



CASE STUDY

A multi-state study shows potential for huge immediate savings in Health and Human Services Programs using a unique, data-driven approach

Geographically-separated states share information to identify individuals who are participating in benefit programs across multiple states at the same time.

LexisNexis® Risk Intelligence Network: Program Participation Analyzer (PPA)

The LexisNexis® Risk Solutions Government team builds solutions with our customers to help you solve mission critical problems by putting our core assets to work: extensive data sets, identity analytics, and secure technology. Those assets coupled with our domain expertise puts PPA in a unique position to provide cross-state program participation insights.

One of the key challenges we can address in an innovative way is that of dual-program participation; a problem that is much more

complex than it appears on the surface. PPA has the unique ability to resolve identities and link data that lack common identifiers such as Name, Addresses, Social Security Numbers (SSN), or other situations where the data is “messy.”

PPA will address the growing challenge of improper payments in public assistance programs by the prevention and detection of dual program participation and supplement with cross-program intelligence.



Strong results act as a springboard for expansion to additional states and programs.

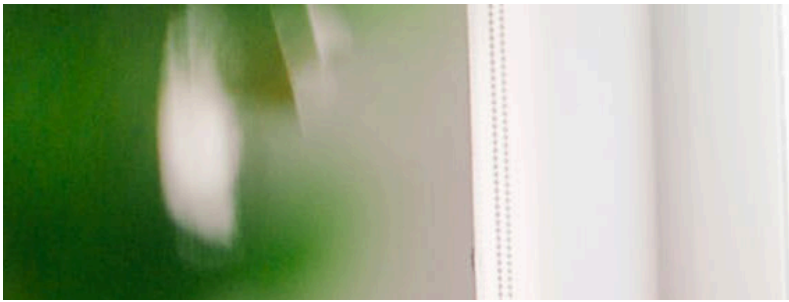
Introduction

Challenge

The issue of dual-program participation is not a new one, but it is an issue that has been burdening Health and Human Services (HHS) program integrity and costing millions in taxpayer dollars without a viable, preventative solution in place; one that could accurately analyze program data in near real-time from across the country to proactively identify the likelihood that an applicant is already participating elsewhere. There are existing, unassuming processes in place that use simple SSN matching on a quarterly basis, but that simply isn't enough.

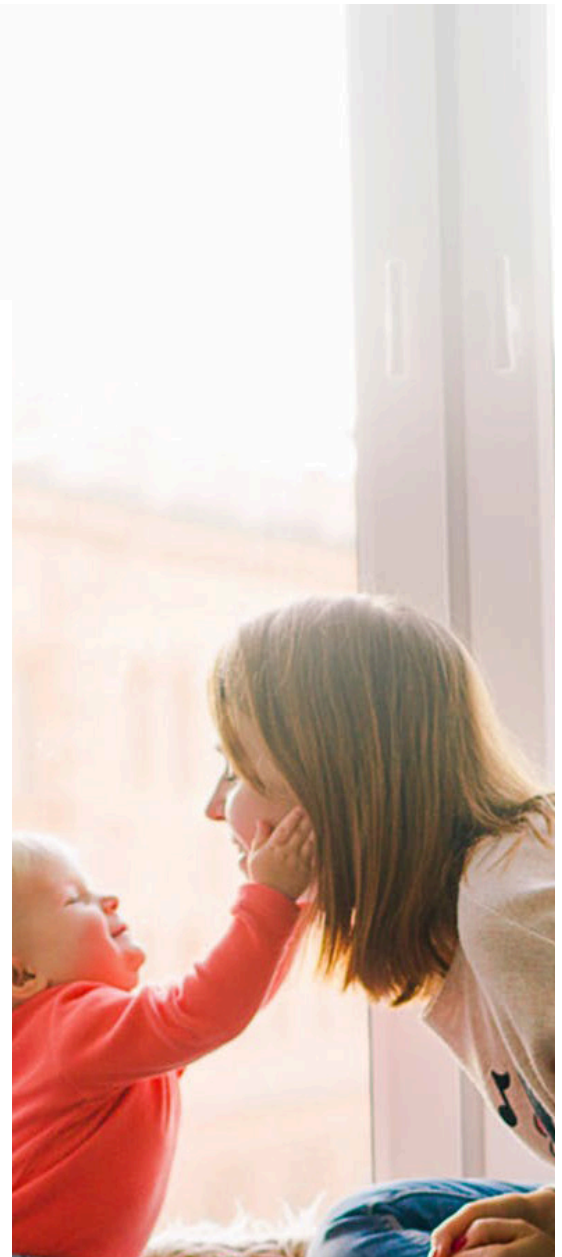
LexisNexis® Risk Solutions has extensive experience in this space; from identity assessment to identity resolution and clearinghouse databases. This experience has allowed us to better understand the challenges and work with customers on how to solve them; from both a technical and policy perspective. The outcome of this is the Risk Intelligence Network (RIN), Program Participation Analyzer (PPA), which is a secure data exchange that facilitates real-time information sharing between states and programs. This can be used by individual programs; however, the long-term vision is a platform that will support the detection of dual-participants within and across all public assistance programs, such as Medicaid, Children's Health Insurance Program (CHIP), Temporary Assistance for Needy Families (TANF), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and more. LexisNexis Risk Solutions developed PPA to support the complexities of multiple programs and additional states, evolving the solution into a clearinghouse that will support all of Health and Human Services; both individually and collaboratively.

