



**Department of Inspector General
Office of Medicaid Inspector General**

**Enterprise Fraud Program
Quarterly Report
FY20Q3
April 1, 2020**

Elizabeth Smith, Medicaid Inspector General

OMIG Enterprise Fraud Program Quarterly Report FY20Q3

This quarterly report contains information regarding the establishment and operations of the Office of Medicaid Inspector General's ("OMIG") Enterprise Fraud Program. On March 11, 2014, Act 259 of the Fiscal Session was signed into law requiring the OMIG to establish an Enterprise Fraud Program ("EMFAD"). The purpose of the program was to utilize state of the art technology to detect and prevent fraud, waste, abuse, and improper payments within the Arkansas Medicaid Program.

OMIG has undergone extensive review and evaluation of the current Medicaid data systems and programs to determine stability, interface, and access issues in order to develop a comprehensive fraud detection program. The development of the new Medicaid Management Information System (MMIS), the new Eligibility and Enrollment Framework (EEF), and the continued development of Enterprise Data Warehouse (EDW) are critical for providing appropriate data for the EMFAD program.

Many of the requirements set forth in the EMFAD statute are currently being met through tools which were not available at the time the statute was enacted. OMIG is utilizing tools through the OPTUM Decision Support System (DSS) procurement which provides fraud analysis detection tools including predictive scoring for post-payment detection, complex pattern analysis, link analysis, data mining, and case tracking. Also, OMIG has built a professional data analytics team by reallocating positions to allow for data scientists and business analysts. This team conducts statistical analysis of Medicaid billing to identify suspected fraud, waste, and abuse.

OMIG continues to review and monitor the developments with the new MMIS, EEF and EDW in order to plan for and assess the systems available before an EMFAD bid proposal can be released. As part of the 2017 organization report to Legislative Audit, OMIG reported that the projected implementation of the EMFAD program would be SFY2019. However, OMIG has not requested state general revenue funding in SFY20 for EMFAD. As of this time, the programs currently developed by OMIG are sufficient for the detection of fraud, waste, and abuse. As

technology advances and with the implementation of Managed Care populations in Arkansas Medicaid, additional tools may become necessary and a more robust EMFAD may be required to analyze data across multiple populations. OMIG will continue to monitor the current tools efficiency and effectiveness as well as the advances of technology in coordination with the Department of Inspector General to determine whether any EMFAD proposal should be released.