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INSPECTOR GENERAL

**The Commonwealth of Massachusetts**  
**Office of the Inspector General**

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July 19, 2016

Robin Callahan  
Deputy Medicaid Director for Policy and Programs  
Executive Office of Health and Human Services  
One Ashburton Place, 11<sup>th</sup> Floor  
Boston, MA 02108

**Re: MassHealth Data: Social Security Numbers and Claims Paid After  
Date of Death**

Dear Ms. Callahan:

At the direction of the Legislature, as set forth in section 146 of chapter 46 of the Acts of 2015 ("section 146"), the Office of the Inspector General ("Office") has studied MassHealth's administration of the Massachusetts Medicaid program ("Medicaid"). Pursuant to section 146, the Office received data from MassHealth for people who were active Medicaid members continuously between July 1, 2015 and October 31, 2015.

The Office noted three issues with the data MassHealth provided. First, the Office found what appears to be facially invalid social security numbers ("SSNs") in MassHealth's Medicaid Management Information System ("MMIS").<sup>1</sup> Second, the Office found the same SSN associated with more than one MassHealth member. Third, MMIS continued to list members as active even though MMIS contained dates of death for them, and MassHealth paid claims for those members after their reported dates of death.

**Social Security Numbers**

*Social Security Number Verification*

As you are aware, federal regulations require all persons applying for Medicaid to furnish an SSN or proof of application for an SSN, subject to limited exceptions. The regulations further provide that MassHealth must verify each SSN to ensure that the SSN was issued to that person

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<sup>1</sup> MMIS processes claims that healthcare providers submit for care they provide to MassHealth members.

and to determine whether any other SSNs were issued to that person. In turn, MassHealth's regulations indicate that it verifies each SSN by an electronic data match with the Social Security Administration ("SSA"). If the applicant has provided an SSN to MassHealth that the SSA is unable to verify, the applicant has 90 days to provide MassHealth with an approved verification of the SSN.

MassHealth reported to the Office that it implements these regulations by sending a nightly feed of data to the SSA to validate SSNs. MassHealth stated that it has done this SSN match with the SSA since 1999. After the SSA receives the data from MassHealth, the SSA sends MassHealth a code for each inquiry indicating either that it verified that the SSN belongs to that person, or that it cannot verify the SSN and the reason for non-verification. The SSA will also indicate if, according to the SSA's records, the individual is deceased.

#### *Social Security Number Inconsistencies*

The Office reviewed SSNs in MMIS and in the data that MassHealth provided. The Office found that the SSN verification process may not be properly verifying SSNs and that MassHealth's eligibility system allows multiple people to have the same SSN.

First, MMIS's records contain active MassHealth members with SSNs that are facially suspect (*e.g.*, 111-11-1111; 123-45-6789). The Office is aware that other state agencies use an SSN placeholder for people who do not have their own SSN. However, MassHealth told the Office that it does not use placeholder SSNs in MMIS; MassHealth explained that when a person does not have an SSN, its staff members are explicitly instructed *not* to insert a placeholder SSN but rather to leave the SSN field blank. The presence of facially suspect SSNs appears to mean that MassHealth staff are using placeholder SSNs, that applicants are providing fake SSNs to MassHealth, or both. This also means either that the SSN verification process is not catching these facially suspect SSNs or the verification process is catching them but MassHealth is not addressing them.

In addition, the Office found the same SSN associated with more than one MassHealth member. In some instances, the SSN is facially suspect. For example, at various times between November 2015 and June 2016, MMIS had up to 59 active MassHealth members with the SSN "111-11-1111."

In other instances, the SSN is not facially suspect. The Office examined the data that MassHealth provided for approximately 1.7 million people who were active MassHealth members continuously between July 1, 2015 and October 31, 2015. The Office found 2,723 SSNs that MassHealth links to two or more different members. Examining the members' names, some are clearly different people (*e.g.*, one male and one female name; two distinct first and last names). Others of these names appear to belong to the same person, but have spelling, date of birth, or other differences. For example, there may be different spellings of the person's name, additions to the name (*e.g.*, middle initial or hyphenated last name), first and last name reversed,

or a data entry error that resulted in a similar, but not identical, date of birth. All told, 5,474 members had an SSN that MassHealth linked to more than one member.

