U.S. Department of Health and Human Services

Centers for Medicare & Medicaid Services

REPORT TO CONGRESS

Calendar Years 2021 - 2022
Healthcare Fraud Prevention Partnership
Biennial Report to Congress

September 2023

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Executive Summary

The Healthcare Fraud Prevention Partnership (HFPP) is a statutorily required public-private partnership of voluntary members from the Federal Government, state agencies, law enforcement, private health insurance plans, and healthcare anti-fraud associations, and is overseen by the Centers for Medicare & Medicaid Services (CMS). The goal of the partnership is to identify and reduce fraud, waste, and abuse across the healthcare sector through collaboration, data and information sharing, and cross-payer research studies. Given its broad membership, the HFPP is uniquely positioned to examine emerging fraud, waste, and abuse trends.

The "Calendar Years 2021 – 2022 Healthcare Fraud Prevention Partnership Biennial Report to Congress" fulfills requirements from Section 124 of Division CC of the Consolidated Appropriations Act, 2021 (CAA) [P.L. 116-260], which amended section 1128C of the Social Security Act. The HFPP has grown significantly during the current reporting period, from January 2021 through December 2022, with the most growth observed within law enforcement organizations and private payers.

The most important service provided to HFPP Partners is fraud analytics. The HFPP provides Partners with quantitative study results, qualitative white papers, fraud scheme alerts, and events to facilitate information sharing between Partners:

- Between January 2021 and December 2022, the TTP completed a total of 30 studies. HFPP Partners received analytic results from those studies, which included 10 new studies and 20 reoccurring studies.

- During this report's timeframe, the HFPP posted 158 alerts to the HFPP Portal.

- The HFPP sponsored 194 events as a platform to share information with one another during this timeframe.

Highlights of the outcomes include Federal Partners reporting over $11.4 million dollars of hard dollar savings (i.e., dollars actually recovered or received) and non-Federal Partners reporting $19.9 million in soft dollar savings ("avoidances", as described in the report).

This report summarizes HFPP program activities and achievements that occurred in calendar years 2021 and 2022. This report is the first to be required from the HFPP and will be delivered biennially hereafter.

The CAA also provided requirements of the HFPP to conduct studies or provide reports on the feasibility of real-time analytics and fraudulent billing patterns within substance use disorder treatments. This report provides summaries of activities and findings for each of these requirements.

HFPP Program Overview

Background

The HFPP is a statutorily-authorized public-private partnership comprised of voluntary members from the Federal Government, state agencies, law enforcement, private health insurance plans, and healthcare anti-fraud associations. Section 124 of Division CC of the CAA of 2021 (P.L. 116-260) amended section 1128C of the Social Security Act to provide explicit statutory authority for the HFPP and established requirements for a biennial Report to Congress.

Initially established in 2012, through the National Fraud Prevention Partnership Charter with legal authority from 42 U.S.C. § 1320a-7c., the HFPP began with 21 Partners with a common goal of using data and information sharing to move from a reactive approach to a preventive approach in addressing healthcare fraud, waste, and abuse. The Partnership has grown to 275[1] members from a variety of organization types. Given its broad membership, the HFPP is uniquely positioned to examine emerging fraud, waste, and abuse trends and develop key recommendations and strategies to address them. CMS, the Trusted Third Party (TTP), and HFPP Partners work together to fulfill the statutorily described duties of the Partnership.

Mission, Objectives, and Vision

The HFPP's mission statement, shown below, describes the primary objective of the Partnership. The HFPP's Executive Board developed the statement in August 2021 to reflect the Partnership's progress since the initial 2012 mission statement.

> *The mission of the Healthcare Fraud Prevention Partnership (HFPP) is to protect the public by identifying and reducing healthcare fraud, waste, and abuse through collaboration, data and information sharing, and cross-payer research studies. The HFPP delivers actionable data to Partners to develop strategies to proactively disrupt existing and emerging fraud trends and contribute to cost savings.*

To support this overarching objective, the HFPP identified three key areas of focus. The goals of the HFPP are to deliver:

- *Insight*. The HFPP provides Partners with broader visibility into the universe of payments beyond those identified by a single payer.

- *Innovation*. Partners work with healthcare fraud experts to identify emerging threats and leverage their collective experiences to shape the future of the HFPP.

- *Impact*. HFPP studies give Partners ways to take substantive actions that stop fraudulent and improper payments and reduce patient harm.

Additionally, the HFPP adopted a vision statement to serve as a guide as the Partnership works toward its goals and to provide direction on how the Partnership can continue to improve and grow. Executive Board members approved the vision statement, as shown below, in October 2022.

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[1] All metrics included in this report reflect figures as of the end of the reporting period, 12/31/2022.

The HFPP will use advanced analytics and the collaborative power of the public-private partnership to be the leader in combating healthcare fraud, waste, and abuse and reducing patient harm.

Executive Board

Similar to the HFPP's original charter, the CAA of 2021 requires an Executive Board that is responsible for providing strategic direction to the HFPP and supporting the Partnership's fraud-fighting efforts and initiatives. The CAA states that the Executive Board duties include communication with leadership of various agencies, including the Department of Health and Human Services (HHS), the Department of Justice (DOJ), and various private health sector associations.

Regarding the operations and function of the Executive Board, the CAA of 2021 specifies three complementary requirements related to its composition and meetings. CMS the TTP, and HFPP Partners worked together to fulfill these requirements as outlined below.

- *There shall be an executive board of the partnership comprised of representatives of the Federal Government and representatives of the private sector selected by the Secretary.*

The HFPP Executive Board consists of 16 Board Members, ensuring all categories of Partner organizations within the HFPP (i.e., Federal, law enforcement, private payers, state and local, and associations) are represented. For further information on the composition of the Executive Board, see Appendix A. Ten of the 16 Executive Board seats are designated as term-based seats, meaning existing Board Members will rotate off of the Board and new Board Members will rotate on to replace them. Non-permanent Executive Board members serve a two-year term. Up to 50% (or 5 out of 10) of the term-based seats on the current Executive Board will be eligible to serve a consecutive term. Executive Board nominees will be assessed based on established criteria.

- *The executive board shall be co-chaired by one Federal Government official and one representative from the private sector.*

During its inaugural meeting, the Executive Board selected two co-chairs – one Federal Government official and one representative from the private sector. Subsequent Executive Boards will select their own co-chairs, within the requirements set forth by the CAA of 2021.

- *The executive board of the partnership shall meet at least once per year.*

There are four Executive Board meetings held per year, with three meetings held virtually and one in-person. The initial in-person Executive Board meeting was held in April 2023, at CMS' headquarters in Baltimore, Maryland.

Executive Board Accomplishments

In 2021 and 2022, the inaugural Executive Board accomplished the goal of providing strategic direction and supporting the mission of the HFPP through the following achievements:

- Developed the HFPP Mission and Vision Statements and Executive Board Mission Statement

- Established the Outcomes Measurement Committee, which led the effort to identify savings metrics attributable to the Partnership
- Created assessment criteria and Executive Board term limits for future executive boards
- Provided feedback on key HFPP initiatives such as the HFPP Feasibility Report on Real-Time Analytics, HFPP white papers, and the HFPP Strategic Plan
- Reviewed and approved HFPP membership eligibility criteria

Review of HFPP Activities

The section below provides a review of activities conducted by the Partnership across the reporting period, and includes an overview of HFPP membership, data collection and management, deliverables that facilitate information sharing to and between Partners, and savings and outcomes attributable to the HFPP.

