



CMS' Innovative Approach to Program Integrity



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Presentation Agenda

- Overview**
- Predictive Analytics
 Fraud Prevention System (FPS)
- Provider Enrollment
 Automated Provider Screening (APS)



What's Innovative?

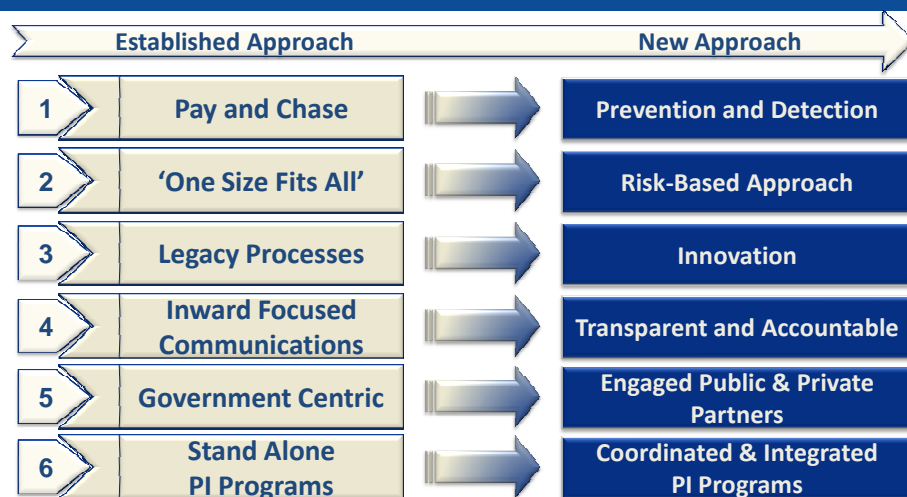
The National Fraud Prevention Program is doing two things simultaneously:

- Making it easier for honest providers to enroll in Medicare and have legitimate claims paid
- Making it more difficult for phony or fraudulent providers to enroll in Medicare or receive payments



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CPI's Strategic Direction



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The New Approach to Combating Fraud, Waste and Abuse

Yesterday

- Providers suspected of fraudulent activity are put on prepay review, sometimes indefinitely
- CMS initiates overpayment recovery
- Law enforcement determines if an arrest is appropriate

Today & Future State

- CMS will deny individual claims
- CMS and its contractors will use prepay review as an investigative technique
- CMS will revoke providers for improper practices
- CMS and Law Enforcement collaborate before, during and after case development
- CMS will address the root cause of identified vulnerabilities

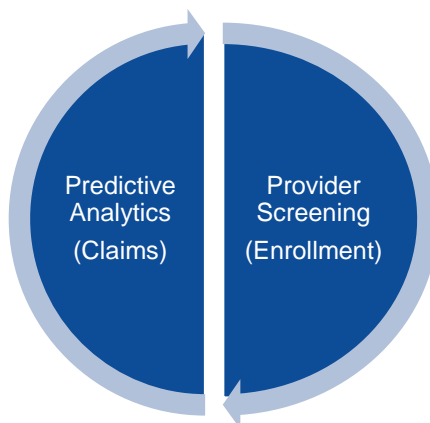


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National Fraud Prevention Program Two Concurrent Approaches

Take quick administrative action to prevent improper payments.

Take quick action to remove bad actors from Medicare.



Identify bad actors and prevent them from enrolling in Medicare.

Take quick action to remove bad actors from Medicare.



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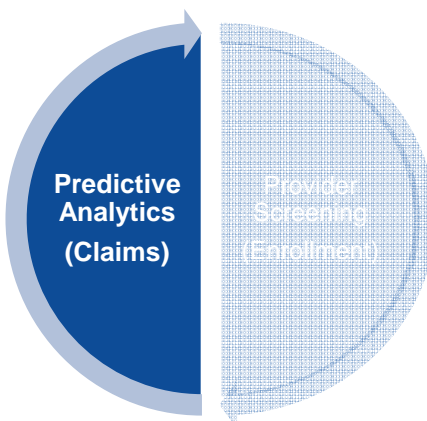


