



# Fraud, Waste, and Abuse Trends in Texas Medicaid

Texas Pain Society  
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## INSPECTOR GENERAL

Texas Health and Human Services



# Agenda

- About the IG
- Fraud Trends in Texas Medicaid
- Texas Innovations
- Opioid Inspection



# About the IG

- **Mission**

The Office of Inspector General is responsible for the prevention, detection, audit, inspection, review, and investigation of fraud, waste, and abuse in the provision and delivery of all health and human services in the state, including services through any state-administered health or human services program that is wholly or partly federally funded, and the enforcement of state law relating to the provision of those services.



# About the IG

- **Vision**

To be the leading state-level Inspector General's office in the nation.

- **Values**

Professionalism, Productivity, Perseverance.

- **Jurisdiction**

Oversees approximately \$30 billion in Medicaid, \$5.5 billion in SNAP (food stamp) funds, and \$5 billion in other state-funded programs.



# Fraud, Waste, Abuse Trends

## **Leading Fraud, Waste and Abuse Trends by Provider Type\***

- Home Health
- Physician or Physician Group
- Dental
- Durable Medical Equipment
- Nursing Facilities
- Physical, Occupational, and Speech Therapy
- Hospital
- Adult Day Care
- Pharmacy

\* Data referenced is for 12/01/2015 through 09/15/2016



# Fraud, Waste, Abuse Trends

## Home Health (36.5%)

- Types of Allegations :
  - Falsifying times sheets
  - Billing time when not in client's home
  - Collusion with clients
  - Billing time when not providing services to clients



# Fraud, Waste, Abuse Trends

## **Physician Group or Individual Physician (17%)**

- Types of Allegations:
  - Clients forced to pay a co-pay
  - Physicians up-coding or keeping poor records
  - Corporate owned labs renting space in physician offices



# Fraud, Waste, Abuse Trends

## Dental (11%)

- Types of Allegations:
  - Billing for unnecessary fillings or repeated fillings
  - Billing for unnecessary stainless steel crowns/baby root canals
  - Quality of Care – substandard treatment; over sedation
  - Solicitation





# Fraud, Waste, Abuse Trends

## **Durable Medical Equipment (DME) (6%)**

- Types of Allegations:
  - Clients not receiving supplies
  - Clients receiving supplies they did not order
  - Devices not being custom fitted to the client or in proper working condition
  - Clients receiving more supplies than needed
  - DME of lesser quality than billed



# Fraud, Waste, Abuse Trends

## **Nursing Facilities (6%)**

- Types of Allegations:
  - Family members reporting sub-standard treatment
  - Solicitation of clients (hospital or physician group funnels clients to specific nursing facility and get a monetary benefit)
  - Up-coding Resource Utilization Groups (RUGs) that reflect levels of resources need in long-term care facilities.
  - Nursing facilities paying hospitals or physician groups for each referral or paying to be considered for referrals



# Fraud, Waste, Abuse Trends

## **Physical, Occupational and Speech Therapy (4%)**

- Types of Allegations:
  - Billing for hours not provided
  - Complaints related to assistants/interns providing the sessions when billed by the licensed therapist
  - Billing individual therapy sessions when group sessions are provided



# Fraud, Waste, Abuse Trends

## Hospitals (3%)

- Types of Allegations:
  - Substandard care delivery
  - Improper billing practices
  - Overutilization



# Fraud, Waste, Abuse Trends

## Adult Day Care (ADC) (3%)

- Types of Allegations :
  - Discrepancies in hours billed while a client was out of town or in some other facility
  - Quality of care concerns related to the conditions at an ADC facility
  - ADC facility owned by someone who owns a nursing facility (depriving client of choice regarding ADC facility)



# Fraud, Waste, Abuse Trends

## Pharmacy (1.2%)

- Types of Allegations :
  - No prescription to support the claims billing
  - Insufficient inventory
  - Clients having to pay co-pays to receive medication
  - Kickback schemes between the pharmacy and the prescribing physician



# Texas Innovations

- **IG Integrity Initiative**
- **Texas Task Force**
- **Data-Driven Monthly Operations**
- **Medical Services Division**
  - Subject Matter Experts
- **Data & Technology Division**
  - Dashboards
- **Lessons Learned**
- **Inspections**



# Inspection – Opioid Utilization

## **Purpose**

Does Texas Medicaid have programs effective at reducing prescription opioid abuse, and are there alternative programs that may further reduce opioid abuse?

## **Objectives**

This inspection will assess whether the Texas Medicaid program has implemented effective programs/processes to identify and reduce prescription opioid abuse, and identify alternative and/or additional programs that have proven effective at reducing opioid abuse and can be adopted by Texas Medicaid.





# Contact Us

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