

# Program Integrity and Fraud Control

## *Public Assistance & Medicaid*

February 5, 2014



Commissioner William J. Streur  
Department of Health & Social Services

# Fraud

## » Recipient Fraud

- ◆ Public Assistance Fraud Control Unit (DHSS)
- ◆ Welfare Fraud Section, Office of Special Prosecutions & Appeals (LAW)

## » Provider Fraud

- ◆ Medicaid Fraud Control Unit (MFCU)

# Medicaid Program Integrity

- » Mission: preserve and protect the integrity of the Medicaid program by proactively developing strategies to identify, deter, and prevent fraud, waste and abuse.
- » Program integrity conducts provider claim reviews, manages the audit contract under AS 47.05.200 and coordinates provider overpayment recovery and reporting.
- » Program Integrity also manages the Recovery Audit Contract (RAC) which was required by the Affordable Care Act.

# Medicaid P.I. Accomplishments FY13

- » Identified \$6,235,000 in overpayments
- » Recovered \$4,962,000 in overpayments
- » Suspended payments to 56 providers based on a credible allegation of fraud
- » Re-procured audit contract required by state statute. Issued 70 final provider audits conducted by Myers and Stauffer.
- » Initiated Recovery audit contract required by the Affordable Care Act using a multi-state procurement approach. The Recovery audit contractor conducted 142 audits (claims).
- » Participated in 4 on-site investigations in collaboration with the Medicaid Fraud Control Unit, the Office of the Inspector General, and the F.B.I.

# Division of Public Assistance

- » Investigates allegations of applicant and recipient fraud
- » Collaborates with federal and state agencies
- » Administrative sanctions and/or criminal prosecutions
- » Offices in Anchorage, Fairbanks, Wasilla and Kenai

# Data Mining

- » Alaska Corrections Offender Management System (ACOMS)
- » Fleeing and Drug Felons
- » EBT out-of-state usage
- » Excessive card replacements
- » Public Assistance Reporting Information System (PARIS)
- » EBT out-of-state usage with PFD filing
- » WIC vendor redemption data monitoring
- » Access to Washington Benefit Verification
- » PFD Direct Deposit match

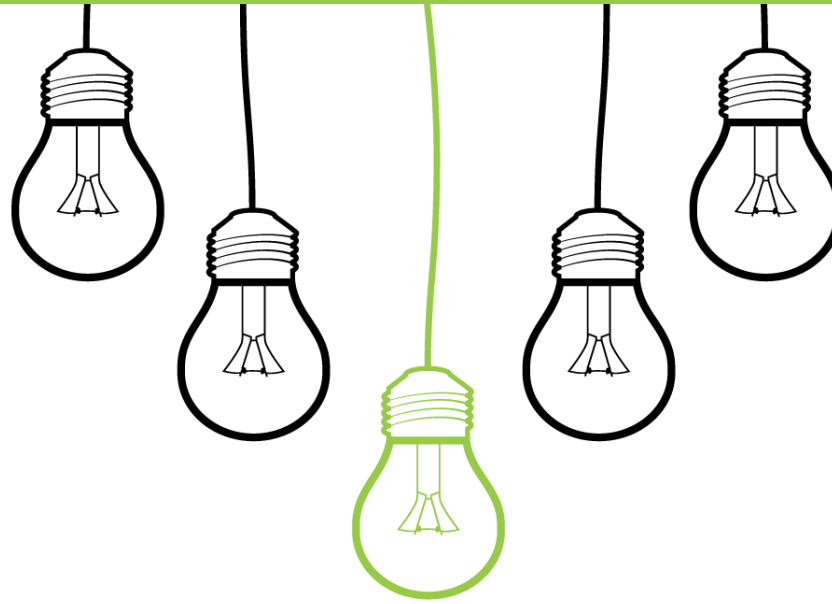
# Public Assistance Fraud Control Accomplishments – FY13

- \$9,270,000 combined amount of cost avoidance, fraud claims established and direct savings
- Applicant fraud: \$1,680,008
- Categorically ineligible investigations: \$6,455,987
- Recipient fraud: \$441,558
- 12 fraud convictions - \$198,475 in court-ordered restitution

# Public Assistance Fraud Control FY14

- » 9 cases prosecuted involving the Alaska Temporary Assistance (ATAP), Food Stamp and Medicaid involved Programs.
  - ◆ \$198.7 – Amount of restitution
- » Criminal charges filed on 7 additional individuals
  - ◆ \$170.7 – amount of restitution
- » 3 of the above 16 cases appear to involve collusion with the provider Good Faith Services
- » 9 additional cases have criminal charges pending
  - ◆ \$123.6 total fraud loss associated with these cases





Questions?