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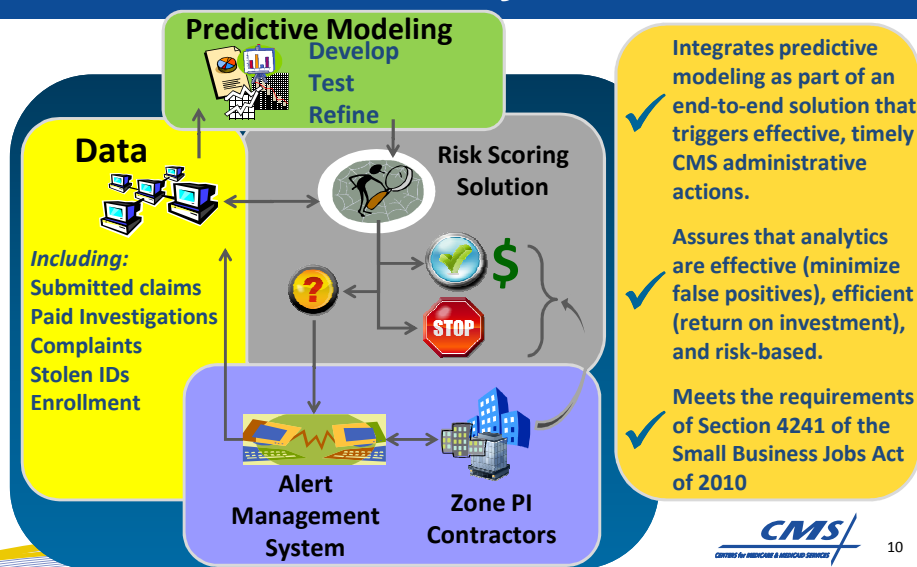
Fraud Prevention System (FPS)

- Implemented on June 30, 2011.
- Monitors 4.5 million claims (all Part A, B, DME) each day using a variety of analytic models.
- Alerts generated and consolidated around providers and subsequently prioritized based on risk.
- Results are provided to the Zone Program Integrity Contractor analysts and investigators with views by regions.
- Results are available to CPI and law enforcement partners in a prioritized national view.

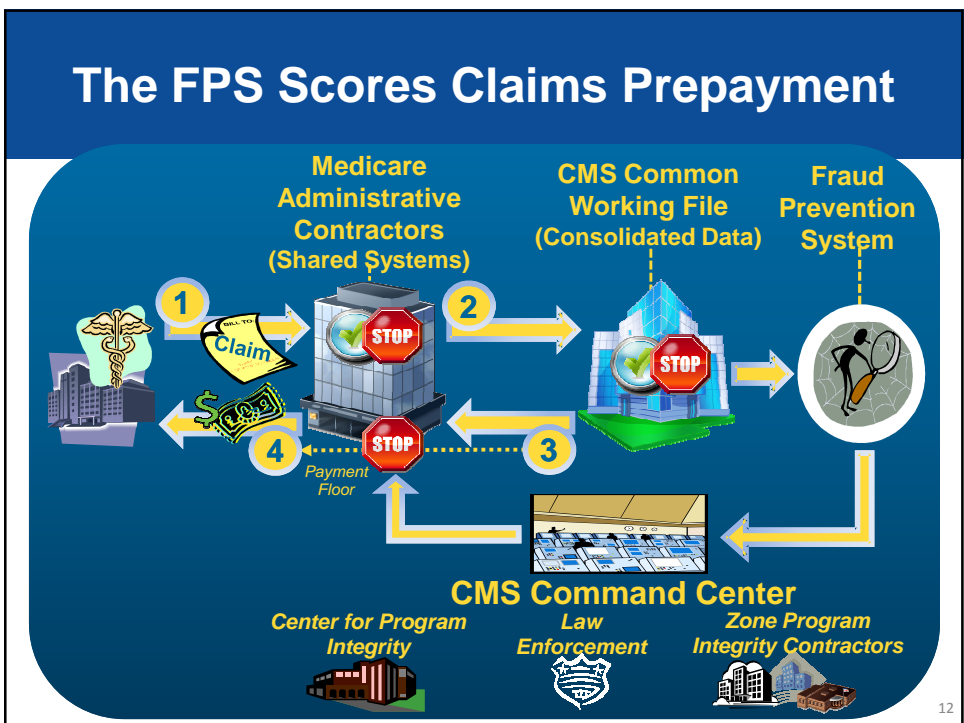
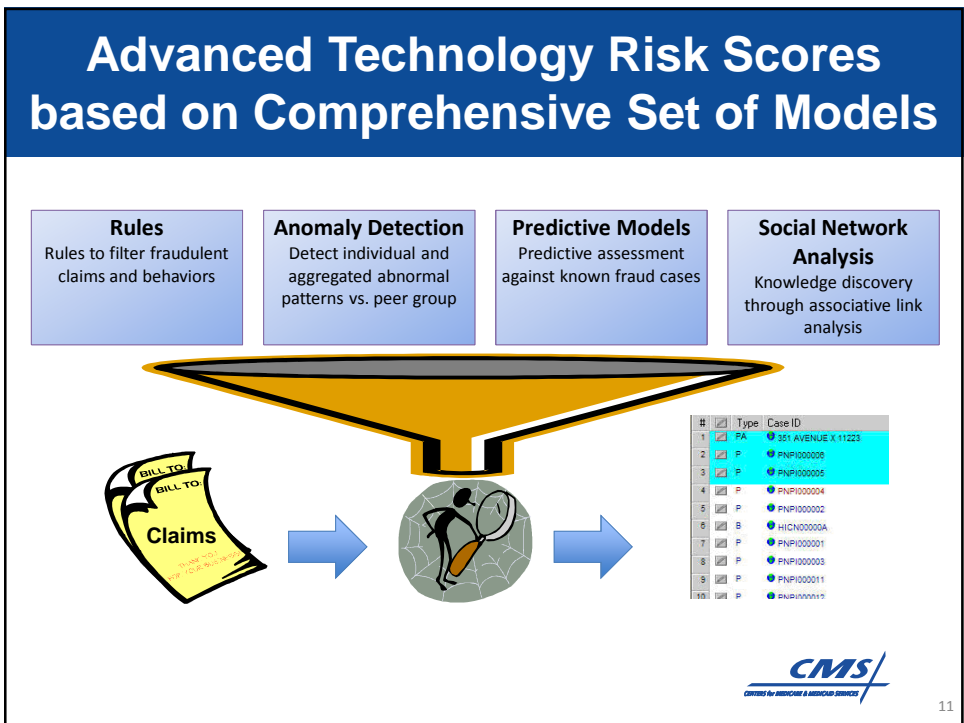


