



## Request for Information on Using Advanced Technology in Medicaid Program Integrity and Efficiency

### A. PURPOSE OF THE RFI

Building on the recent efforts of the Centers for Medicare & Medicaid Services (CMS), as evidenced by issuance of its own Request for Information (RFI) on October 19, 2019,<sup>1</sup> the New York State Department of Health (DOH) is similarly examining whether advanced and emerging technologies, such as artificial intelligence (AI) applications, machine learning, data analytics and systems, or other technology-enabled data solutions, are available to help improve efficiencies and integrity in New York State's expansive Medicaid program. Accordingly, the purpose of this RFI is for DOH to obtain input on how New York State, through DOH working in collaboration with the Office of the Medicaid Inspector General (OMIG), may be better able to use advanced or next generation technology applications that enhance Medicaid program integrity and efficiency by allowing DOH to assess, anticipate, and act in real-time to inform policy-making, strategic decision-making, and recovery efforts.

Improved integrity and efficiency in the Medicaid program may come in various forms and include:

- ensuring accurate claims review, adjudication, and payment;
- aligning payment incentives with service delivery;
- implementing rapid and appropriate utilization controls for services;
- identifying and understanding variations in clinical practice and the clinical and financial results from those variations;
- reducing unnecessary administrative burdens for plans and providers;
- rapidly assessing broader and interconnected data sets to streamline service delivery; and
- encouraging accurate coding and clinical documentation practices, among others.

Through application of identified advanced technologies and staffing resources to analyze and respond to applicable technological outputs, which may be the subject of a future DOH or OMIG procurement, the State seeks to reduce unnecessary or improper program expenditures,

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<sup>1</sup> See CMS, Center for Program Integrity: Request for Information of Using Advanced Technology in Program Integrity, available at <https://www.cms.gov/About-CMS/Components/CPI/Downloads/Center-for-Program-Integrity-Advanced-Technology-RFI.pdf> (accessed February 2020).



improve policy decision-making, improve audit efficiency, reduce administrative burdens and costs, and enhance overall program quality.

## B. PROJECT BACKGROUND

New York State offers one of the largest and most comprehensive Medicaid programs in the country. At the end of 2019, the Medicaid program offered coverage to over six million adults and children in New York and generated program expenditures of greater than \$72 billion. Given the sheer size and complexity of the Medicaid program, New York State has been a leader in ensuring that it maintains robust and effective controls for program integrity and undertakes substantial efforts to detect and prevent fraud, waste, and abuse of program resources. A hallmark of these efforts was the creation of OMIG more than 15 years ago. OMIG was established as an independent entity within DOH with a mission to promote and protect the integrity of the Medicaid program. In this capacity, OMIG works closely with DOH staff who administer the Medicaid program as well as other federal and state agencies, including CMS, the Office of Inspector General of the U.S. Department of Health & Human Services, and the New York State Attorney General's Medicaid Fraud Control Unit.

In addition to the growth of the Medicaid program by more than two million people in the last 10 years, the design of Medicaid has changed substantially. The result of these changes is greater numbers and types of providers, new benefits and billing standards, new data systems and connectivity among providers and payors, and a vastly greater number of claims processed and paid. In particular, New York State has continued to enroll populations into managed care with nearly universal enrollment by its mainstream Medicaid population in managed care and the increased enrollment of other special populations, including long-term care populations and recipients with behavioral health diagnoses. Building on this movement to managed care, the State has encouraged managed care plans to partner with providers to develop VBP relationships that reward value, rather than volume. The rapid expansion and evolution of the Medicaid program has revealed the need for DOH and OMIG to examine more carefully what types of advanced technologies and resources may exist to make the Medicaid payment more efficient in the coverage it offers and to utilize resources that are most effective in preventing and detecting fraud, waste, and abuse, as well as program vulnerabilities more generally.

Based on this recognized need, and building on CMS's vision for increasing the prevalence of advanced technologies to improve program integrity and efficiency in Medicare, DOH similarly seeks information on advanced technologies in the following areas, among others that respondents may identify, affecting Medicaid or the coordination of benefits between Medicare and other sources of third party coverage:

1. **Clinical Documentation Review and Assessment Tools:** Advanced technologies, including AI applications that read and review electronic medical records concurrently with the processing of a claim for payment or retrospectively in connection with audit or routine claims review activities. In addition to confirming that the medical record contains the components that match the claim form, the review process could analyze elements of the claim and assign a risk score regarding potential fraud, waste, and abuse. DOH is interested in how advanced technologies could review records contemporaneous with



submission, and retrospectively in connection with claims reviews, and the components that would factor into risk assignment of claims or providers.

