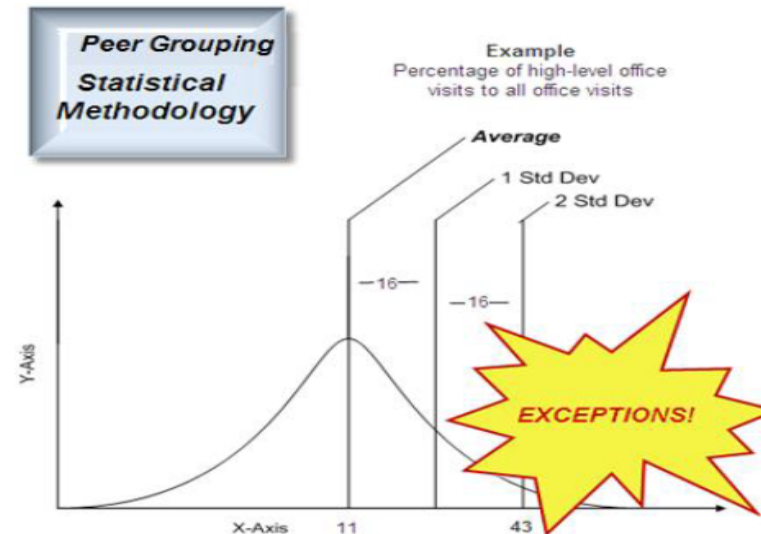
FADS: PEER GROUP PROFILING

Defining a Study

Once you have a study idea, you will need to define the study. Answer these basic questions:

- 1) **Who?** Who do you want to study?
 - a) Do you want to study providers or beneficiaries?
 - b) Are there specific criteria which would further define these providers or beneficiaries?
- 2) **What?** What do you want to count, sum, or divide (for comparison)?
 - a) What criteria do you want to count?
 - b) What criteria do you want to sum?
 - c) What criteria do you want to divide (for comparison)?

The first step to build effective studies in *Peer Grouping* is to understand the statistical method which it uses.



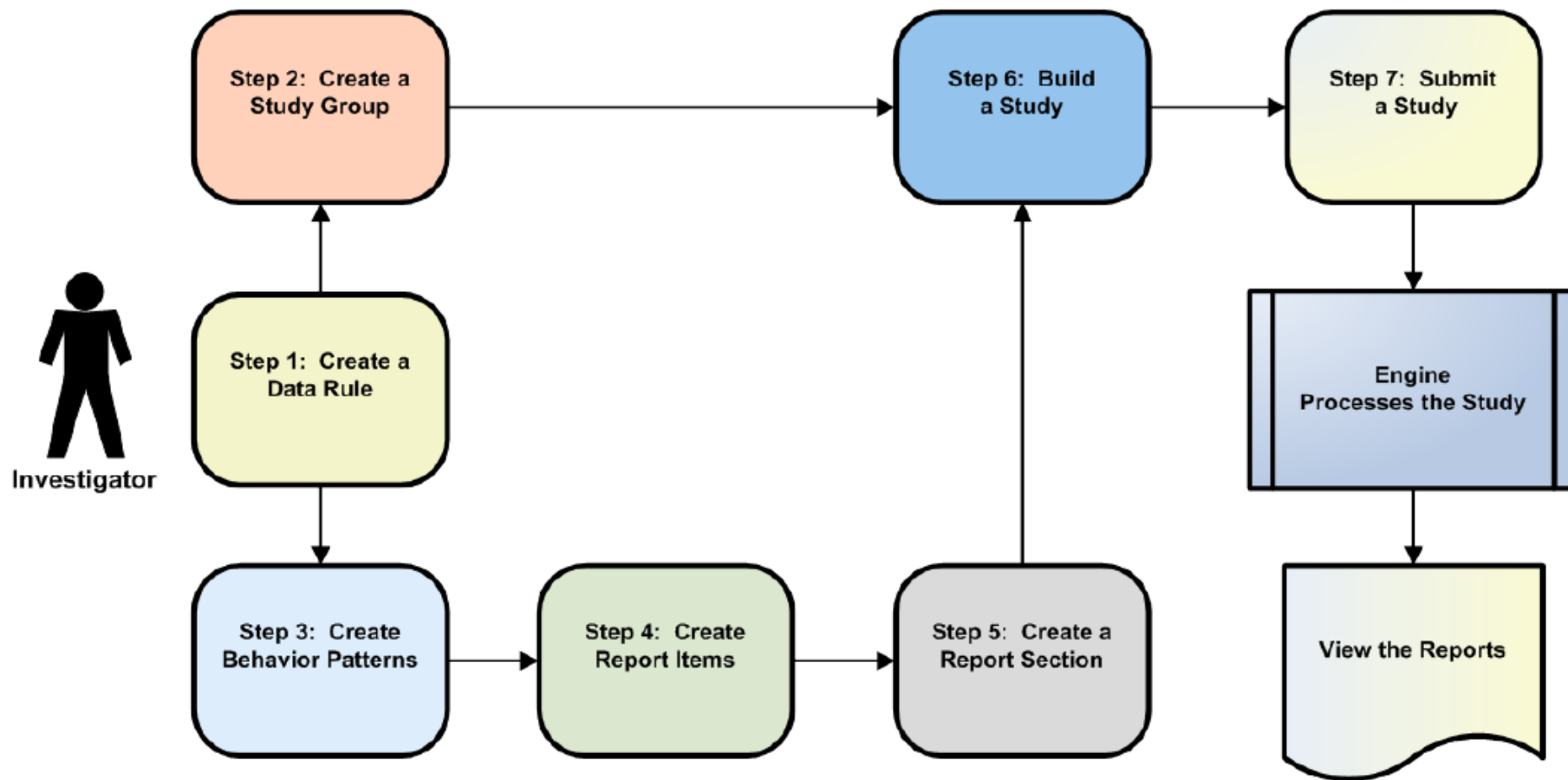
In a study designed to review office visits, all providers in the Study Group with claims paid for office visits are counted.