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National Fraud Prevention Program Claims Payment



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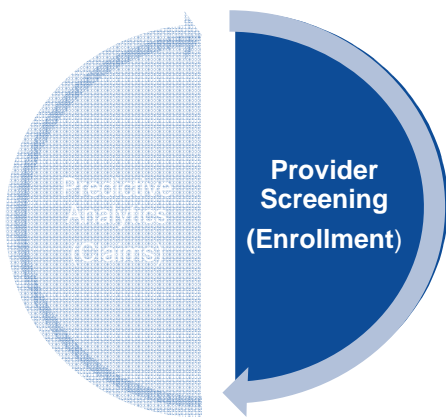


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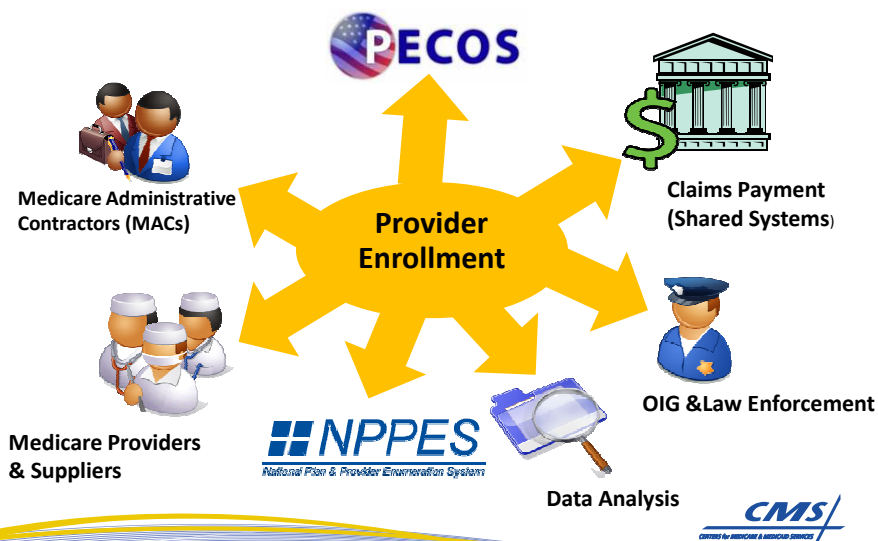
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Provider Enrollment: Gateway to Medicare



Medicare Enrollment Issues

Legitimate Providers and Suppliers have had Problems with Medicare Enrollment System

- Process slow: often as long as 90 days
- Process cumbersome: long, complex paper form
- Process unreliable: not all enrollees in same system, not all information up to date

The Problem: Actual Quotes from Providers



“... if I still need to send in a paper at the end ...why should I go on line rather than submit paper?”