Membership

Types of Members

The Partnership consists of private health insurance plans (private payers), Federal agencies, state and local agencies, law enforcement organizations, and healthcare anti-fraud associations. Figure 1 provides an overview of HFPP Partners.

Figure 1. HFPP Membership by Partner Type
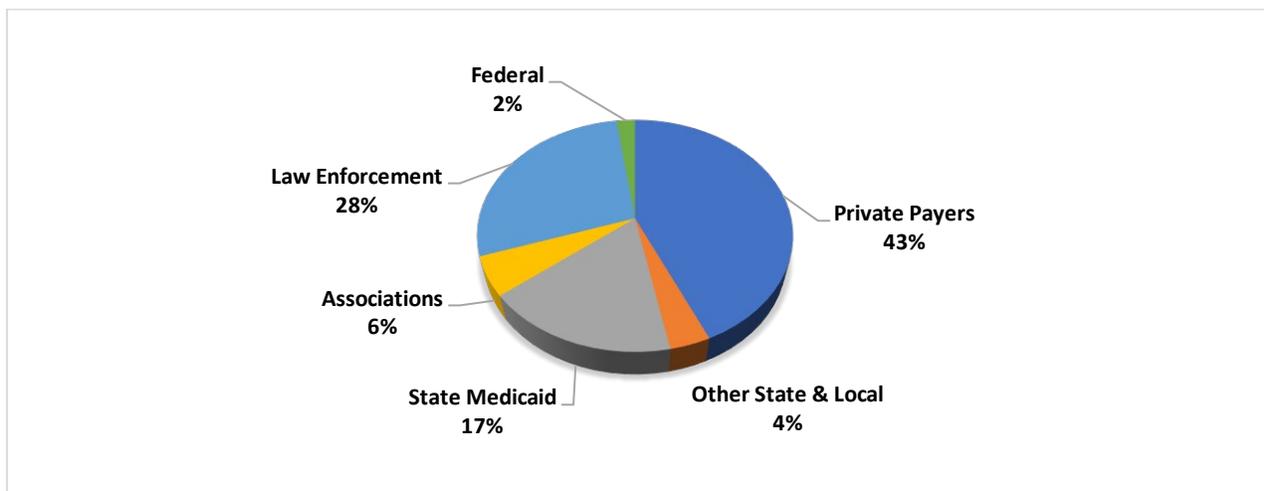
Data-sharing Partners (also called participating entities) include private payers, Federal agencies, and state and local agencies. These Partners send healthcare claims data to the TTP, which then analyzes data across payers to identify potential schemes.

Membership Criteria

The HFPP's membership criteria were approved by the HFPP Executive Board in October 2021 and is defined in the Partnership's Memorandum of Understanding (MOU), which is signed by all Partners when joining the HFPP.

Entities eligible for membership in the Partnership include:

- Public sector – representatives of Federal healthcare programs such as representatives of the Medicare and Medicaid programs, and other Federal, state, or local government organizations that the Secretary of Health and Human Services (HHS), or their designee, may identify.
- Private sector – non-governmental organizations, health insurers, delivery systems, and other appropriate entities with relevant and shareable healthcare claims payment or functionally equivalent data or relevant information or lessons that can be aggregated and

used by the Partnership and its members for health care fraud detection and prevention. This includes, but is not limited to, private healthcare payers, and associations.

Provider practices and technology companies (e.g., a case management software developer) are ineligible to participate in the Partnership. In addition, only Partners that are Health Insurance Portability and Accountability Act of 1996 (HIPAA) covered entities can share data with the HFPP and become participating entities.

Once an eligible organization expresses interest in joining the HFPP, the TTP vets the organization to ensure there are no issues that would prevent it from being able to fully participate in information sharing and collaboration. Upon successfully completing the vetting process, the eligible organization is offered membership and formally becomes a Partner once they sign and return the MOU to the TTP.

Membership Growth by Partner Type

In 2012, when the HFPP was developed, the Partnership consisted of 21 Partners from three federal agencies, three federal law enforcement agencies, eight private payers, one state Medicaid agency, and six associations. Driven by the importance and value of the HFPP's mission, membership grew over the last decade to 275 Partners, to include 6 federal agencies, 77 law enforcement agencies, 119 private payers, 48 state Medicaid agencies, 15 associations, and 10 other state and local agencies.

Outlined in Figure 2 below, the Partnership has grown significantly during the current reporting period, from January 2021 through December 2022, with the most growth observed within law enforcement organizations and private payers.

Figure 2. HFPP Partnership Growth, 2021-2022
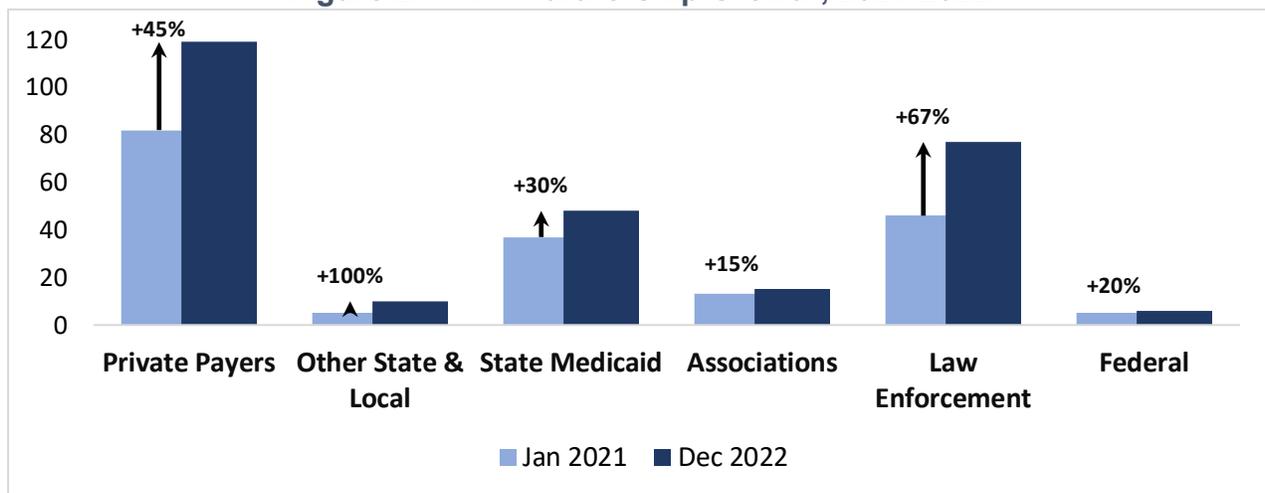
Data Collection & Management

The first step in producing study results for HFPP Partners is collecting data. Professional, institutional, and pharmacy claims data submitted by HFPP Partners, are used to conduct fraud, waste, and abuse analytics. The TTP provides Partners with submission templates and conducts data verification testing with each new data-sharing Partner. Once test data has passed quality assurance, the Partner data are updated through regular submissions. The frequency of

submissions varies by Partner; some provide updates monthly, while others provide quarterly updates.

