

ASSESSING OPTIONS FOR COVID-19 PAYMENT INTEGRITY ANALYTIC CELLS

Payment Integrity Risks Are Becoming Real Issues

As of May 2020, the U.S. Congress and the Trump Administration have authorized more than \$3 trillion in new money to counter the human and economic cost of the Coronavirus pandemic. The combination of the volume of funding, the wide array of uses, and the varying payment mechanisms present significant payment integrity risks.

Along with the risk of errors in individuals' applications and agencies' processing, fraudsters began their activities in the immediate aftermath of the enactment of the four statutes (to date). For example, a major international fraud ring has already been identified attempting to secure fraudulent unemployment insurance payments from multiple states using stolen identities. With the immediate needs so great and the amount of funding at stake so significant, agencies and stakeholders must explore innovative new approaches to promote payment integrity. Analytic cells are one such approach – a powerful, proven model that is available now.

Identifying the Right Payment Integrity Analytic Cell

This is the third in a series of fact sheets addressing the payment integrity challenges with the COVID-19 pandemic and response (see also <https://www.mitre.org/publications/technical-papers/five-ways-to-fight-fraud-waste-and-abuse-in-3-trillion-coronavirus> and <https://www.mitre.org/publications/technical-papers/agile-fusion-cells-for-covid-19-payment-integrity>). This fact sheet focuses on helping readers who have determined that they need an analytic cell to address these challenges to decide which type of cell will best meet their needs.

Analytic cells can be viewed on a continuum that runs from single-source, lightweight approaches such as agile fusion cells to multi-source, real-time, robust operations centers. The soon-to-be owner of the cell needs to clearly identify the needs and then assess important factors to determine what is best for them, for both the immediate future and the long-term. It should be noted that over time, the single-source, lightweight approach can be expanded as needed into a long-term, enhanced structure, either as a plan from the beginning of the effort or as circumstances and needs change and grow.

This paper provides an approach for assessing the options for the types of analytic cells and deciding which type will best address the owner's payment integrity challenges.

Analytic cells are a powerful, proven model to promote payment integrity. A structured approach can help a new cell owner assess options and decide which type of analytic cell can best address their payment integrity challenges.

Roles and Responsibilities

Key design decisions that inform the analytic cell solution are framed by the different roles that establish and sustain an analytic cell. These roles and their main responsibilities range from the owner to the cell participants – potentially federal/state/local government, law enforcement, not-for-profit organizations, and industry (Fig. 1).

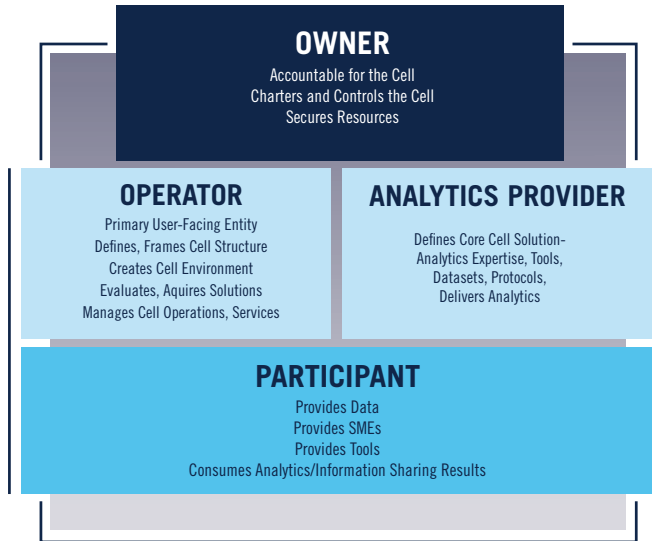


Figure 1. Analytic Cell Roles

Factors Shaping Your Analytic Cell

Leaders considering analytic cells to promote payment integrity need to make the following design decisions to help assess the options for the type of analytic cell that will best meet their needs.

Define the Core Mission

The mission of an analytic cell must be defined. It may be to share information, to assess information and identify trends, to share data and conduct analytics, to accomplish some other purpose, or all the above. As the mission broadens or reflects higher complexity, the resourcing and timeframe to deliver grow accordingly.

Determine Outcomes Needed and Operations Rhythm

The outcomes needed (e.g., actionable results from analytics or information sharing) must be identified to develop the operations rhythm. This rhythm entails activities ranging from how frequently data is updated by, to the timing of providing results to, participants.

Assign Roles and Identify Governance Model

Leaders chartering analytic cells often fulfill the role of owner. The operator and analytics provider roles can be fulfilled in a variety of ways ranging from one entity (such as a single agency) serving in all three roles, to one entity being the owner that engages with multiple entities that serve in the other roles (e.g., a single government agency, a group of agencies, a for-profit/commercial entity, a not-for-profit entity such as an academic institution or a Federally Funded Research and Development Center). Governance options range from a single agency's leadership

to an executive board that includes participants. Answering key questions such as "Who pays?" and "Who decides?" sets the stage for a successful cell.

Identify and Invite Participants

A cell can range in membership from agencies only to some appropriate combination of multiple types of entities. Participation should be driven by recognizing providers of needed data or expertise as well as consumers of the analytics/information sharing who need to have confidence in the results. The concept of a payment integrity consortium can yield the benefit of non-government entities bringing different tools, expertise, and knowledge to the cell. If the cell should include many participants outside the owner's organization, an approach similar to an information sharing and analysis center (ISAC) can apply.

Determine the Appropriate Technical Environment

Drivers of environment characteristics and sizing include the volume, variety (potentially multiple datasets from various sources), quality, and velocity of data; how data and the ability to analyze it are delivered to the cell members; needed analytic tools/methods such as artificial intelligence, statistical or Bayesian analysis, and anomaly detection; concurrency and complexity of analytic activities; user experience and system performance expectations; and requirements for privacy and security.

Next Steps – From Decision to Action

Addressing these issues will point to a certain type of cell, ranging from one with a narrow mission, such as a single agency focused on one program, to broader participation focused on multiple similar programs. The type of cell need not remain static over time; an agile fusion cell with an initial narrow focus may enable stakeholders to resource it rapidly for quick results, which can lead to further investment and a results-driven progression toward a more robust model such as an ISAC, if desired. Once the cell is framed, leaders need to consider:

- Building the case for their analytic cell solution
- Identifying the leads to design the cell, define data and analytic needs, operate the environment, and analyze data
- Partnering with an independent Trusted Third Party that is free from conflicts of interest to facilitate cell design and operation
- Engaging with stakeholders thoughtfully to identify the cell participants and concept of operations

For information about considerations driving analytic cell design, contact Gordon Milbourn, gmlbourn@mitre.org.

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