

Inspector General Sharon E. Ormsby
Office of the Inspector General
Arizona Health Care Cost Containment System



" Without continual growth and progress, such words as improvement, achievement, and success have no meaning"

Benjamin Franklin.

Mission

To Prevent, Detect,
Investigate, and Recover
Improper Payments due to
Fraud, Waste, and Abuse.



SHARON E. ORMSBY
INSPECTOR GENERAL

SCOTT WEINBERG
FORENSIC
ACCOUNTANT

LEVEL 2

DIG LISA SAUCEDO
MEMBER COMPLIANCE

DIG VANESSA TEMPLEMAN
PROVIDER COMPLIANCE

DIG GEOFF FODEN
PROGRAM INTEGRITY TEAM

DIG TRISH GARCIA
PROVIDER REGISTRATION

DIG JOHN LEATHERWOOD
PERFORMANCE
IMPROVEMENT AND AUDITS

LEVEL 3

Supervisors

SAMANTHA HAZARD
CARMEN PARRA-SCHWARTZ
IAN HIRMAND

JULIE CULTON
DEE DEE ROY

ROBIN COLE, RN, MSN, CCM

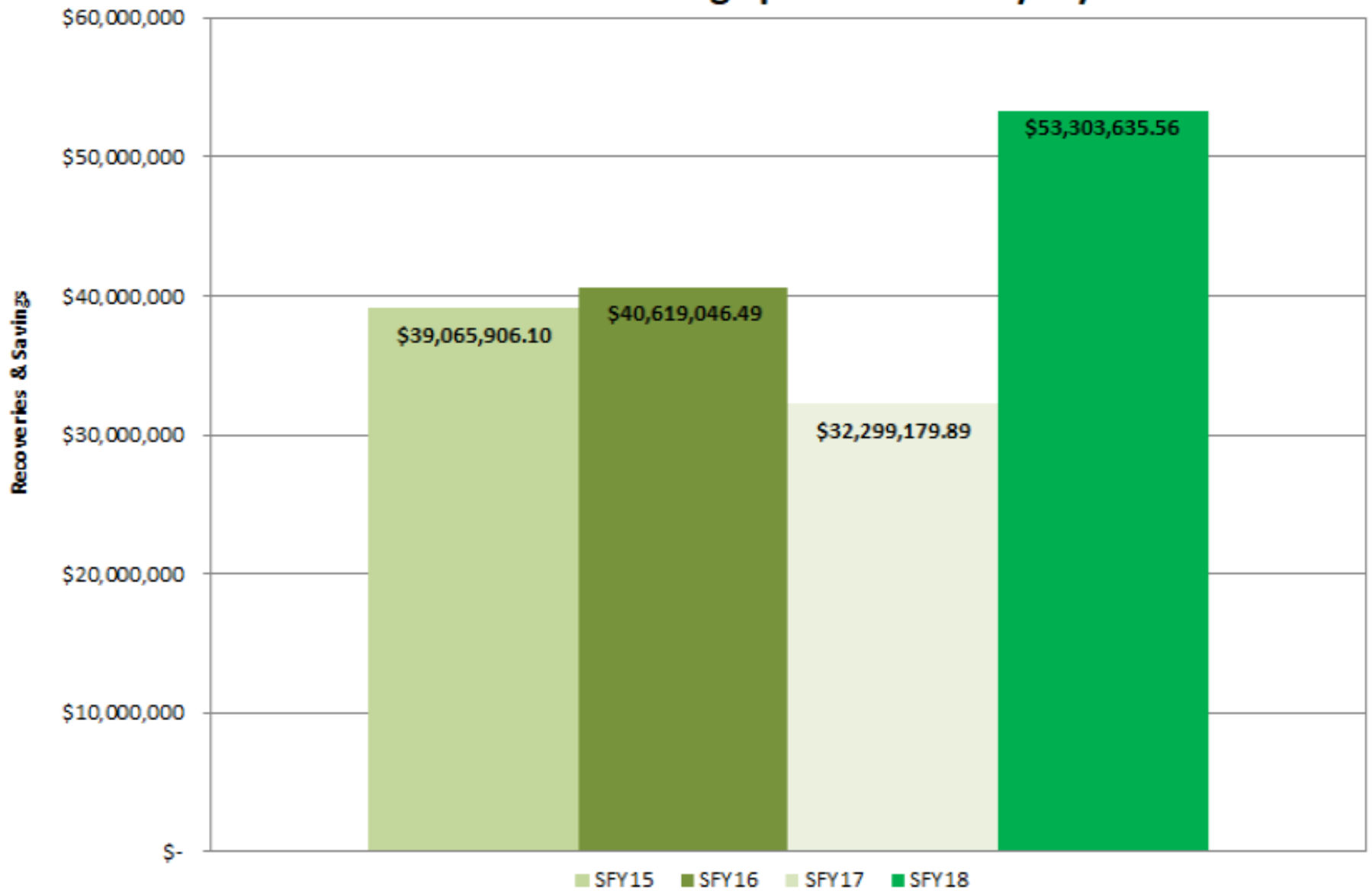
VERONICA VALENZUELA
RIKKI ROBLES

CYNTHIA GREEN
KAREN EDGLEY
MARIA "ROSARIO" HUNT

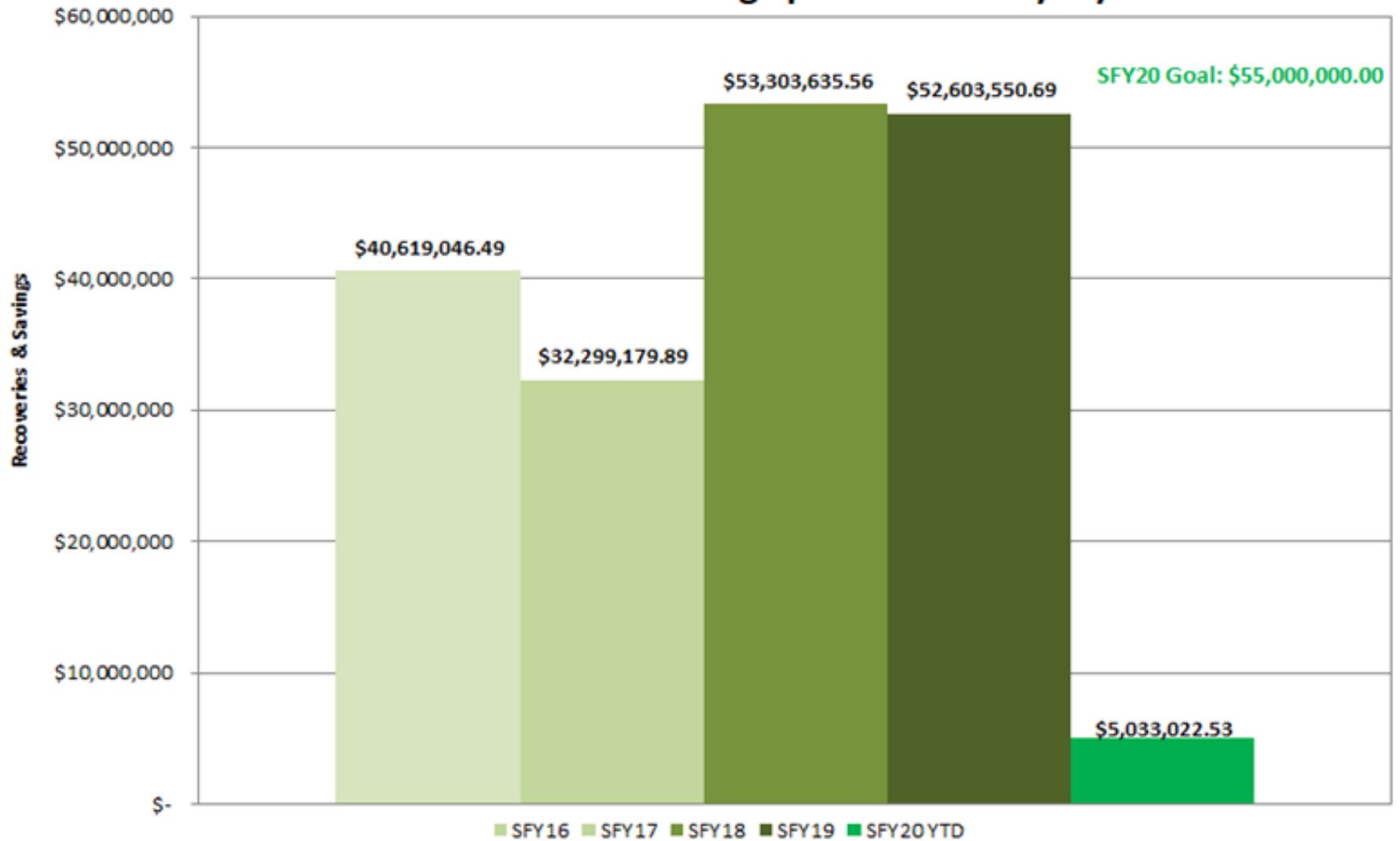
One of Top Ten Excuses for committing Fraud

- **When asked about the odometer readings on the transportation records matching 99 miles if they drove different distances like she explained, Provider said that they make it that way because that is what they bill so they make it the same. Provider said that the roads are bumpy so sometimes they go in the air and the car doesn't track the miles correctly.**

