

# Fraud, Waste, Abuse and Error

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# Fraud, Waste, Abuse and Error: Idaho Education 2017

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# Agenda

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# A Bit of CMS History

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*The **Centers for Medicare & Medicaid Services (CMS)** is committed to combating provider fraud, waste, and abuse which diverts dollars that could otherwise be spent to safeguard the health and welfare of Medicaid recipients.*

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*In February 2006, the Deficit Reduction Act of 2005 was signed into law and created the **Medicaid Integrity Program (MIP)** under section 1936 of the Social Security Act. This is the first comprehensive Federal strategy to prevent/reduce provider fraud, waste, and abuse.*

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*CMS has two broad responsibilities under the MIP:*

- 1. To hire contractors to review Medicaid provider activities, audit claims, identify overpayments, and educate providers on Medicaid program integrity issues*
- 2. To provide effective support and assistance to States in their efforts to combat Medicaid provider fraud and abuse*

# FWAE Refresher

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## Fraud

**Example:**

Knowingly billing for a service that was never performed.

## Waste

**Example:**

Billing for services 5X per week when 1X per week could have been appropriate.

## Abuse

**Example:**

Billing for a 90792 (diagnostic evaluation) when individual therapy was performed.

## Error

**Example:**

A billing representative transposes numbers on a claim and submits it.

# Optum Program & Network Integrity (PNI) Team

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## Mission

to deliver service and support with confidence and compassion, making Optum the first choice for our internal partners, clients and customers.



## Commitment

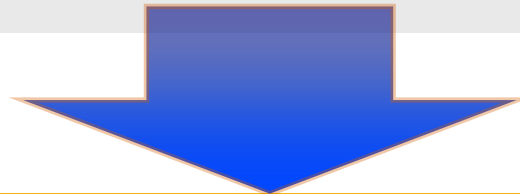
requires not only great capabilities, expertise and people but also a culture that helps us build relationships, to do the best work for the people we serve.

# PNI Cultural Values at Work

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## **Traditional Approach** Special Investigations Unit (SIU)

To protect state, federal & other funds from FWAE by individuals or companies who provide services and to protect members from these abuses through the prevention, detection and investigation of FWAE.



## **Optum Approach:** Program & Network Integrity (PNI)

To create a culture, internally & externally, where there are consistent incentives to provide better health outcomes within a context that avoids over- or under-utilization of services. It is everything SIU and much more!

# The PNI Focus is to...

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- carefully monitor/prevent overall network FWAE
- utilize investigators, clinicians, data analysts and medical coders
- appropriately and consistently evaluate potential FWAE suspicions
- support a robust Education Program that engages provider in changing outlier billing/coding behavior to accurately reflect services rendered
- tailor provider corrective actions to effectively stop/change the outlier behavior



# PNI FWAE Activities



There are two investigative pathways:

## Intelligence

- Anonymous TIP line: e-mail / P.O. Box
- Data Analytics
- Internal and External networking / training
- Data Mining

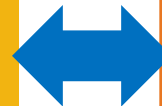
## Prospective

- Pre-Payment
- Analyze member, provider and claims data
- Identify trends, current/upcoming schemes or unusual behavior
- Manage Flagging

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## Retrospective

- Post-Payment
- Analyze member, provider and claims data
- Identify trends, schemes or unusual behavior, then investigate
- Work with state and federal agencies to stop fraud and abuse across the industry



# What Auditors are Looking For...

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- Inconsistent coding patterns within a group practice
- Coding at high levels for Evaluation and Management Services
- Services not Rendered due to no record submitted
- Unbundling of procedures and services
- Diagnosis concerns/does Diagnosis make sense to documentation studied
- Inadequate Documentation-missing pages, no member name on every page submitted, dates of service are missing or appear altered
- Misrepresentation of rendering provider-different provider then billing provider
- Misrepresentation of non-covered services as covered
- Double billing
- Improper use of modifiers

# Industry Standards and Regulatory Guidance

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## Books that are utilized for audit

CPT-Current Procedural Terminology

HPCPS-HealthCare Common Procedure Coding System

ICD-10- International Classification of Diseases

## Other Resources

1995 & 1997 Documentation Standards

Medicaid and Medicare Guidelines and Provider Manuals for State research

Internal Coverage Guidelines/Policies and Procedures

Optum Network Manual

Internet research for code

Intention (only citing appropriate respected resources)

# PNI Contact Information: Tips and Communication

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## Telephone

877/ 972-8844

## E-Mail

[optum.pni.tips@optum.com](mailto:optum.pni.tips@optum.com)

## Mail

P.O. Box 30535, Salt Lake City, UT 84130-0535

## Fax

248/ 733-6379

## General Inquiries (other than TIPs)

[optum.pni.communications@optum.com](mailto:optum.pni.communications@optum.com)



# Questions?



# Thank you.

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