Please provide the following information, adding space as necessary:

State: Commonwealth of Pennsylvania

Assign Program Category: Human Services

Program Name: Enterprise Program Integrity
Administering Agency: Department of Public Welfare
Contact (Name and Title): Clint Eisenhower, Deputy Director, Program Integrity Office
Address: Pennsylvania Department of Public Welfare
          Rm. 325A Health & Welfare Building
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1. How long has this program operated (month and year)? Note: the program must be between 9 months and 5 years old as of April 5, 2012 to be eligible for this year’s award.

   The Department’s Enterprise Program Integrity initiative has been operational since June 2011 (10 months).

2. Describe the program:
   
   • Why was it created?

   In July 2011, the Commonwealth’s legislature enacted a bill to tackle increasing concerns associated with wasteful, fraudulent and abusive behaviors committed by providers, recipients and DPW staff. The bill further intensified the need for the Pennsylvania Department of Public Welfare (DPW) to make transformative changes. Acknowledging the need to be both tactical to recover costs in the short term and strategic to avoid future fraud, waste and abuse, DPW identified the strengthening of its program integrity efforts to contain costs and support its overarching goal of administering and delivering program services that are integrated, fiscally responsible, person-centered, accountable and sustainable.
- Why is it a new and creative approach or method?

Historically, state health and human services (HHS) agencies have addressed program integrity with a narrow lens – focusing on a single program, implementing solutions that only consider technology and most often in reaction to fiscal crises. HHS agencies frequently concentrate on fraud as it garners the most attention, despite being a minimal source of lost revenue, difficult to prove and even more difficult to recover. DPW wanted to break from the mold and serve as a pioneer to not just eradicate fraud, but more importantly waste and abuse as part of a sustainable operational model. DPW further moves away from the norm by taking a comprehensive look at processes, policies, organizational structures, and systems that impact program integrity across the entire Department. It leverages outcomes and risks to drive decision making, makes the most effective use of precious resources, holds individuals accountable and supports continuous improvement. By accomplishing this, DPW will assure that its operation is efficient and lean, and that policies and procedures are aligned to focus on performance-based outcomes.

- What are the specific activities and operations of the program in chronological order?

DPW identified the need to perform a comprehensive environmental scan and inventory of efforts targeted at detecting, monitoring, and preventing provider, recipient, and staff fraud, waste and abuse. Branded as Enterprise Program Integrity, DPW conducted an exhaustive current state assessment across discrete program offices to itemize leading practices, gaps and variability in the way that DPW institutionalizes program integrity across the Department, with a focus on organizational, business workflow, policy, process/control and technology enablers. The current state assessment was translated into program-based risk profiles identifying where the Department had the greatest exposure to waste, fraud and abuse. DPW leadership then defined its vision, primary objectives and outcomes for engraining program integrity into its business model focusing on recipient, provider, financial and quality management functions. The cumulative findings from these activities, paired with creative, new state-of-the-art solutions and leading practices from other states and the commercial sector, led to development of a portfolio of short-term tactical and long-term strategic endeavors to pursue to address the Department's fraud, waste and abuse exposure areas.

Based on collective DPW priorities, risk exposure and potential impact, the Department selected the following areas in its program integrity portfolio to pursue:

- Establishment of the DPW Program Integrity Office – completed October 2011
- Implementation of a framework for reporting and analyzing program integrity-specific performance measures – completed January 2012
- Expand/tailor program auditing efforts using risk-based criteria – audit in process for 50 providers
- Modifications to state and federal policies to improve program integrity – in process
- Expansion of quality control efforts to foster continuous improvement and increase knowledge sharing – rollout in progress
- Restructuring of the Department’s recipient overpayment process to expedite and simplify the identification, referral and recovery processes and leverage shared services to optimize resources – rollout in progress
- Creation of program integrity intake units to triage high-risk applications – rollout in progress
- Transformation of business processes to enhance and enforce sanctions, penalties, exemptions, and good cause – May 2012
- Streamlined process for enrolling and monitoring DPW providers – planned pilot starting May 2012
• Is it effective? *Provide tangible results and examples.*

DPW is on its way to achieving targeted cost savings for FY 2012 with additional savings planned for FY 2013 with the implementation of additional program integrity efforts. To date, DPW has identified more than 160,000 ineligible people, including incarcerated individuals, millionaire lottery winners and the deceased that had been receiving managed care benefits beyond their period of eligibility. This effort resulted thus far in $292 million in taxpayer savings. DPW has identified tens of millions of dollars in overpaid medical assistance benefits provided to individuals who provided incorrect or misleading information leading to the improper receipt of medical services. The Department has initiated pursuit of recoveries from these individuals. Recent provider audits have resulted in nearly $4 million in questioned costs that the Department will pursue. DPW has also identified $1 billion in annual state-funded children and youth services that have not been audited over the last three years, exposing DPW to potential penalties and overspend. Efforts are underway to resume monitoring of these funds. Lastly, DPW has put a performance management framework in place that supplies Department leadership with insight into progress against cost recovery and avoidance efforts.

3. Did this program originate in your state? If YES, please indicate the innovator’s name, present address, telephone number, and e-mail address.

Yes. The innovator’s contact information is:

Name: Gary D. Alexander, Secretary, Pennsylvania Department of Public Welfare
Clint Eisenhower
Address: Pennsylvania Department of Public Welfare
Rm. 325A Health & Welfare Building
Harrisburg, PA 17120
Telephone Number: (717) 705-6804
E-mail Address: ceisenhowe@pa.gov

4. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?

We are not aware of other states that are taking a comprehensive approach to addressing program integrity across health and human services from a holistic perspective. Most states are focused on a single program (e.g., Medicaid or Child Care) or one or two specific functions (e.g., advanced investigations and recovery efforts).

5. What limitations or obstacles might other states expect to encounter when attempting to adopt this program?

One of the initial challenges DPW encountered when embarking on this initiative was the inability of its program offices to recognize commonalities in processes and efforts due to different terminology used within each office. Establishing a common taxonomy is critical to the success of the program efforts. Adopting this new approach also requires a change in culture that historically has not viewed program integrity as integral to the business model for administering and delivering HHS services that are integrated, fiscally responsible, person-centered, accountable and sustainable. Lastly, this new model is rooted in a need to increase agency transparency related to program integrity performance, to which agencies are not typically accustomed.

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- Human Services

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- Labor
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