2. **Data Analytics and Data Systems:** The Medicaid program uses a variety of data systems to process, store, and manage payment related transactions. These systems include the Medicaid Data Warehouse (MDW), eMedNY (the State's core MMIS system for claims processing and provider enrollment), encounter data repositories, the Welfare Management System (WMS), PARIS, cost report submissions, credentialing systems, PNDS, and other systems. In addition, new data reporting requirements are being implemented, such as with Electronic Visit Verification. As with the Medicare Program RFI, DOH shares the goal of joining disparate systems for purposes of providing insights that may help improve program integrity and efficiency. DOH is interested in learning more about advanced technologies that can look seamlessly across systems in order to spot inefficiencies, eligibility concerns, outliers, or potential fraud, waste, and abuse, and provide meaningful insights to include actual case studies. These meaningful insights may include identifying variations in professional practices across facilities, providers, or regions or the impact of certain prior policy decisions or proposed policy decisions on Medicaid program costs.
3. **Value Based Payment (VBP) and Program Integrity:** As the Medicaid Program has pursued more robust VBP arrangements between payors and providers consistent with the *New York State Roadmap for Medicaid Payment Reform* (also referred to as the VBP Roadmap), the VBP Program Integrity Workgroup worked to identify what changes could be made to the current program integrity infrastructure to ensure a robust program integrity model is in place that succeeds in a VBP environment.<sup>2</sup> Advanced technologies, tools, and strategies should consider the recommendations of the VBP Program Integrity Workgroup, including the completeness and accuracy of claims and encounter data submissions by plans, the ability to test encounter and quality data against secondary data sources and identify inconsistencies, and the ability to use advanced analytics to identify any other suspect behavior that may be encouraged by the financial incentives in a VBP arrangement (e.g., care stinting).
4. **Provider and Plan Risk Stratification:** Although the State has adhered to the credentialing requirements of the 21<sup>st</sup> Century Cures Act, DOH is interested in learning what tools, technologies, metrics, and processes are available to identify high risk managed care organizations or providers based on historical trend information, acuity and risk score reporting, billing data, or publicly available ownership or affiliation information (e.g., public filings, IRS Form 990s). Importantly, any tools that identify affiliated relationships and how those relationships may impact provider behavior would help inform

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<sup>2</sup> DOH, VBP Program Integrity Workgroup Recommendation Report, available at [https://www.health.ny.gov/health\\_care/medicaid/redesign/dsrip/vbp\\_library/program\\_integrity/docs/2017-01-18\\_pi\\_rpt.pdf](https://www.health.ny.gov/health_care/medicaid/redesign/dsrip/vbp_library/program_integrity/docs/2017-01-18_pi_rpt.pdf).



the risk assessment process and determine whether additional review activity is warranted.

5. **Leverage Qualified Entity Infrastructure:** New York State invested substantial dollars in the development of the State Health Information Network for New York (SHIN-NY), which allows the electronic exchange of clinical information and connects health care providers across the State. Given the ability of the SHIN-NY and its network of Qualified Entities (QEs) to enable the access of up-to-date and accurate clinical information, DOH is interested in what advanced technologies, tools, or capabilities may be able to build on the infrastructure and data exchange that occurs within the SHIN-NY and its QEs that may facilitate program integrity or program efficiency determinations.

Through this RFI, DOH is looking to understand the existence of solutions that provide for more than just additional program recoveries, but the generation of actionable information and insights that can improve payment design, member experience, and service quality.

### C. FUTURE CONTRACT PROVISIONS

DOH may conduct a competitive procurement for a vendor or vendors to enhance program integrity and efficiency efforts using advanced technologies and processes for the Medicaid program. To that end, DOH seeks feedback from respondents on anticipated workstreams that could be part of the procurement. These workstreams could include:

- *Process Map:* the vendor would map the current systems impacting the Medicaid program and help map how advanced technologies can be integrated into and across these systems to enhance program integrity and efficiency.
- *Program Rules:* the vendor would require an understanding of reimbursement rules, existing program integrity efforts, and other programmatic requirements applicable to the Medicaid program, and bring experience in identifying strategies for finding inefficiencies and fraud, waste, and abuse within Medicaid programs and systems.
- *System Implementation:* the vendor would integrate advanced technology applications across data systems and train program staff within DOH and OMIG regarding effective use of these systems.
- *Ongoing Support and Enhancements:* the vendor would provide ongoing staffing support to DOH and OMIG regarding results generated from advanced technologies and how these results can inform recovery efforts performed by OMIG. The vendor would also be responsible for keeping DOH and OMIG proactively informed of new technologies, or enhancements to existing technologies, that would further the intent of the contract.

The respondents may also include other elements that they think will be helpful to future contracting opportunities, such as provider and plan education on the technologies or applications, or other processes, and that may enhance program integrity and efficiency efforts.