Partners can provide data in several ways, depending on their needs and capabilities. Data transfer methods include sharing through the HFPP Portal web interface, Secure File Transfer Protocol (SFTP) server, and in a cloud environment. Additional information regarding each of these methods can be found in Appendix B of this report.

Safeguards are maintained to protect data in transit from the Partner to the TTP for each method of data submission. Regardless of the method that Partners choose to share data, file uploads are secure and are not accessible by any other HFPP members. Once submitted, data is stored in a data warehouse, hosted by a U.S.-based commercial cloud provider. Access to HFPP data is managed through access roles for end users, ensuring appropriate access privileges and security.

Data Growth

Since the inception of the HFPP in 2012, a primary goal of the Partnership has been to collect data to be used for fraud analytics. In 2015, Partners began to submit data on a study-by-study basis according to the data elements needed for each study. This process proved burdensome for Partners and prevented thorough data exploration into other billing issues connected to the study's initial area of focus. Since 2017, the TTP has collected historical extracts of Partners' paid claims data using a submission template. The template is designed to standardize data elements from each Partner's various formatting for ease of use during the data analytics process. This progression in data collection methodology has eased Partners' burden, while also facilitating data exploration that leads to new studies and the detection of fraud schemes.

Across the period covered by this Report to Congress (January 2021 to December 2022), the TTP has collected 259 billion claims records from HFPP data-sharing Partners, averaging 10.8 billion records per month over 24 months. Once collected, the TTP updates the data warehouse, adding relevant records for inclusion in study analyses. Figure 3 below illustrates the growth of the number of Partners sharing data, as well as the volume of data in the data warehouse, from the beginning of 2021 through December 2022. During that time, the number of Partners sharing data increased from 49 to 79, and the number of records present in the TTP production data warehouse has risen from 23.3 billion to 67.2 billion, more than a two-fold increase.

Figure 3. Data-Sharing Partners and Data Volume, 2021 - 2022

Legend:
- Number of Partners Sharing Data with HFPP
- Claim Lines in TTP Production Data Warehouse in Billions
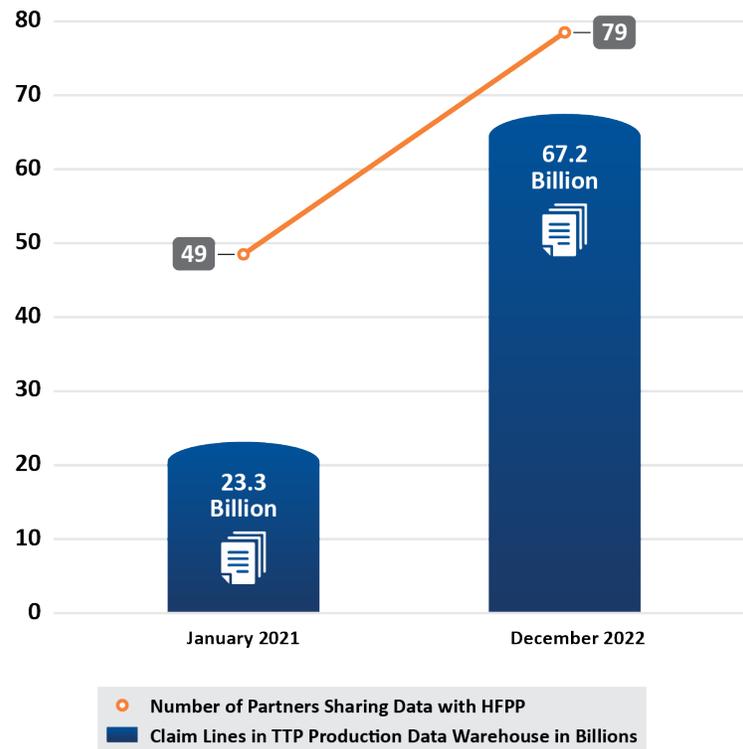
Information Sharing

The HFPP facilitates data sharing between Partners, analyzes data to identify fraudulent billing patterns, and provides education and outreach to Partners regarding the results of data analyses. The HFPP provides Partners with quantitative study results, qualitative white papers, fraud scheme alerts, and events to facilitate information sharing between Partners; these deliverables are outlined in detail below.

Data Analytics

The most important service provided to HFPP Partners is fraud analytics. It is the foundational purpose of the Partnership. Fraud analytics provide the necessary information to develop and deliver HFPP studies, which offer Partners visibility into existing and emerging schemes that can lead to actionable outcomes. HFPP studies apply research methodologies to claims data from public and private sectors, analyze and compare trends across-multi payer environments, and deliver meaningful and reliable payer-level and aggregate results.

Study Lifecycle

The HFPP Study Lifecyle is illustrated in Figure 4. It consists of the following major components: Partner data submission, crowdsourcing and study execution, results delivery, and outcomes measurement.

Figure 4. HFPP Study Lifecycle
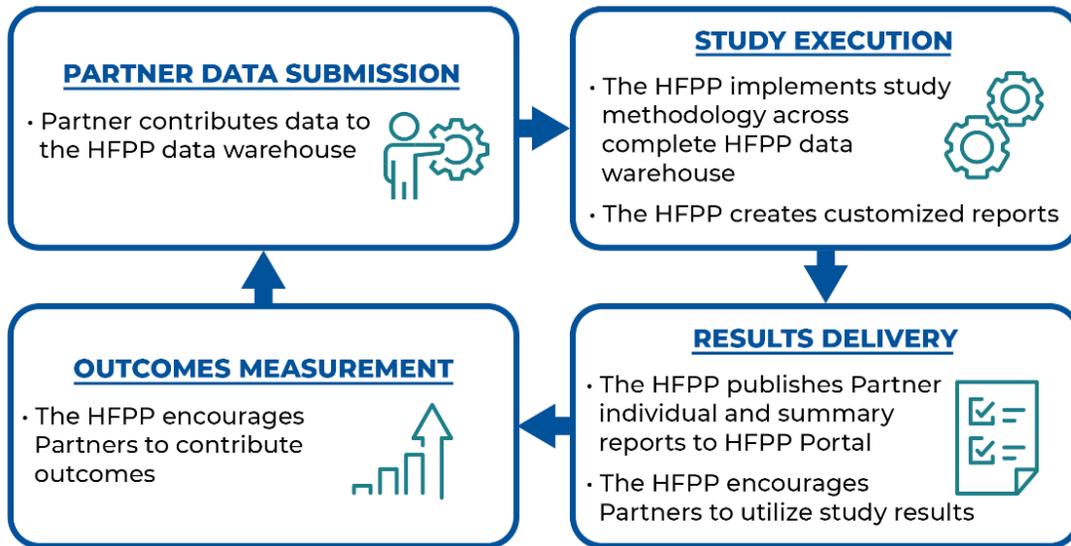
1. Partner Data Submission - Data submission occurs when the Partner delivers data to the TTP. Partner data is ingested and loaded into the cross-payer data warehouse. For additional information on the HFPP's data collection process, see the Data Collection & Management section of this report.

