Protecting the Integrity of Health and Human Services

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February 14, 2020

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1

Inspectors General

2

Texas OIG

- Texas spends $40 billion on health and human services per year.
- The role of the Office of Inspector General (OIG) is to prevent, detect and investigate wrongdoing in the health and human services system.
- Everyone in the system is responsible for preventing fraud, waste and abuse.

3

OIG Performance

	2017	2018	2019
Recoveries	$98,311,876	$115,468,713	$421,219,066
Cost avoidance	$52,013,845	$39,061,911	$164,145,613
Provider screenings	86,506	70,800	112,241
Exclusions	289	257	300
Hotline calls answered	32,774	27,283	27,283

4

Defining Fraud, Waste, Abuse

Fraud: Any act that constitutes fraud under federal or state law, including any intentional dishonesty or misrepresentation made by a person who knew the deception could cause unapproved benefit for themselves or another person.

Examples

- Upcoding
- Billing for services not rendered
- Misrepresenting a diagnosis
- Falsifying documents, e.g., photocopied doctor signatures, cloned notes

5

Defining Fraud, Waste, Abuse

Waste: Any practice a sensible person would consider careless or would cause excessive use of resources, items or services.

Examples

- Prescribing specific brand instead of formulary
- Customized wheelchair
- Unnecessary hospital readmissions due to failure of care coordination

6

Defining Fraud, Waste, Abuse

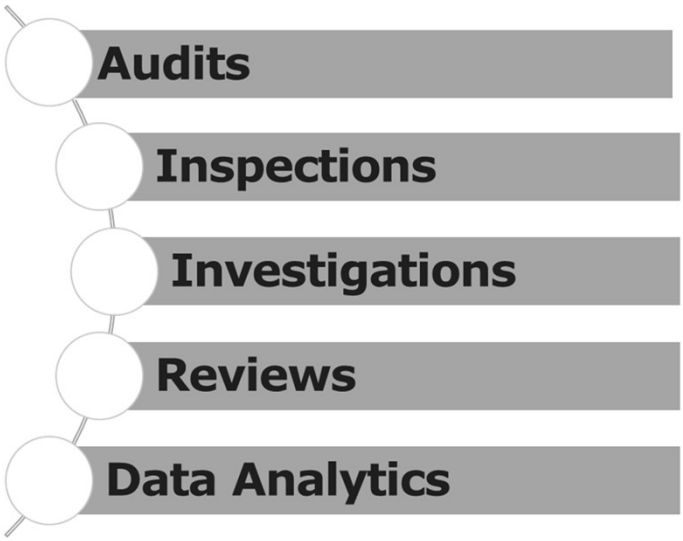
Abuse: Any practice inconsistent with proper fiscal, business or medical practices and that causes unnecessary program cost.

Examples

- Overcharging for services, supplies
- Providing medically unnecessary services (e.g., therapy for unresponsive patients)
- Providing sub-standard services

7

Detecting Fraud, Waste, Abuse



8

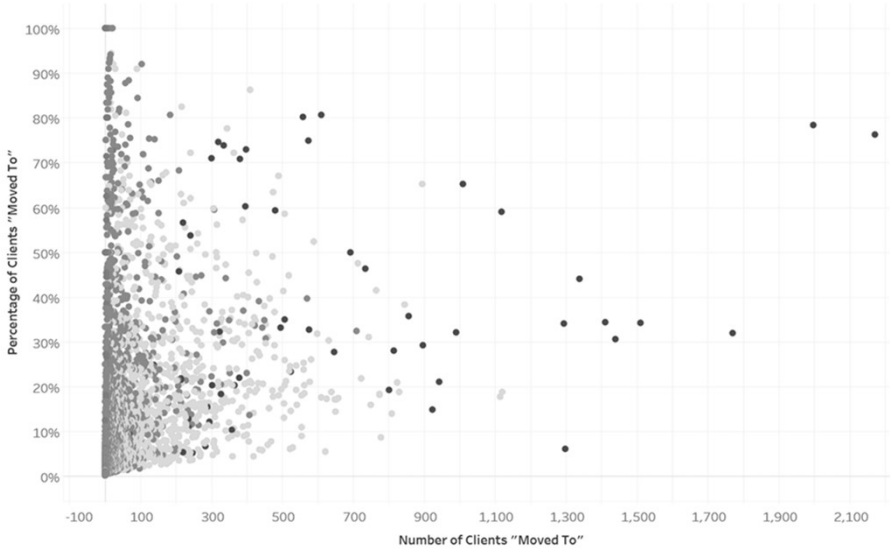
Fraud Detection Operation

- Data-driven investigation
- Review providers who appear as statistical outliers
- Assess whether outlier status is due to program violations

9

OIG Data Analytics

Low, Medium, and High Risk Providers



10

Medicaid Program Integrity

- The Provider Investigations team investigates allegations of fraud, waste and abuse by Medicaid providers.
- Referrals received through the OIG Fraud Hotline and Managed Care Organizations (MCOs).
- MPI also initiates cases based on data analytics and trends observed by investigators.

11

Reviews

What OIG Medical Services Unit looks for in a review:

- The level of service billed.
- The service or supply was actually provided.
- Medical necessity.
- Correct coding guidelines.
- Quantity billed matches quantity delivered.
- Policies and procedures are followed.
- No duplicate billing.
- No billing for non-covered services.

12

Audits

The OIG conducts risk-based audits related to:

- Medical provider payments, billings and authorizations.
- The performance of HHS agency contractors, such MCOs.
- The effectiveness of programs, functions, processes and systems within the HHS system.

13

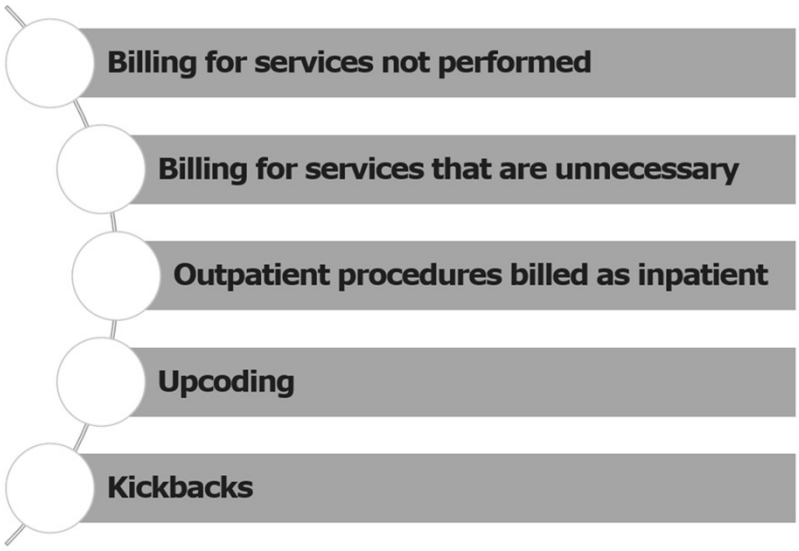
Inspections

The OIG conducts inspections to identify systemic issues involving

- HHS programs and agencies
- Providers
- Managed care organizations
- Third-party contractors

14

Common Violations



15

Special Investigative Unit

Texas Medicaid/CHIP contract changes:

- Require MCOs to hire SIU manager dedicated solely to Medicaid/CHIP
- Must be a qualified investigator
- Took effect Sept. 1, 2019

16

Your Role in Fighting Fraud

- ReportTexasFraud.com
- Humana study attributed 25% of health care spending to waste
- 90 percent increase in referrals
- Training

17

Report Fraud, Waste, Abuse

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18