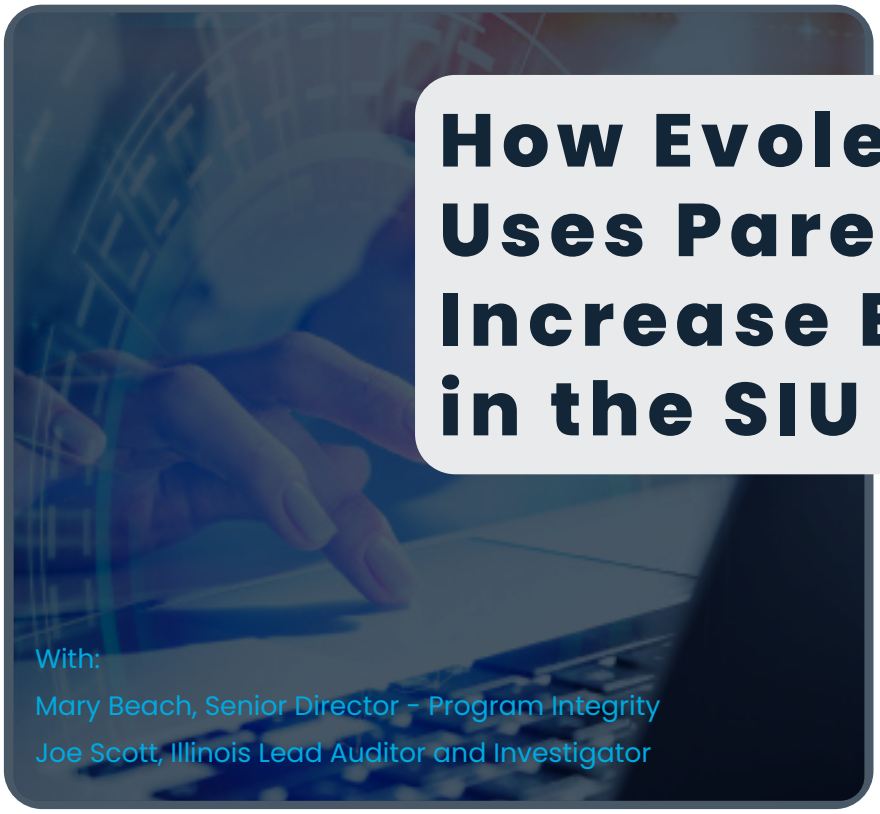
Case Study



# How Evolent Health Uses Pareo Fraud to Increase Efficiency in the SIU

With:
Mary Beach, Senior Director - Program Integrity
Joe Scott, Illinois Lead Auditor and Investigator

**Evolent Health**

**Arlington, Va.**

**Pareo client since 2018**

Spreadsheets can be a powerful tool – unless you're managing fraud cases for Medicaid MCOs across 23 states. Limitations on collaboration, efficiency and reporting in the SIU signaled the time had come for Evolent to make a change. Because Evolent's vendor management function had already seen success with the Pareo technology platform, engaging with ClarisHealth was a logical first step. Would Pareo be able to transform engagement and productivity for the fraud team as well?

## Spreadsheets Lead to Challenges

Almost as soon as new Senior Director of Program Integrity Mary Beach arrived on the job in 2018, she recognized that Evolent Health was facing a significant challenge in the SIU. Due to cost challenges and technology limitations, the SIU was using spreadsheets to manage fraud cases on behalf of their clients.

The tool is very flexible and can be quite powerful. But, when it came time to generate required quarterly reports for the states, the manual process showed its deficiencies.

"The first time I did the state report for a client, it probably took me 40 plus hours to do it," says Beach. "Very labor intensive as you're sorting through which cases were received this quarter, which ones were closed this quarter, what were the status changes. You're doing a lot of cutting and pasting and then having to manipulate the data or change the information into the format that the state wanted it."

**Challenge**

Labor-intensive administrative processes

**Goals**

Find a case management solution that was easy to use, flexible enough to meet regulatory requirements, with simple reporting

**Solution**

Pareo Fraud Case Management

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**Spreadsheets Bring Limitations**
A spreadsheet with a bit more than 20 columns doesn't sound too unwieldy. Evolent's spreadsheets included many straightforward cells for case number, case created date, provider first name and last name and NPI, and others. Joe Scott, lead auditor and investigator for the Illinois team, explains how this reporting method quickly got out of hand.

"The giant column for case activity updates was the main problem. You would put in a date along with the note. Say, 'case opened based on client approval.' And then in the next step, in that same field, you add the new date and the new note, and so on. But any kind of report you're trying to generate captures where you've been inputting information in that same field for months. You can't really pinpoint exact dates without manual review."