1. For each provider, the percentage of high-level visits over all office visits is calculated.
2. The average of this percentage across the entire study group is determined.
3. The standard deviation is calculated using the common statistical formula to measure the variation of the percentage within the group. The lower the number, the greater conformity within practice patterns. The higher the number, the more variation observed within the practice patterns.
4. The upper limit is calculated, using 2.0 standard deviations (as a default). That is, the group's average, plus the value of two standard deviations equal the upper limit of acceptability.
5. Any provider whose percentage of 'high-level office visits to all office visits' is above the upper limit is ranked as a suspect.

Average percentage for all providers within this study group: 11
Value of one standard deviation: 16
Upper limit: $11 + 16 + 16 = 43$

So, the exception processing logic within Peer Grouping would report all providers with a percentage over 43 on the Ranking Report.

FADS: PEER GROUP PROFILING



FADS: PEER GROUP PROFILING

Data Rule Behavior Pattern Report Item Report Section Study Group Study Job Monitor Provider Wizard ImpactPI Home										
Study Library: A Study is a collection of Library items, Time Periods, Exception Processing options, and Activity Limits that create a focused review.										
Search for: <input type="text"/> <input type="button" value="Go"/>				Show me: <input type="radio"/> My Studies <input checked="" type="radio"/> All Studies						
Study Name ▲	Created By	Date	Updated By	Date	Last Run					
Ambul: Advanced Life Support billings	medicare	10/23/2012 11:29 AM	ghill	08/29/2013 01:51 PM	08/29/2013 01:58 PM	Schedule				
Billing, Nutritional Therapy, Enteral, TPN	clynds	01/25/2012 02:15 PM	ghill	04/16/2013 02:46 PM	05/30/2013 04:53 PM	Schedule				
Chiropractic Manipulations	clynds	02/20/2012 11:17 AM	medicare	11/13/2012 12:12 PM	01/30/2013 10:14 AM	Schedule				
Chiropractors, basic behaviors, treating	clynds	03/02/2011 01:27 PM	ghill	04/18/2013 10:17 AM		Schedule				
Dental: Billing of Space Maintainers	mhodorff	01/25/2008 02:10 PM	ghill	10/20/2014 11:10 AM	10/20/2014 11:22 AM	Schedule				
Dental: narc prescribing activity	mhodorff	01/24/2008 04:11 PM	ghill	01/30/2013 09:24 AM	01/30/2013 10:04 AM	Schedule				
Dental: routine svcs-Exam,Sealant,Fills, Xray FFS	mhodorff	01/24/2008 09:33 AM	ghill	09/03/2014 02:50 PM	04/08/2014 10:48 AM	Schedule				
Dental: routine svcs-Exam,Sealant,Fills,Xray MCO	ghill	05/20/2013 11:38 AM	ghill	03/03/2014 05:48 PM	03/03/2014 06:09 PM	Schedule				
Dental: SSC, Extractn, Root Canals, Age 0-6	lmcswain	07/03/2008 09:46 AM	ghill	10/20/2014 11:13 AM	10/20/2014 11:29 AM	Schedule				