2. *Crowdsourcing and Study Execution* - Partners submit ideas for new studies, and study ideas are selected for development based upon Partner prioritization, research conducted by the TTP, and data exploration of the data warehouse. Once the design of the study is complete, the TTP executes the study using the entire HFPP data warehouse. After the data is analyzed, trends are identified throughout the cross-payer environment, and reports are developed.

3. Results Delivery - The TTP provides data-sharing Partners with individualized reports offering specific insights and claims details regarding providers that are flagged for potentially fraudulent or abusive billing behaviors, as well as deidentified cross-payer reports describing key takeaways from the overall billing patterns observed within received claims data, while still protecting Partners' anonymity. All Partners, including those that do not share data, are provided with a summary-level report describing trends and key outcomes for each study without provider-specific details.

4. Outcomes Measurement - The HFPP encourages Partners to submit quarterly metrics related to outcomes of activities resulting from HFPP studies. For additional details, see the Metrics section of this report.

Studies

Between January 2021 and December 2022, the TTP completed a total of 30 studies. HFPP Partners received analytic results from those studies, which included 10 new studies and 20 reoccurring studies, described below.

New studies cover a broad range of service categories based on the diversity of HFPP Partner priorities. Each new study for the reporting period is outlined below.

- **Footbaths**: This study focused on schemes that typically involve the prescribing of multiple expensive drugs (e.g., antibiotics, antifungals, and steroids) for beneficiaries to take home, mix in a basin of warm water, and soak their feet (i.e., footbaths). The drugs prescribed come in various forms, capsule, ointment, lotion, solution, or injectable but these forms of the drugs are ineffective when administered via footbath.
- **Substance Use Disorder Treatment (SUDT)**: This study examined suspicious billing of comprehensive and timed SUDT services as well as drug testing services across multiple SUDT service modalities, including outpatient, facility-based, and medication assisted therapy.
- **Opioid Risk Analysis**: This study identified prescribers and dispensers with extremely high per-member morphine milligram equivalent (MME) values, adverse events related to opioid use such as overdose, and the regular dispensing of long-acting opioids to opioid-naïve patients.
- **Psychotropics in Nursing Facilities:** This study analyzed two types of psychotropic prescription drug events, antipsychotics and select mood stabilizers, filled during a nursing facility stay.
- **"Add-on" Laboratory Testing**: As the coronavirus pandemic emerged, payers relaxed billing and payment rules to expedite critical services such as COVID-19 testing. This created new vulnerabilities for fraud, waste, or abuse. One such abusive billing scheme involved certain laboratories adding batteries of expensive, non-COVID-19 testing to the more basic COVID-19 diagnostic test. The TTP released study results to the Partners that examined this type of billing across a variety of test types, including respiratory pathogen panels and genetic tests.
- **Applied Behavioral Analysis** (ABA): The TTP analyzed ABA claims to identify potential suspicious billing reported across five scenarios based on potential dollars at risk. This study examined ABA services billed over the guidelines established according to the member's age, or an inappropriate or improbable number of ABA service hours for a member in a single day, or an unlikely number of hours of direct supervision billed by the licensed practitioner.
- **Self-Care/Home Management Training**: This study identified excessive frequency or units of self-care/home management training services, as well as flagging providers who first began billing these services after the onset of the COVID-19 Public Health Emergency (PHE). The study also identified physical therapy and occupational therapy providers billing self-care training services who were also flagged in previous studies.
- **Allergy Services & Allergy Immunotherapy**: The TTP generated a study around allergy services, including an examination of excessive or implausible units of antigen preparation service and antigen preparation services with no evidence of injections being billed. This study identified scenarios where antigen preparation services were billed on the same date as the allergy testing service, and abusive billing of the allergy tests themselves. Based on findings within this study, the TTP published *Allergy Immunotherapy Potential Savings Analysis*, an interactive dashboard tool that allows individual Partner organizations to drill down into the volumes of antigen preparation services billed by certain providers within their program.
- **Providers of Interest**: Historically, the TTP has produced studies which identify providers who have been excluded from Federal health programs but who continue to bill other payer types. Recently, the Partnership expanded this vision and, in addition to providers excluded from Federal health programs by the HHS Office of Inspector General, the new study includes exclusion (or like process, that may be called, for example, a termination or

revocation) lists from 18 states. The exclusions are published by various state Medicaid and other state agencies, as well as state law enforcement. The new version of the study also identifies excluded providers within institutional claims data, as well as the professional claims data that had previously been the focus of this study.

The TTP regularly evaluates previously published studies to determine whether the Partnership would benefit from refreshing the results using additional and updated data – providing Partners opportunities to act upon refreshed study results. Studies are selected for refresh based upon Partner input, results from previous iterations, and the amount of time elapsed since the study was last published. To refresh previous iterations of a study, data from new data-sharing Partners is incorporated, along with updated data from Partners that were included in the original study.

During this reporting period, the TTP conducted 20 reoccurring studies. These focused on a variety of topics, including excluded providers, sleep studies, genetic testing, and urine drug testing. Many reoccurring studies focus on improbable days (i.e., providers billing a volume of services that are improbable to have performed during a single date of service). Between January 2020 and December 2022, improbable days studies were conducted on telehealth, psychotherapy, physical therapy and occupational therapy, and evaluation & management services.

White Papers

The CAA of 2021 indicates that one of the HFPP's objectives is "detecting and preventing health care fraud, waste, and abuse." In support of this, the HFPP releases white papers that provide HFPP Partners and public stakeholders a resource that describes fraud, waste, and abuse in healthcare. HFPP white papers provide an overview of topically-related fraud, waste, and abuse schemes, as well as insights into identifying and mitigating these schemes.

The most recent white paper, published in January 2022, was titled *Fraud, Waste, and Abuse in the Context of COVID-19*. During this reporting period, the HFPP partnered with researchers at Stanford University School of Medicine and Boston University School of Business, who worked collaboratively with the TTP and CMS to conduct research and draft and publish the papers. For all HFPP white papers, the research teams conduct interviews with HFPP Partners to gain insights into their experience with the particular topic, as well as their suggestions for identifying and mitigating related fraud, waste, and abuse schemes.

During 2022, the HFPP drafted another white paper, titled *Exploring Fraud, Waste, and Abuse Within Telehealth*. Published publicly in May 2023, this resource discusses concerns surrounding evolving fraud, waste, and abuse schemes associated with the delivery of care through telehealth services, as well as strategies and methods to mitigate observed vulnerabilities.

HFPP white papers are distributed to the Partnership and are available publicly through the CMS website. Available metrics for the most recently published white paper indicate that viewership is increasing over time. For example, in the first two months following publication, the COVID-19 white paper was downloaded 295 times, 250% more than the preceding white paper. Many Partners have emphasized the white papers' value, as they are able to learn from their peers' experiences and lessons learned regarding program integrity efforts. Feedback such as this underscores that white papers will continue to be a key deliverable for the HFPP moving forward.

Alerts

In support of the HFPP's information sharing initiatives, the Partnership provides access to the HFPP Portal website, at which all Partners are able to post and share fraud scheme alerts with one another. Alerts have included provider and fraud schemes related to pharmacy and billing, such as telefax/telemedicine, durable medical equipment, laboratory billing, overprescribing, prescriptions with high reimbursement rates, ABA therapy billing, COVID-19 billing, and electronic funds transfers to fraudulent accounts owned by cybercriminals. Additionally, HFPP Partners are provided with timely and relevant alerts from the Drug Enforcement Agency, HHS Office of Inspector General, and Department of Justice.

