FROM: Markus P. Cicka, J.D., L.L.M. (Health Law)
            Director, Missouri Medicaid Audit and Compliance Unit

Re: Missouri's Participation in the Medicare-Medicaid Data Match Program

DATE: February 2, 2012

Please note that Missouri has decided to participate in the Medicare-Medicaid Data Match Program.

The Centers for Medicare and Medicaid Services (CMS) created the Medicare-Medicaid Data Match Program, or Medi-Medi project, in 2001. This integrity program initially began in California to detect and prevent Medicaid fraud and abuse. The program expanded to other states, and with the passage of the Deficient Reduction Act of 2005, funding increased to roll out the program nationwide.

Detecting Improper Billing and Utilization Patterns

Federal regulations require that each state Medicaid agency maintain a claims processing and information retrieval system (the Medicaid Management Information System). The Surveillance and Utilization Review Subsystem, a mandatory component of the Medicaid Management Information System, exists to safeguard against inappropriate payments for Medicaid services. Patterns of fraudulent, abusive, unnecessary, or inappropriate utilization can be detected by analyzing and evaluating provider service utilization.

According to section 6034 of the Deficit Reduction Act, the Medi-Medi program is to use computer algorithms to search for payment anomalies. The abnormalities being sought include billing or billing patterns identified with respect to service, time, or patient that appear to be suspect or otherwise implausible. This data-oriented approach to mining combines Medicare and Medicaid claims to detect improper billings and utilization patterns and will enhance the ability to find vulnerabilities in both programs.