“...if it takes me 15 minutes to find the record ...it is faster for me to just use paper



“...Providers are not the ones who update and manage their records, it is their office manager or the credentialing staff ...”



“We have \$1M in billing at stake related to a single provider we have been working to enroll for months.”



“...we call any MAC at least 3 times if we have a question. Then take the average answer...”



Enrollment Improvements

Legitimate Providers and Suppliers Are Seeing Major Improvements in the Medicare Enrollment System

- Process faster: anticipate 2/3 reduction in time
- Process user-friendly: on-line enrollment
- Process reliable: all enrollees in same system, all information up to date



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The Plan: Customer Service Driven Improvement Strategy



Focus on Customer Usability:

Evaluate the user experience from start to finish, simplify online registration processes, reduce data entry time, and provide tools for large groups and organizations.



Create All Digital Process:

Remove paper from the enrollment process, leverage new and existing best practice technology, and allow increased connectivity for large providers.



Increase Communication:

Increased access and consistency of information and communication with Providers, while also increasing access to information for other groups within CMS.



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The Solution: Customer Driven PECOS Changes

Revalidation Option through PECOS Web	October 2011
E-Signature	January 2012
Fast Track View On a Single Screen	January 2012
Streamline Authorized Official & Surrogate Process	April 2012
Self-Service Password /Username Reset	April 2012
Searching and Filtering Enrollment Records	April 2012
Reassignment Reporting	July 2012
Collection of Digital Documents	July 2012
Bulk Upload of Enrollment Applications	July 2012



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The Results: Changes we have made



"Sometimes it amazes me how much you and your team can get accomplished. Truly a different CMS/CPI today."



"The ability you have given us to provide input and give feedback, and to have the agency listen, is truly incredible and will help to drastically change the "old" process which was broken."



"And THANK YOU to all of you for everything you are doing for all the healthcare professionals ... Eventually, you WILL have everyone enjoying dealing with PECOS and all the other interfaces you are improving."



"I am really looking forward to the changes... and am glad that there is such a focus on change."



"I just returned to my office and received another approval ... Less than a three week turnaround."



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Enrollment Screening Issues

- **Fraudulent Providers and Suppliers have exploited the Medicare enrollment system**
 - Able to register with stolen medical identities
 - Able to register phony addresses
 - Able to re-enter after being revoked
 - Able to stay in the local systems without being in the national system



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Enrollment Screening Improvements

- **Fraudulent Providers and Suppliers will be subjected to extensive, risk-based screening through the new Automated Provider Screening system**
 - Medical identities checked against Compromised Numbers database
 - Addresses checked against valid location databases
 - Revocations, exclusions, felony convictions all checked by new system
 - All enrollments will be housed in national system



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Automated Provider Screening (APS)

CMS implemented the Automated Provider Screening (APS) system on December 31, 2011.

- **The APS will:**
 - Validate data received from providers on enrollment applications against referential data
 - Identify applications of providers that may be high risk based on specific indicators



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Other Key Facts

- **Increased Data Sources**
 - APS leverages thousands of government, public, and private resources to verify and supplement data submitted by providers.
- **Monitoring Alerts**
 - APS monitors critical eligibility requirements (e.g. sanctions, death, convictions) and immediately alert CMS to any changes.
 - APS also regularly re-screens all information on a provider enrollment application for continued accuracy.
- **Unified Screening Process**
 - APS will provide a unified screening process for all MACs to ensure that all Medicare providers are screened with the same degree of rigor.



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Timeline

- **December 2011**
 - Licensure checks of over 828,000 provider enrollment applications in PECOS
- **January 2012**
 - Screening of all current Medicare enrollments
 - Screening of all new enrollments and applications for revalidation
 - Monitoring of all critical enrollment information



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