Dental: SSCrown, Extractn, Rt Canal, Recip age 0-6	mhodorff	01/16/2008 11:27 AM	ghill	01/30/2013 09:39 AM	01/30/2013 10:41 AM	Schedule				
Dental: Stainless Steel Crowns, treat, mbr age 0-6	clynds	12/07/2011 12:33 PM	ghill	08/13/2014 05:30 PM	08/13/2014 05:41 PM	Schedule				
Dentist: Rendering, Behavior Mgmt, D9920	clynds	03/02/2011 02:49 PM	ghill	02/13/2013 01:55 PM		Schedule				
Dentists (Pay To) - general study	sbiry	09/29/2010 04:43 PM	ghill	04/18/2013 02:10 PM	09/29/2010 04:50 PM	Schedule				
DME Providers, Wheelchairs FFS	clynds	01/25/2012 09:20 AM	ghill	03/03/2014 05:33 PM	03/03/2014 05:49 PM	Schedule				
DME Providers, Wheelchairs MCO	ghill	03/03/2014 03:46 PM	ghill	03/03/2014 05:32 PM	03/03/2014 05:41 PM	Schedule				
DME suppliers overall practice pattern	kkichnet	04/18/2013 10:44 AM	ghill	02/06/2014 04:26 PM	02/06/2014 04:44 PM	Schedule				
DME: Oxygen Equipment, rental vs. purchase	sthomson	10/05/2006 02:29 PM	ghill	01/24/2012 02:28 PM	01/24/2012 03:14 PM	Schedule				
KMK: A4930 Sterile glvs; A4927 Non Sterile glvs.	kkichnet	04/16/2013 12:13 PM	kkichnet	04/16/2013 01:46 PM		Schedule				
KMK: A4930 Sterile; A4927 Non Sterile Gloves	kkichnet	04/15/2013 02:15 PM	kkichnet	04/15/2013 02:15 PM		Schedule				
KMK: Billing, Nutritional Therapy, Enteral, TPN	kkichnet	04/16/2013 03:12 PM	kkichnet	04/16/2013 04:03 PM		Schedule				
ks: Blng DME Prov Nutritional Suppl	kstivers	02/14/2014 12:41 PM	kstivers	02/14/2014 12:41 PM		Schedule				
LA: Port X-ray, R0070-R0075, Bill prov, FFS	lmcswain	07/01/2008 03:12 PM	ghill	04/18/2013 10:18 AM		Schedule				
LM: Chiropractors, basic behaviors, treating	lmicha8	11/27/2012 02:09 PM	lmicha8	11/27/2012 02:09 PM		Schedule				
LM:BillDen Proc D0120-150 0-5	lmicha8	03/31/2014 12:50 PM	lmicha8	03/31/2014 12:51 PM		Schedule				
LM:Mbrs 20-29@TOS, ER to OV	lmicha8	08/12/2013 10:54 AM	lmicha8	08/12/2013 10:54 AM		Schedule				
LM:Prescribing Physicians	lmicha8	11/27/2012 02:02 PM	ghill	02/13/2013 01:56 PM	02/13/2013 02:19 PM	Schedule				
LM:PT initial eval (97001) vs re-eval (97002)	lmicha8	07/18/2013 12:28 PM	lmicha8	07/19/2013 03:15 PM		Schedule				
mc: Ambul: Advanced Life Support billings	medicare	10/31/2012 11:19 AM	medicare	10/31/2012 11:19 AM	10/31/2012 11:53 AM	Schedule				
Modifier 25: Use by Physicians w All E/M Services	lmcswain	08/01/2008 11:48 AM	ghill	04/18/2013 02:32 PM	01/30/2013 09:37 AM	Schedule				
Modifier 25: Use by Physicians w Est Pt OVs	lmcswain	07/30/2008 02:11 PM	ghill	01/30/2013 09:19 AM	01/30/2013 09:41 AM	Schedule				
Modifier 25: Use by treat phys with all E/M Svcs	ghill	03/23/2010 05:44 PM	ghill	04/18/2013 02:33 PM		Schedule				
MT: members with asthma diag, age 5-35	qhill	05/19/2013 10:07 PM	qhill	05/19/2013 10:33 PM	05/19/2013 11:00 PM	Schedule				