These limitations stifled collaboration among team members, too, and led to problematic workarounds. Client teams used one of two approaches, each with their own issues: either allowing access for multiple users at once or not.

"The teams that didn't limit user access experienced issues where cells would get accidentally deleted, and they would have to attempt to recreate lost notes," says Beach. "The teams that locked down the spreadsheet led to team members maintaining their own documents and having to re-enter those updates on the master on a weekly basis."

In addition to the wasted time, despite best efforts, these gaps also increased the likelihood of submitting inaccurate state reports, which can result in fines and other penalties. Altogether, with this risk and the degree of inefficiency being experienced across teams, it was clear that a new solution was needed.

## 3 Goals for a Fraud Management Solution

With the benefit of these experiences, Beach understood exactly what was needed to achieve significant value. And she knew the way Evolent operates, the usual anti-fraud vendors were unlikely to meet their requirements. She defined three major goals the fraud solution would have to satisfy.

**1. Easy to use**
First and foremost, the solution would have to be easy to use. Easy to access and navigate and structured to foster collaboration. The ability to extract the data into regulatory reports with little manual input and manipulation at the end was extremely important. And easily sharing information within the SIU and with payment integrity would also improve efficiency and effectiveness.

**2. Flexible to handle unique requirements**
With Medicaid MCO clients and SIU teams spread across the country and the necessity to keep client data separated, Evolent has more complex needs than many organizations. Each state has unique requirements, and they change fairly regularly. In the spreadsheet environment, users could easily maintain separate documents and add or delete a column to accommodate the partition, differences and changes. The solution would need to be flexible enough to handle the various state criteria. And update fields and information based upon the changes that the states make to the regulatory reports – without a drawn-out development process.

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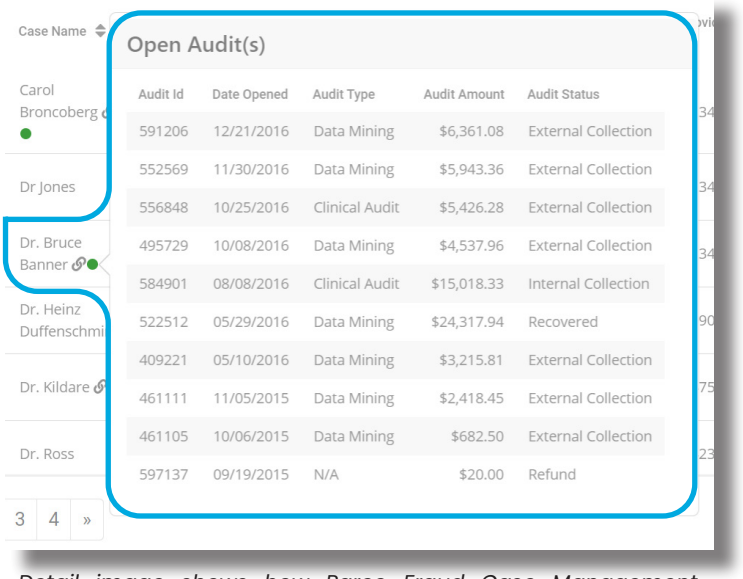
**Mary Beach**
**Senior Director, Program Integrity**

**3. Simple to create reports**
The solution would need to not only track fraud cases for regulatory requirements, but also help with internal case management reporting. From a personnel management standpoint, leadership needed to be able to monitor the progression of investigations to assist investigators in the timely development of their cases and demonstrate value to their health plan clients.

"Clients always want to know, how much work are you doing, and what return are they getting on their investment," says Beach. "It really is all about the numbers. Both quantity of cases being worked, open cases, cases closed and referrals to law enforcement. And, of course, the overpayments identified and collected."

## Building Pareo Fraud: Case Management

It was a tall order, but Evolent didn't have to search far for a solution for their fraud teams. The year before, the vendor management team had implemented ClarisHealth's Pareo platform for Supplier Optimization to increase the value of their third-party payment integrity services providers. With its ability to accommodate the organization's unique needs, it made sense to extend the technology platform's benefits to another area. And because Pareo is fully integrated across functionality, it would open opportunities for increased collaboration.




*Detail image shows how Pareo Fraud Case Management visually indicates providers with open audits (the "green dot") in a clean interface with easy access to the audit detail . Beach says this functionality allows her team to quickly reference provider activity and better coordinate with payment integrity.*

"There were some initial hiccups with data migration," says Scott, "because you're taking that activity field full of information and importing it. But going forward, Pareo was a tremendous improvement. The way it's set up made a lot more sense as a case management solution."

Scott's team also participated in group discussions to evaluate information they were capturing in their old process and determine the role of those fields in Pareo. This ownership of the field setup helped the SIU get familiar with Pareo and feel more in control of their destiny.