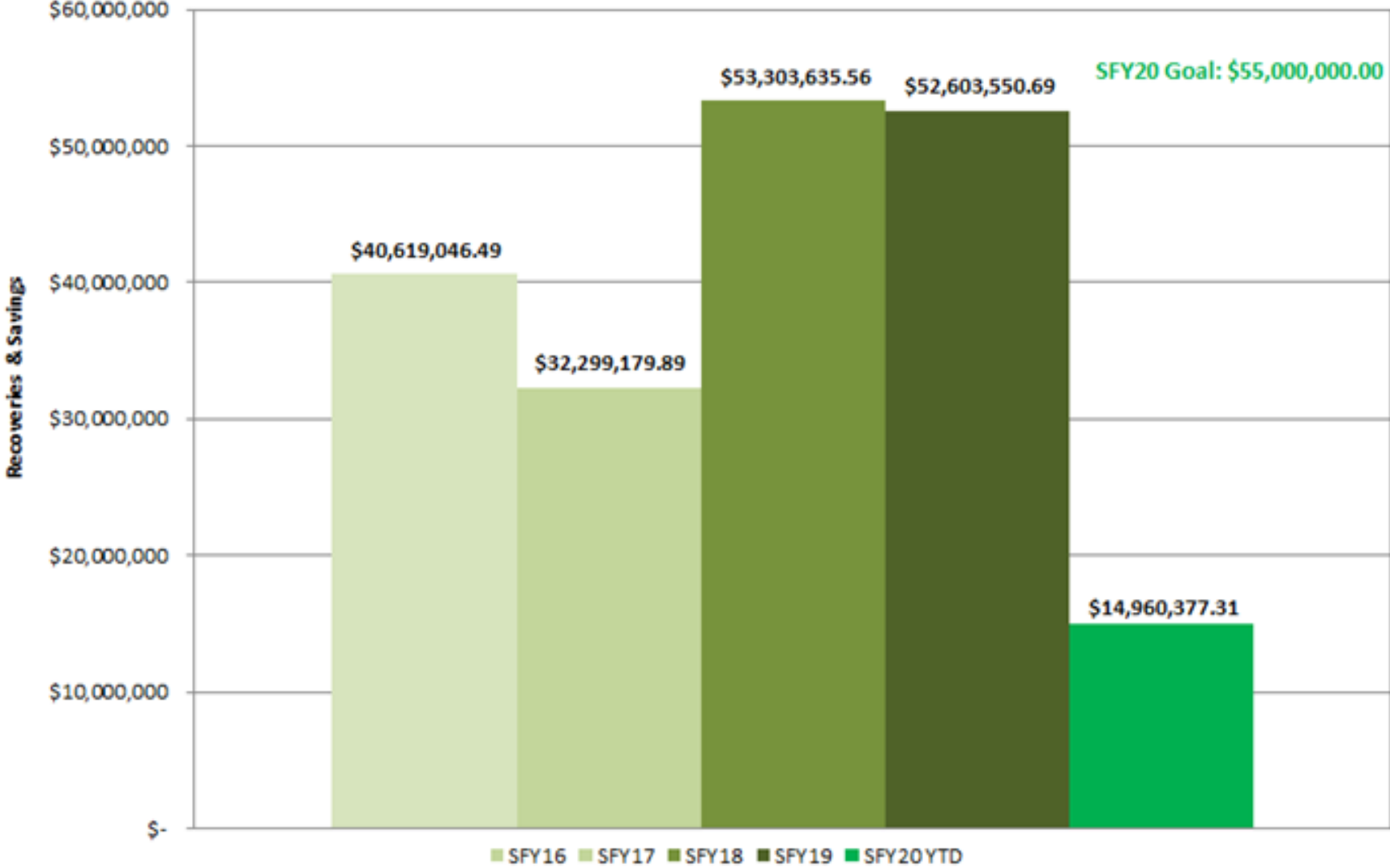
Total OIG Recoveries & Savings per SFY as of 6/30/2018



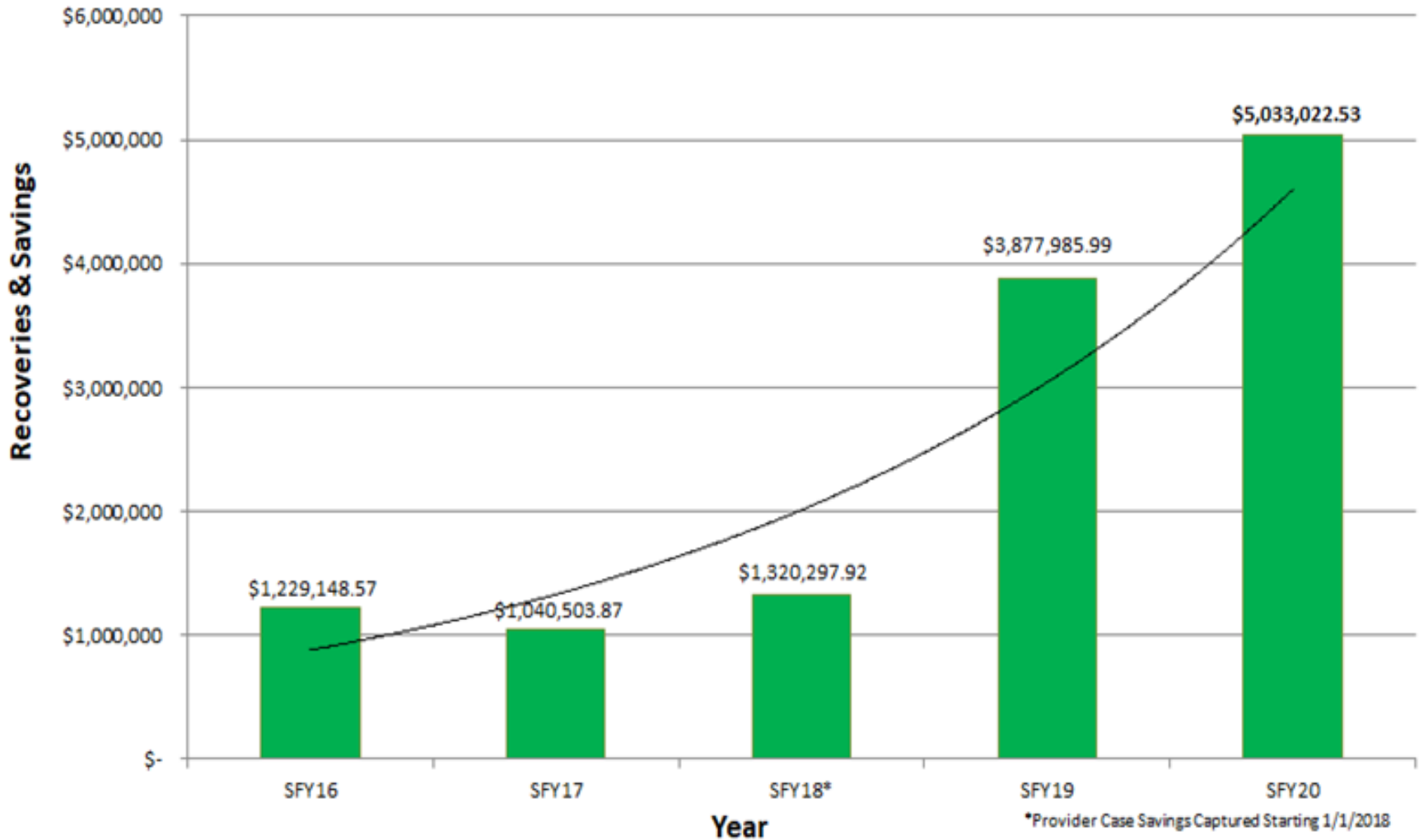
Total OIG Recoveries & Savings per SFY as of 7/31/2019



