

Case Study:

Medicaid Fraud Control Unit Achieves Scalability

CHALLENGE:

Since 1978, federally funded Medicaid Fraud Control Units (MFCUs) have been at the forefront of maintaining the integrity of the Medicaid program. While approximately \$1.9 billion of taxpayers' money was recovered by MFCU's in 2019 from fraud activities like Double Billing, Phantom Billing and False Cost Reports, the high caseload overwhelms most state MFCU agencies. Agents are overworked and forced to prioritize only the worst cases, leaving the rest unprosecuted.

A Valid8 MFCU customer had limited budget availability for increased headcount and the escalating workload threatened to overwhelm their resources. Recognizing that huge amounts of time and resources were being expended on sorting, reviewing, transcribing and transfer matching bank statement transactions, they reached out to Valid8 for help following a recommendation from a neighboring MFCU.

SOLUTION:

With specific requirements around check image recognition, the solution had to be not only fit for purpose but also robust enough to satisfy the state's strict data protection due diligence. After a successful pilot project with an existing case, the MFCU was able to recognize 60% faster reviews of financial records over the first three months with no increase in staff resources. Further, staff reported higher job satisfaction as the data entry component of their duties was drastically minimized.

- A Pilot project was undertaken to ensure requirements were met and the data output was as anticipated. Following the successful completion of the Pilot, budget was secured for the upcoming fiscal year and training was delivered in one hour to over 90 team members.
- The MFCU uploaded pdf banking statements and pdf documents with related check images. Valid8 extracted the data from the statements, and reconciled against the amounts extracted from the checks, alongside Payee and Payor details.
- The MFCU team was able to deliver consistent, standardized transaction-level data sets to simplify discovery by state prosecutors.

The details of checks hold the information required but teams can't scale to accomplish the necessary reviews.

The automation Valid8 delivered boosted team morale and empowered investigators to push forward with vigor.

OUTCOME:

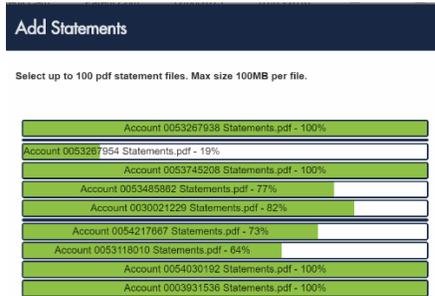
- Check images were automatically reconciled against bank statement entries, addressing a significant data reconciliation gap that had existed to date.
- In the first three months, the MFCU was able to recognize a 60% faster review of financial records, all with the existing team size.
- In the first 18 months, over 1 million transactions were reconciled from 100,000 pages, covering hundreds of cases.



The granularity that Valid8 brings to check details plugs a long-standing gap in the completeness of financial investigations.

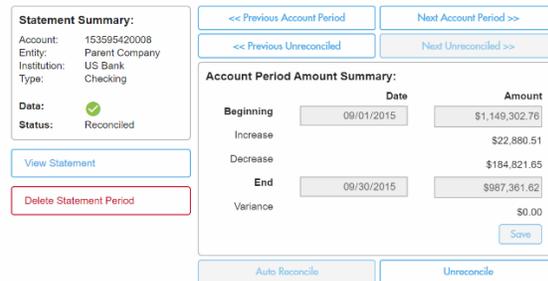
No Templates Required

- Upload any PDF from any institution in any format.



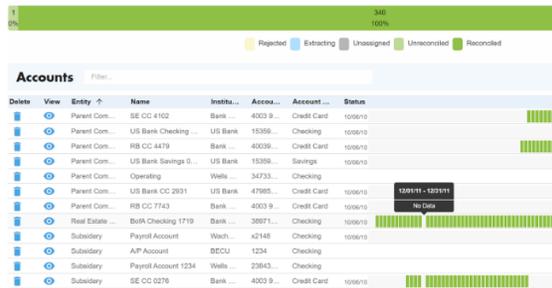
Automated Reconciliation

- Fully reconciled data returned in less than 24 hours.



Realtime Data Status

- Simple visuals to understand what data you have and what state it's in.



Interactive Data Visualization

- Visualize categorized sources flowing into categorized uses through a network of accounts.