In turn, Evolent's extensive domain expertise and experience with multiple state requirements further refined the solution to ensure it explicitly meets the unique needs of healthcare fraud investigators.

"We had all the fields for state reporting, but managing cases and answering questions requires more information," says Beach. "We get a lot of questions around overpayments identification timing and collection method. Tracking those is just as important."

As a result, ClarisHealth made it even easier to add custom fields and even introduced advanced logic based on state or line of business. ClarisHealth also added functionality to improve communication between fraud teams and other areas of payment integrity.

"We don't want to overlap with claims payment integrity is already auditing," says Scott. "It's poor practice if a provider gets duplicate requests for records from payment integrity and the SIU, so Pareo provides an alert for both sides when a provider is being evaluated."

**"Pareo is our single source of truth."**

## Early Results and Lessons Learned

Pareo has dramatically reduced the amount of manual intervention required for Evolent to create regulatory reports.

"It's really easy to create a report," says Beach. "I can go in and simply select the fields I want. Once I have the format that I need, I can even save it in Pareo for easier access later."

"It's nice to have the flexibility to create reports from scratch or save them and repeat the next quarter or the next month," says Scott. "And Pareo makes it easy to include and delete columns of information or fields that you need in the report. So, if anything ever does change, I just need to take a field out or add a field and the report is up to date."

To further ease often-changing requirements for Medicaid MCO reporting, Pareo supports – at the administrator level – easily updating screens without engineering intervention. Adding or changing a field, updating the format or changing the role can be accomplished in minutes.

Pareo Fraud: Case Management has also yielded internal management and reporting improvements used in one-on-one personnel meetings and communicating value to clients.

"Pareo is our single source of truth," says Beach. "For my investigator meetings, I can quickly narrow down to the cases I want to discuss. For the weekly lead and case progress reports I send to clients, we narrowed down the statuses from 30-plus free text to five or six. It's much easier to go into Pareo, download to the spreadsheet, filter and create the roll-up report of what they need to see.

"For those clients that we also manage multiple vendors, we added a field for at-a-glance indication of claim type and to separate updates for the different vendors. It's been very beneficial in our ability to help manage those vendors," Beach concludes.

Pareo also makes it easy for the investigators to self-manage their cases.

"I put follow-up dates in my cases and run that report daily to track my progress and help organize my schedule," Scott explains.

And Pareo has opened up the lines of communication with other areas of payment integrity to reduce provider abrasion via a visual indicator.

"We call it the 'little green dot' and it's fantastic," says Beach. "I can see what's going on with that provider, and we're using this functionality to coordinate better with payment integrity. Looking at the concepts, tracking outlier providers and ensuring they end up in the right bucket, and enhancing inter-organization referrals."

## Key benefits of Pareo Fraud Case Management for Evolent Health

- **Quickly & easily generate reports**
- **Admin access to add fields, configure reports to meet evolving Medicaid MCO requirements**
- **Sort and filter to surface priority cases**
- **Easily demonstrate value to clients**
- **Able to integrate the SIU with payment integrity activities**


Pareo Fraud uses visualized dashboards to help SIU leaders glean business insights and track key performance indicators.

## What's Next for Evolent's SIU

Evolent's use of Pareo Fraud: Case Management continues to evolve. They recently implemented an enhanced data visualization solution to improve their oversight of cases and better separates management from investigator reports.

"These dashboards will revolutionize our visibility into case progress for our own cases and division-wide," says Scott. "Even at the investigator level, instead of only downloading reports into spreadsheets, I'll be able to see at a glance which of my cases are oldest and need action first, anticipated versus actual recoveries, and more."

They are also targeting new functionality including workflow automations to enhance oversight of the step-by-step case plan, enabling an auditor outside the SIU to create a lead based on their audit findings, and a prepayment review process to support prevented loss.

"The prepayment review process will allow us to put non-compliant providers into a queue that requires medical records for payment," says Scott. "We'll also be able to carve out outlier providers, proactively communicate with them on their status, and monitor their activity before actively pursuing a case on them. The potential for prevented loss savings is huge."

In all, Pareo Fraud: Case Management has opened up significant opportunities for Evolent and the clients they serve in terms of efficiency and effectiveness.

"We all want the same thing," emphasizes Beach. "We want claims to be paid correctly and our members to have the best care possible. We all want to get bad players out of the business. Whether it's Medicaid, Medicare, or private insurance, we're all paying for it one way or the other. And if we don't work to identify those bad players, a lot of them are really happy just to keep on paying overpayments."

**If you'd like to learn more about how Pareo Fraud can drive innovation at your health plan, contact us at:**

**www.ClarisHealth.com | 1-855-4Claris | info@ClarisHealth.com**