

# Setting Things Straight

A Q&A with **Elizabeth Thomas Smith**,  
Arkansas Medicaid Inspector General

By Delanna Padilla

In June, Governor Asa Hutchinson announced that Elizabeth Thomas Smith, previously the administration's chief legal counsel, would become the state's next Medicaid Inspector General. Smith has more than two decades of experience practicing law, including more than 15 years combined as a prosecutor and later as associate general counsel for the University of Arkansas for Medical Sciences. Smith served as deputy prosecuting attorney under Larry Jegley for the 6th Judicial District. She also served as an assistant attorney general of Arkansas under Mike Beebe and with the firm of Mitchell Williams Selig Gates and Woodyard, specializing in healthcare.

PHOTO BY ZOIE CLIFT

**1981**

**Beverly Hills** This diet focuses on food combinations or lack thereof. For example, fruit should be consumed alone and Champagne is neutral. Cheers!

**1982**

**The F-Plan** Audrey Eaton suggests restricting daily calories to 1000 and choosing foods with a high fiber content.



**1985**

**Fit for Life** This diet plan, published by Harvey and Marilyn Diamond, prohibits consuming complex carbs and protein in the same meal.





As you have been recently appointed to the position of Medicaid Inspector General, have you had an opportunity to set any particular goals that you wish to accomplish in this position?

**A.** The statutory creation of this office (Office of Medicaid Inspector General “OMIG”) provides for a separate set of eyes to work as an independent entity to review the expense of Medicaid Funds and compliance with Medicaid requirements. The office’s powers and duties are to: prevent, detect, and investigate fraud and abuse within the medical assistance program; refer appropriate cases for criminal prosecution; and to recover improperly expended medical assistance funds.

Governor Hutchinson wanted a trusted advisor, someone who understood both enforcement and provider perspectives, and someone familiar with his overall health care reform efforts. With Medicaid reform at the forefront of legislative policy issues, the OMIG is in a position to play an important role in our overall approach.

My agency is utilizing multiple sources and implementing tools to identify issues with use of Medicaid funds. This includes the use of analytical tools that place an emphasis on data analytics to pinpoint specific areas of concern in the Medicaid program. Often outliers in billing are identified through data mining. My plan is to utilize the resources rather than to simply rely upon complaints. These analytical

**1985**

**Paleo** This modern diet fad marks a return to food as found in nature. References to “eating like a caveman” encourage embarrassing consumption of large amounts of meat and sometimes even grunting.



**1987**

**Star Power** Actress Elizabeth Taylor publishes a book, “Elizabeth Takes Off,” in which she advocates eating veggies and dip daily at 3 p.m. Methinks the other meals might be the problem.

**1988**

**O My!** Oprah loses 67 pounds on a liquid diet. She appears on TV pulling a wagonload of fat to demonstrate her weight loss. Ewww, that is 3% gross.



resources are provided by state contractors as well as federal contractors, which will assist in identifying billing outside of the normal range.

We are also working with DHS to buttress their efforts to ensure proper utilization of state and federal Medicaid funds. Of course my role is to identify fraud, waste, and abuse, but I also want to be a resource to correct issues in the Medicaid system as a whole to ensure Medicaid funds are being spent as intended. I have open lines of communication with DHS and other agencies and together we plan to strategically focus on some areas of highest need/reward/return on investment.

The mission will not be just to identify fraudulent providers, which has been the focus in the past, but also to identify beneficiary fraud. Beneficiaries as well as providers are subject to review. Cases where beneficiaries and providers are working together to exploit the Medicaid program have been identified. In this data driven world, our mission should be to identify all types of fraud, waste, and abuse and avoid improper spending of taxpayer money.

**Tell us about your qualifications to be Medicaid Inspector General.**

**A.** When Governor Hutchinson asked me to move from my position as his Chief Counsel to Medicaid Inspector General, he focused on my experience working both sides of the issue. For ten years, I represented health-care providers. The majority of that time I spent on campus as associate general counsel for one of the state's largest healthcare providers advising their compliance departments regarding billing practices. I understand how difficult proper billing can be. I have represented providers before state agencies and in civil lawsuits. Prior to representing providers, I prosecuted fraud, as well as all types of criminal offenses, as a deputy prosecuting attorney for Pulaski County. Additionally, my father is a physician and so I have seen how the system has changed over the years.

