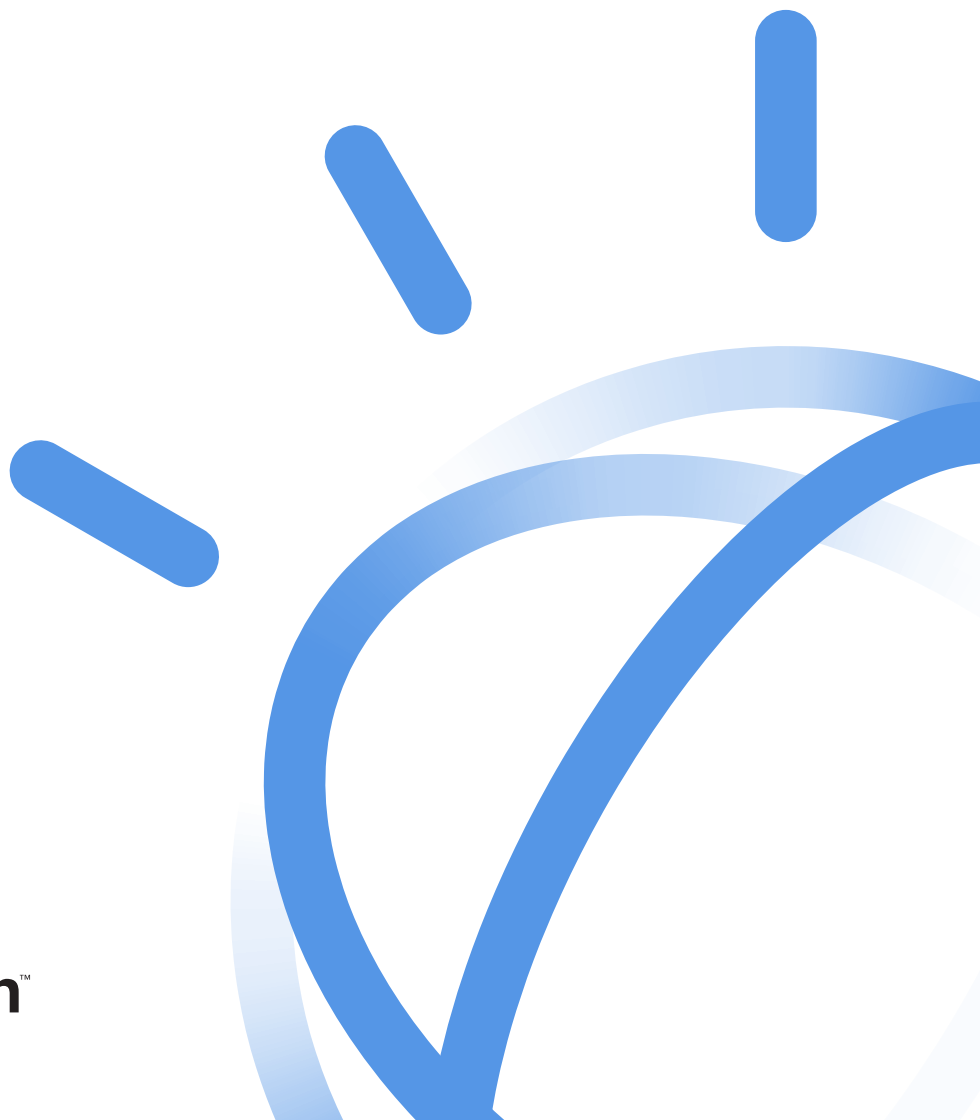




Iowa Medicaid Enterprise

State Medicaid program uses DataProbe to recover millions of dollars in fraudulent and wasteful claims



Overview

The need

Iowa Medicaid Enterprise (IME) needed help fighting fraud, waste and abuse in its new managed care program

The solution

IME utilized the flexible analytic capabilities of Truven Health DataProbe® to run specialized algorithms that mined for the highest priority vulnerabilities

The benefits

After analyzing more than \$15 billion in Medicaid dollars paid to providers, IME recovered over \$19.2 million during the State Fiscal Year 2017 over a 12-month period

Truven Health Analytics® was acquired by IBM in 2016 to help form a new business, Watson Health™. Watson Health aspires to improve lives and give hope by delivering innovation to address the world's most pressing health challenges through data and cognitive insights.

In April 2016, the Iowa Medicaid Enterprise (IME), part of the Iowa Department of Human Services, launched Iowa Health Link—a managed care program that offers Medicaid members access to physical, behavioral and long-term care benefits from a managed care organization (MCO) of their choosing.

The state was still responsible for fighting fraud, waste and abuse in its Medicaid program, but under managed care, the task became more complex. In addition to surveilling traditional provider payments made from the state or MCO directly to providers, managed care added the complexity of a second payment—the capitation payments made to MCOs also had to be reviewed. In addition, under- and over-utilization had to be monitored to ensure that MCOs were not denying or restricting medically necessary treatment.

Strengthening program integrity with robust analytics

IME turned to the program integrity (PI) team at Truven Health Analytics®, part of the IBM Watson Health business™, for help detecting, deterring and recovering Medicaid fraud, waste and abuse in its new managed care program.

Using Truven Health DataProbe, the team built a PI database by integrating and standardizing six years of fee-for-service and managed care data history, including claims (paid and denied), eligibility, provider files and several reference files. Then, they created a library of custom predictive analytics to identify complex schemes as well as simple billing mistakes. They used both parametric and non-parametric methods for anomaly detection, which included clustering techniques to identify peer groups with normal claims behaviors whose homogeneity has been enhanced not only by specialty designation, but also practice setting, procedure mix fingerprints, geography and other relevant data-driven factors.

The results were presented as straightforward alerts as well as multi-variate composite scoring, supporting risk-stratified provider scorecards. This approach provided high-quality leads with fewer false positives than less-structured predictive models.

Solution components

Software

Truven Health DataProbe®

Due to the innovative use of DataProbe and impressive performance improvement results, IME was honored with a 2017 Truven Health Advantage Award in the category of Strategy and Growth.

Getting results—and accolades

The Truven Health PI team helped IME analyze more than \$15 billion in Medicaid dollars paid to providers. Several high-priority targets were identified, and a series of desk and field-based audits and investigations were launched. As a result, over \$19.2 million was recovered during a 12-month period.

The team also created a comprehensive framework to provide oversight to Special Investigations Units for each of the MCOs operating in Iowa. And, in a recent review of the state's Medicaid program, CMS commended IME for its ability to detect and mitigate risks associated with provider enrollment and ongoing verification checks.

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Truven Health Analytics owns some of the most trusted brands in healthcare, such as MarketScan®, 100 Top Hospitals®, Advantage Suite®, Micromedex®, Simpler® and ActionOI®. Truven Health has its principal offices in Ann Arbor, MI, Chicago, IL and Denver, CO.

For more information, please visit truvenhealth.com

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As of the latest publication date, the healthcare information presented here is accurate.

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