

## Data-Driven Fraud Prevention for Medicaid Agencies

### The Challenge

Fraudulent providers continue to exploit gaps in Medicaid enrollment and oversight. Even when terminated or excluded, many re-enter networks through **family ties, business associates, or hidden ownership structures**. Traditional screening methods only evaluate the provider in front of the agency—missing the **non-obvious relationships** that allow bad actors to return.

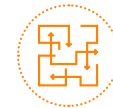
*For Medicaid agencies, this means:*



Persistent **fraud, waste, and abuse (FWA)** draining program dollars.



**Limited visibility** into provider networks and hidden risk factors.



**Increasing complexity** as schemes become more sophisticated.

### The Proof of Concept: A Key Western State

One state Medicaid agency launched a comprehensive initiative to modernize provider fraud detection in collaboration with LexisNexis® Risk Solutions, and their technology and consulting partners.

This project combined state data (Medicaid enrollment records and Secretary of State filings) with the vast identity intelligence resources of LexisNexis Risk Solutions, uncovering non-obvious provider linkages that traditional methods could not detect.

#### KEY FEATURES OF THE APPROACH:

- ✓ **Enhanced Screening:** Electronic dashboards with near real-time screening against sanctions, criminal history, bankruptcies, liens, and judgments.
- ✓ **New State-Managed Exclusion List:** Independent from national sources, publicly available for transparency.
- ✓ **Network Analysis:** Building out provider relationships—relatives, associates, executives, and businesses—to identify hidden risks.
- ✓ **Adverse Media Reporting:** Scans public data to assign risk levels early in the enrollment process.
- ✓ **Investigative Support:** LexisNexis® Risk Solutions Special Investigations Unit (SIU) delivers monthly case link analyses, reports, and actionable leads.

#### RESULTS



**32 inappropriate connections identified** between active and excluded providers.



**Denied applications, terminated providers, and flagged high-risk cases** based on expanded risk insights.



**Uncovered collusive networks** where bad actors attempted re-enter via associates or hidden business ties.



**Operational efficiencies gained**, enabling agency staff to focus on high-value program integrity efforts.

## WHY THIS MATTERS FOR MEDICAID AGENCIES



**Protects Public Dollars:** Helps stop fraudulent providers before they re-enter the system.



**Strengthens Program Integrity:** Provides Medicaid agencies with the tools to help safeguard networks against sophisticated fraud.



**Goes Beyond Compliance:** Moves from reactive monitoring to proactive, risk-based decision-making.



**Replicable Model:** This proof of concept demonstrates how agencies can adopt a service-based, data-driven approach to FWA prevention.

**LexisNexis Risk Solutions Special Investigations Unit provides industry expertise and advanced analytic insight to provide data-driven and actionable deliverables to Agencies:**

- ✓ **Case Summary Reports:** Narrative reports providing context and analysis of risk findings, along with strategic recommendations.
- ✓ **Case Data Detail:** Detailed spreadsheets with supporting data points.
- ✓ **Comprehensive Fraud Insights:** Ready-to-act intelligence that enables state teams to initiate provider reviews, suspensions, or terminations.

## Replicable Model for Medicaid Leaders

*Any state Medicaid agency can apply this approach by:*



### 1. Integrating State

#### + External Data:

Combine enrollment records with identity, business, and legal intelligence.



### 2. Expanding the

#### Lens:

Go beyond the provider to evaluate relatives, associates, executives, and linked businesses.



### 3. Deploying

#### Advanced Analytics:

Use investigative triggers and predictive tools to help flag hidden risk early.



### 4. Operationalizing

#### Insights:

Deliver findings through case summaries and data reports that directly inform program integrity actions.



### 5. Sustaining the

#### Effort:

Build an exclusion list and continuous monitoring process to help keep bad actors out permanently.

## Conclusion

This key state has shown what's possible when Medicaid agencies pair **state-level oversight with advanced data and analytics**. This proof of concept offers a scalable, service-driven model for other states to follow—closing gaps in provider screening, uncovering hidden risks, and protecting the integrity of Medicaid programs.



**Fraud prevention is no longer about reacting to what's visible. It's about revealing what's hidden—and stopping it before it costs taxpayers.**

**For more information, scan or call 1-800-869-0751**