**D. RFI SUBMISSION INSTRUCTIONS**

**D.1 KEY RFI DATES AND TIMELINE**

The table below lists the key dates and timeline respondents must consider in the preparation of responses to this RFI. If DOH finds it necessary to revise these dates, an addendum or updated RFI will be provided to all interested parties.

EVENT	DATE & TIME
Release the RFI	September 21, 2020
Deadline to Submit Questions	September 30, 2020
Answers to Questions Posted	October 12, 2020
RFI Response Due Date	November 6, 2020

**D.2 FREEDOM OF INFORMATION LAW (“FOIL”)**

All responses may be disclosed or used by DOH to the extent permitted by law. DOH may disclose a response to any person for the purposes of research and planning, or for any other lawful purpose. All responses will become State agency records, which will be available to the public in accordance with the Freedom of Information Law (FOIL).

**Any portion of the response that a respondent believes constitutes proprietary information entitled to confidential handling, as an exception to FOIL, must be clearly and specifically designated in the response**

If DOH agrees with the proprietary claim, the designated portion of the response will be withheld from public disclosure. Blanket assertions of proprietary material will not be accepted, and failure to specifically designate proprietary material may be deemed a waiver of any right to confidential handling of such material.

**D.3 DOH’S RESERVED RIGHTS**

DOH reserves the right to:

1. Reject any or all responses received to the RFI;
2. Withdraw the RFI at any time, at the agency’s sole discretion;
3. Seek clarifications and revisions of responses; and



4. Utilize any and all ideas submitted in the responses received.

#### **D.4 POTENTIAL RESPONDENTS**

Respondents to this RFI include potential respondents, consulting firms, researchers, and academic institutions, among other knowledgeable third parties, that have developed, are in the process of developing, or have researched the application of advanced or next generation technology applications, such as AI, to enhance program integrity or program efficiency efforts. Although respondents with experience in applying these advanced technologies to governmental health care programs would be especially germane, any experience applying these advanced technologies to health insurance programs or products would be applicable and valued.

#### **D.5 DOH CONTACT INFORMATION**

Respondents must direct all questions and responses in writing to [OHIPContracts@health.ny.gov](mailto:OHIPContracts@health.ny.gov) and include "Program Integrity Advanced Technology Questions" in the subject line. Any questions or responses directed to other sources within DOH or the State will not be considered.

#### **D.6 RESPONDENT RFI INSTRUCTIONS**

##### **D.6.1 Question Submission**

Respondents must submit questions and/or requests for clarifications regarding this RFI via e-mail by the specified date and time listed in **Section D.1 Key RFI Dates and Timeline**. Questions should be submitted via e-mail to [OHIPContracts@health.ny.gov](mailto:OHIPContracts@health.ny.gov) with the subject line "Program Integrity Advanced Technology RFI".

The following **must be included** in the e-mail inquiry:

- The e-mail subject line to include: "Program Integrity Advanced Technology Questions";
- Respondent name, contact person, telephone number and e-mail address as part of the sender's contact information;
- A description of the issue in question, or discrepancy found in the RFI;
- RFI section, page number, and/or other information to support identification of the specific problem or issue in question; and,
- The respondent's question(s).

At its discretion DOH may contact respondents to seek clarification of any inquiry received. DOH will respond to questions and/or requests for clarification via addendum on or before the date listed in **Section D.1 Key RFI Dates and Timeline**.



## D.6.2 RFI Response Format and Submission Requirements

This RFI is for planning purposes only and should not be interpreted as a solicitation for bids on the part of the State.

Please send responses in electronic format (such as MS Word, MS Excel, MS PowerPoint and PDF) to the questions posed in **Section E: Questions**. Respondents are encouraged to elaborate and/or provide any general recommendations not covered by the questions posed in **Section F: Questions**. All submissions must be sent electronically to [OHIPContracts@health.ny.gov](mailto:OHIPContracts@health.ny.gov) with the subject line "Program Integrity Advanced Technology RFI."

**We kindly ask that responses be received by DOH no later than the Deadline for Submission of Information specified in Section D.1 Key RFI Dates and Timeline.**

Information in addition to the prescribed questions is welcome. However, we ask that pre-printed marketing material and cost information **not** be included in your response

### D.6.1.1 Cover Letter

Respondents must provide a cover letter that includes the following corporate information:

- Company Name
- Contact Name
- Contact Title
- Contact phone #
- Contact e-mail address
- Mailing Address

### D.6.1.2 Response Submissions

Responses to all questions in **Section F: Questions** must include the question identifier, the question, and the respondent response. Each question should be answered on a new page in the document/response.



This RFI is for planning purposes only and should not be interpreted as a solicitation for bids on the part of the DOH. DOH will not be responsible for expenses incurred in preparing and submitting responses to this RFI.