Showing (1 - 85) of 85

Study Library browser page

OMIG Auditing with Data Analytics

- Algorithms: These studies are customized to your detailed specifications, based on your policies and procedures

State of Arkansas
Department of Human Services
Current Algorithm Results

Useful Links ▼

Select Primary Sort Column
 Algo ID ▼

Select Secondary Sort Column
 No Selection ▼

Select Primary Sort Order
 Ascending ▼

Select Secondary Sort Order
 No Sort ▼

Click 'Finish' to resubmit the report

Row	Algo ID	Description	Version	Pd Amt		Num Clms		Num Dtls		IDs		New IDs	Begin Dt	End Dt	Refresh Dt
				From:	To:	From:	To:	From:	To:	From:	To:				
1	FA065A	EXCESSIVE USE OF MISCELLANEOUS CODES	2	\$1,110,025.25		4,391		4,575		147	5	04/01/2017	06/30/2017	07/26/2017	
2	FA136A	TRANSPORTATION WITH NO ASSOCIATED MEDICAL SERVICE	3	\$262,157.21		1,013		1,851		119	2	09/01/2016	11/30/2016	08/24/2017	
3	FA156A	DME TANDEM BILLING	1	\$8,899.10		71		80		24	1	06/01/2017	08/31/2017	10/01/2017	
4	FA207A	EXCESSIVE MENTAL HEALTH SERVICES BY PERFORMING NPI	6	\$5,781,991.29		83,382		86,066		268	49	06/01/2017	08/31/2017	09/28/2017	
5	FA327A	EXCESSIVE THERAPY HOURS PER DAY	3	\$4,983,199.08		59,577		98,028		617	61	02/01/2017	04/30/2017	09/04/2017	
6	FA418A	ACUTE CARE HOSPITAL STAY CONFLICT WITH OUTPATIENT HOME SERVICES	1	\$36,383.38		226		313		86	28	01/01/2017	06/30/2017	09/06/2017	
7	FA445A	DDTCS DUPLICATION OF SERVICES	1	\$58,756.49		1,211		1,321		107	7	04/01/2017	06/30/2017	08/01/2017	
8	FA446A	EXCESSIVE PHYSICIAN HOURS PER DAY	1	\$5,755,988.65		94,251		97,769		481	11	04/01/2017	06/30/2017	08/01/2017	
9	FA448A	INPATIENT ONLY SERVICES	2	\$145,850.44		142		153		84	9	04/01/2017	06/30/2017	09/01/2017	
10	FA449A	MISUSE OF ADD-ON PROCEDURE CODES	2	\$12,454.44		55		59		41	20	04/01/2017	06/30/2017	07/18/2017	
11	FA451A	DUPLICATE SERVICES BY SAME OR DIFFERENT PROVIDER	1	\$98,305.42		1,171		1,407		397	16	04/01/2017	06/30/2017	09/07/2017	
12	FA452A	IMPROPER USE OF NEW OFFICE VISIT	1	\$10,875.94		158		158		68	20	04/01/2017	06/30/2017	08/24/2017	

FADS: FRAUD ALGORITHMS

Useful Links 

[Algorithm Specifications](#)

Select Primary Sort Column

No Selection 

Select Secondary Sort Column

No Selection 

Select Primary Sort Order

No Sort 

Select Secondary Sort Order

No Sort 

Enter or click finish to resubmit report

Refresh Date: 08/24/2017

Row	Bene Base ID	Bene Name	Group ID	Group Name	Bing Prov ID	Bing Prov Name	Orig OV ICN	Dtl Num	Dtl FDOS	Claim Type	Perf Prov ID	Perf Prov Name
1								1	10/16/2014	J		
2								3	04/01/2016	J		
3								5	12/16/2015	J		
4								1	05/19/2015	J		
5								5	04/27/2016	J		
6								4	10/05/2016	J		
7								5	06/10/2016	J		
8								1	05/11/2016	J		
9								5	09/28/2016	J		
10								1	12/30/2015	J		
11								5	08/17/2016	J		
12								2	09/16/2014	J		
13								1	08/16/2016	J		
14								1	05/20/2015	J		
15								3	01/07/2015	J		

OMIG Auditing with Data Analytics

- **OMIG Data team studies**
 - Gephi
 - Excel - PowerQuery

DATA TOOLS

- GEPHI:

- This is a software for ***Exploratory Data Analysis – open source and free!***

- Make hypothesis

- Intuitively discover patterns, and

- Isolate structure singularities or faults during data sourcing

- Metrics:

- The statistics and metrics framework offer the most common metrics for social network analysis (SNA) and scale-free networks. Betweenness Centrality, Closeness, Diameter, Clustering Coefficient, PageRank

- Community detection (Modularity)

- **Geographic map with Geolayout feature**

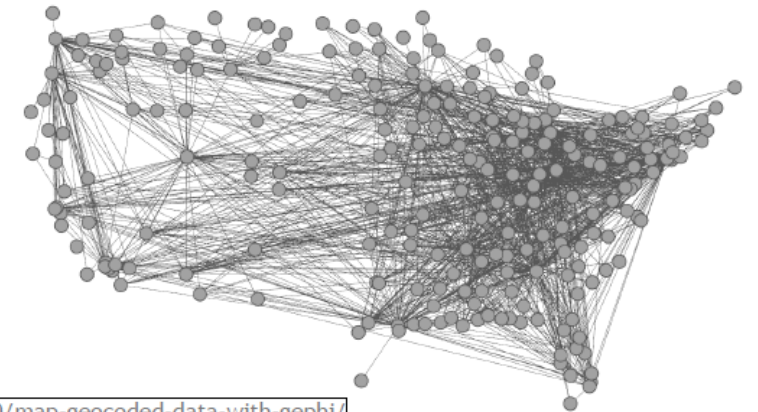
DATA TOOLS: GEPHI – Case Study

- Opioid Users – Network of doctor shoppers
 - Beneficiaries with at least:
 - 4 Opioid drug claims
 - 4 different prescriber
 - 4 different billing provider – Pharmacy
 - Additionally, we have calculated the MME (Morphine Milligram Equivalent) factor per daily taken opioid dosage

Geographic map with GeoLayout

The GeoLayout uses latitude/longitude coordinates to set nodes position on the network. Several projections are available, including Mercator which is used by Google Maps and other online services. The two node attribute columns for coordinates should be in numeric format.

Author:	Alexis Jacomy ¹
Date:	2010
Kind:	Geographic
Complexity:	O(N)
Graph size:	1 to 1 000 000 nodes



¹ <http://gephi.org/2010/map-geocoded-data-with-gephi/>

To Fraud, or Not to Fraud . . .

- **Personal Care** agency audited for 1 month of billing. (59 recipients)
 - No documentation to support medical necessity (all 59 recipients)
 - Unable to validate qualifications for performing providers (44/59 recipients)
 - Service plans for 14 recipients did not have physician signature
 - Units billed exceeded units documented (44 rec.)

To Fraud, or Not to Fraud . . .