The precedence has been set for this type of solution. Recently, the United States Department of Agriculture's (USDA), Food and Nutrition Services (FNS) agency sponsored a pilot to detect and prevent dual participation in the Supplemental Nutrition Assistance Program (SNAP) by way of the National Accuracy Clearinghouse (NAC). After a one-year evaluation by an independent evaluator, Public Consulting Group (PCG), the pilot results confirmed a strong need for the NAC. Analysis indicated



that both individuals and organized groups were involved in activities leading to the improper disbursement of benefits. For example, in the state of Mississippi, the NAC solution identified and prevented 300 dual participants per month, realizing an annual net savings of \$872,7922 and an anticipated \$2.5M¹ in potential annual savings for SNAP after nationwide adoption.

The strong results from the pilot supported the decision to expand the NAC concept to additional states and programs. The more programs and states that participate in a clearinghouse-type solution, the better opportunity to not only improve the integrity of each program through the identification of dual participants, but also by identifying beneficiaries who are found participating in public assistance in more than one state. This solution also brings value to participants who are inadvertently enrolled in multiple-state programs. These members will not be burdened with having to pay back funds after the fact. This process will prevent the upfront distribution of duplicate benefits/payments. Since state public assistance programs require in-state residency as a key component of eligibility, out-of-state participation should not occur. Medicaid is an excellent example of this with the nationwide average cost per Medicaid beneficiary at \$5,790 annually.²



How is the Program Participation Analyzer (PPA) different from the Public Assistance Reporting Information System (PARIS)?

PARIS is a system that was developed by the Administration for Children and Families (ACF) in 1993. State agencies are required to submit information on public participants via this system. It looks for basic, exact data matches and sends results back to states for investigative action. PARIS has been used by states to identify public assistance participation across states post-enrollment. PPA differs from PARIS in two distinct ways:

1. PPA is a front-end, real-time, automated solution that reduces and eliminates improper payments.

States submit data to PPA daily which allows agencies to detect dual participation and out-of-state cross-program participation before a payment is ever issued, eliminating the “pay and chase” model and reducing costs and efforts associated with investigation and recovery activities. By comparison, PARIS identifies dual participants quarterly and only after payments have already been paid.

2. PPA utilizes advanced identity resolution for high confidence decision making as individuals are submitted to the solution.

PPA assesses multiple components of an identity, looking at both current and historical information within the LexisNexis® repository, to make a determination on the likelihood of a match.

By contrast, PARIS does a strict SSN-only match. The NAC report published by PCG indicated that a large number of dual participants can be identified by looking beyond SSN-only matches.

For example, if two records from different jurisdictions have the same name and date of birth, but a different address – and the two addresses match a former and current address for a given identity in the LexisNexis database – those two records represent a very likely match. PPA also applies proprietary knowledge about identities as applicants are matched – for example, because a church or shelter may be listed as the address for many applicants, those addresses are identified and excluded when screening thereby eliminating their possibility as false positives. PPA’s use of identity resolution, coupled with a prioritization of matches by identity attribute combinations, provides states with a high confidence solution for informed decision-making. PARIS, by comparison, relies solely on an exact SSN match as a unique identifier to identify participation. This identifier often goes uncaptured, or is found to be captured incorrectly, and neglects a wealth of intelligence that comes from evaluating the other identity components.