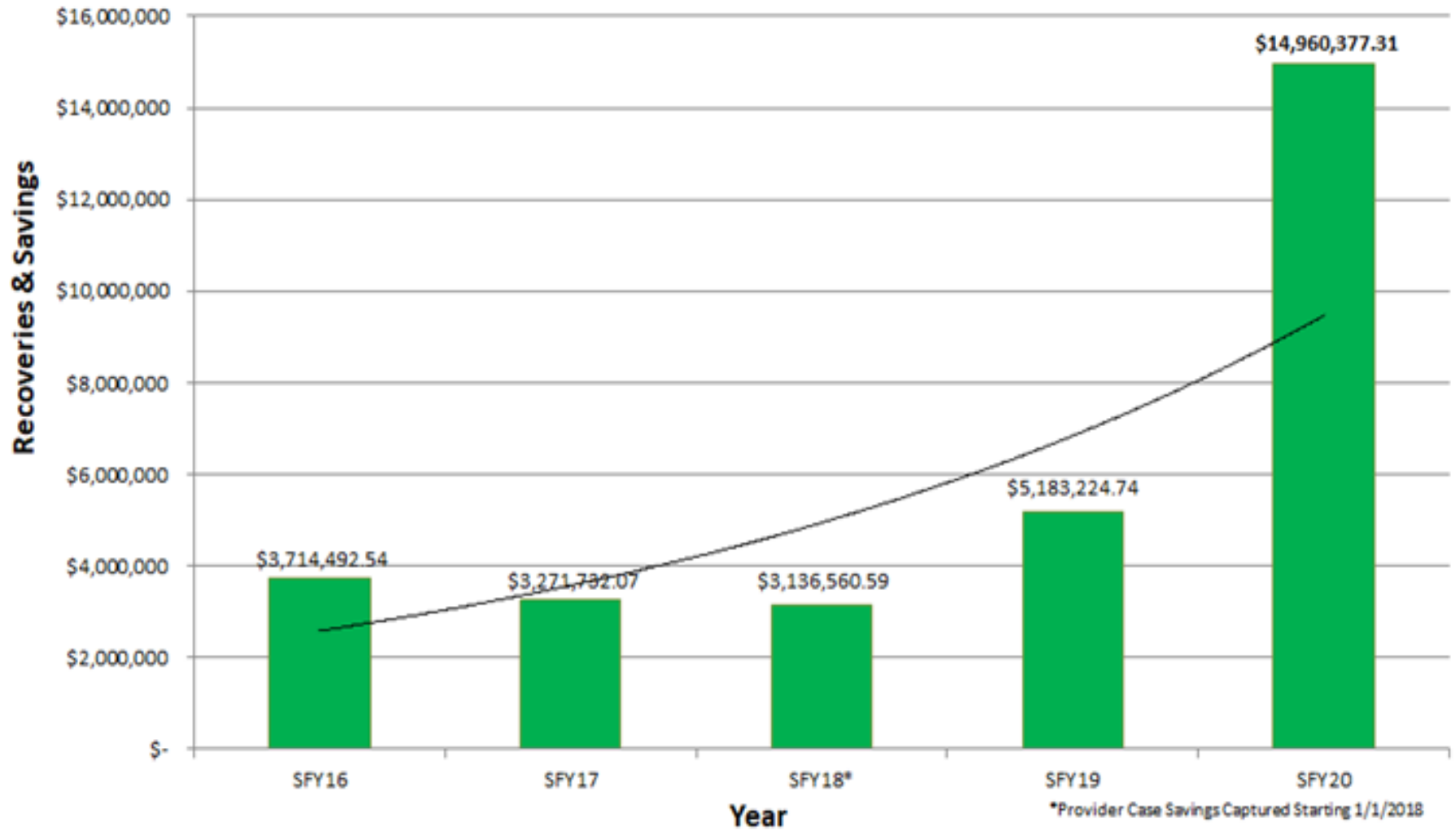
Total OIG Recoveries & Savings per SFY as of 8/31/2019



5 year comparison of recoveries & savings by State Fiscal Year (1 month). Calculation is made by comparing the same number of months in recoveries and savings from the monthly metrics report for the last 5 SFY's.

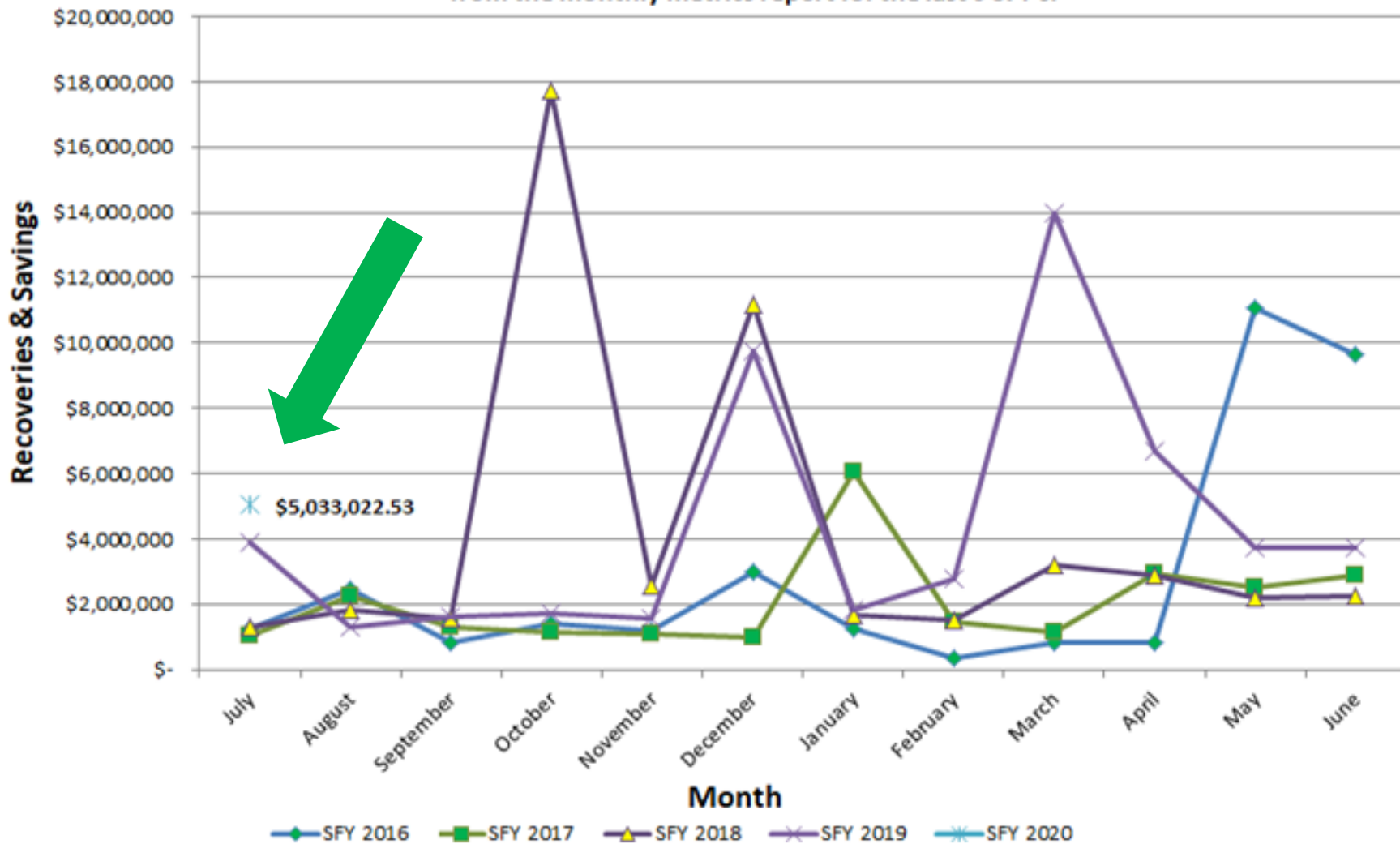


5 year comparison of recoveries & savings by State Fiscal Year (2 months). Calculation is made by comparing the same number of months in recoveries and savings from the monthly metrics report for the last 5 SFY's.