## **E. QUESTIONS**

### **E.1 GENERAL QUESTIONS**

1. Please indicate whether your company would consider bidding on a future procurement opportunity regarding the creation of program integrity and efficiency through advanced technologies.
2. What is your company's experience in working with state Medicaid programs or other health insurance programs involving members with governmental benefits?
3. Please describe the preferred method by which your company prices its tools and systems, including contingency pricing, per member pricing, per claim pricing, licensing fees, time and labor, etc.

### **E.2 CLINICAL DOCUMENTATION REVIEW AND ASSESSMENT TOOLS**

1. Do medical record review tools, including those that use AI (AI tools), exist that can read a medical record and determine whether the claim being supported by that medical record is compliant with coverage and/or coding guidelines and/or reimbursement rules?
  - a. How do compliance requirements and payment rules get programmed into the review tool?
  - b. What type of trend or pattern analysis can these tools generate based on review of medical record documentation?
2. If tools exist to validate medical record documentation, does this technology work best as a tool that providers use prior to claim submission or that payors (including government agencies) may use as part of a prepayment or post-payment review?
  - a. What is the relationship between the tool, whether an AI tool or otherwise, and electronic health records (EHRs)?
  - b. Can this technology extend across multiple EHRs?
  - c. Can these tools get programmed into claims payment systems?
  - d. Would these tools add to government, provider, or plan burden?
3. Please describe the type of validation activities that tools can perform.
  - a. Can these tools validate the medical record documentation against the claim forms submitted on a fee-for-service basis or to managed care plans?



- b. Can tools validate whether the medical record supports the level of coding or other information on the claim form?
  - c. Can these tool flag claims that raise concerns regarding medical necessity, such as whether the member was a good candidate for an ordered procedure, the members received an unusually high number of services, or the member has eclipsed utilization thresholds?
  - d. What is the rate of accuracy for these tools? How is accuracy measured? How does accuracy increase over time based on the AI algorithms, if used?
  - e. At what point does the tool require human intervention to validate results to achieve accuracy or obtain recoveries?
  - f. If not already addressed, what are the optimal applications for these tools?
4. What is the optimal or feasible output for these tools?
    - a. A claim risk score based on application of the payment rules?
    - b. A profile of the member receiving services?
  5. What are the benefits, drawbacks, or potential consequences of using medical record review tools, including AI tools?
  6. How else could these tools be used to improve program integrity or program efficiency?

### **E.3 DATA ANALYTICS AND DATA SYSTEMS**

1. How might advanced technologies be applied across data systems to generate meaningful insights, attribute root causes, and help inform policymaking? Examples may include:
  - a. Insights into practice variation by provider or by region (e.g., pre-ops) and the cost efficacy of these variations.
  - b. Utilization and spending trends by service type or by region?
  - c. Analyzing the potential impact of proposed policy decisions (e.g., prior authorization requirements)?
  - d. Utilization profile by membership or eligibility?
2. Please describe the process by data is analyzed across systems? Do tools host the data or can the tool be integrated within existing system configurations?
3. What types of analytics or reports may be generated from application across systems?
  - a. How has your company used these insights or reports to inform program integrity efforts or changes in payment rules to improve efficiencies?
  - b. Please provide examples if not provided above under E.3, Question 1.



**E.4 VBP AND PROGRAM INTEGRITY**

1. How have advanced technologies been used to assess compliance or performance in VBP arrangements?
  - a. Encounter data validation?
  - b. Quality data submission validation?
  - c. Referrals patterns and arrangements?
2. How can advanced technologies be customized to reflect the nature of specific VBP arrangements (e.g., sub-capitation, shared saving, bundled payments, etc.)?

**E.5 PROVIDER AND PLAN RISK STRATIFICATION**

1. Affiliation and ownership information is largely self-reported today either part of the credentialing process or through licensure applications (e.g., certificates of need). What data sources are available for DOH or OMIG to collect and potentially enhance the credentialing and screening process to identify potential concerns or violations of related party rules?
2. What metrics, tools, or processes have been applied to flag or identify suspect provider or plan trends? Examples may include:
  - a. Claims experience not matching member acuity or risk scores;
  - b. Suspect referral patterns for ancillary services; and
  - c. Rapid service expansion or service utilization spikes.

**E.6 QE INFRASTRUCTURE**

1. How have advanced technologies, including AI review tools, been integrated within state health information exchange infrastructure?
2. Can advanced technologies improve the service offerings by QEs?
3. Can advanced technologies create alerts or other notifications within the QE systems to rapidly identify suspect behavior, service utilization, or aberrant practice patterns?

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Please share any feedback, suggested requirements, or other information your company would consider important for the State to consider with respect to this RFI and any future procurement opportunities.