Per the independent NAC evaluation by PCG, SSN only matches were not found to be good indicators of dual participation and require different treatment by the contributing state. States with SSN only matches will need to conduct further investigation into these matches as they represent data discrepancies and instances of error.



PPA's use of advanced identity resolution empowers states to make high confidence decisions as identity matches occur. This in turn helps prevent improper payments, reducing caseload volumes, and improving application and processing confidence.



States identify millions of dollars in potential savings through an initial look at jointly utilizing PPA.

In 2016, LexisNexis Risk Solutions partnered with a number of programs interested in understanding the extent and impact of dual participation within some of their state health and human services programs by way of a Proof of Concept (POC) analysis. By using our existing identity resolution processes and secure technology exchange, we were able to bring all of the program data together and provide intelligence to the participating programs of where dual participation was occurring. Findings from these tests revealed sizable levels of inter and intra state dual participation and cross-program participation throughout the United States. This test simulates a ‘Big Bang’ or initial identification of active dual participation occurring between the participating states. Dual participation occurs when an individual’s identity is enrolled multiple times within a single state or in multiple states at the same time. Cross-program participation identifies out-of-state participation for individuals who are enrolled in multiple programs simultaneously. Since each program requires in-state residency, states can immediately benefit from the collective knowledge that a single individual is receiving payments in multiple states. The majority of Medicaid programs that participated in the POC analysis were managed care programs.

The immediate potential savings for prospective states is demonstrated below.

Impact Assessment:

Potential Dual Participation Savings Identified Interstate and Intrastate Identity Collisions by Program

Program	Collision Count	Avg. Annual Beneficiary Cost	Annual Dual Participation Savings Potential
Medicaid	11,932	\$5,790	\$69,086,280
TANF	64	\$3,000	\$192,000
WIC	14	\$520	\$7,280

Cross-Program Intelligence Impact to Medicaid Cost Savings Medicaid Participants Who Collided with Out of State, Non-Medicaid HHS Programs

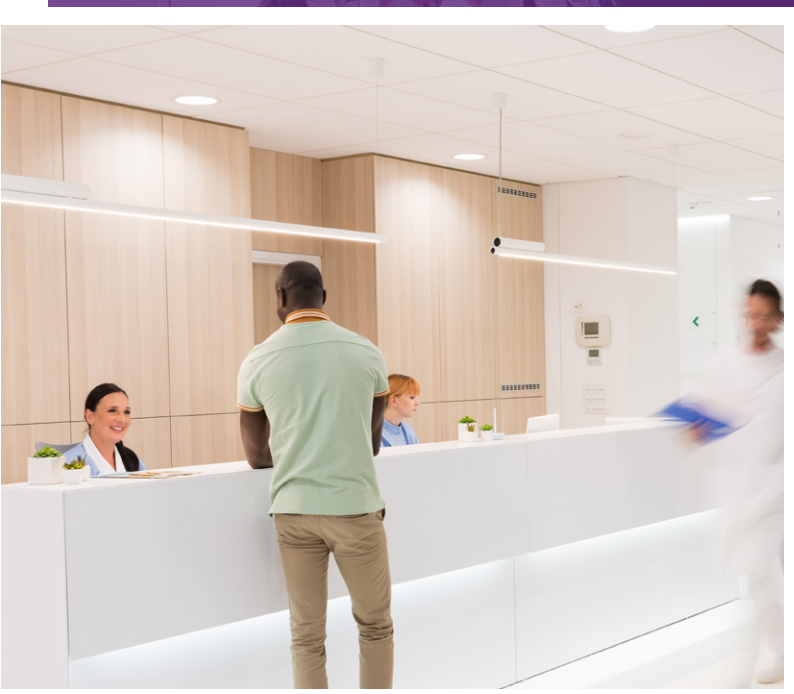
State Program Description	Collision Count	Avg. Annual Beneficiary Cost	Annual Dual Participation Savings Potential
Medium-Sized, Eastern	55	\$5,790	\$318,450
Small-Sized, Western	43	\$5,790	\$248,970
Medium-Sized, Central	158	\$5,790	\$914,820