During this report's timeframe, the HFPP posted 158 alerts to the HFPP Portal – shown in Figure 5. In addition to being accessible through the Partner-to-Partner sharing component of the HFPP Portal, these alerts are sent out weekly to Partners in an email format. Alerts are also promoted to the Partnership through monthly newsletters.

Figure 5. HFPP Alert Distribution by Quarter, 2021-2022
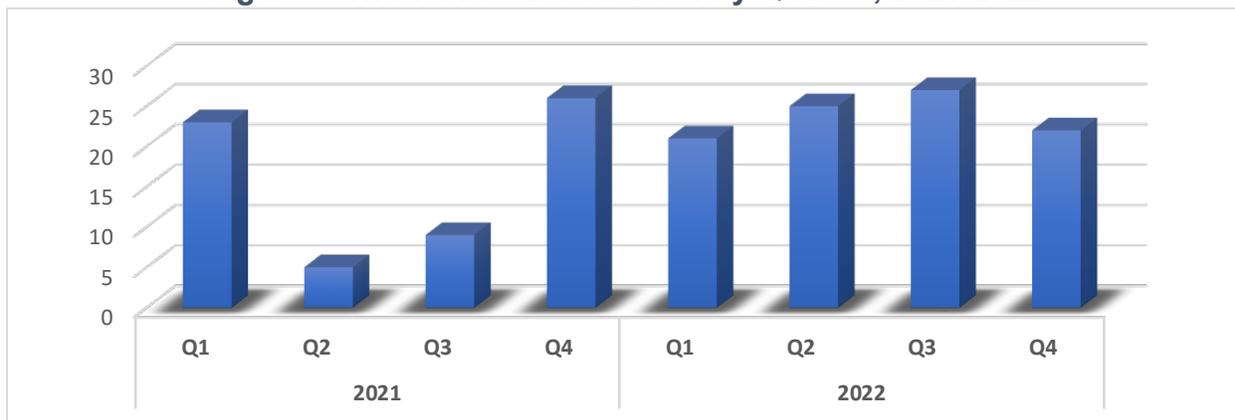
Events

One of the core benefits of membership in the HFPP is that Partners are provided a platform to collaborate with one another. To facilitate this benefit, the HFPP hosts events including: new partner orientations, information sharing sessions (i.e., "Info*Shares*"), webinars, working groups, and other planned activities. Over the course of the reporting period, the HFPP sponsored 194 events. The events were attended by all HFPP Partner types, and ranged in attendance from personalized orientations with a single partner to 1,642 participants at the largest Info*Share*.

HFPP Info*Shares* are the Partnership's largest events. At these sessions, Partners share fraud schemes and provider alerts, provide updates on law enforcement activities, and strategize on how to broaden the HFPP's impact in the private and public sectors. Additionally, Partners leverage their collective experiences to shape the future of the HFPP and combat healthcare fraud across the nation. During the reporting period, the HFPP hosted 10 Info*Shares*, which collectively had 8,124 attendees.

The HFPP also participates in events hosted by other organizations, allowing for the scope of the HFPP's anti-fraud, waste, and abuse efforts to reach a broader audience. During the reporting period, the HFPP participated in 35 events hosted by other organizations (e.g., Blue Cross Blue Shield Association, National Association of Medicaid Program Integrity, and the National Health

Care Anti-Fraud Association). At these events, the HFPP provided a variety of information through activities such as participating on healthcare fraud panels, leading data analytics trainings, and presentations. In addition to reaching a broader audience, these events strengthen strategic partnerships and provide recruitment opportunities for the HFPP.

Savings & Outcomes

Regarding the savings and outcomes attributable to the HFPP, the CAA requires the following components are included in this report:

- Any savings voluntarily reported by health plans participating in the partnership attributable to the partnership during such period
- Any savings to the Federal Government attributable to the partnership during such period
- Any other outcomes attributable to the partnership, as determined by the Secretary, during such period

This section summarizes the above requirements, outlining HFPP metrics from January 2021 - December 2022.

Outcomes Measurements Committee

In October 2021, the Executive Board began the process of determining which metrics should be captured to best demonstrate savings and outcomes attributable to the HFPP and how this information could be effectively collected. The Board established an Outcomes Measurements Committee to identify and develop metrics that would meaningfully demonstrate the HFPP's impact. Outlined below, the committee identified 12 metrics to assist in quantifying the impact of Partners' participation in the HFPP. These metrics were approved by the Board in April 2022.

Outcomes Metrics

There are two categories of metrics for Partners to report outcomes attributable to the HFPP: 1) Savings and 2) Other Outcomes. Table 1, below, outlines the 12 metrics and the category under which they fall.

Table 1. Outcomes Attributable to the HFPP

Savings Metrics	
Hard Dollars Saved	Soft Dollars Saved
Other Outcomes Metrics	
Cases Opened	Provider Warnings
Payment Suspensions and Terminations	Revocations
Indictments	Convictions and Judgments

Private Settlements and Arbitrations	Convictions
Restitution Orders	Notable Outcomes

Savings Metrics

Savings metrics are collected from HFPP Partners and shared in terms of both hard and soft dollars. Hard dollar savings, also known as recoveries, is defined as: the dollars actually recovered or received (i.e., "money in the bank") by a Partner. Examples of sources for a Partner's hard dollar savings include a payment, recovery, collection of overpayments, statement off-set, a claim edit/adjustment, or funds collected from a court ordered restitution, civil judgment, civil or private settlement, or an arbitration agreement. Soft dollar savings, also known as avoidances, is defined as: the dollars calculated and anticipated by a Partner to be recovered or collected at a future date. Each Partner is asked to calculate and report soft dollar savings using the Partner's own methodology for quantifying soft dollars. Examples of sources for a Partner's soft dollar savings include correcting a provider's billing behavior through education, termination, or prepayment review, court ordered restitution, civil judgment, civil or private settlement, or arbitration.

Other Outcomes Metrics

The 10 Other Outcomes Metrics were selected with the goal of tangibly demonstrating the HFPP's impact in contributing to reducing fraud, waste, and abuse in the delivery of healthcare. Other Outcomes Metrics are listed in order of how investigations are conducted.

For detailed descriptions of each metric, see Appendix C of this report.

Reported Outcomes

Once the Executive Board finalized the HFPP outcomes metrics, Partners were asked to report savings on a quarterly basis. Partners can report outcomes metrics via the HFPP Portal, which provides an easy, secure system by which they can enter their data. Additionally, Partners may submit their metrics via secure email to their Partner Liaisons using a pre-developed collection template.

The data collection for the first reporting period was impacted by Partners not having the updated metrics and internal tracking systems in place for this report. However, some highlights of the outcomes for this reporting period include Federal Partners reporting over $11.4 million dollars of hard dollar savings and non-Federal Partners reporting $19.9 million in soft dollar savings. In addition, 134 cases have been opened collectively. Cases opened is a key metric, as it is a leading indicator of the potential for monetary metrics in the next 18-36 months. Finally, Federal and non-Federal Partners have issued provider warnings, implemented payment suspension or terminations, and reached private settlements as shown in Table 2, below.

