Dear Friend,

Every government agency produces and collects data, and it is through that data that we can see the story of that organization. Data is essentially the bread and butter of government auditing. It can show us a myriad of things—from how effectively an agency or program is meeting its mandate to areas of potential risk, weakness, or deficiency. These data sources are as varied as the agencies and programs that collect them—they range from simple spreadsheets to cutting-edge proprietary software programs.

Through the use of our sophisticated data analytics capacity, we can quickly analyze tremendous amounts of information and identify patterns or trends. It allows us to go beyond sampling transactions and instead understand how well an entire program spends money and meets its mandate. Our goal is to use this ability to collaborate with agencies to solve problems and improve their operations to ensure taxpayer dollars are spent effectively.

This ability is unique in state government and has already made an impact. For example, we’ve used our data analytics capacity to evaluate millions of MassHealth claims and in just one instance, we were able to identify a vendor that improperly billed the program $16 million in wheelchair-van transportation rides for patients who did not require wheelchairs. Our Bureau of Special Investigations also has a unit devoted to analyzing the data of our public benefits programs, which allowed it to identify record amounts of fraud last year, not because there is more fraud, but because we are getting faster and smarter about finding it.

Sir Francis Bacon said that knowledge is power. He was quite right. It gives us the power to make government work better.

Thank you,

Suzanne M. Bump
Auditor of the Commonwealth
### OSA Focus: Diving into MassHealth Data

The Commonwealth’s biggest data behemoth is its Medicaid program, MassHealth, which provides access to healthcare to approximately 1.9 million low-and moderate-income individuals and accounts for 38 percent of the state’s annual budget. The sheer size of the program means MassHealth collects huge quantities of data, from eligibility criteria for members to fee-for-services claims and the prescribing rates of physicians.

The OSA has an entire audit unit dedicated to auditing the MassHealth program. Central to the productivity of this unit is our use of data analytics to sift through this information and identify trends and outliers. This ability enables us to effectively maximize our staff and detect potential areas of high risk in a timely manner.

In February, OSA released two audits that demonstrate the value of this work. These tools helped auditors identify two healthcare providers that submitted a number of claims for evaluation and management services at a rate far exceeding others in the Commonwealth. The two audits found both providers billed MassHealth improperly for services. One provider also used a practice known as upcoding, in which the provider billed for services more costly than those provided to patients. In addition, the audits also found that both providers received overpayments from MassHealth for instances when a claim stated that treatment was provided by a physician when it had actually been provided by a nurse practitioner or physician’s assistant.

These two audits illustrate the real-life impact data analytics can have, not just for our audits, but in the everyday lives of Massachusetts residents and taxpayers. This powerful analysis lets our staff zero in on areas of weakness and risk, making our audits more significant, not just in a monetary sense, but from a policy and process one as well.

### OSA Special Report: Doing More to Combat Fraud

Our Bureau of Special Investigations (BSI) identified record amounts of fraud in FY15; however, there is still more that can be done to help expedite their investigations. Too often, BSI is forced to close a case, not because fraud was not identified, but because it could not obtain the necessary documents to substantiate the fraud.

To that end, Auditor Bump has filed legislation that would grant BSI subpoena power to enforce compliance with the requirement that employers, banks, schools, and other entities provide records for an investigation of possible public benefits fraud. Without the authority for BSI to issue subpoenas, BSI’s investigation process is slowed down or, in some cases, investigations cannot be completed, putting our public benefits programs at risk.
OSA’s work makes headlines

**States Use Data Analytics to Reduce Medicaid Fraud**  
The Council of State Governments Capitol Ideas Magazine highlights how the OSA is using innovative data analytics to reduce fraud in MassHealth, the state’s Medicaid program.

**Bump: Charter wait list data still has “significant issues”**  
State House News focuses on the OSA’s analysis of the Department of Elementary and Secondary Education’s updated charter school waitlist numbers, which found that while DESE has made some improvements, significant issues with the data remain.

**The Complicated Business of Evaluating Tax Incentives**  
Governing Magazine profiles Auditor Bump’s efforts to pass legislation that would give the Auditor’s office access to corporate tax returns to ensure that fraud is being detected and that tax incentives are achieving their goals.

**State audit: Springfield medical provider overbilled MassHealth by more than $191K**  
The Springfield Republican highlights our audit of Northgate Medical which found the provider improperly billed MassHealth for services. OSA’s advanced data analytics helped auditors identify the provider.

**Let’s identify fraud before it occurs**  
This editorial from the Sentinel & Enterprise highlights the Bureau of Special Investigations record-setting year of fraud identification.

**Concord District Court faulted in audit for fee collection procedure**  
The Concord Journal focuses on our audit of the local district court’s administration of probation supervision fees. Auditors visited Concord and 15 other courts across the Commonwealth.

**Read more coverage of OSA's work**
Our audit work roots out waste, fraud and abuse in state government to ensure that taxpayer dollars are used appropriately and effectively by state agencies and their contractors.

In addition to this very important work, Auditor Bump also plays a little known, but very important role throughout government; she serves on and is responsible for appointing members to a number of oversight boards and commissions. The volunteers she appoints are an essential part of the accountability equation. In the last few months, Auditor Bump has appointed Watertown resident Robert McCarthy (pictured right) to the Public Employees Retirement Administration Commission (PERAC); George DiTomassi of Longmeadow to the Inspector General Council; and Dr. John Naranja of Braintree to the Health Policy Commission. Auditor Bump also appoints individuals to the DDS Self-Determination Board and Center for Health Information and Analysis (CHIA) Oversight Council.

Auditor Bump serves as Chairperson of the Inspector General Council and the Municipal Finance Oversight Board and serves on the PERAC and Massachusetts Teachers’ Retirement System boards. In addition to serving as chairperson of the Inspector General Council, Auditor Bump is also tasked with appointing a member to the Board from a list of candidates provided by the Senate President.

The role of these boards and commissions in state government is as simple as it is vital—they help it work better for the residents of Massachusetts.