Data Insights:

- While a full SSN represents a portion of the matches identified by PPA, over 60% of all matches that contain a full SSN included other high-confidence identity attributes that would not have otherwise been captured or utilized by the PARIS match process. These matches represent high-confident instances in which a state would not be required to expend resources or man-hours for further investigation.
- PPA successfully leverages identity resolution to identify individuals beyond the scope of what is attainable through a strict data attribute match.

Key Insights:

- Dual participation is a challenge plaguing - Health and Human Services (HHS) programs throughout the United States.
- Dual participation occurs within and across state lines.
- Dual participation is not a regional issue. States may experience levels of dual participation as high or higher with states in distant geographic regions.
- Cross-program intelligence is significant as a large volume of beneficiaries have been identified receiving benefits/payments from different programs simultaneously in different states.
- Dual participation is as much of an intrastate issue as it is an interstate issue. Following dynamic and changing identities is hard, but the PPA solution can save states millions just within a participant's own state.
- Significant contributory intelligence and key participant insights are gained through a multiple-program Health and Human Services clearinghouse.
- Using an integrated model allows you to realize immediate savings by systematically preventing dual participation before it can occur.
- Because the participating states are existing PARIS users, the dual participation shown is "over and above" what the state was already detecting through their use of the PARIS solution.



Additional Savings:

In addition to this initial potential savings, participating programs will reap additional ongoing savings each year as dual participants are identified and prevention occurs.

PPA also provides additional savings opportunities, in the form of increased speed and efficiency. There are three key drivers for this:

1

PPA is updated daily, allowing agencies to detect dual-participation up to three months earlier than other systems.

2

While states can seek to recover the improper payments, the “pay and chase” model typically only results in 50% recovery on average. This figure is likely even lower among those identified as “dual participants.”

3

Eighty-five percent of the matches found using PPA technology have resulted in high confidence matches; freeing up resources that could be reassigned to more in-depth investigations.

The value of the PPA platform will continue to build as more and more states join. The more states and programs that join PPA – the more powerful the solution becomes resulting in more savings for all involved.

Big Bang

- Initial identification of dual participants
- Evaluates who is currently receiving payments from your program but shouldn't be
- Look at your existing population
- Prioritized by match code for investigation
- Occurs at initial onboarding and as new states and programs onboard



Prevention and Identification

- Real-Time Prevention: before payments are issued
- Identifies who is applying for payments from your program but shouldn't be
- Look at new and recertifying applicants
- Prioritized for high confidence decision making
- Occurs daily across states and programs



Methodology Notes:

Within a single state, most participants are likely to be enrolled in more than one HHS program. Therefore, this analysis does not include cross-program intrastate collisions, only intrastate collisions within each participating HHS program. Out of state collisions may be program specific or cross-program due to residency requirements for program participation.

This analysis represents a one-time initial savings that each prospective state could realize as existing dual participants and cross-program participants are identified and recovery claims are established to recoup overpayments. These states will further realize ongoing one-time savings as new states and programs join PPA and new dual participants are identified for the first time. Further, upon implementing the PPA solution, each participating state will realize ongoing preventative cost savings as new instances of potential dual participation and cross-program participation are identified and prevented prior to eligibility certification/re-certification and payment issuance. LexisNexis Risk Solutions acknowledges that a dual participant or cross-program participant will likely remain on one of the state programs that generated the match; therefore, the above cost savings analysis only represents savings for the initiating state.