RECEIVED APR 20 2015

Reconsideration Request

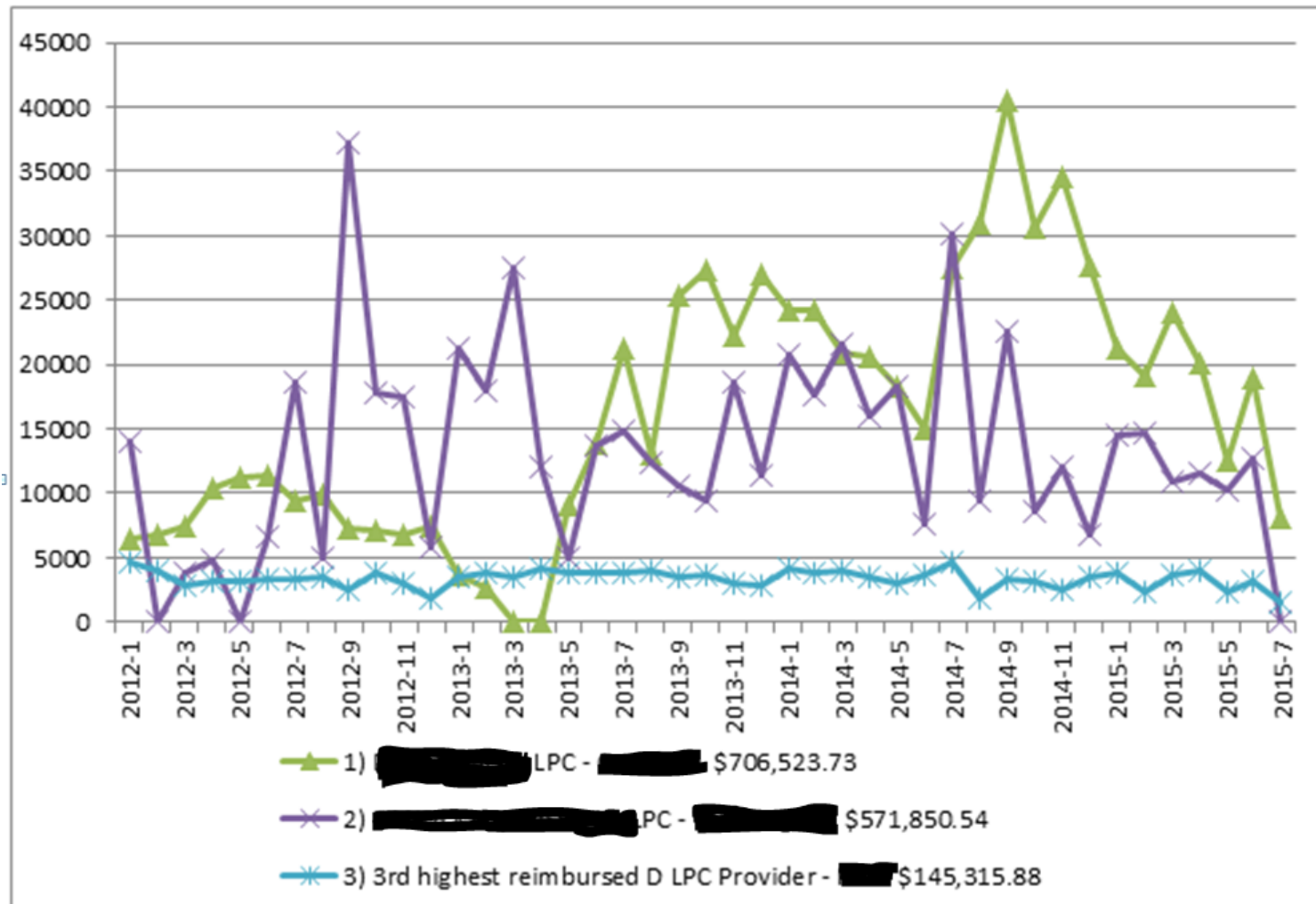
This is a request for reconsideration from [REDACTED] for the finding noted in our audit. [REDACTED] is a new business that began operations in Arkansas in 2013. The owners were not only a new business but also new to the reporting requirements required by Medicaid. There were findings and observations brought to our attention that we were not aware of and also did not know that these finds/observation were required by Medicaid. Also during our audit, it was brought to our attention that there was a Personal Care Manual and also a Medicaid Manuel. We are new to the business and still learning but once we were notified that we needed to make changes, the changes were made. This will ensure the business is executed properly. We except any discipline that OMIG deems fair for the finds/observations that we were out of compliance. We ask a second chance to provide the necessary documentation to support the services we are providing to the community. We have one goal and one goal only, and that is to assist people that need assistance with daily living. We have put in place procedure to assist us with making sure we are in compliance with Medicaid. Now that these issues have been brought to our attention, we will follow that guidelines created by Medicaid.

NOT FRAUD *(but really close)*

- \$40,732.71 Recoupment /Corrective Action Plan requiring training and follow up audits

To Fraud, or Not to Fraud . . .

Analytic Review of Counseling Services



To Fraud, or Not to Fraud . . .

Analytics Review of Top Therapy Billers

- *Data trend shows pattern of excessive billing with fewer recipients being identified*

Billing Cycle	Patients	Payments	Avg. \$\$ per Patient
Jan-14	24	\$ 24,260.32	\$ 1,010.85
Mar-14	20	\$ 20,924.24	\$ 1,046.21
May-14	18	\$ 18,336.96	\$ 1,018.72
Jul-14	18	\$ 27,459.18	\$ 1,525.51
Sep-14	21	\$ 40,443.90	\$ 1,925.90
Nov-14	19	\$ 34,618.25	\$ 1,822.01
Jan-15	14	\$ 21,151.72	\$ 1,510.83
Mar-15	12	\$ 24,061.16	\$ 2,005.10

To Fraud, or Not to Fraud . . .

OMIG staff reviews documentation for billing

- Submitted documents did not justify the services of the amount of Medicaid payments

Appeared like Provider billed twice for every service

- OMIG staff requested an explanation from the provider for the overbilling

AND

From: [REDACTED]
To: [David Jones \(DHS OMIG\)](#)
Subject: Re: Billing Review
Date: Thursday, May 28, 2015 4:59:51 PM

It reflects my guilt of double billing.

