

Front-End Authentication and Fraud Prevention System Pilot

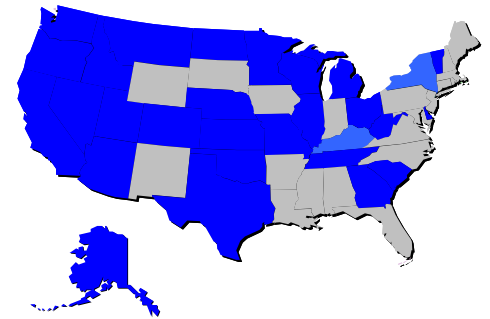
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Partner



MTG Management Consultants, L.L.C.

- MTG has provided services to the public sector since 1973.
- We have worked in 28 states and Canada, met the needs of more than 150 organizations, and successfully completed over 450 projects.
- MTG is organized into four market groups:
 - Labor, Employment, and Human Services.
 - Public Safety and Homeland Security.
 - Transportation and Natural Resources.
 - Administration and Education.
- MTG has over 30 management consultants.



William S. Riippi

- Partner, Health and Eligibility Services.
- 25 years of experience in technology projects and operations.
- 12 years in biometric identification (ID) systems, including:
 - Applicant finger imaging in Human Services.
 - Front-end authentication to combat fraud.
 - Universal Benefit Card applications.
 - Law enforcement Automated Fingerprint Identification System (AFIS).

Planning and Implementation

- Background
- Pilot Overview and Solutions
- Project Management and Evaluation
- Status
- Lessons Learned
- Next Steps

Background

Texas Legislation

The Health and Human Services Commission is conducting the Medicaid Integrity Pilot to **prevent fraud, abuse, or waste in health and human services programs**. The program is mandated by Section 2.23 of **H.B. 2292**, 78th legislature, Regular Session, 2003. This law is now codified in Texas Government Code §531.1063. The program includes:

- ***Smart cards for all Medicaid clients*** participating in the pilot.
- ***A smart card reader and biometric reader*** that resides in the office of participating Medicaid physicians and providers, ERs, and outpatient clinics of hospitals that have volunteered to participate in the pilot.

Fraud Reduction Objectives

- Phantom services
- Upcoding of services or billing for services not rendered
- Card swapping or theft

