Certain Program Integrity Truths Your Mom Won't Tell You…And Why

➤ You will not be able to increase your overall case production or your ROI – however you measure it

➤ For most of you, keep doing things the way you've done them

➤ Your don't really have a friend in CMS

➤ Providers who are flagged through analytics are almost always innocent

  ➤ Or they made an honest mistake

  ➤ Or you/your expert/your program made a mistake

  ➤ Or they were following the old rules

  ➤ Or your extrapolation method is unfair

  ➤ Or any extrapolation at all is unfair

  ➤ What the hell is extrapolation?

➤ If there is fraud, it is an isolated bad provider

Why won't mom tell you?

➢ Because she won't lie to you.
➢ Providers, however, will. So will vendors.

The Predictive Analytics Solution that Solves Your Problem

- IBM.
- SAS.
- HP.
- McKESSON.
- Truven.
- Thompson.

- RMIS.
- Verizon.
- Oracle.
- KPMG.
- FICO.

The secret: We don't live in Minority Report. We can't know what someone is thinking. No computer can tell you a claim is false, fraudulent or erroneously billed.

➤You still have to lay your hands on files. You still have to review the documentation.

➤In states with rapid processing, you're still chasing.

The secret: some pay and chase is OK.

$10,000,000 is bad, but $10,000 is good.

**The secret: someone stealing or carelessly billing Title XIX isn't saving the money.**

The secret: shorten the time between commission of the act and discovery.

Texas Predictive Analytics identification project

- 18 months
- 15 vendors +/-
- 8 BAAs +/-
- Hundreds of hours of prep and meeting time
- 6 proofs of concept
- 0 new cases

So what did they find?

➢Cases we knew about.

➢Small cases.

➢And…

➢Fraud in DME.
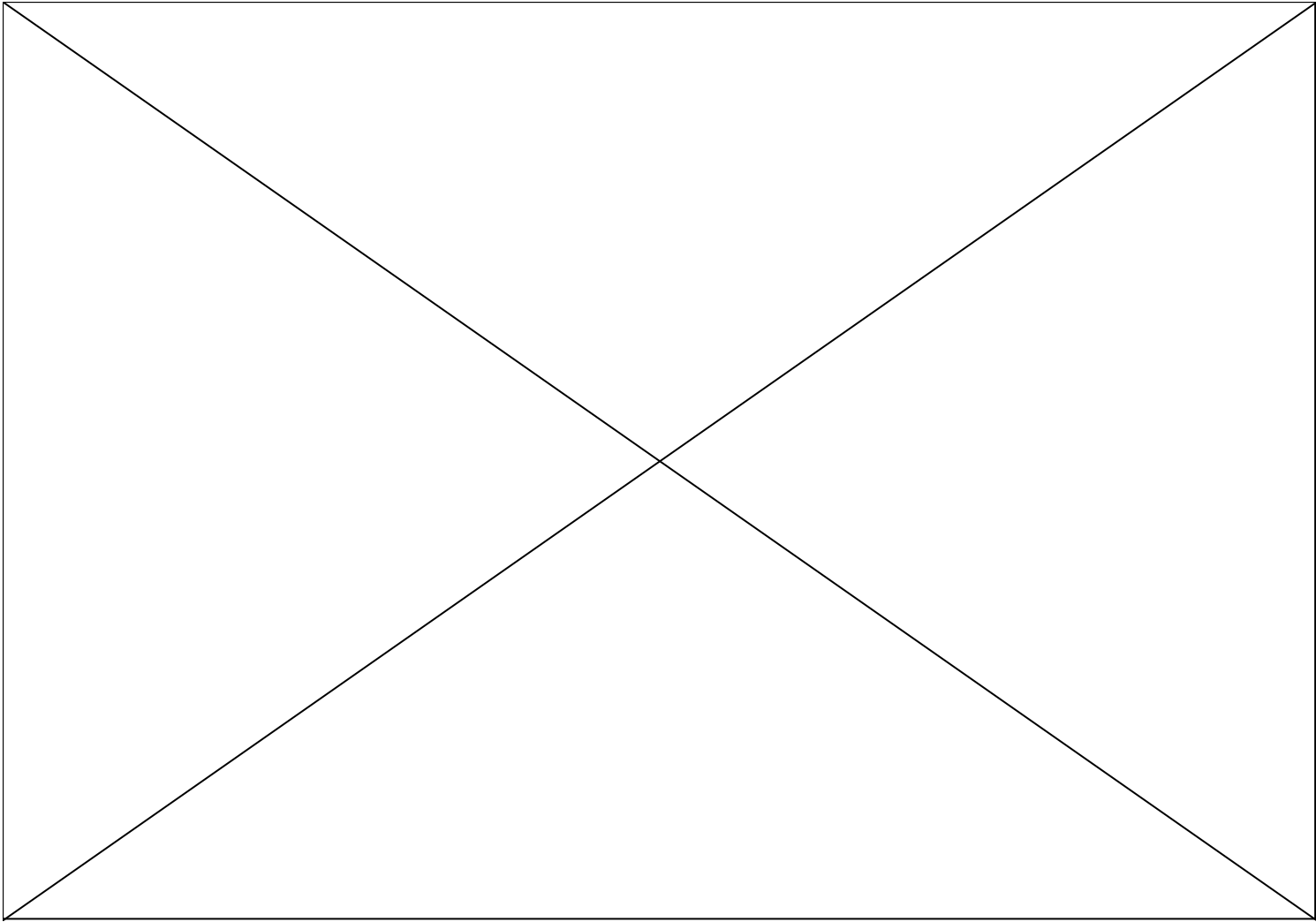
POCs actually lost us money and cases