The Office acknowledges that this is a relatively small number compared with the total number of active MassHealth members. However, the Office reviewed only a small number of SSNs in MMIS and four months of MassHealth data. The presence of these issues indicates that MassHealth's eligibility system has three potential problems relating to SSNs: (1) MassHealth's eligibility system apparently allows SSNs to be entered for more than one person rather than stopping the application process as soon as a duplicate SSN is entered; (2) the MassHealth system does not appear to have an internal control that automatically detects duplicate SSNs once they are in the system; and (3) MassHealth is not identifying applicants who have facially suspect SSNs. These issues also call into question the accuracy of the current SSA match that MassHealth performs, as well as how MassHealth addresses the results of the match.

To address these issues, the Office recommends the following:

- MassHealth should consult with the SSA to determine whether it is identifying facially suspect SSNs and SSNs that do not belong to an applicant.
- MassHealth should create an edit in its eligibility system that prevents anyone from entering an SSN that already exists in the system.
- In consultation with the SSA, MassHealth should create a list of SSNs that its eligibility system will not accept (*e.g.*, 111-11-1111; 123-45-6789).
- A MassHealth eligibility worker should immediately follow up with any applicant identified as providing a duplicate SSN or a facially suspect SSN to determine whether there is an error or another cause for the SSN issue, resolve the problem, and help to complete the application process.

### **Claims Paid After Date of Death**

The Office asked MassHealth to provide demographic information about people who were *active* MassHealth members from July 1, 2015 through October 31, 2015. The data that MassHealth provided included over 2,600 people with a date of death before October 31, 2015. According to MassHealth's records, these individuals had died between October 15, 1985 and October 30, 2015.

The Office reviewed the paid claim history for a sample of the people with dates of death before October 31, 2015. The Office found that for the 30 people with the most distant dates of death – between October 15, 1985 and May 30, 2008 – there were over \$5 million in paid claims

with dates of service after the date of death contained in MassHealth's records.<sup>2</sup> Of these 30 people, 23 appeared to have had claims paid after their dates of death. Many of these paid claims had recent dates of service; the two people with dates of death in the 1980s had dates of service as recent as May and December 2015.

It is likely that post-date-of-death claims arose from either fraud or mistake. Fraudulent claims could either involve healthcare providers submitting claims without providing services or people improperly using a deceased MassHealth member's identification to obtain healthcare services. Post-date-of-death claims could also be the result of a mistake; that is, MassHealth could have an erroneous date of death for a member who is properly receiving healthcare services. Based on an analysis of the number of providers and types of claims, it appears that the date of death is erroneous for a number of these members. However, regardless of the source or cause of the paid claims, MassHealth's claim adjudication system should not be paying claims for members with a date of death.

The Office found that the majority of post-date-of-death claims occurred when the person's date of death was before 2009; there was a marked drop in these claims for dates of death after 2009. Indeed, the Office reviewed the paid claim history for 15 people with dates of death in early July 2015 and found approximately \$10,000 in paid claims; the 20 people with dates of death in January 2016 have a total of approximately \$500 in paid claims. Thus, the issue appears to have vastly improved. However, there is still work to be done to rectify the situation and to recoup any amounts erroneously paid to providers.

The Office therefore recommends the following:

- MassHealth should review all services provided after a member's date of death and recoup all amounts improperly paid to providers.
- MassHealth should ensure that its claim adjudication system does not pay claims for services provided after a member's date of death.
- MassHealth should identify all active members with a date of death in its eligibility system and verify whether those members are alive. If so, MassHealth should remove the member's date of death. If not, MassHealth should change those members' status from "active" to "inactive."
- Going forward, when MassHealth has verified that a member has died, MassHealth should change the member's status from "active" to "inactive" at the same time as it records the member's date of death.

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<sup>2</sup> For each of these members, the Office reviewed the MassHealth All Services Report by Member. This report contains a complete detailed account of a member's claim history.

Robin Callahan  
Executive Office of Health and Human Services  
July 19, 2016  
Page 5 of 5

- To ensure that its records are accurate, MassHealth should examine alternative or additional sources from which to obtain an individual's date of death. For example, MassHealth could partner with the Registry of Vital Records and Statistics in the Department of Public Health to obtain or verify death records.

Within the next 60 days, please provide the Office with a plan to address the issues and recommendations outlined above. You should feel free to contact me or Judi Goldberg, Senior Policy Analyst, if you have any questions or concerns regarding any aspect of this letter.

Sincerely,

A handwritten signature in blue ink that reads "Glenn A. Cunha". The signature is written in a cursive style with a clear, legible font.

Glenn A. Cunha  
Inspector General

cc: Daniel Tsai, Assistant Secretary for MassHealth  
Joan Senatore, Chief Compliance Officer for EOHHS