Frequently asked Questions

1. We have been overwhelmed by false matches with a similar system. How will we manage the new increase in matches?

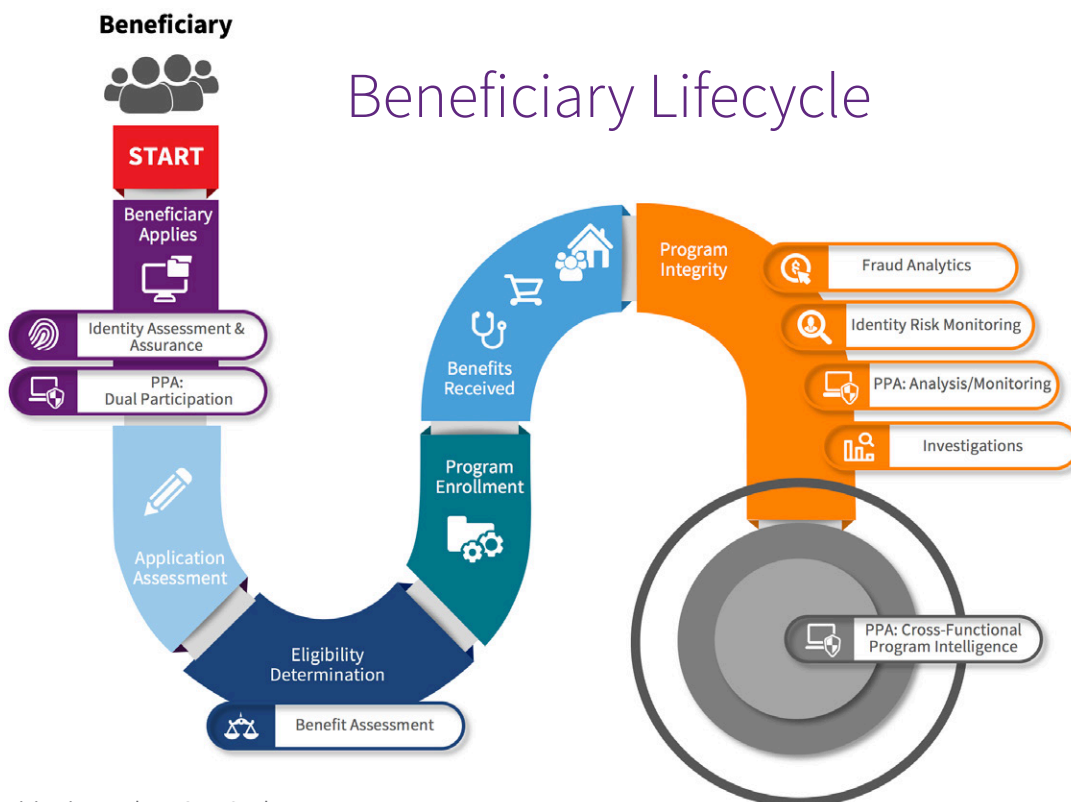
PPA users are able to prevent more improper payments while also reducing their caseloads. The reason for this is fewer “false positives” and less time spent investigating cases. With PPA, we work closely with our customers to define scenarios where “immediate action” should be taken, and scenarios where “further investigation” is recommended.

2. What does “immediate action” mean? If a participant is enrolled in two states, does enrollment automatically get canceled in both states when a match is detected?

It is important to establish and enforce business rules for how to handle the “immediate action” cases, as well as the “further investigation” cases that are validated with additional information. These business rules are developed by PPA-participating states, in collaboration with LexisNexis Risk Solutions and with federal oversight from the respective federal agencies. The business rules dictate that when a match is identified, a “request for contact” is mailed asking for specific information (e.g. proof of residency, documentation showing case/account closure and the last date of eligibility in a previous state, etc.).