[REDACTED]

Sent from my iPhone

On May 28, 2015, at 2:30 PM, "David Jones (DHS OMIG)"
<David.Jones.DMS@dhs.arkansas.gov> wrote:

Hello [REDACTED],

I have reviewed most of the progress notes, but I have a question regarding the billing. As per our first conversation, it appears that most services are billed for 16 units; however, 16 units are not documented in the medical record. Can you please explain your billing process, and how you determine the 16 units?

Thank you

David

David Jones, LCSW
Office of Medicaid Inspector General
323 Center Street Suite 1200
Little Rock, AR 72201
501-537-1679
david.jones.dms@dhs.arkansas.gov ← New email address

FRAUD

20 Years Prison sentence (suspended)

\$200,000.00 in Restitution

To Fraud, or Not to Fraud . . .

Analytics reveal suspicious/unusual billing involving CPTs *99211 and 90882*

- **CPT 99211** - an office or other outpatient visit “that may not require the presence of a physician. Usually, the presenting problem(s) are minimal. Typically, five minutes are spent performing or supervising these services.”
- **CPT 90882** - Environmental Intervention – activities covered include physician visits to a work site to improve work conditions . . . on behalf of a chronically mentally ill patient to discuss a change in living conditions, . . .

To Fraud, or Not to Fraud . . .

Finding 1 – Improper Billing of CPT Code 99211

Review of the beneficiaries' medical records revealed six hundred forty one (641) instances for one hundred seventy six (176) beneficiaries where no current primary care physician referral was documented for services billed.

Finding 2 - Improper Billing of CPT Code 90882

Review of the beneficiaries' medical records revealed eight hundred eleven (811) instances for one hundred eighty eight (188) beneficiaries where no current prescription was documented for services billed.

Finding 3 – No Documentation for Services Billed

Review of the beneficiaries' medical records revealed six (6) instances for five (5) beneficiaries where there was no documentation for services billed. Documentation submitted by provider stated the missing documentation was due to billing date errors.

Finding 4 – Progress Note Documented a Non-Billable Service

Review of the beneficiaries' medical records revealed one hundred forty-eight (148) instances for fifty-nine (59) beneficiaries where progress notes documented a non-billable service. Documentation included, but not limited to, faxing prescriptions to pharmacies, faxing paper work for Prior Authorizations, and reminding beneficiaries of appointments.

To Fraud, or Not to Fraud . . .

Response to Audit by Provider Attorney

Dear Mr. Dickinson:

With respect to the above-referenced matter, please find attached the various spread sheets in connection with the billing of 99211 and 90882. Also attached, please find the affidavit of [REDACTED] who as you know does the Medicaid billing.

The prior billing of 99211 was billed in connection with the various case numbers because [REDACTED] and his billing assistant were simply not aware of the appropriate codes or the fact that the code billed was not appropriate at the time of the billing. Likewise, for the prior bills for 90882.

NOT FRAUD

- \$35,000.00 Recoupment and Corrective Action Plan

To Fraud, or Not to Fraud . . .

Speech Therapy Review

- Data Analysis reveals excessive therapy hours for Speech therapist and STA
- Desk review turns into Field Audit based on concerns of billing
- School based therapy not being reported and school districts not paying required state matching funds

To Fraud, or Not to Fraud . . .

Lack of Progress Notes

- Provider uses “tally sheets” instead of progress notes
- Provider could not produce “tally sheets”
- Progress notes miraculously appear one hour after interview
- Progress notes provided contradict the medical records

Therapist and Therapy Assistant admit to creating records for desk audit

Group Therapy sessions:

- Therapists and STA perform sessions at same time in same small room
- Group Therapy documentation notes do not list the same activities for group members

Individual therapy sessions billed for Group Therapy Sessions

LEA billing:

- Therapist had never listed an LEA number for 8 years of school-based therapy services