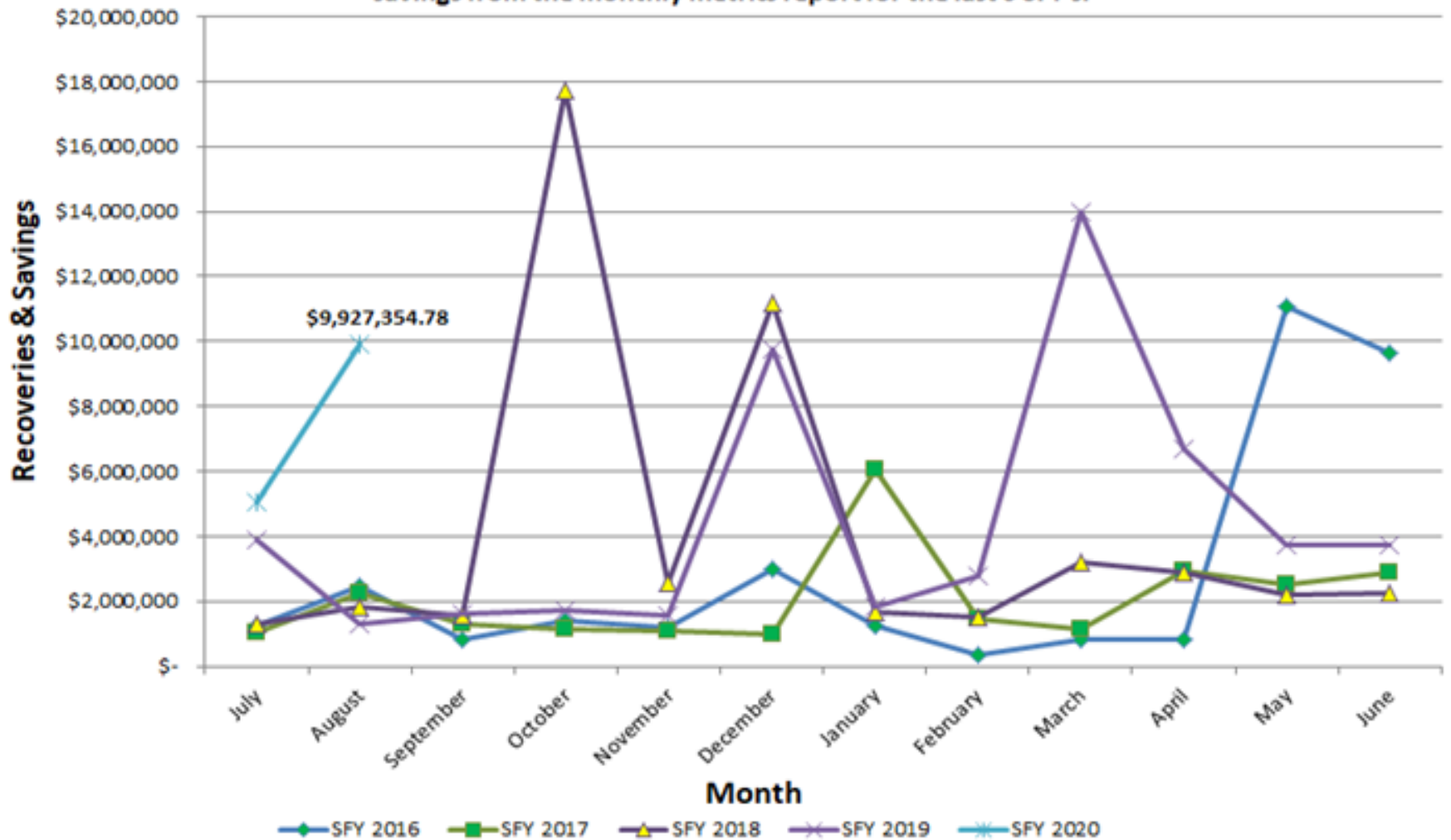
OIG July 2019 Monthly Metrics

5 year comparison of recoveries and savings by State Fiscal Year (1 month). Calculation is made by comparing the same number of months in recoveries & savings from the monthly metrics report for the last 5 SFY's.

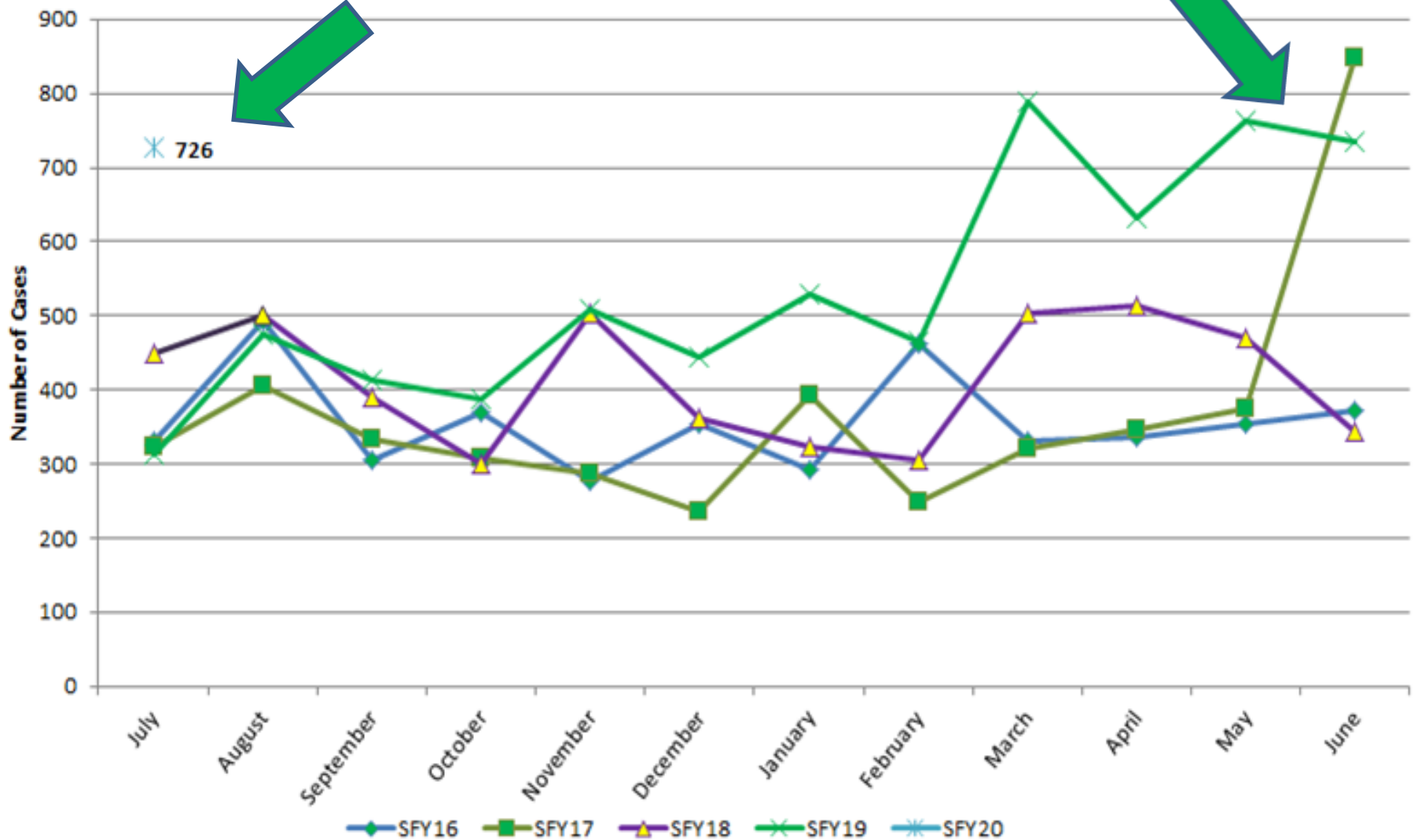


OIG August 2019 Monthly Metrics

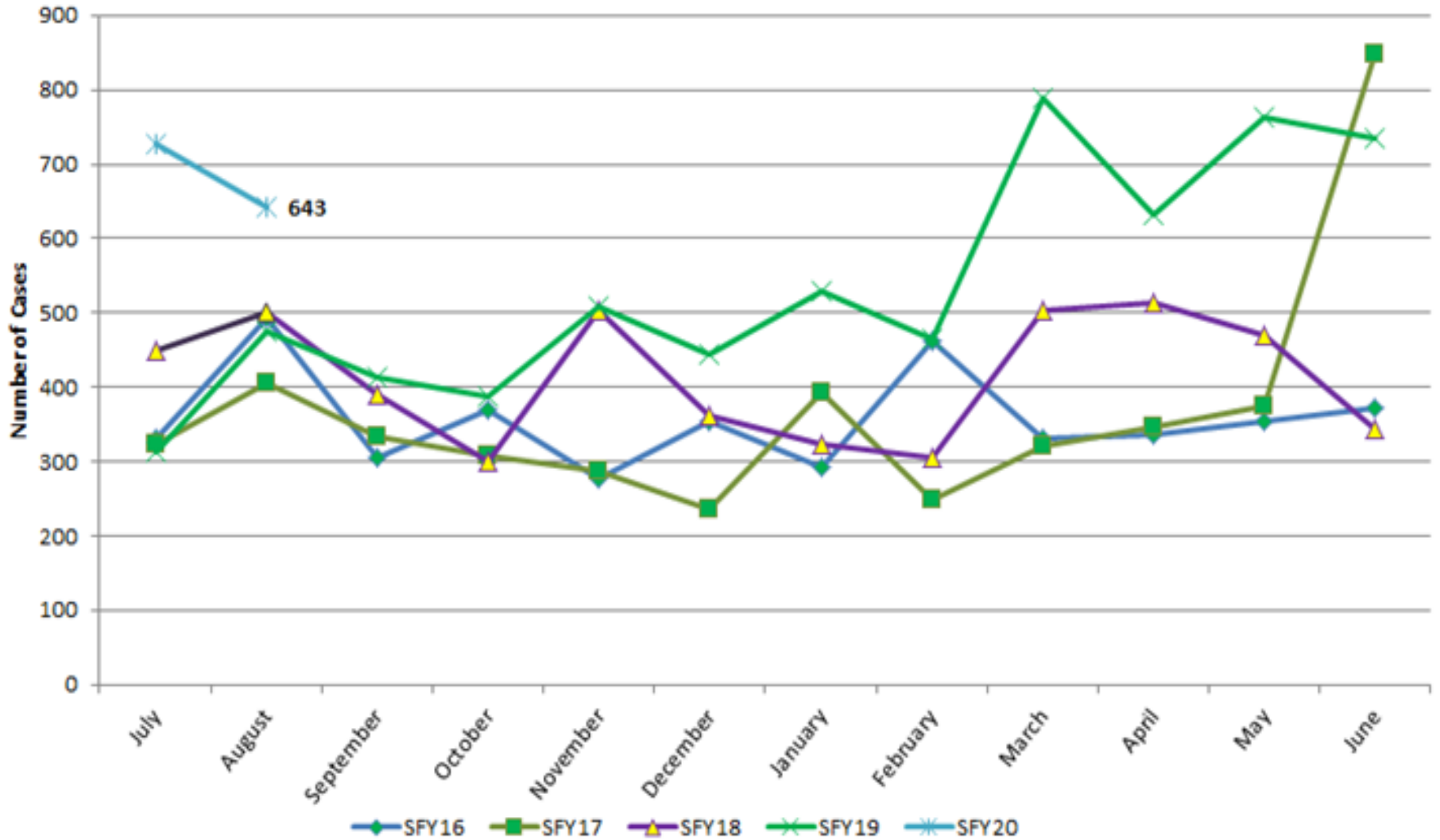
5 year comparison of recoveries and savings by State Fiscal Year (2 months). Calculation is made by comparing the same number of months in recoveries & savings from the monthly metrics report for the last 5 SFY's.



