

INFUSION FRAUD: A  
COOKBOOK RECIPE FOR  
STOPPING FALSE FRONT  
PROVIDERS

Cahaba Safeguard Administrators, LLC  
Steve Sullivan

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BIO

---Computer Science Degree, University of Alabama Birmingham, 1983  
---Private Claims Processor Programmer, 1983-1989  
---Data Security Officer, 1989-1992  
---Systems Analyst Electronic Medical Records Team, 1992-1997  
---DB2 Programmer, 1997-2004  
---Data Unit Support Programmer, 2004-Present

(just an old COBOL programmer)

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Nebraska

- Coronado in 1541
- First with 911 system
- Unicameral legislature
- Home of the College World Series
- Birthplace of the Reuben sandwich
- Exactly between Boston and San Francisco
- Spam is produced
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## MAIN TOPICS

- 1. What was our problem?
- 2. How did we fix it?
- 3. What are the future improvements?

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## What was our problem?

- 2007: Spiked billing
- Pulled samples
- Scheduled on-site audits
- Pre-payment review
- No dinero!

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## 2007: Spiked billing

- April 2007 problem: very high infusion paid amounts
- These were newly enrolled providers
- Very few CPT4 codes, repeating over and over
- Claims being dumped

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## Pulled samples

- Pulled data
- Created samples
- Generated data reports
- Investigated Electronic Media Claims(EMC) data
- Reviewed the types of treatment being performed (Infusion)

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## Scheduled on-site audits

- Beneficiary past history reports
- A trip to Georgia: Three teams
- Copied, scanned, questioned
- Interviewed providers and staff

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## Pre-payment review

- Placed providers on review
- Reviewed medical records
- Denied claims
- Referred providers to Law Enforcement

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## No dinero!

- Stopped future claims
- Folks going to jail
- Hollow victory
- What will be the next scheme?
- How do we stop it?
  
- After it all, the dollars will never be recovered

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## Something Cool

<http://ahcaxnet.fdhc.state.fl.us/dashboard/>



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## How we fixed it?

- Build new model
- Used outside data sources
- Trained staff; gained valuable experience
- Designed scoring reports
- Results
- Vision and Mission

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## Build new model

- Find the patterns
- Determine the best approach
- Build separate mini models or model parts
- Pull all good parts together
- Test the entire model
- Add the past model experience to the new model
- Apply the known problems to incoming data

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## Used outside data sources

- Enterprise Data Center (EDC) and Affiliated Contractor (AC) - Joint Operating Agreement (JOA) with EDC or AC for Pended claims
- DataFlux
- Federal Reserve
- National Provider Identifier (NPI)
- Electronic Media Claims (EMC)
- Telecommunications data

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## Trained staff

- AC provider enrollment
- Investigators shared knowledge
- The 'New' Process
- Just good ole' OJT

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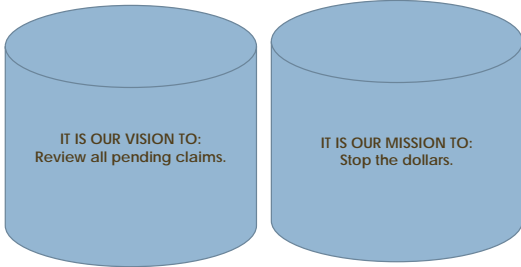
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## VISION & MISSION



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## What are the future improvements?

A history lesson

- January 2001 E-Commerce Giants Launch Anti-Fraud Site (Amazon.com, buy.com, ClearCommerce, Expedia.com, First Data Corp, Starwood Hotels & Resorts Worldwide)
- One of the concerns for coalition members is that merchants often bear the cost of fraud when stolen credit cards are used to buy goods at their sites.

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## E-Commerce Giants Decide to....

- Obtain real time authorization
- Employ address verification systems
- Use credit card verification codes
- Use rules-based detection
- Use predictive statistical models

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## Current Issue

- Testimony given before a subcommittee of the US Senate April 2009
- "We will use any funds appropriated by Congress to build upon our work to date, to more rapidly respond to emerging program integrity vulnerabilities and to identify and recoup improper payments."
  
- The days of Pay & Chase.....gone

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## CONCLUSION & RECOMMENDATIONS

- Apply all current models to pended claims
- Design all new models to consider pended claims
- Stop...Pay & Chase
- Stop....the dollars
  
- Age of Proactivity

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Questions?

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