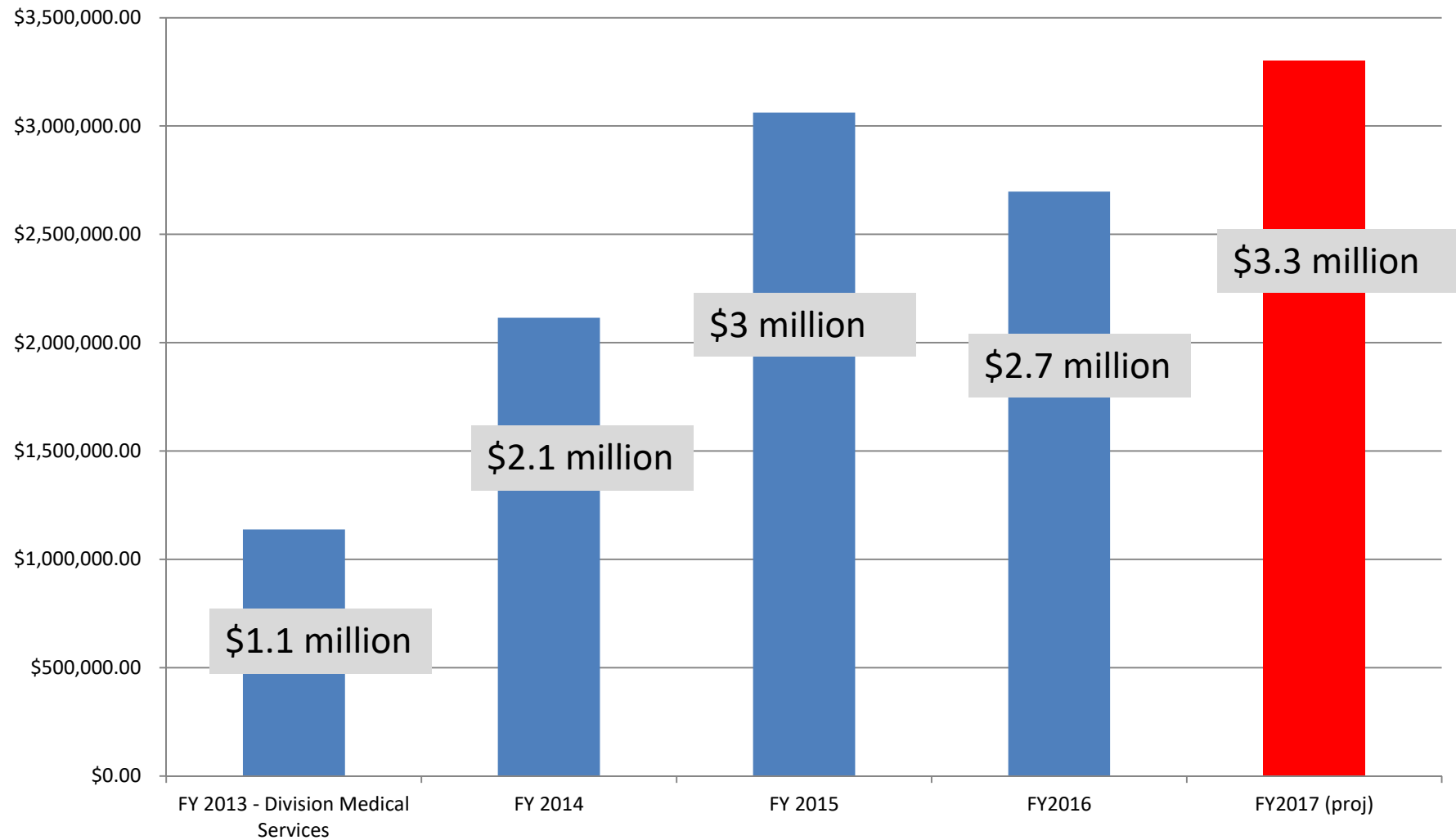
Billing hours include 5:30 a.m. and 7:30 p.m.

STA admits they bill for Therapy when “helping with homework”

FRAUD

- Therapists is facing Felony Medicaid Fraud Charges
- Therapy Assistant – plead guilty and fined \$17k and Restitution \$5k

5 Year Analysis of Medicaid Recoupments and Claims



SFY 2017 Initiatives

Behavioral Health Reform (Group Psychotherapy)

Transportation

Vision, Dental & Pharmacy

In-patient Hospital Stays

School-Based Therapy

Dual Eligible Recipients Payments

Personal Care and Home Health Reform

Medicaid Enrollment (Arkansas Works FFM)

Total Cost Savings Impact of more than \$30 million

SFY 2018 Initiatives

Opioid Initiative

Behavioral Health – (MHPP review)

Personal Care & Home Health rendering provider ID

Dental Managed Care Preparation

Provider Led Organization and Managed Care Models

MMIS Edit process

Medicaid Provider and Recipient Enrollment

Thank You!

Questions?