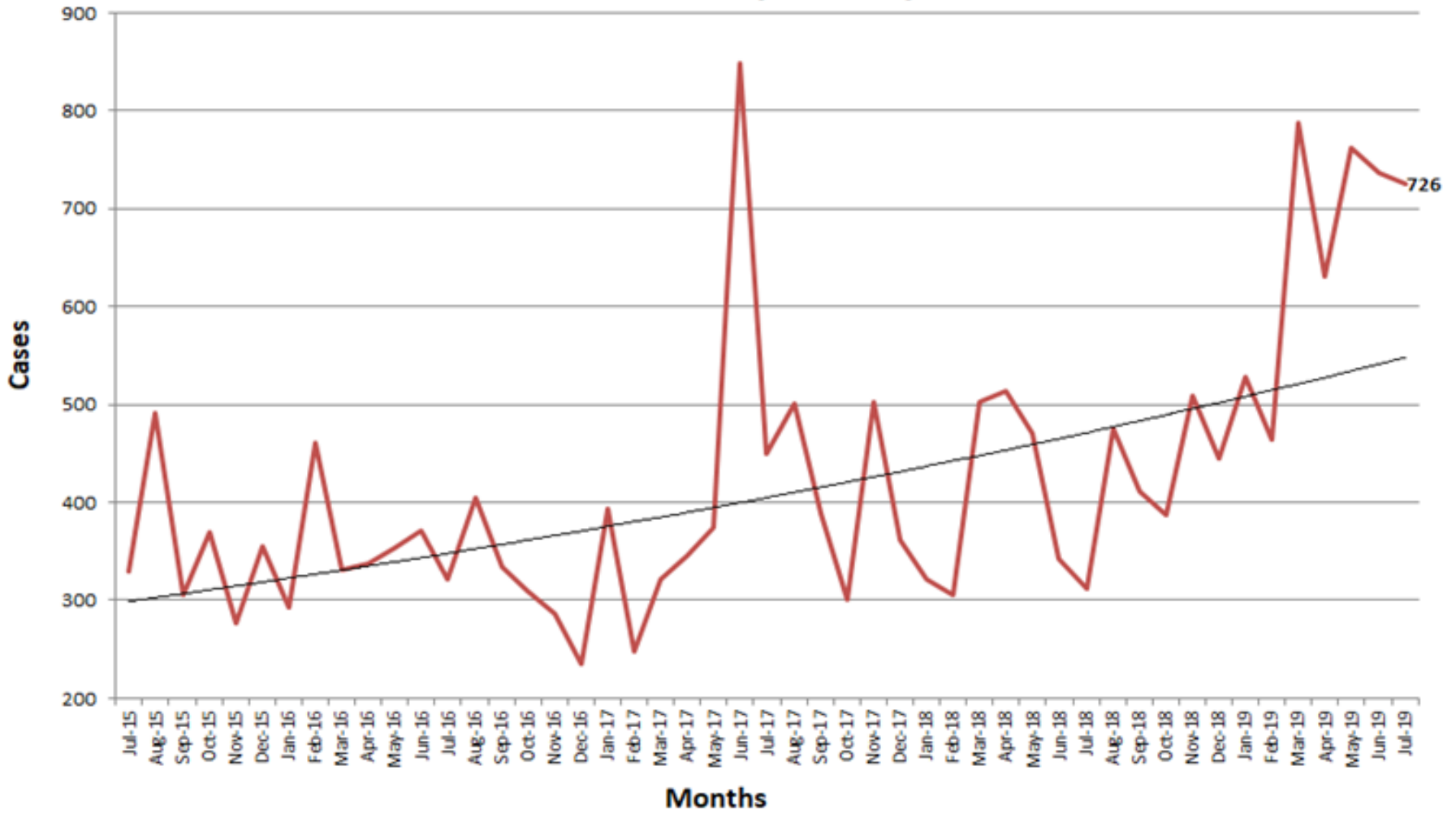
5 year comparison of cases closed by State Fiscal Year. Calculation made by adding the number of cases closed at the end of each month in the monthly metrics report.



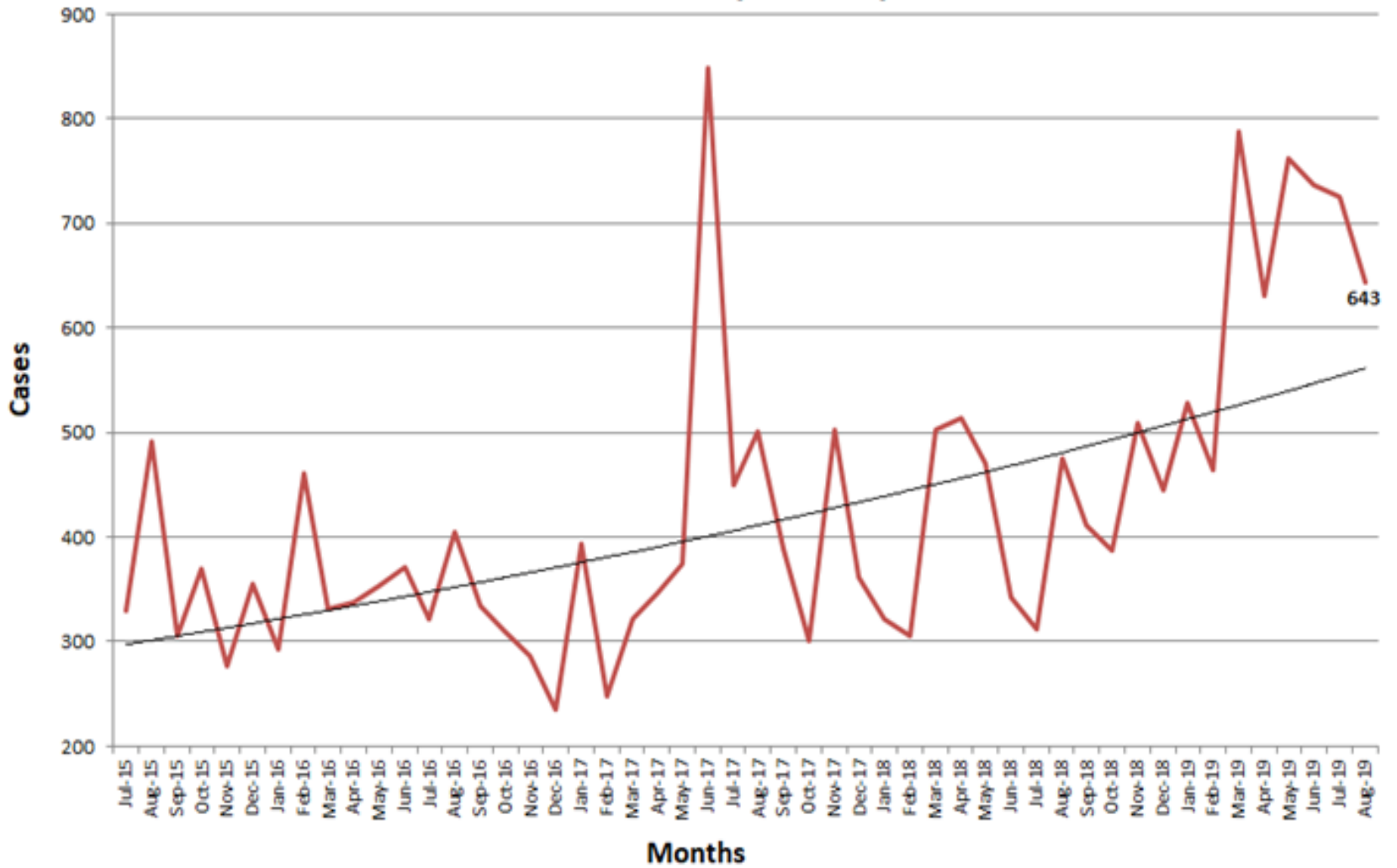
5 year comparison of cases closed by State Fiscal Year. Calculation made by adding the number of cases closed at the end of each month in the monthly metrics report.