Background *(continued)*

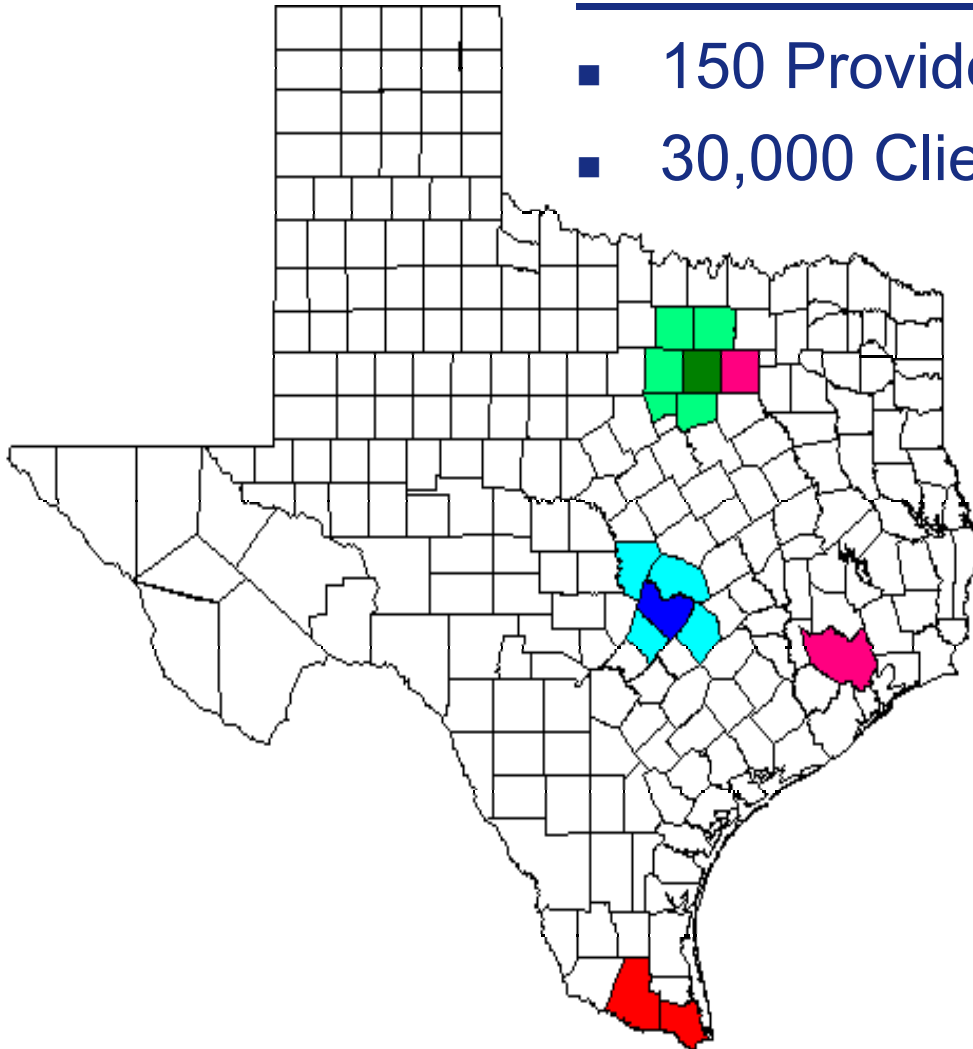
Timeline

- Planning (9/8/03–12/14/03)
 - Procurement – Project Manager, Independent Evaluator, Pilot Vendors
- Implementation (12/15/03–3/30/04)
- Operations (3/15/04–12/31/04)
- Turnover (1/1/05–3/31/05)

Pilot Overview

Six Pilot Counties

- 150 Provider Installations
- 30,000 Clients



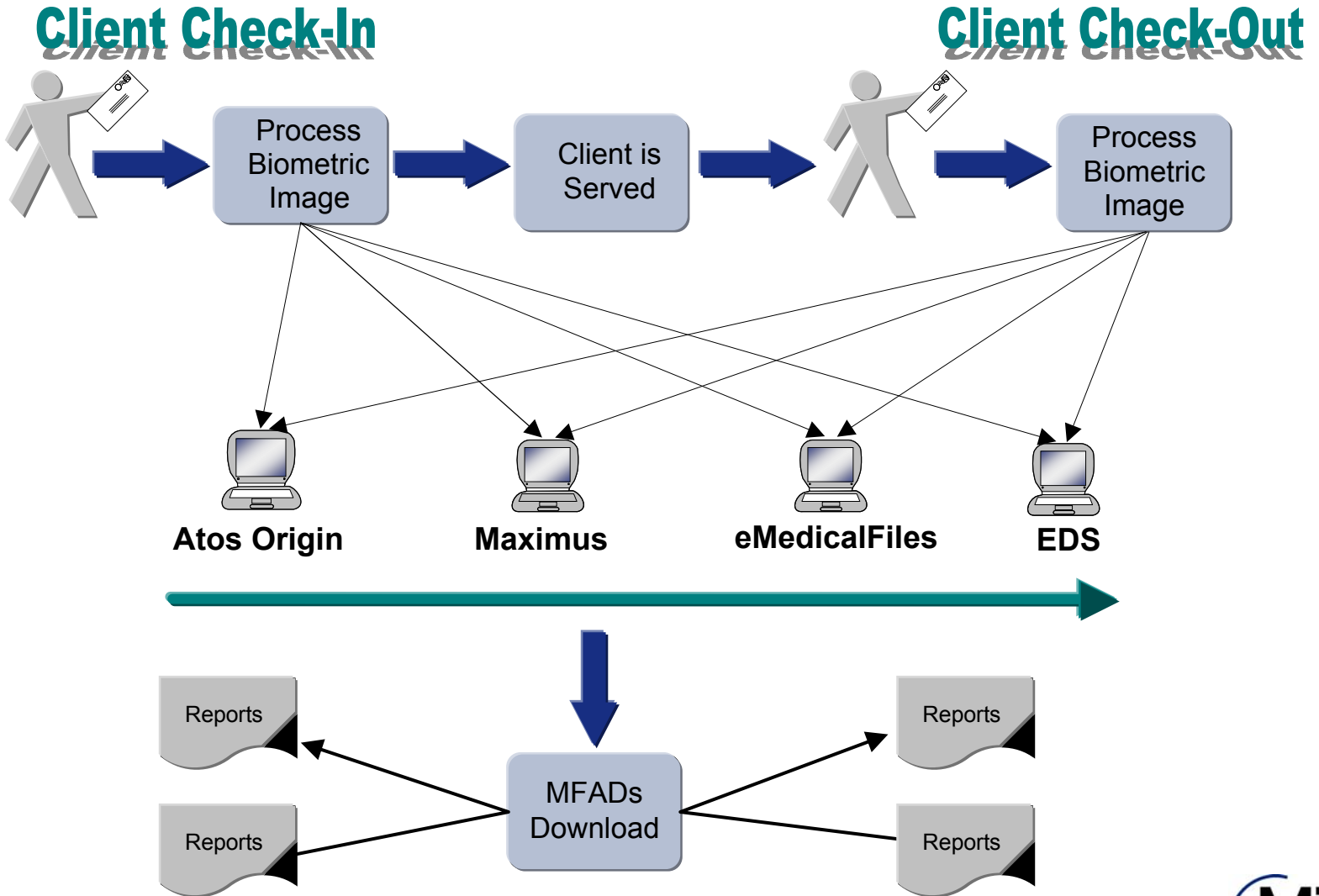
- Atos Origin:
Tarrant
- Maximus:
Harris & Dallas
- eMedicalFiles:
Travis
- EDS:
Hidalgo & Cameron