**In reviewing the OMIG records, have you seen any patterns emerge as to certain types of violators, types of practice, or in particular areas of the state?**

**A.** The statutes, laws, and regulations require my office to identify fraud, waste, and abuse across the state to maximize recovery of improper Medicaid payments. We see potential fraud, waste, and abuse across the provider spectrum and all areas

of the state. OMIG has recently begun using more progressive analytical tools to identify outliers and potential abusers. OMIG has subpoena power and this office has subpoenaed beneficiaries to determine whether services allegedly provided were provided or were not provided. We can pursue civil and administrative enforcement actions against individuals or an entity engaging in fraud, abuse, illegal, or improper acts within the program. State law allows OMIG to review provider records for up to 3 years. However, if a credible allegation of fraud exists or OMIG has reason to believe fraud occurred, we are authorized to look back 5 years.

**Do you have sufficient resources to handle an increased caseload of investigations?**

**A.** There are a number of hurdles associated with starting a new state agency. The position and the agency were created in 2013; it is the first new agency in the state in many years. During the first few weeks in this position I began reviewing the duties, roles, and responsibilities, as well as the staffing within the office and other resources available to aid in detection of fraud, waste, and abuse. I have been analyzing the resources

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## 1990s

**Mediterranean** Another old way of eating is recognized for its health benefits and the Mediterranean Diet becomes the latest fad.

## Undetermined

**Feeling Blue** It has been long believed that the color blue is a natural appetite suppressant, perhaps because of the dearth of blue foods in nature. Blue plates, linens, even tinted eyewear is said to help reduce the amount of food you consume.

## 1992

**Atkins** There are few Americans of a certain age that haven't tried some version of this low carb diet created by Dr. Robert C. Atkins. The promise of copious amounts of protein and fat soothes the sting of giving up sugar.





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to determine how best to fulfil our mission. Governor Hutchinson wants to ensure OMIG has the resources that are necessary and appropriate to carry out the important duties of Medicaid oversight.

**I'm sure that providers are curious as to what triggers an audit by the OMIG. Can you tell us?**

**A.** Audits start in various ways: complaints to the hotline or via email, reports from other providers or state and federal agencies, referrals from boards, and information obtained through data analytics, as well as in verifying self-reporting by providers. We work closely with many other state agencies as well as law enforcement. Additionally, we have computer analytics that provide data mining tools which run algorithms on provider billings. Outliers are identified and we review those to determine if fraud, waste, or abuse is occurring.

**What preventative measures can providers take to ensure that they are complying with Medicaid billing requirements?**

**A.** Training and staff education on compliance with the Medicaid Manual are key

components to prevent issues with Medicaid billing. Providers can and should review claims before submission to ensure there is documentation to support the claims. Many large providers have compliance departments. Often smaller offices do not have staff dedicated to compliance; the person submitting the billing should receive training on proper coding and billing practices. Reviewing billing to ensure proper signatures are present prior to submission is an easy fix for a provider, because without them, that's a potential violation. OMIG is also working closely with the DHS agencies, as well as providers, to make sure providers understand rules and regulations regarding billing, allowable costs, etc.

**What would you like to tell providers about the OMIG?**

**A.** I am excited about the opportunity to bring a new perspective to the Office. While I am focused on enforcement, I am also looking forward to supporting providers who may be confused or lack understanding of compliance issues. I should point out that self-reporting is highly recommended. We even have a self-report protocol on our

website. Providers are always welcome to call us and discuss their concerns and questions.

OMIG has made a concerted effort to recognize and provide guidance to providers who find problems within their own organizations and self-disclose those issues or irregularities in their dealings with the Medicaid Program. This approach was developed to encourage and offer incentives for providers to investigate and report matters that involve possible fraud, waste, abuse or inappropriate payment of funds, whether intentional or unintentional.

Developing this partnership between providers and OMIG enhances OMIG's overall efforts to eliminate fraud, waste, and abuse while simultaneously offering providers an avenue to reduce their legal and financial exposure. By statute, OMIG is provided the ability to mitigate when providers self-report. We want to work with providers to ensure Medicaid funds are properly utilized. Training on the Medicaid regulations is a must and proper billing is key. ■