Total Cases Closed 7/2015 - 7/2019



Total Cases Closed 7/2015 - 8/2019



Best Practices

- Forensic Accountant Program
- Member Compliance Section
 - Fraud Prevention Unit
- Program Integrity Team
 - Data Analytics
 - Provider Compliance Section
- Provider Compliance Section
 - Pharmacy Fraud Unit
- Provider Enrollment Section

Forensic Accountant Program

- New Program 2015
- 2 FTE
 - CPA, CFE Supervisor
 - Account Tech
- Case load focuses on Health Care Complex Financial Frauds, Health Care Corporate Frauds, and Misappropriations
- ROI:
 - Recoveries: \$15,141,969.71
 - Savings: \$ 2,494,595.68

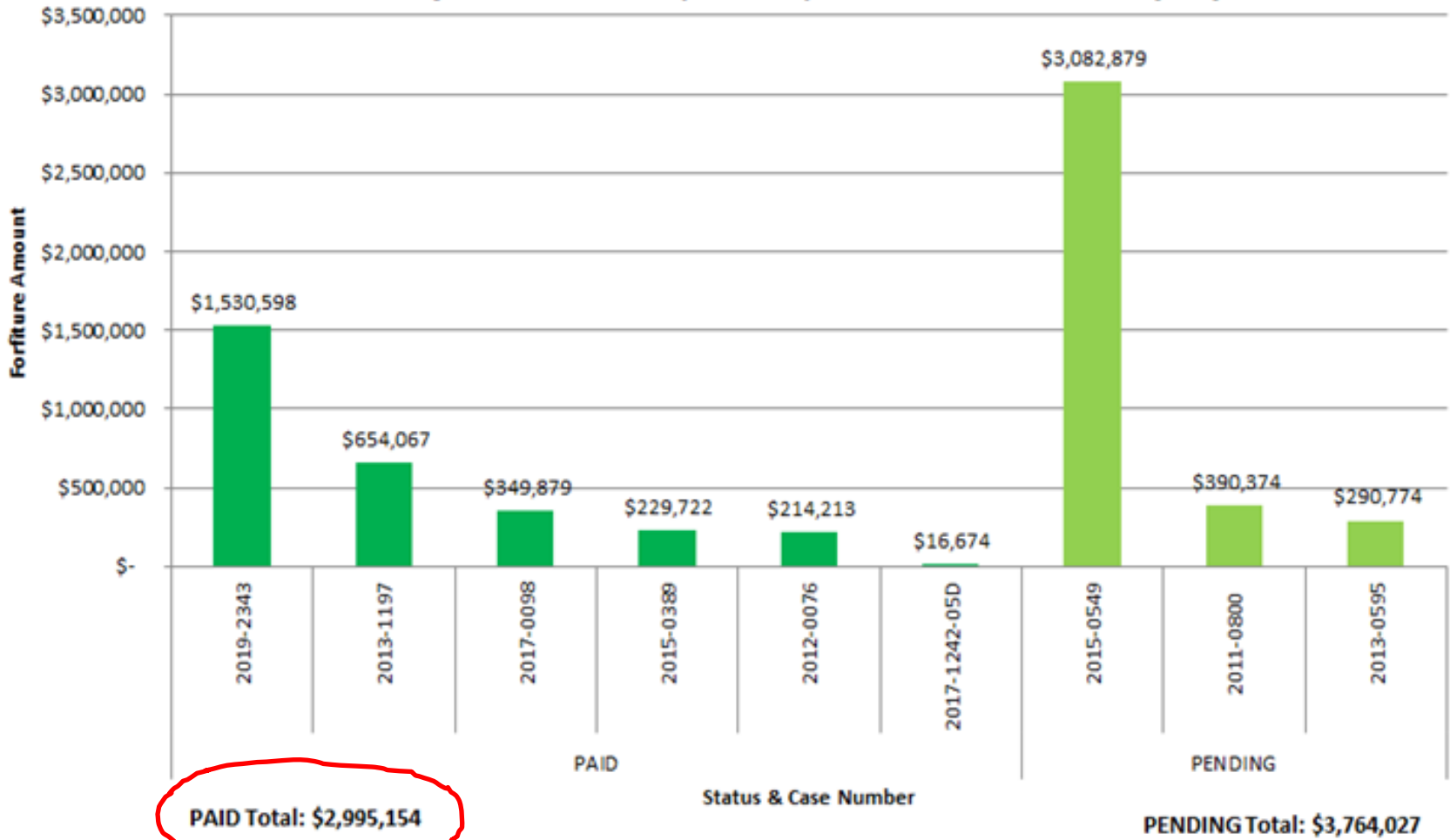
 - Average Per Year \$ 3,785,492.43

RICO

- Racketeer Influenced and Corrupt Organizations Act
- Focused: Pattern of Behavior
 - Organized Crime
 - Criminal Enterprises
 - Drug gangs
- Offenses that make up RICO
 - Bribery
 - Fraud
 - Money Laundering
 - Embezzlement
- Allows for forfeiture of property used in enterprise

RICO

OIG Forfeitures by Case Number, Status, and Amount as of 8/31/2019



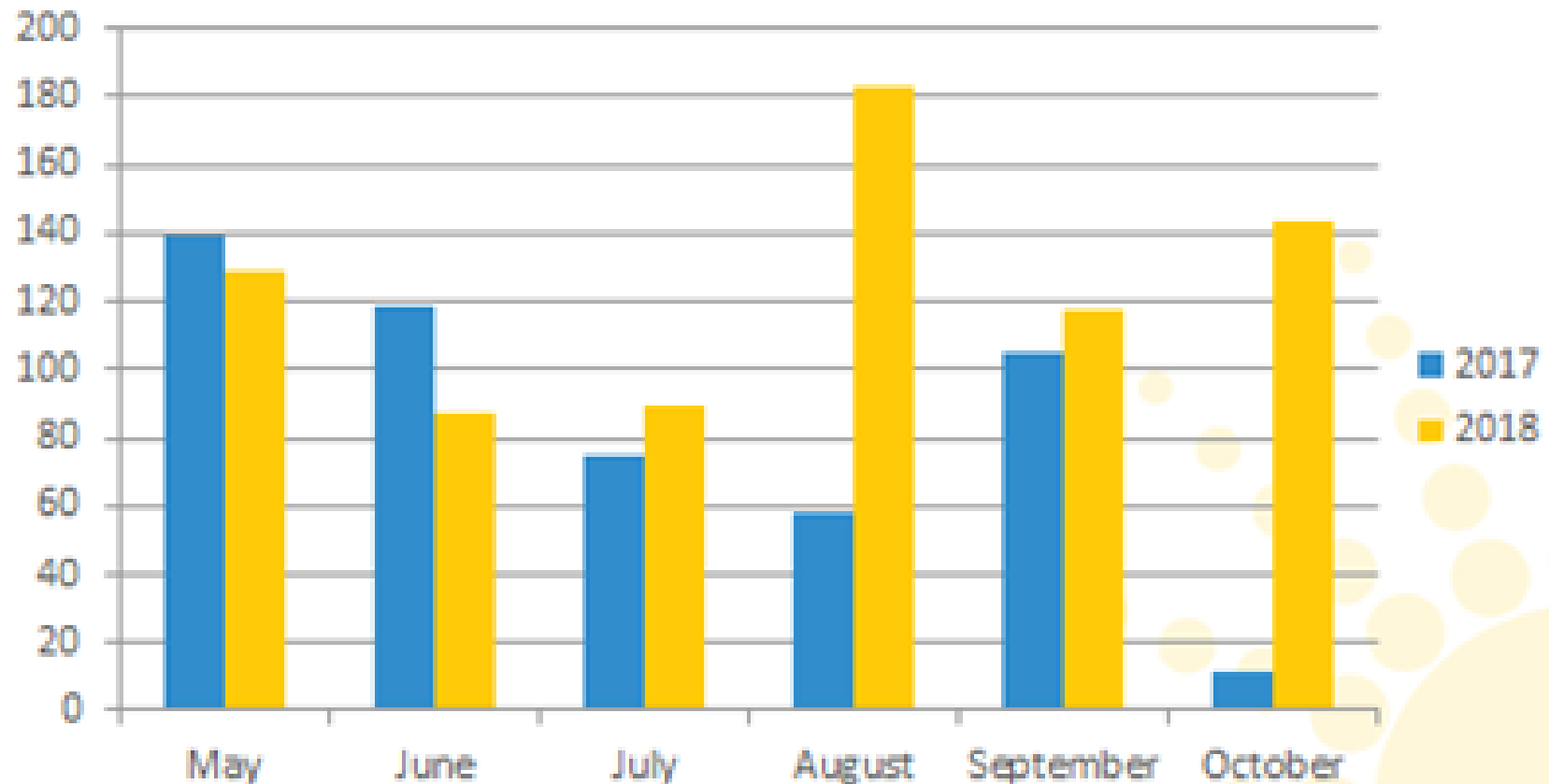
Member Compliance

- Cases savings methodology savings an average of 30% because the formula is more specific to each month than to each year
- Worked with DMS to get voice signature question changed from a compound question to a series of yes-no questions. Prohibited subject from claiming that the yes was not for all the questions.
- The OIG participates in two Taskforce Operations: Social Security Administration, Phoenix; and Attorney General's Office, Tucson. The OIG works closely with Federal, State, and Local Law Enforcement, to include but not limited to the following: FBI, DEA, Homeland Security, Border Patrol, Phoenix Police Department, DPS, HHS-OIG, Glendale Police Department, and MFCU.