Why Select Multiple Vendors?

- Innovative solutions.
- Evaluate different approaches.
- Assess technology options.
- Development of best practices.
- Consider “Proof of Concepts.”

Pilot Overview (continued)

Client Flow

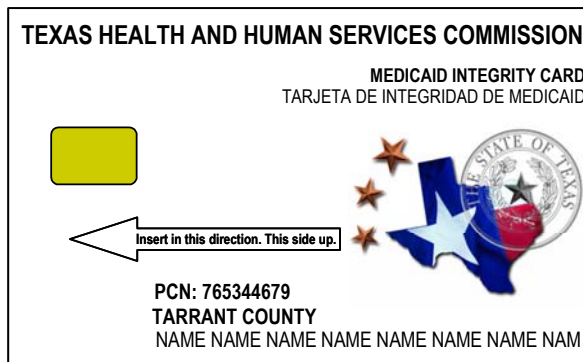


Vendor Solutions

Atos Origin

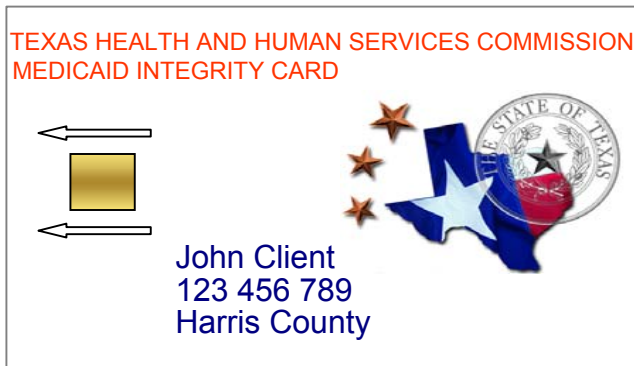


- Fee-for-service and managed care.
- 64K Java card.
 - “Proof of concept” demonstrations.
- Match on card.
- Application on provider’s PC.



Vendor Solutions

Maximus



- PCCM and fee for service.
- 32K Java card.
- Match on card.
- Maximus-provided PC.
- Non-integrated, stand-alone system.

Vendor Solutions

eMedicalFiles



- Fee-for-service.
- 8K card.
- Match on device.
- Application on provider's PC.