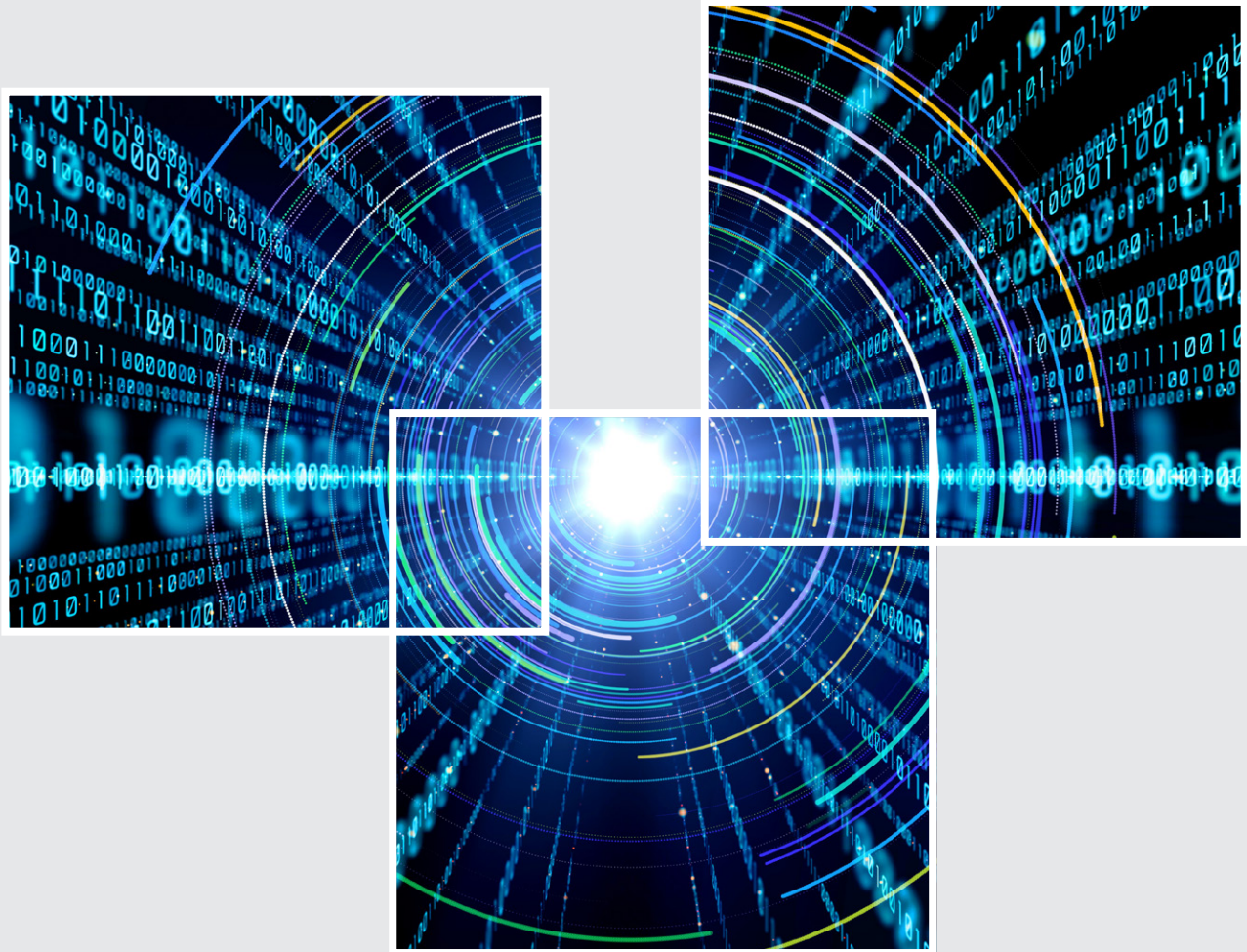
3. We are interested, but we are concerned that data sharing restrictions will be an issue.

A detailed Memorandum of Agreement (MOA) defining the use of the contributed data for data sharing purposes will be executed. This MOA includes specific details about the data required, defines how it will be used, constraints on its usage, and how the information will be protected and safeguarded.



Reference

1. National Accuracy Clearinghouse Evaluation, October 2015, Page 37, Step 2. [http://images.solutions.lexisnexis.com/Web/LexisNexis/%7Bb7de1d11-976a-4bdd-82a0-39a8f272265b%7D_USDA_Report_on_NAC_2016_\(1\)_17614.pdf](http://images.solutions.lexisnexis.com/Web/LexisNexis/%7Bb7de1d11-976a-4bdd-82a0-39a8f272265b%7D_USDA_Report_on_NAC_2016_(1)_17614.pdf)
2. <http://kff.org/medicaid/state-indicator/medicaid-spending-per-enrollee/>



For more information, call 866.528.0780 or visit
www.risk.lexisnexis.com/government



About LexisNexis® Risk Solutions

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Our identity management solutions assist states with ensuring appropriate access to public benefits, enhance program integrity and operational efficiency, reduce the impact of identity theft and fraud, and proactively combat fraud, waste and abuse throughout government programs.

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