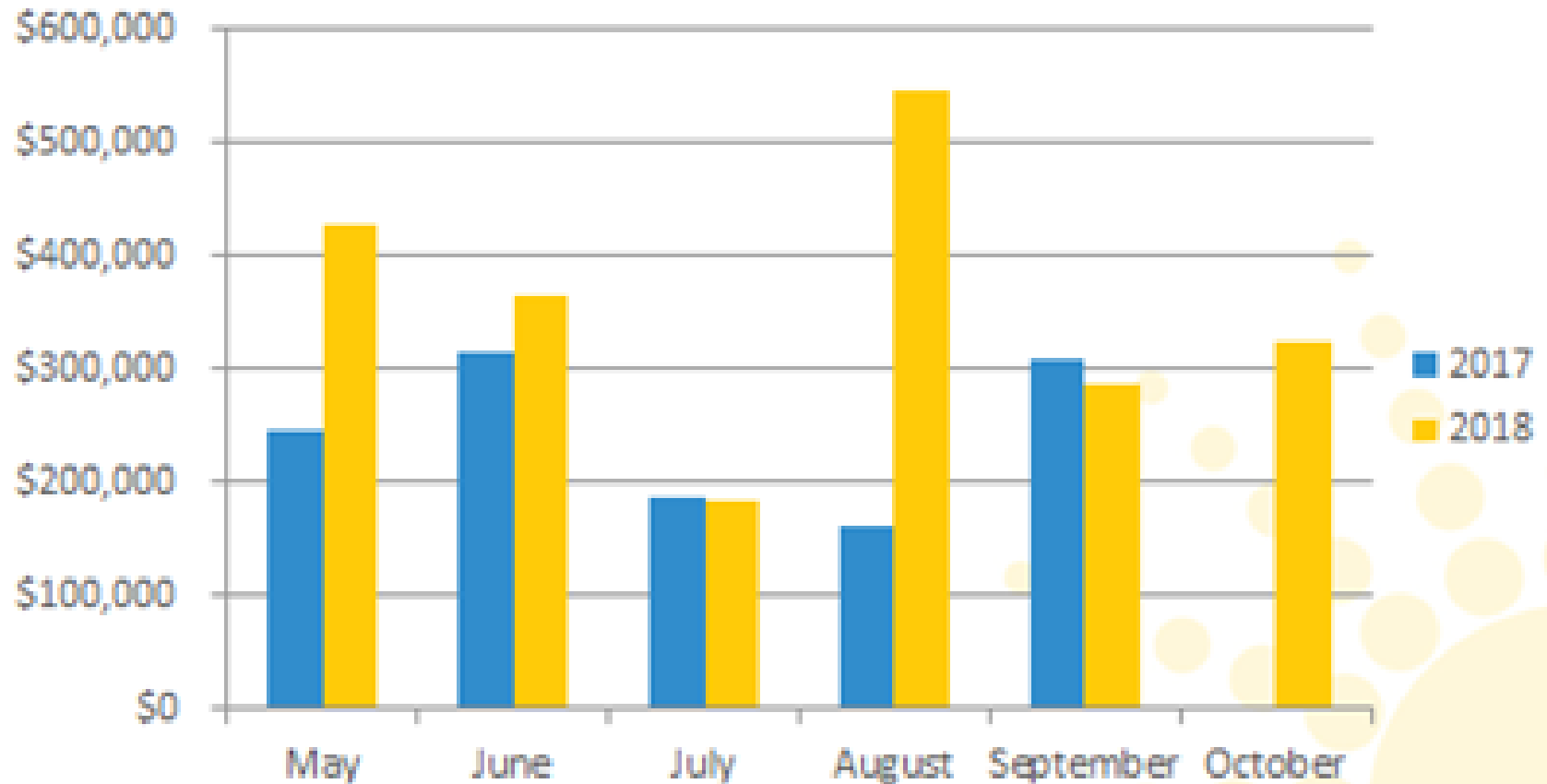
Success Story: MCS - FPU

- Goal: Increase Productivity with existing FTEs
- Beginning May – October, 2018: Three Changes
 - 1. Eliminate Time Consuming discussions prior to assigning case
 - 2. Free up Investigators' time by having SSA and Administrative Assistant process case closures
 - 3. Clarified case determination for DES Staff, so as to improve time to announce AHCCCS Benefits denials and approvals results.

Number of Cases Processed per Month:

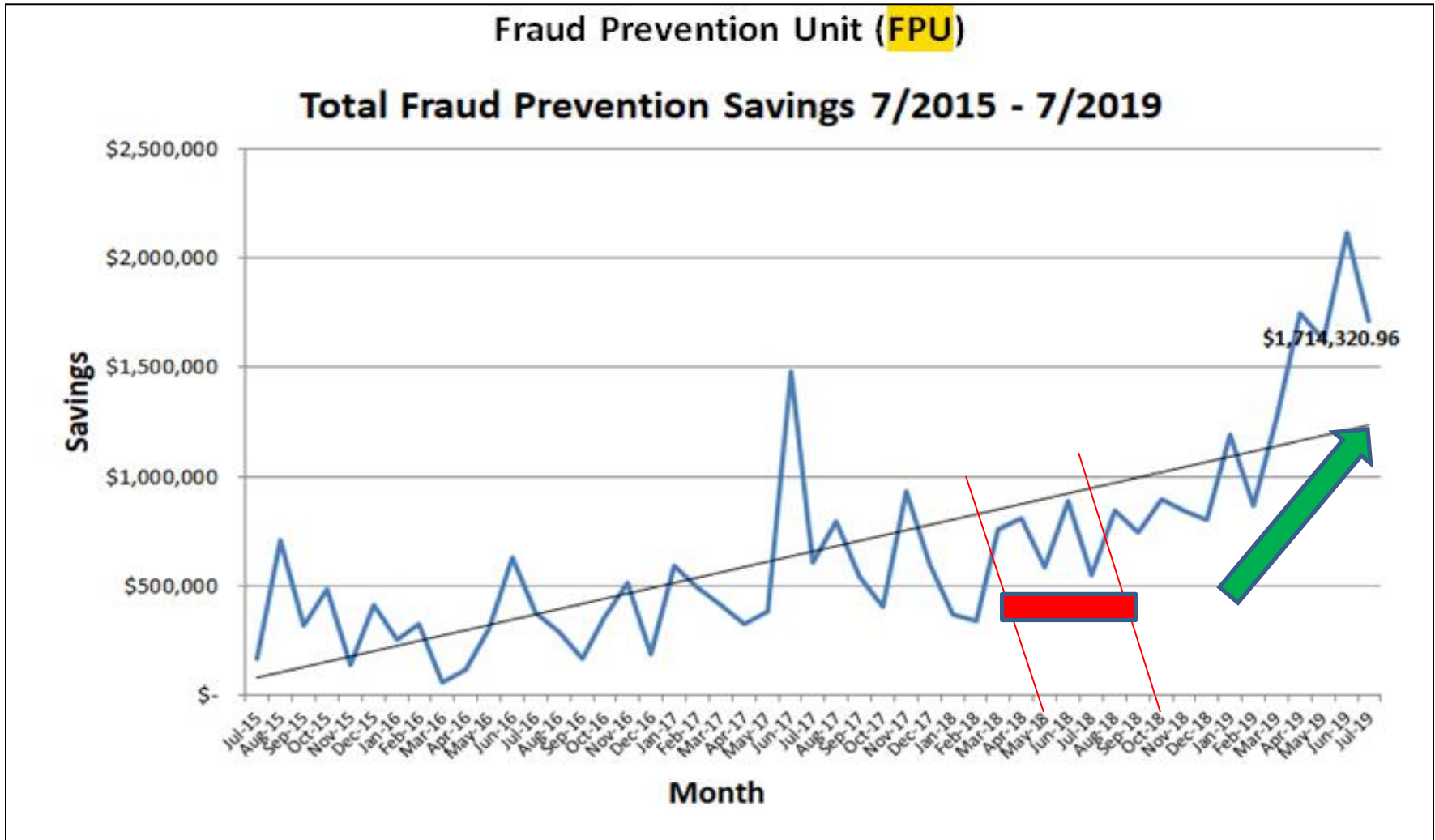


Savings Yielded for Cases Processed in Each Month:



2019 Additional Elements to Success

- Solo Investigator per Vehicle
- Assignments by Zip Code



FPU

- FY 2017 Savings \$ 5,571,203.30
 - FY 2018 Savings \$ 7,625,592.96
 - Total \$13,196,796.26
-
- Problem: DES failing to close FPU cases timely
 - Solution: The MCS collaborated with DES. The investigators contact the Eligibility Workers on each case, which significantly increased the number of closures during the course of the year.
-
- All efforts have lead to a significant increase:
 - FY 2019 Savings \$ 13,504,493.99

SSATF

- FY 2017 \$1,033,761.03
- FY 2018 \$677,276.00
- FY 2019 \$509,632.47

- Steady Decline
- FTEs declined between 2017 and 2018

AGOTF

- FY 2017 \$186,525.18
- FY 2018 \$263,950.93
- FY 2019 \$282,337.59*

- 2015-0549 RICO Case
- Pending \$3,082,879.00
- 33% goes to AHCCCS
- OR
- \$1,027,626.33in
Forfeiture – Drug Gang

Performance Improvement and Audits Section

- Audits
- Deliverable Template reduced work from two forms to one. Worked with a team of Compliance Officers. **Highly successful**
- The ACOM 103 was updated. The OIG has participated in the review and edits of various AMPM sections, and updated the contracts related to FWA.

Collections

- The Collections Unit will increase recoveries of monies owed to the state by 10%
- FY 2018, total post 60 days collections totaled: \$564,809.66; but had zero write offs.
- FY 2019, total post 60 days collections totaled: \$190,373.67
- However, the Collections Unit was able to write off \$11,081,420.87. Write off return the dollars paid to CMS back to the General Fund.