Vendor Solutions

EDS



- Fee-for-service.
- 16K card.
- Match on device.
- POS.



- Non-integrated, stand-alone system.

Project Management and Evaluation

- **Project Management – MTG**
 - Manage vendor compliance
 - Provide quality assurance
 - Consider best practices/lessons learned
- **Project Evaluation – IBG**
 - Technology acceptance
 - System effectiveness
 - Vendor performance evaluation

Status

- 954 readers in 6 counties.
- Over 1,200 providers.
 - Split between FFS & Managed Care
- Over 220,000 clients (cards).
- More than 60,000 client visits.

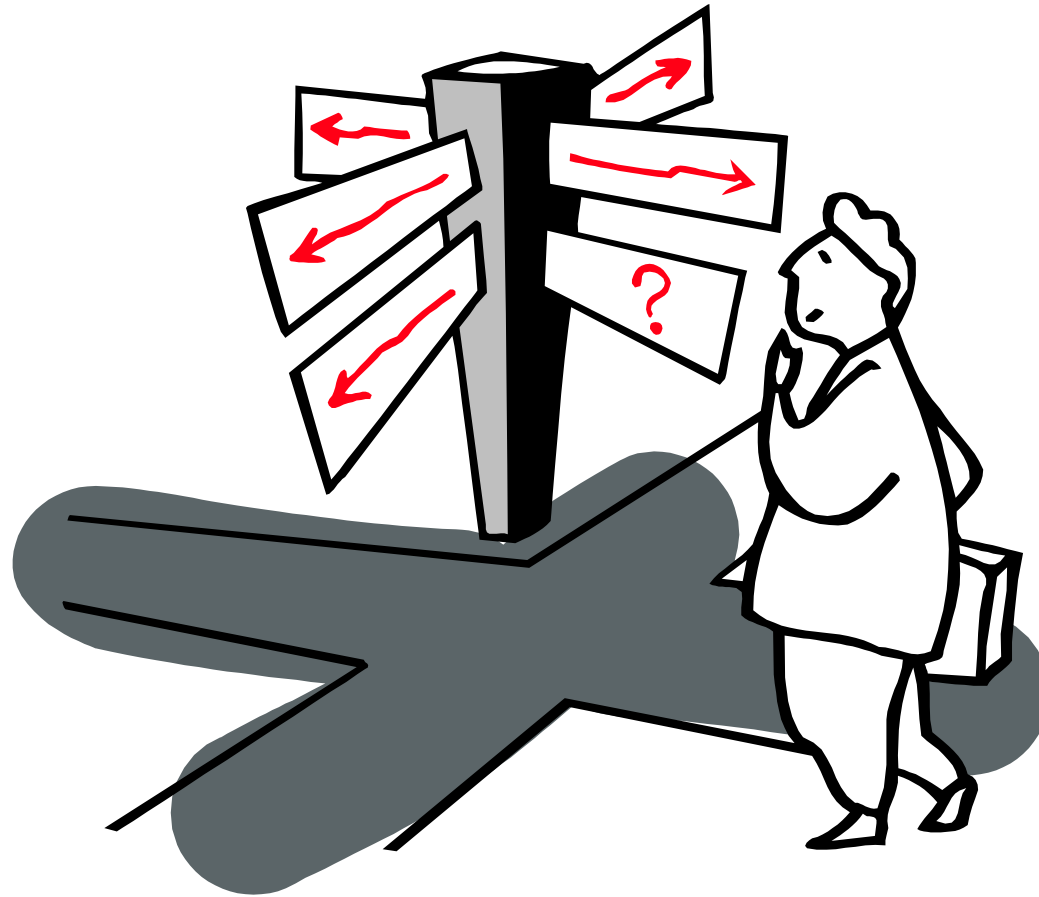
Lessons Learned

- Mandatory participation required.
- User acceptance favorable.
- Client privacy must be maintained.
- Optional site installations required.
- Training and communications are key.
- Future functionality desired.

Next Steps

- Pilot operations extended
 - Continued analysis
 - Functionality demonstrations
- Universal Services Card
 - Multi-applications on single card

Questions



Thank You!

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