

**GaiN** with **ChaNge**



## **Solutions for Healthcare Reform**

Fraud, Waste and Abuse  
Management Solution

## HCL Solution Highlights

- Analysis on 100 % of claims received
- Easy integration with Payer's existing systems
- Prevention frameworks for proactive analysis
- Claim Line level analysis by Rule Engine and Validation Services
- Analysis of historical data to identify suspicious claims
- Referring only fraudulent claims to Payer SIU's for further investigation and legal action
- HCL's team of experts to perform end-to-end claim validation services and Recovery Management

## A Multi-Billion Dollar Epidemic

As healthcare costs escalate to over \$2.26 trillion (source: NHCAA, 2012), the potential for fraud, waste and abuse continues to rise. The White House has reported total recoveries over the last three years were \$10.7 billion. Prosecutions are way up, too: the number of individuals charged with fraud increased from 821 in fiscal year 2008 to 1,430 in fiscal year 2011 – nearly a 75% increase (Werfel, February 28, 2012). Drug diversion costs health insurers up to \$72.5 billion a year in false claims involving opioid abuse alone. Diversion costs individual private insurance plans up to \$857 million annually. Statistics shows that drug-related deaths increased 96% from 2005-2010, with most of the jump due to prescribed pain medications versus “harder” drugs like heroin or cocaine.

The technical challenge of sifting through the resulting mountains of data for signs of suspicious behavior is formidable. It is also one that has overwhelmed the capacity of health plans and law enforcement agencies alike. In addition, the healthcare reform landscape lends itself to potential increase in fraud, waste and abuse opportunities. It is imperative therefore, to introduce a paradigm change that includes both pro-active analyses for new claims as well as retrospective trending. Find out how HCL is helping stakeholders attack the issues of emerging fraud, waste and abuse trends with new information technology and strategies.

## Our Approach

HCL's Fraud, Waste & Abuse (FWA) Management Solution offers tools and services to help Payer's/PBM's handle the issue of increasing healthcare fraud, waste and abuse. HCL's solution components include:

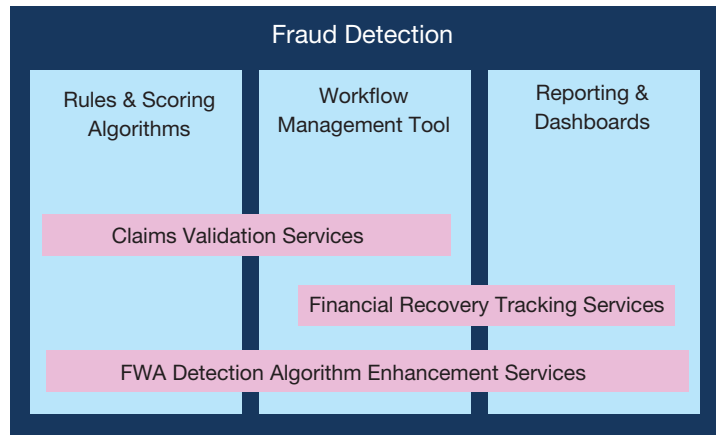
- Tools: HCL along with its partner vendors offers tools that detect potential fraudulent claims and aberrant billing patterns using data driven analytics. The output of these tools would be used as actionable information for further investigation by Claim Validation Services
  - Rule Engine – Comprises of customizable rules to identify suspected claims and present the output as claim flag indicator, reason and description
  - Scoring Engine – Includes multi-factor predictive models to score claims and provides a probabilistic score for fraud detection
  - Workflow Management Tool – Enables the claim investigation team to review and track the suspected claims. Comprises of automatic queuing and alert generation capabilities
  - Reporting Dashboard – Generates multiple operational and analytical reports which can be customized by the business user
- Services: HCL provides a full spectrum of services from validation of suspected claims to recovery management of overpaid claims. Our Claim Validation services assure that only fraudulent claims are referred to Payer SIU's for further investigation and legal action
  - **Claims Validation Services:** HCL provides claims validation or audit services that consist of reviewing claims for potential up-coding, billing for services not rendered, billing for non-existent prescriptions, drug diversion, medical necessity, inflation of charges, duplicate billing, etc. The audit team consists of medical directors, nurses, certified health information coders, pharmacy technicians and billing & business analysts
  - **Recovery Services:** HCL provides recovery services on claims that warrant a recovery effort. HCL offers this service to complete the audit package for the payer. HCL will seek recovery of the overpayments tracking all recoveries through our data management system. Management reports are readily accessible for the payer to monitor all activity throughout the audit process
  - **Rule and Model Enhancement Services:** HCL's rich and diverse resource pool of technical and domain experts offer continuous research and build a rigorous modeling approach on claims received to enhance the rules, algorithms and modules for increased ROI to payers