Program Integrity Team

- Methadone Clinics as part of OTP Audit, first time used UR RNs to assist in the audit of claims
- PIT, PIAS, and PC automated the process that linked medical claims to pharmacy claims by the members' ID number and date of service
- Program Integrity Audits
 - Duplicate E&M
 - Outpatient services billed while inpatient
 - Add on Codes

Provider Compliance Section

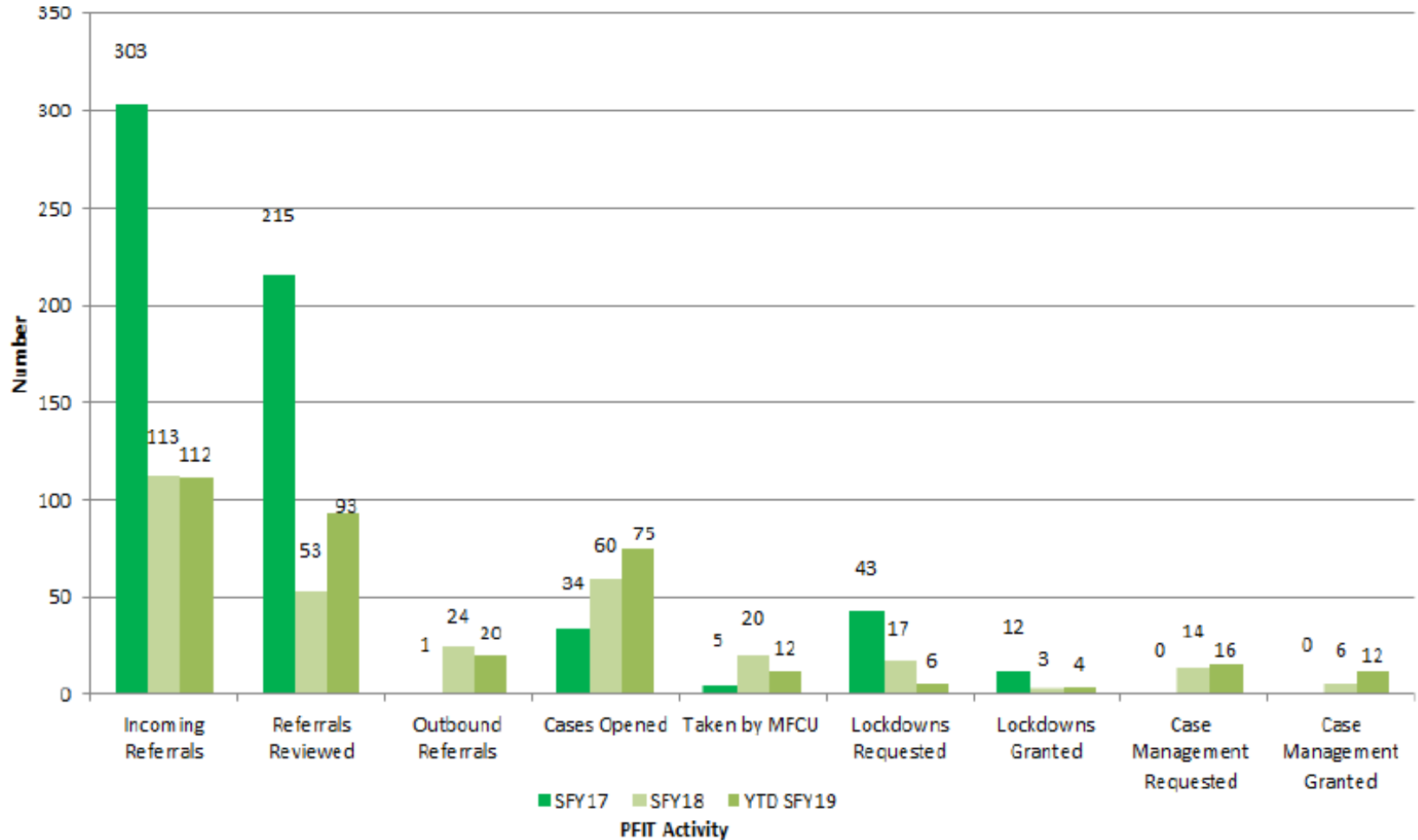
- Updated the MFCU MOU re time frames
- Working collaboratively with the Medical board
- Seeking to develop a MOU with the Pharm board
- Working with DHCM Compliance Unit and DFMSM Audit unit to identify FWA claims when MCO's seek to recoup funds when the matter should have been a referral o the OIG

PCS

- Work closely with the Arizona State Attorney General's Office (AGO) and the AGO's Medicaid Fraud Control Unit to increase the number of successful prosecution of OIG cases from FY 2017.
- In 2017, the OIG had 49 cases successfully prosecuted;
- In 2018, the OIG had 62 cases successfully prosecuted;
That is an increase of 27%.
- In FY 2019, the OIG had 101 cases successfully prosecuted;
- That is an increase of 63% over FY 2018.

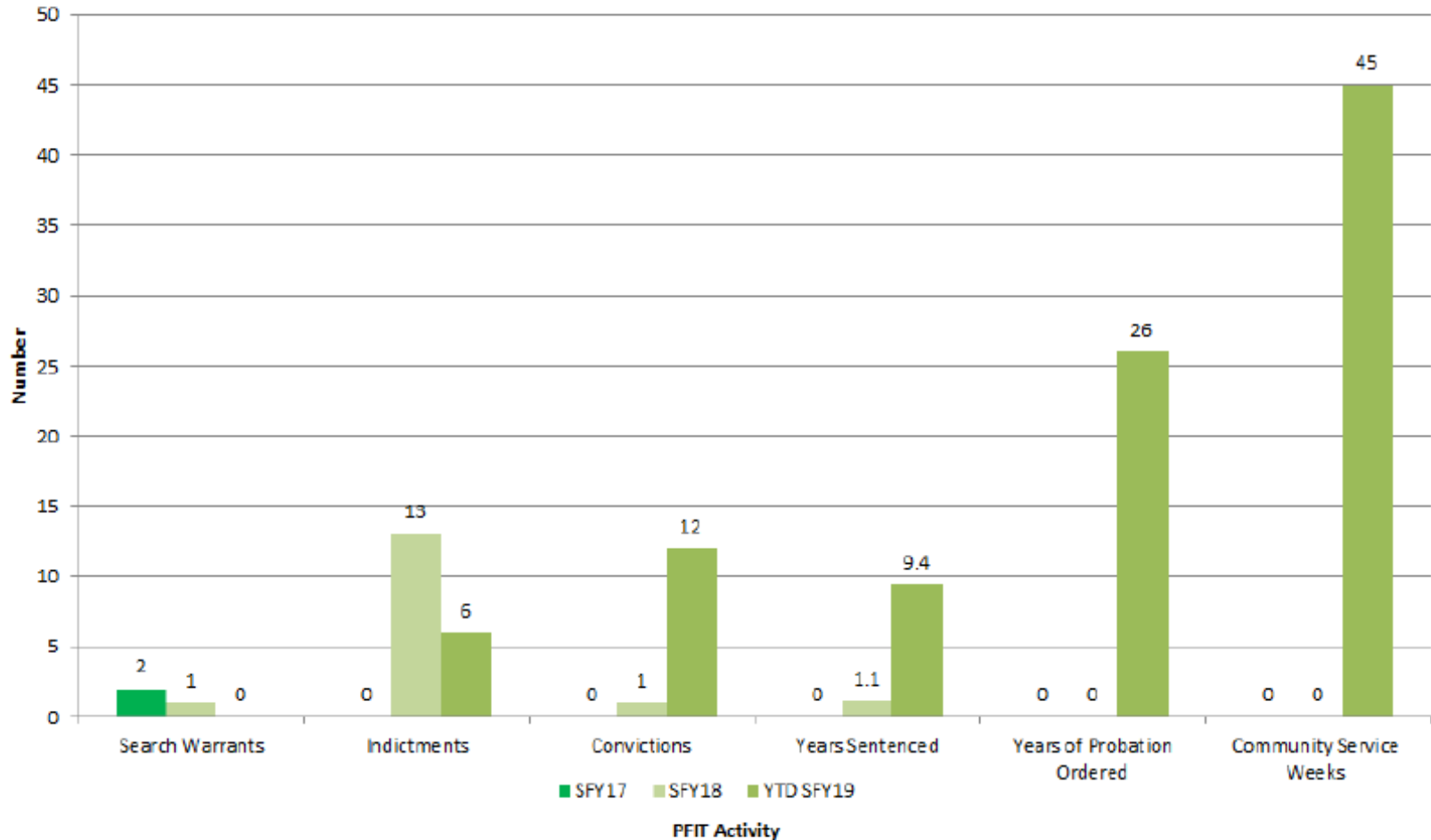
PFIT – Established in 2017

Pharmaceutical Fraud Intelligence Team (PFIT) Summary by SFY as of 6/30/2019



PFIT – FY 2018

Pharmaceutical Fraud Intelligence Team (PFIT) Summary by SFY as of 5/31/2019 (Cont.)



Big Mama Case



- First large conspiracy Indicted and convicted
- AHCCCS OIG initiated case
- Joint with LEOs: FBI, MFCU, Phoenix PD
- Fraudulent Prescription Drug ring
 - Created 1,000's of fraudulent scripts
 - Stole Doctor's identities and forged onto the scripts
 - Conspiracy among those in ring to commit fraud

- Recruited her son



- Among other family members