

The Utah Office of the Inspector General

*Committed to safeguarding taxpayer assets through
the minimization of waste, abuse, and fraud*

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What Has the OIG Been Doing?

Investigations

- Number Initiated: 832
- Number Completed: 733

Resulted in 80 Cases Appealed

- ✓ Open/In Process: 61
- ✓ Opening Alternative Case: 2
- ✓ Closed: 17
- ✓ Closed Cases Resulting in Funds Recovered: 10

Audits (FY12 to date)

- Number Completed: 7
- Number In process: 11
- Included on the OIG Audit Plan: 24
- Number of Recommendations: 27
- Percent of Recommendations Agreed to: 96%
- Percent of Recommendations that will be adopted by 12/31/12: 92%

Data Mining/Analytic Efforts

- Major Projects: 18
- Minor Projects: 62
- Exploratory Reviews: 238 (used to direct labor intensive reviews)

Results of OIG Activities

	May-12
Recovered	\$7,950,388
In Process	\$17,622,839
Avoidance	\$3,030,000
<hr/> Total	<hr/> \$28,603,227

Additional Cost Avoidance - Recovery Audit Contract (RAC)*

- Renegotiated the contingency fee compensation from 10.9% to 10.4% (2/2012).
- Just this past month, a new contract was awarded further reducing the contingency fee from 10.4% to 10%

* A Federal mandate

How the OIG Operates

1. Established Case Management
Accountability and Prioritization Process
2. Identifying Provider Errors/Abuse
3. Identifying Operational Flaws and
Inefficiencies within claims processing
4. Reviewing Conformance with Existing Policy
5. Creating Structure (waste and abuse occurs
when structure is poorly defined)
6. Creating Better Accountability
7. Promoting Improved Provider Relations

OIG Case Management:

- Established a case management system to triage all ideas and incoming referrals (1/24/2012) – nothing falls through the cracks
- All ideas and cases are reviewed by OIG management weekly – resources are dedicated depending on:
 - ✓ **Clinical, Provider and Recipient Impact**
 - ✓ **Policy Considerations**
 - ✓ **Potential Return on Investment**
- In the Pipeline: 101 topics under review
- Example:

“Compared hospital stays to nursing home claims to identify instances where nursing home days were paid concurrently with hospital days. Initial query for 2011 identified 19 potential overpayments - 33 days.”

Examples of OIG Efforts to Identify and Correct Provider Errors/Abuses:

- Ambulance Charges (Intra-facility transfers; laboratory tests billed from an ambulance service; medication seekers traveling from one ER to another).
- Pill Mills (11,000 opioid prescriptions from a single provider to a single patient without medical justification)
- Upcoding - belly ache billed as pancreatitis (upcoded)
- Unit Errors - 5 units billed as 50 units on an inpatient claim (antibiotics)
- Inappropriate Pharmaceutical Management/Sedation in Nursing Homes – overuse of opioids and atypical antipsychotics to manage nursing home patient behavior
- Evaluation & Management Services Coding Errors – full range of codes are not used; a disproportionate number of higher level/pricier codes submitted

Examples of OIG Efforts to Identify Operational Flaws:

- Duplicate Payments and Adjudication Errors
- Emergency Room Overuse
 - ✓ 484 UT Medicaid only recipients had 10 or more visits to the emergency room in 2011 (average 15.9 visits at an average of \$590 per visit)
 - ✓ Medicaid recipients who had 5 or more ER contacts resulted in ~ \$47.5 million in claims
- Medicare Eligibility for Dialysis Patients
 - ✓ Medicaid paying for dialysis when this is a Medicare liability. OIG initiated enrollment in Medicare
- **Third Party Liability (TPL)**
 - ✓ **OIG has identified 49,049 claims with unusually small TPL (e.g. \$.01-\$.25)**

Examples of OIG Efforts to Ensure Policy Adherence:

- Assistant Surgeon – billing for an assistant surgeon for a procedure that does not allow for an assistant
- Lithotripsy – Billing more than once in a 90 day window for a global procedure**
- 30 Day Readmissions

Examples of OIG Efforts to Support Sound Structure (there is a greater likelihood of waste and abuse when structure is ambiguous):

- **Promoting Clarifications in Hierarchy of Authority**
- Identifying and Promoting Policy Clarifications
- Perform Audits that Provide Actionable Recommendations

Examples of OIG Efforts to Create Better Accountability:

- Requested State Auditor's Review of OIG Financial Management
- Calling into Question Validity of Past Collections Reporting
- **Suggested Provisions for ACO/MCO Contracts that Promote Accountability and Access to Care – supporting pay for performance**

Examples of OIG Efforts to Promote Improved Provider Relations:

- OIG Has an Open Door – Personal Access to the IG
- OIG Tracking of all Formal Complaints and, when appropriate, Keeps Complainant Informed of Status
- Personal Outreach to Providers (example: rural providers; ambulance providers)**
- Provider Training and Education**

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