"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.
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 8/31/2019

SFY20 Goal: $55,000,000.00

<table>
<thead>
<tr>
<th>SFY</th>
<th>Recoveries &amp; Savings</th>
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</thead>
<tbody>
<tr>
<td>SFY16</td>
<td>$40,619,046.49</td>
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<tr>
<td>SFY17</td>
<td>$32,299,179.89</td>
</tr>
<tr>
<td>SFY18</td>
<td>$53,303,635.56</td>
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<tr>
<td>SFY19</td>
<td>$52,603,550.69</td>
</tr>
<tr>
<td>SFY20 YTD</td>
<td>$14,960,377.31</td>
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</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Year</th>
<th>Recoveries &amp; Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>SFY16</td>
<td>$1,229,148.57</td>
</tr>
<tr>
<td>SFY17</td>
<td>$1,040,503.87</td>
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<tr>
<td>SFY18*</td>
<td>$1,320,297.92</td>
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<tr>
<td>SFY19</td>
<td>$3,877,985.99</td>
</tr>
<tr>
<td>SFY20</td>
<td>$5,033,022.53</td>
</tr>
</tbody>
</table>

*Provider Case Savings Captured Starting 1/1/2018
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.

<table>
<thead>
<tr>
<th>Year</th>
<th>Recoveries &amp; Savings</th>
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<tbody>
<tr>
<td>SFY16</td>
<td>$3,714,492.54</td>
</tr>
<tr>
<td>SFY17</td>
<td>$3,271,792.07</td>
</tr>
<tr>
<td>SFY18*</td>
<td>$3,136,560.59</td>
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<tr>
<td>SFY19</td>
<td>$5,183,224.74</td>
</tr>
<tr>
<td>SFY20</td>
<td>$14,960,377.31</td>
</tr>
</tbody>
</table>

*Provider Case Savings Captured Starting 1/1/2018
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.

Recoveries & Savings

Month

July, August, September, October, November, December, January, February, March, April, May, June


$5,033,022.53
DIG 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.

Recoveries & Savings

$9,927,354.78

Month

July, August, September, October, November, December, January, February, March, April, May, June

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

PAID Total: $2,995,154
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:

- May 2017: 140
- June 2017: 120
- July 2017: 80
- August 2017: 100
- September 2017: 100
- October 2017: 50

- May 2018: 130
- June 2018: 120
- July 2018: 80
- August 2018: 180
- September 2018: 100
- October 2018: 150

AHCCCS
Arizona Health Care Cost Containment System
Reaching across Arizona to provide comprehensive quality health care for those in need
Savings Yielded for Cases Processed in Each Month:

- **May**: $200,000 (2017), $400,000 (2018)
- **June**: $300,000 (2017), $350,000 (2018)
- **July**: $200,000 (2017), $300,000 (2018)
- **August**: $300,000 (2017), $600,000 (2018)
- **September**: $300,000 (2017), $350,000 (2018)
- **October**: $300,000 (2017), $350,000 (2018)
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
<table>
<thead>
<tr>
<th></th>
<th>SSATF</th>
<th>AGOTF</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017</td>
<td>$1,033,761.03</td>
<td>$186,525.18</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$677,276.00</td>
<td>$263,950.93</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$509,632.47</td>
<td>$282,337.59*</td>
</tr>
</tbody>
</table>

- Steady Decline
- FTEs declined between 2017 and 2018

- 2015-0549 RICO Case
- Pending $3,082,879.00
- 33% goes to AHCCCS
  - OR
- $1,027,626.33 in 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 DFSM Audit unit to identify FWA claims when MCO’s seek to recoup funds when the matter should have been a referral to 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

- Incoming Referrals: SFY17 = 303, SFY18 = 215, YTD SFY19 = 112
- Referrals Reviewed: SFY17 = 113, SFY18 = 93, YTD SFY19 = 53
- Outbound Referrals: SFY17 = 1, SFY18 = 20, YTD SFY19 = 24
- Cases Opened: SFY17 = 60, SFY18 = 75, YTD SFY19 = 34
- Taken by MFCU: SFY17 = 5, SFY18 = 12, YTD SFY19 = 20
- Lockdowns Requested: SFY17 = 6, SFY18 = 4, YTD SFY19 = 17
- Lockdowns Granted: SFY17 = 3, SFY18 = 1, YTD SFY19 = 12
- Case Management Requested: SFY17 = 14, SFY18 = 16, YTD SFY19 = 0
- Case Management Granted: SFY17 = 6, SFY18 = 12, YTD SFY19 = 0
PFIT – FY 2018

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

- Search Warrants: SFY17: 2, SFY18: 1, YTD SFY19: 0
- Indictments: SFY17: 0, SFY18: 13, YTD SFY19: 6
- Convictions: SFY17: 0, SFY18: 0, YTD SFY19: 12
- Years Sentenced: SFY17: 1.1, SFY18: 0, YTD SFY19: 9.4
- Years of Probation Ordered: SFY17: 0, SFY18: 0, YTD SFY19: 26
- Community Service Weeks: SFY17: 0, SFY18: 0, YTD SFY19: 45
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