## Post Reform Approach to manage FWA

- Moving to an Enterprise model where organizations would focus on Services which can complement tools such as Rule Engine/ Scoring Engine
- Outsourcing Claim Validation and Recovery Management services to help Payer investigation teams in maximizing FWA processing throughputs with existing resources
- Deploying robust prevention frameworks for Pre-Payment, Pre-Adjudication fraud detection
- Using data-driven analytics such as linkage analysis and social network analysis



## Benefits to Health Plans

The benefits to a health plans include:

- Improved claim payment accuracy by:
  - Implementing services based solution with analytical tools as catalysts for eliminating false positives
  - Having the flexibility to adhere to the client's payment policies
  - Ensuring compliance to all the mandates of public and private programs
- Cost-effective model for greater financial returns by:
  - Increase in FWA detection processing throughput with same FTE
  - Focusing on investigating only fraudulent claims rather than FWA detection
  - Managing all the aspects of fraud, waste and abuse happening across all the channels
- Building a secure environment that addresses any future trend of fraud, waste and abuse by:
  - Performing data mining, linkage analysis, social network analysis and deploying appropriate prevention frameworks
  - Creating customizable dashboards with dynamic reporting capabilities to monitor multiple KPI's
  - Ongoing support and research by solution experts with understanding of Healthcare Industry

## Why HCL?

HCL is powered by more than 90,000 people in 31 countries. Our work is driven by highly experienced professionals who are drawn to our entrepreneurial environment and strong customer focus. We are passionate about helping our clients make changes that count. Our team has a record of successful engagements to show for it.

## More about HCL Technologies

As a \$6.2 billion global company, HCL Technologies brings IT and engineering services expertise under one roof to solve complex business problems for its clients. Leveraging our extensive global infrastructure and network of offices in 31 countries, we provide holistic, multi-service delivery in such industries as financial services, manufacturing, consumer services, public services and healthcare.

HCL's healthcare practice is the fastest growing vertical, servicing global pharmaceutical & Life Sciences companies and leading providers and national & regional health plans. Against the backdrop of Healthcare Reform and stringent Regulatory environment, HCL helps its clients navigate to success with targeted business technology solutions.

For more information please visit: <http://www.hcltech.com/lifescience-healthcare/payers> or email: [contact.ish@hcl.com](mailto:contact.ish@hcl.com)

A micro-vertical strategy, built on strong domain expertise, ensures that no matter how complex a company's business problem is, we can offer a solution that is sustainable and innovation-driven. That innovation is fueled by Employees First, a unique management approach that unshackles the creative energies of our 90,000 plus employees, and puts this collective force to work in the service of customers' business problems.

By engaging HCL employees in a way that allows them to deliver business value – whether it involves enterprise application services, IT infrastructure management, custom application services, engineering and R&D services, business services or enterprise transformation services - we turn technology into a distinct competitive advantage for our customers.

*We call it the Employees First effect!*



**Hello, I'm from HCL!** We work behind the scenes, helping our customers to shift paradigms and start revolutions. We use digital engineering to build superhuman capabilities. We make sure that the rate of progress far exceeds the price. And right now, 90,000 of us bright sparks are busy developing solutions for 500 customers in 31 countries across the world. **How can I help you?**

[www.hcltech.com](http://www.hcltech.com)

**HCL**