Table 2. Reported HFPP Outcomes, 2021 – 2022

HFPP Outcomes	Federal Partners[2]	Non-Federal Partners
Hard Dollar Savings	$12,247,367	$142,787
Soft Dollar Savings	$4,010,931	$19,963,324
Cases Opened	22	112
Provider Warnings	4	23
Payment Suspensions and Terminations	1	3
Revocations	0	0
Indictments	0	0
Civil Settlements and Judgments	0	0
Private Settlements and Arbitrations	0	2
Convictions	0	0
Restitution Orders	0	0
Notable Outcomes	1	8

Other CAA of 2021 Requirements

In addition to the activities outlined above, the CAA of 2021 required that the HFPP: 1) provide a strategic plan for data analyses during the upcoming reporting period; 2) deliver a report on the feasibility of the Partnership to expand data analyses to include real-time analytics; and 3) perform an analysis of potentially fraudulent billing patterns within SUDT services. These activities and reports are summarized below.

Analytic Strategic Plan, 2023-2024

The HFPP analytic strategy for 2023 and 2024 will be built upon the successes of the 2021-2022 reporting period, while expanding analytic capabilities and the scope of studies. Additionally, beyond the study areas themselves, the upcoming two years will emphasize the velocity of analytic insights, increasing analytic method sophistication and effectiveness, and expanding the scope of HFPP Partner data collection.

Planned Study Topics

For reoccurring studies, key areas of focus will be pharmacy, telehealth, and nursing facilities, aligning with HFPP Partner feedback and current administration priorities. The TTP will refine and re-publish both the Opioid Risk and SUDT analyses, responsive to continuing HFPP Partner, government regulator, and law enforcement concerns regarding the harms associated with opioid misuse. Additionally, after the successful execution of the footbaths analysis, HFPP Partners have observed that abusive billing for these medications continues to increase. Therefore, the TTP will continue to explore this topic to bring valuable insights to Partners over the next two years. Lastly, the TTP will focus on developing study results related to telehealth services. Telehealth's rapid expansion was catalyzed by the COVID-19 PHE, but it is nevertheless here to stay and will remain

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[2] Some of the Federal savings may represent carved-out portions of savings included in other reports, such as the *Annual Report to Congress on the Medicare and Medicaid Integrity Programs.*

a key area of concern for HFPP Partners in government and private health plans. The TTP will continue to make use of the Telemedicine Improbable Days Study as well as implementing telehealth-related metrics into other studies.

Looking towards newer topics of concern, the administration prioritizes quality of care in nursing facilities. HFPP Partners have contributed vast quantities of institutional and pharmacy data, and an important area of study over the upcoming two years will be medications prescribed and dispensed for nursing facility residents. Given the differences in HFPP Partner coverage and payment methodologies among state, Federal, and private payers, this area of study is challenging in the HFPP's cross-payer environment. Despite those challenges, this focus area promises to address not only large financial losses resulting from abusive billing, but, perhaps more importantly, critical quality of care issues that may result in patient harm among this vulnerable population. Other studies involving nursing facilities are being solicited from HFPP Partners.

Live Dashboards

The TTP is modernizing the way that HFPP Partners who share data interact with their study results. Currently, HFPP Partners retrieve their organization's results by downloading files to their local networks from the HFPP Portal. Partners then use a commonly used free reader application to view their customized data visualizations and claims details. Studies are refreshed on an annual or bi-annual basis, depending on Partner demand. However, as a result of the new initiative to develop "live" dashboards, HFPP Partners will be able to access their results through a live, secure, and web-enabled interface on the HFPP Portal. Once in place, this initiative will provide Partners with refreshed study results that will update as frequently and timely as they submit data to the data warehouse.

Expanded Study Application and Data Types

In the 2023-2024 timeframe, the HFPP aims to broaden the study application for current claims data, as well as expand the data types that are collected beyond the professional, institutional, and pharmacy claims currently in use.

In the current reporting period, Partners began submitting pharmacy data for HFPP studies. Using this data, the TTP conducted an analysis of SUDT as required by Congress, a related study of opioid risk, a study on suspect billing of footbath medications, and a study mapping the potentially inappropriate use of psychotropics in nursing facilities. Most of the pharmacy data included in these studies were from government payers (i.e., Medicare and Medicaid). Private Partners, even those who currently share professional and institutional data, have been slower to share pharmacy data. In the coming reporting period, the TTP plans to encourage private payer Partners to contribute pharmacy data and will use this data to conduct new studies, broadening the scope of current studies.

In addition to maximizing the study application of pharmacy data, the HFPP aims to add a new data type, dental data, to collect and analyze during the upcoming reporting period. Both public and private HFPP Partner health plans reimburse for dental health services, and many Partners have reported dental services to be an area of healthcare fraud, waste, and abuse concern. Additionally, children are the primary beneficiaries for dental coverage for public programs, such as Medicaid and Children's Health Insurance Programs, and HFPP dental analyses may not only

assist Partners in identifying fraudulent providers but also reduce possible harms done to this particularly vulnerable population.

The TTP presently collects dental claims data through T-MSIS data for all 48 HFPP Medicaid Partners. Dental data from private dental plans would be collected from participating Partners in the same manner that the TTP currently collects professional, institutional, and pharmacy claims. Potential sources for this new data stream include dental benefit management companies, some of which are current HFPP Partners, and private payer Partners that cover dental services under their medical plans or that have dental-only lines of business.

Machine Learning

On behalf of the HFPP, the TTP is developing an advanced detection system which utilizes machine learning against the HFPP's cross-payer data warehouse to identify fraud, waste and abuse leads for data-sharing Partners. Studies which apply machine learning will offer Partners meaningful and timely insights into fraud, waste, and abuse issues that would not have otherwise been known.

In the first phase of this initiative, the machine learning approach will estimate the probabilities of individual medical procedures, given the context of a patient's medical history. The resulting probabilities will then be used to identify services far outside the norm for a specific medical episode. Highly improbable services will then be attributed to the specific providers driving those anomalies. In the second phase, machine learning outputs will be aggregated to the provider level, identifying the specific providers with the highest concentrations of abnormalities as measured by post-payment claims; once identified, these providers will be referred to HFPP Partners for investigation. During the last phase, characteristics of individual healthcare claims will be used to predict the likelihood of suspicious or fraudulent transactions, with the goal of subjecting new, incoming post-payment claims to risk scoring models.

The HFPP machine learning project differs from many other industry projects in that the analytics models allow risk scores to be assigned to individual healthcare claims instead of at the provider aggregate level. The advantages of this service-level approach are significant for the HFPP in that this would allow data-sharing Partners to identify risky providers' billing in their post-payment claims before large losses are incurred. Traditional, provider-level risk scoring approaches usually require a provider to have generated a large total payment before they are identified as risky.

Summary of HFPP Feasibility Report on Real-Time Analytics

Section 124(b) of Division CC of the CAA of 2021 outlines a requirement that the HFPP produce and submit a report to Congress on the feasibility of real-time analytics.

To meet this requirement, the TTP developed the HFPP Feasibility Report on Real-Time Analytics in 2022.[3] The report investigates the potential for establishing a system that operates in real-time to detect fraud and analyze trends within the data retrieved from participating Partner enterprises. It also establishes estimated costs and other considerations, such as potential barriers, for conducting real-time analytics.

