

Date: February 21, 2023

From: VHA Office of Integrity and Compliance (OIC) (home of former OCC Division of Program Integrity [DPI])

Subj: Pause of Current Program Integrity Tool (PIT) Operations – PIT will pause ingestion and scoring of VHA Healthcare claims due to data errors identified by staff and VA OIG

To: Program Integrity Tool (PIT) Stakeholders

1. The Office of Integrity and Compliance (OIC) in consultation with the VA OIG and in collaboration with the Office of Information Technology (OIT) have decided to pause PIT processing of claims and scoring of files for 7 weeks until April 11, 2023. The freeze will allow OIT and OIC to evaluate PIT tool processes, data, documentation, and underlying IT system architecture and determine the cause of potential data errors as well as identify improvement opportunities to existing operations. During the pause, OIC will identify the best path forward for transitioning PIT back to the oversight tool it was originally designed to be and away from operational processes like pre-payment scoring. Conversations with all key stakeholders were held to determine workarounds that minimize operational impact during the pause.

2. The expectation is for all upstream systems to continue business as usual, create daily files and send to the PIT dropzone. Once the pause on PIT processing is lifted, the improved PIT system will begin processing daily claim files in sequential order from the PIT dropzone. Resumption of daily file ingesting will commence once PIT is up to date. Additionally, downstream stakeholders who use PIT/CDW data will only have access to an archived version of the PIT that will be current as of the pause date (2/21/2023).

3. PIT Overview: The Program Integrity Tool (PIT) is a comprehensive set of tools to detect Fraud, Waste, and Abuse (FWA) which has recently moved to the Office of Integrity and Compliance (OIC). PIT ingests daily files of claims from several upstream source systems including; electronic Claims adjudication Management System (eCAMS) which handles Community Care Non- Network Claims (CCNNC), Community Care Claims Reimbursement (CCRS) which processes post payment in-network claims for the Community Care Network (CCN) Third Party Administrators (TPA), Plexis Claims Manager (PCM) which handles Choice Payments, Claims XM (CXM) which processes Veteran Family Member (VFMP) programs claims, Claims Processing & Eligibility (CP&E) which is currently sunsetting but was the system used to process Veteran Family Member Program (VFMP) eligibility determinations and claims payments for critical healthcare services. The Corporate Data Warehouse (CDW) is a downstream system which pulls final paid claims data nightly from PIT. The Revenue Operation Workflow Tool (ROWFT) extracts data from CDW to use in their business processes for financial CPAC workflow business processes.

4. Statement of Issue: The Program Integrity Tool (PIT) utilizes consolidated claims data to support fraud, waste, abuse prevention and detection activities for claims paid

in Community Care and Veteran Family Member Programs (VFMP). PIT utilizes comprehensive business rules and system code to identify duplicate claims originating from different systems. Additionally, PIT assigns pre-payment scores for In-Network and Out-of-Network claims, which assist in identifying potential fraud. PIT correspondingly uses post-payment data to identify trends in fraud, waste, and abuse activities.

5. In January 2022, the Department of Program Integrity (DPI) identified issues with the PIT database code logic as well as compromised data stored in the PIT database. The specific issues identified impact numerous stakeholders and systems who rely on PIT data and include the following:

- a. Claims data being ingested into the PIT database out of order (i.e., “out of sequential date”). This caused a distortion in the chronological order of claim payment statuses which are a vital component in determining final claim payment amounts.
- b. A defective line of code which ingests inpatient claims. The code error erroneously added outpatient data to inpatient claims which are supposed to be placed into separate tables in the database.
- c. Due to the ingestion of claims out of chronological sequence, duplicate claims were created in the PIT Database post January 2022. The duplicate claims in the PIT database could cause over-or-under reporting of claim counts and paid amounts in PIT and downstream stakeholder reporting.

6. Impacted Systems and Stakeholders

- a. Financial Service Center, (eCAMS/CCNNC): PIT currently has a bi-directional feed with eCAMS and applies pre-payment duplicate logic across other claims processing systems. eCAMS utilizes PIT scores for business processes.
- b. Office of Finance, Plexus Claim Manager (PCM): feeds the PIT with only terminal claim data, which is the final post payment data relating to Choice claims.
- c. Office of Integrated Veteran Care Community Care Reimbursement System (CCRS): PIT has a bidirectional feed with CCRS. CCRS does not utilize PIT scoring in their system or business processes.
- d. Office of Integrated Veteran Care, Customer Experience Manager (CXM), Veteran Family Member Programs under CHAMPVA: PIT is currently the only database which receives claims processed by signature (CXM); these claims are sent from Payer Electronic Data Interchange (EDI) and ingested into PIT.
- e. Office of Integrated Veteran Care, CHAMPVA Claims Processing & Eligibility and (CP&E), Veteran Family Member Programs under CHAMPVA: PIT receives claims processed with dates of service prior to October 20, 2021.

7. Goals and Next Steps: The goal of VHA Office of Integrity and Compliance is to establish and implement best practices as an integral part of preventing, detecting and

mitigating potential fraud, waste, and abuse. Retrospective oversight and monitoring of programs is intended to foster accountability and transparency, mitigate the risk of systemic vulnerabilities going undetected, and reduce the frequency of operational problems. The updated Program Integrity Tool base system (which will be available in FY23 Q3 following the pause) will focus on post payment fraud, waste, and abuse activities, reporting, data integrity, and increasing efficiency of oversight of claims processing.

a. OIC is currently documenting all existing DPI processes, including those associated with the PIT, and is completing a risk assessment of DPI and the PIT.

b. OIT is working to improve the PIT systems processing and rules for post payment FWA activities.

c. OIT will document all current system processes and elaborate on current system business rules, JSON rules and reports.

d. OIT will analyze the interface for reporting which may be modified and upgraded.

e. OIT will upgrade the servers to Windows 2019, archiving current state of PIT data, business rules and code.

f. OIT will work on improving processes, logic, code base, to align with the businesses vision of oversight and post payment FWA activities.

g. OIT and DPI will ensure that all documented system business rules, JSON rules and current reports are shared with upstream systems and stakeholders so that pre-payment controls can be built into upstream systems.

h. OIC Business Owners and OIT will set the stage for PIT tool to restart with the base priorities of the reporting post payment activities and oversight.

8. Questions about this memorandum should be directed to: Kelly Lancaster (OIT) at Kelly.Lancaster@va.gov and/or Wendell Hill (OIC) at Wendell.Hill@va.gov.