So you want to buy "predictive analytics."

➤ Figure out what you need and want.

➤ Is it simple risk scoring?

➤ Is it a TQ based system?

➤ Is it data mining?

➤ Is it graph pattern analysis?

What else do you need?

➢ Case management?

➢ Case tracking?

➢ Extrapolation and sampling?

What to expect

You get what you pay for.

Data ain't cheap, and neither are the smart people who work with it.

Demand Results

➢ Set definite milestones with rewards and damages

➢ Stay away from percentage contracts unless they are percentage of recoveries

➢ Cheat. Copy. Steal someone else's work. Claim credit for someone else's ideas.

Texas chose GPA

➤ Fraud is a behavior as well as an act. Identify the motivations and drivers, you can identify the act.

Medicaid data is good, but what if you had…

➢ property tax data?

➢ employment data?

➢ birth/death/marriage/divorce records?

➢ Dun & Bradstreet data? Lexis/Nexis?

➢ Motor vehicle data?

➢ Secretary of State lien, corporation and entity data?

➢ Financial transaction data?

➢ Medicare data?

LYNXeon Fraud Workflow

Data Collection & Fusion

Hundreds of Millions of Records

- **Claims Data**
- **Provider Data**
  - Specialty
  - Subspecialty
  - Tax ID's
  - NPI's
  - Financial Info
  - Billing Groups
- **Recipient Data**

- **Addresses**
- **Phone Numbers**
- **Rest-of-World Data**
  - Fraud Scores
  - Patriot Act Risk Flags
  - Estimated Revenue
  - Bankruptcies
  - Commercial Credit Limits

LYNXeon Fraud Workflow

Data Collection & Fusion

- ✓ **Hundreds of Millions of Records**
- ✓ **Claims Data**
- ✓ **Provider Data**
- ✓ **Recipient Data**
- ✓ **Contact Information**
- ✓ **Financial Information**
- ✓ **Real-World Data**

Raw Data Analytics

- **Run Raw Data Analytics and Immediately Discover Cases Using:**
  - Fusion-Driven Triggers
  - Machine Learning Models
  - Clustering Algorithms

LYNXeon Fraud Workflow

Data Collection & Fusion

✓ **Hundreds of Millions of Records**
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Raw Data Analytics

✓ **Immediately Discover Cases**
✓ **Fusion-Driven Triggers**
✓ **Machine Learning Models**
✓ **Clustering Algorithms**

Graph Pattern Analytics

- **Graph Pattern and Investigative Analytics to Hunt Down Fraud Using:**
  - Large-Scale Visualization
  - Directed Expansion
  - Association Discovery
  - Pattern Query Language

Recognize that you learn as much from failures as from successes.

Just make failing fast.

OUTCOME:

Loading just fee for service data and looking at just one area of service, LYNXeon identified:

➢ $200+ million in high-confidence overpayments (Excessive hours billing daily on multiple days over multiple weeks)

➢ $180 million in high probability fraud (10 days/+12 hours billing daily)

➢ Time to establish: fewer than six weeks

No Silver Bullet

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