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[3] The HFPP Feasibility Report on Real-Time Analytics was transmitted to Congress in April 2023.

As outlined in the report, the HFPP and its data-sharing Partners could work together to develop a process by which interested Partners may configure their claims adjudication process to access a secure application program interface within the TTP system. Using this access point, a real-time risk score could be assigned and returned to the Partner before the claim is finalized and/or payment is made.

The potential solution described in the report would generate a risk score that may range in sophistication from business rules to advanced fraud detection derived from machine learning. Payers may incorporate the risk score in their claims adjudication process to take actions appropriate to their program, which may include pre-payment review or automatic denial of the claim.

The potential solution described in the report also includes a pilot project with a volunteer HFPP Partner organization that currently shares data. Such a pilot would demonstrate return on investment using key performance indicators and establish a basis to estimate the costs of broader adoption of the proposed system among the HFPP Partnership.

Summary of Substance Use Disorder Treatment Analysis

To meet the requirements set forth by Section 124(a) of Division CC of the CAA of 2021, which require that the HFPP analyze "aberrant or fraudulent billing patterns and trends with respect to providers and suppliers of substance use disorder treatments from data shared with the partnership," the TTP conducted two studies. The first study, Opioid Risk Analysis, focused on suspicious patterns of opioid prescriptions and the second, SUDT Analysis, focused on inappropriate billing of SUDT services. The results of these studies were delivered to data-sharing HFPP Partners in 2022; Partners responses and actions based on the information provided in these and all HFPP reports occur at the discretion of the Partners. A summary of results from the two studies, including key findings, is outlined below.

Available Partner claims data from 2019, 2020, and 2021 were used for the two studies. The claims data used for the opioid risk analysis were comprised of 44 HFPP Partners, including Medicare and 43 state Medicaid programs. The claims data used for SUDT analysis included these Partners as well as 24 private payer Partners and one additional Federal Partner that provided medical claims, but not pharmacy claims, data. The scenarios examined by the two studies included:

- Opioid risk analysis
  - High daily average MME dosing
  - Opioids obtained from multiple providers
  - Adverse event(s) after an opioid prescription

- SUDT analysis
  - Excessive comprehensive SUDT services
  - Excessive substance use disorder (SUD) drug testing services
  - Excessive outpatient SUDT timed services
  - Concurrent billing of comprehensive SUDT services and individual service components

The following key findings were identified through the analyses:

- 5,836 providers were flagged for excessive billing of comprehensive outpatient SUDT services including: opioid treatment provider medication assisted treatments (OTP MATs), office based opioid treatments (OBOTs), intensive outpatient programs (IOPs), and partial hospitalization programs (PHPs).
- PHPs were found to have the highest at-risk dollars ($665M) according to the study methodology, followed by IOPs ($611M), OTP MATs ($24M) and OBOTs ($279K).

Figure 6. At-Risk Dollars by SUDT Program
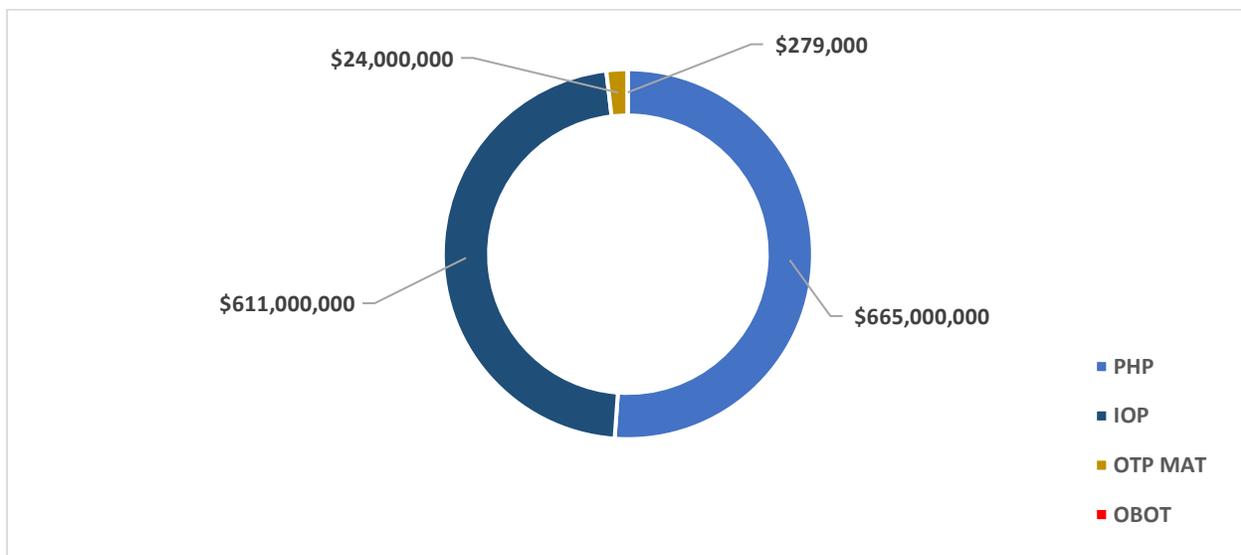
- For the two largest SUDT programs, PHPs and IOPs, there was an upward trend in the annualized at-risk dollars between 2019 and 2021. The PHP at-risk dollars increased by 59% between 2019 and 2021 while the IOP at-risk dollars increased by 46% during the same period.

Figure 7. IOP & PHP At-Risk Dollars by Year
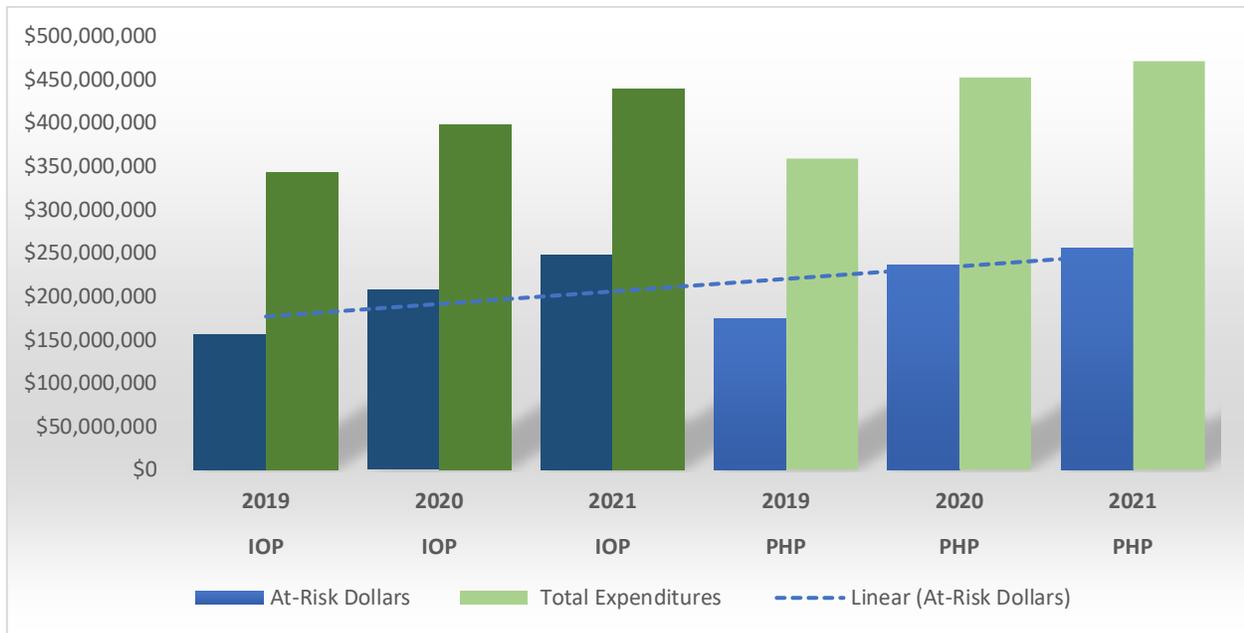
- 7,182 providers were flagged for excessive billing of SUD drug testing services. 1,061 providers were flagged for excessive billing of outpatient SUDT timed services, and 18,462 providers were flagged for concurrent billing of comprehensive SUDT services and individual SUDT service components.
- Between 2019 and 2021 the number of aberrantly high MME prescribers decreased by 18% from 139,460 to 114,103.
- For members meeting the high MME threshold:
  - Adult ages 30-39 had the highest average daily MME
  - Males received higher amounts of opioids than females
  - Among females, those ages 18-29 in 2019 and 2020 had the highest average daily MME
  - Top diagnoses for high MME members were *chronic pain syndrome*, *low back pain*, and *long term (current) use of opiate analgesic* from 2019 through 2021
  - Methadone clinics, anesthesiology and pain medicine physicians, and anesthesiologists were the most frequently used provider taxonomies

