

# Medicaid Integrity Program

Pacific Northwest  
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## Brief History Lesson

- Nature of Medicaid – Jointly funded, State Administered program to serve the categorically eligible and resource limited population
- CMS Limited Involvement in Medicaid F&A – 3.5 FTEs
- Medicaid Alliance for Program Safeguards
  - Limited Resources
  - Relied on Regional Office Staff and Unpredictable Travel Funds
- Evolving Process
- 45 Reviews of 44 States between FY 00 & FY 06
- 2004 GAO Report on CMS' Commitment
  - <http://www.gao.gov/new.items/d04707.pdf>

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## Deficit Reduction Act of 2005

- Created Medicaid Integrity Program (MIP)
- Dramatically Increased Resources of CMS & HHS-OIG to Fight Medicaid Fraud
- Funding - \$585 M over 5 Years
- Staffing - 100 FTEs for CMS

## Key Strategies

- Ongoing Consultations with Stakeholders
- Targeting Programmatic Vulnerabilities
- Learning from Experience
- Return on Investment

## MIP: Statutory Requirements

- 5-Year Comprehensive Medicaid Integrity Plan
  - <http://www.cms.hhs.gov/DeficitReductionAct/>
- Annual Reports to Congress
- Contracts for Claims Review, Audits, Overpayment Identification & Education
- Effective Support and Assistance to States

## MIP: Functional Organization

- Division of Medicaid Integrity Contracting
  - Oversees Contractor Procurement, Oversight, and Evaluation
- Division of Fraud Research & Detection
  - Identifies Fraud Trends and Share with Contractors and States
  - Conducts Special Studies

## Division of Field Operations

- 30 Field Specialists in New York, Atlanta, Chicago, Dallas, and San Francisco
- Responsible for All PI Reviews
- Works with MIP Contractors, States in Connection with Audits
- Provides Other Assistance to States in Connection with Anti-Fraud Activities

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## MIP Contractor Responsibilities

- Review of Providers
- Audit of Providers and Others
- Identification of Overpayments
- Education of Providers and Others

## Contracting Status

- Audit MICs Awarded 12/2007
  - Booz Allen; Fox; IPRO; HMS; Health Integrity
  - Task Order Likely 4/2008 – ROs III & IV
- Review of Provider MICs Awarded 12/2007
  - AdvanceMed; ACS; Medstat; Safeguard Solution; IMS
  - Task Order Likely 4/2008
- Education MIC Likely 9/2008

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## MIP Contractor Issues

- Coordinating Audit Targets with Law Enforcement and State PI Units
- Handling of Potential Fraud Referrals
  - Finalizing MOU with HHS-OIG
  - HHS-OIG Will Coordinate Referrals with MFCUs
- Redesigning Fraud Investigation Database

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## DFO Review Roles

- Reviewing Contractor Reports
- Liaison with State PI Units
- Coordination with Regional Medicaid FM Staff

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## State PI Review Goals

“Make one State’s best practices every State’s common practices”

- Statutory & Regulatory Compliance
- Identification of Best Practices
  - NY – “post & clear”
  - VT – 100% annual recertification of provider
- Identification of Vulnerabilities
  - Numerous States: Poor MFCU Relations
  - MIG Developing Referral Performance Standards
- Opportunities for Technical Assistance
- Improve Medicaid PI Nationally

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## State PI Reviews

- 3 Types of Program Integrity Reviews
  - Focused (e.g., Medi-Medi Readiness)
  - Corrective Action Follow Ups
  - Comprehensive
- States will be on 3 year Comprehensive Review Cycle
- Other Reviews as Appropriate
- Public Reports

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## State PI Reviews

- FY 07 "Beta" PI Reviews:  
Connecticut, Michigan, Nevada,  
Arkansas, Delaware, Virginia, Missouri,  
Oregon

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## FY 08 States Under Review

- Georgia, Illinois, Iowa, Minnesota, New Mexico
- North Carolina, North Dakota, Oklahoma, Pennsylvania
- Puerto Rico, South Carolina, South Dakota
- Tennessee, Texas, Utah, Vermont, Wyoming, Idaho, Wisconsin

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## Frequent Issues from Reviews Through FY 07

- 42 CFR § 455.106
  - Provider Disclosure of Criminal Convictions
  - 22 States, 2 with Repeat Issues
  - State Discretion to Disqualify Provider
- 42 CFR § 455.104
  - Provider Disclosure of Ownership Info
  - 13 States, 2 with Repeat Issues
  - FFP Not Available for Non-responsive Providers

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## Frequent Issues (cont.)

- 42 CFR § 1002.3
  - States Reporting Adverse Actions to OIG
  - 9 States
  - OEI Study Near Completion
- 42 CFR § 455.105
  - Provider Disclosure of Business Transactions
  - 9 States, 1 with Repeat Issue
  - Potential Loss of FFP for Non-responsive Providers

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## Technical Assistance to States

- Training
- Enrollment
- State Program Integrity Assessments
- Special Projects
- Program Integrity & Best Practices Guidance

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## State Program Integrity Assessments

- Received OMB Authority to Gather Information from All States in January
- First National Effort to Collect State PI Demographic Information
- Initially through HHS Portal
- Also Adding Key PI Elements to Revised CMS 64 Report

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## Medicaid Integrity Institute

- First Comprehensive PI Training Academy for State Stakeholders
- Partnership with DOJ's National Advocacy Center in Columbia, SC
- Funded Through FY 10
- Classes Already Scheduled
  - CPT Coding, Basic PI Investigations, What Every PI Director Should Know
- Classes in Planning
  - Data Analysis, Legal Processes, Medicaid and PI 101

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## One Stop Shopping

- Combining Medicaid & Medicare Enrollment Processes
- Reduces State Burden with Enormous Administrative Savings
- Increases Integrity of Enrollment Process
- Working with PECOS Contractor (CGI)
- Introductory Meetings in Atlanta and Albuquerque for State PI, Enrollment and Systems Managers

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## Fraud Referrals Project

- January 2007, HHS-OIG Report on Medicaid Fraud Referrals to State MFCUs
- CMS Committed to Develop Referral Standards for States
- Medicaid Integrity Group is Working with HHS-OIG, States

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## SMDLs Already Issued

- False Claims FMAP Enhancement
- False Claims Education for Providers
- Tamper Resistant Prescription Pads

All can be found at:

<http://www.cms.hhs.gov/SMDL/SMD/list.asp>  
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## SMDLs in the Works

- Guidance to States on Checking for Excluded Providers, Agents, etc.
- Guidance to Providers on Checking for Excluded Employees, Agents, etc.
- Section 6034 Preprint

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# Questions?

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