While it is reported that national opioid-related overdoses are increasing, the TTP found that overdoses associated with healthcare payer opioid prescription claims are decreasing. Decreasing opioid prescription claims does not necessarily imply a decline in opioid use in the population. Rather, the observed decreasing opioid prescription claims may suggest that the higher number of opioid-related overdoses reported in the literature might be a result of opioids that are increasingly obtained through cash-based and/or illicit transactions and that are not reported as claims for payment submitted to healthcare payers.

Appendix A. HFPP Executive Board Composition, June 2021 – December 2022

Type	Term or Permanent	Organization
Association	Permanent	National Association of Medicaid Program Integrity
	Permanent	National Association of Medicaid Fraud Control Units
	Term	National Health Care Anti-Fraud Association
Federal	Permanent	Centers for Medicare & Medicaid Services
Law Enforcement	Permanent	U.S. Department of Health and Human Services, Office of Inspector General
	Permanent	U.S. Department of Justice, Criminal Division
	Permanent	U.S. Department of Justice, Federal Bureau of Investigation
	Term	Ohio Attorney General's Office
Private Payer	Term	Anthem, Inc.
	Term	ATRIO Health Plans
	Term	Bright Health Plan
	Term	Kaiser Permanente
	Term	UnitedHealthcare
State & Local	Term	California Department of Health Care Services
	Term	Texas Health and Human Services Commission, Office of Inspector General
At-Large	Term	Blue Cross and Blue Shield Association

Appendix B. HFPP Data Transfer Methods

1. HFPP Portal

Partners can submit data via the HFPP Portal web interface, which is accessed by designated, authorized representatives from each Partner organization. The HFPP Portal is the central hub of HFPP inputs and outputs. For example, Partner-to-Partner lead sharing, study ideas, crowdsourcing of study methodology, analytic results, and outcomes metrics are all housed on the HFPP Portal. As such, it is a convenient way for Partners to submit data to the TTP for analysis, especially Partners with smaller file batches.

2. SFTP Server

A dedicated SFTP server is maintained to securely and efficiently accept Partner data submissions at a large scale. Submitter's access to the server can be authenticated in a variety of ways, including key-pair authentication, which provides Partners with the ability to automate their submission processes to the degree necessary for their organization.

3. Cloud Sharing

As more health payers are migrating their on-premises infrastructure to the cloud, HFPP Partners that have already made this transition have the option to provide their claims data directly to the TTP via cloud sharing. The TTP is able to set up these secure access points in the cloud, both within and across commercial cloud providers, which provides flexibility to a variety of Partners sharing data.

Appendix C. HFPP Outcomes Metrics Definitions

The definitions included below are used for HFPP purposes to measure individual Partner outcomes from the Partnership's anti-fraud initiatives.

- **Hard Dollar Savings** (i.e., recoveries) - The dollars actually recovered or received by a Partner.

- **Soft Dollar Savings** (i.e., avoidances) - The dollars calculated and anticipated by a Partner to be recovered or collected at a future date.

- **Cases Opened -** The number of cases, also referred to as investigations, opened by a Partner within the defined reporting period.

- **Provider Warnings -** The number of provider warnings issued by a Partner within the defined reporting period. Examples of provider warnings can include placement of a provider on a corrective action plan, cease and desist orders, or the issuance of provider-specific education.

- **Payment Suspensions and Terminations -** The number of payment suspensions and terminations – to include denial of network or program entry – implemented by a Partner within the defined reporting period. Each Partner calculates the total number of implemented payment suspensions and terminations; it is not by unique number of cases.

- **Revocations -** The number of revocations implemented by a Partner within the defined reporting period. The intent is to count the number of providers/suppliers impacted by a revocation as opposed to the number of individual revocations.

- **Indictments -** The number of indictments filed by a law enforcement Partner within the defined reporting period. The intent is to count the number of providers/suppliers indicated as opposed to the number of cases.

- **Civil Settlements and Judgments -** The number of civil settlements and judgments achieved by a law enforcement Partner within the defined reporting period.

- **Private Settlements and Arbitrations -** The number of private settlements and arbitrations achieved by a Private Payer Partner within the defined reporting period.

- **Convictions -** The number convictions achieved by a law enforcement Partner within the defined reporting period.

- **Restitution Orders -** The number of court ordered restitutions received by a Law Enforcement Partner within the defined reporting period. The intent is to count the number of provider(s)/supplier(s) ordered to pay restitution as opposed to the number of individual restitution orders.

- **Notable Outcomes -** The number of instances within the defined reporting period where a Partner considered an associated HFPP activity to have contributed to their efforts in a notable, impactful way. Each Partner determines for themselves what was notable. In addition to indicating the number of instances of notable outcomes, each Partner will be asked to briefly state what the notable outcome(s) was (e.g., rapidly received NPI list from a Federal takedown).

Appendix D. Acronyms and Abbreviations

ABA	Applied behavior analysis
CAA of 2021	Consolidated Appropriations Act, 2021
CMS	Centers for Medicare & Medicaid Services
DOJ	**Department of Justice**
HFPP	Healthcare Fraud Prevention Partnership
HHS	Department of Health and Human Services
IOP	Intensive outpatient program
MME	Morphine milligram equivalent
MOU	Memorandum of Understanding
OBOT	Office based opioid treatment
OTP MAT	Opioid treatment provider medication assisted treatment
PHE	Public Health Emergency
PHP	Partial hospitalization program
SFTP	Secure File Transfer Protocol
SUD	Substance use disorder
SUDT	Substance use disorder treatment
TTP	Trusted Third Party