

Committee on Energy and Commerce
U.S. House of Representatives
 Witness Disclosure Requirement - "Truth in Testimony"
 Required by House Rule XI, Clause 2(g)

1. Your Name: <u>DANIEL A OLSON</u>		
2. Are you testifying on behalf of the Federal, or a State or local government entity?	Yes	No <input checked="" type="checkbox"/>
3. Are you testifying on behalf of an entity that is not a government entity?	<input checked="" type="checkbox"/>	No <input type="checkbox"/>
4. Other than yourself, please list which entity or entities you are representing: <u>HEALTH INFORMATION DESIGN, LLC</u>		
5. Please list any Federal grants or contracts (including subgrants or subcontracts) that you or the entity you represent have received on or after October 1, 2009: <u>N/A</u>		
6. If your answer to the question in item 3 in this form is "yes," please describe your position or representational capacity with the entity or entities you are representing: <u>DIRECTOR OF FRAUD PREVENTION</u>		
7. If your answer to the question in item 3 is "yes," do any of the entities disclosed in item 4 have parent organizations, subsidiaries, or partnerships that you are not representing in your testimony?	Yes	No <input checked="" type="checkbox"/>
8. If the answer to the question in item 3 is "yes," please list any Federal grants or contracts (including subgrants or subcontracts) that were received by the entities listed under the question in item 4 on or after October 1, 2009, that exceed 10 percent of the revenue of the entities in the year received, including the source and amount of each grant or contract to be listed: <u>N/A</u>		
9. Please attach your curriculum vitae to your completed disclosure form.		

Signature:  Date: 11-26-12

Professional Summary

Dan Olson, CFE has worked for over 15 years in healthcare fraud examination following five years in auditing and compliance. Mr. Olson is certified by the [Association of Certified Fraud Examiners](#) and a member of the National Healthcare Anti-fraud Association, [Institute of Internal Auditors](#), [Princeton Global Networks](#), and the Cambridge Who's Who.

Mr. Olson began his groundbreaking work in the program integrity field when he was tapped by the Office of Inspector General (OIG) of the Illinois Department of Healthcare and Family Services to be part of a charter four-member think tank called the Fraud Science Team. The goal of the team was to prevent fraud at the front end through identification techniques such as prospective editing, trending analysis, and pattern recognition. The team collaborated with Dr. Malcolm Sparrow, an international expert in the field of fraud and abuse to prevent healthcare fraud. While Mr. Olson was part of the team, the Centers for Medicare & Medicaid Services (CMS) recognized Illinois as a best practice state due in part to the creation of the Fraud Science Team.

In 2007, Mr. Olson accepted the position of Director of Fraud Prevention at Health Information Designs, LLC. At HID, Mr. Olson continues his research in fraud prevention and drew from his extensive program integrity background to design HID's Web-based comprehensive surveillance utilization review system (SURS), **SURVEIL**®. Built on proven concepts and best practices, **SURVEIL** is the first SURS solution that includes a fully-integrated case management system, allowing organizations to track potential fraud or abuse cases from the point of discovery through the disposition of the case. Mr. Olson leads HID's multi-disciplinary Fraud Informatics Technology (FIT) Team in the analysis of data and the identification of potential fraud and abuse.

In June 2012, Mr. Olson authored "Tackling Fraud, Waste, and Abuse in the Medicare and Medicaid Programs," in response to the Senate Finance Committee's request. In April 2010, Mr. Olson authored "Using Data Analytics to Fight Fraud and Abuse: A Call to Action," a white paper that offers best practices for addressing the aggressive and changing tactics of perpetrators. At the request of members of the Congressional Subcommittee on Health, Mr. Olson twice presented "Spotlight on State Healthcare Fraud and Abuse" in 2011. In the months following these presentations, Mr. Olson has been contacted by legislative staff for his professional opinion.

Mr. Olson is committed to researching trends and developments in the areas of health care fraud and abuse and educating other members of the program integrity community as well as external stakeholders. As part of this commitment, Mr. Olson writes a national monthly health care fraud newsletter for program integrity professionals, **SURVEIL Now**®. Mr. Olson has been a featured speaker at the Eastern Medicaid Pharmacy Administrators Association (EMPAA) and American Drug Utilization Review Society (ADURS) conferences, presenting "The Science of Fraud Control and the Art of Discovery."

Mr. Olson also shapes the direction of fraud prevention initiatives by serving as a charter member on the Advisory Council for the Association for Certified Fraud Examiners and on the Advisory Council for Harvard Business Review.

Significant Facts

- Serves as content expert in the design of **SURVEIL**, HID's Web-based SURS
- Authors **SURVEIL Now**, a national monthly program integrity newsletter
- Briefed U.S. Congress on fraud and abuse in state Medicaid programs in May 2011 and November 2011
- Authored *Tackling Fraud, Waste, and Abuse in the Medicare and Medicaid Programs: Response to the May 2 Open Letter to the Healthcare Community*, a white paper published in June 2012
- Authored *Using Data Analytics to Fight Fraud and Abuse: A Call to Action*, a white paper published in April 2010
- Partnered with Dr. Malcolm K. Sparrow to identify and develop innovative fraud detection routine logic
- Authored prospective pharmaceutical edits that resulted in multi-million dollar cost savings for the Illinois Medicaid Department
- Appointed as a charter member of the Illinois Department's Medicaid Fraud Prevention Executive Workgroup; Served on the Illinois Medicaid Department's HIPAA Steering Committee and as the HIPAA Expert for 200 Illinois OIG Staff
- Served as expert witness in fraud cases that led to convictions

Employment History

HEALTH INFORMATION DESIGNS, LLC, AUBURN, ALABAMA

DIRECTOR OF FRAUD PREVENTION, 2007–PRESENT

- Serves as content expert for the development, design and testing of HID's **SURVEIL** Surveillance Utilization Review and **SURVEIL** Case Management system
- Serves as lead business analyst and Subject Matter Expert for the operation, installation, and training of HID's browser-based SURS and Case Management system, **SURVEIL**, which includes advising on improvements and new features
- Leads the **SURVEIL** Fraud Informatics Technology (FIT) Team in the development of algorithms to identify potential fraud and abuse within the Medicaid and Medicare Programs
- Authors monthly industry newsletter, **SURVEIL Now**

ILLINOIS DEPARTMENT OF PUBLIC AID – OFFICE OF INSPECTOR GENERAL, BUREAU OF INFORMATION TECHNOLOGY, SPRINGFIELD, ILLINOIS

SURS MANAGER, 1995–2007

- Supervised one SUR supervisor, 12 SUR analysts and one SUR support staff member
- Served as Project Leader to develop metric-based targeted SUR runs to substantiate fraud or abuse in the Medicaid program
- Prepared monthly production runs to identify provider and recipient fraud or abuse
- Performed beta testing for new functionality developed by SUR contractor
- Served as the SURS Subject Matter Expert to test and oversee implementation of Case Tracking System

- Authored documents and reports which detailed complex programming language for incorporation throughout the Department
- Managed SURS staff in the analytical surveillance of the \$6 billion dollar Medicaid program
- Assisted in developing budgets and time analysis for fraud prevention programs
- Performed research and developed reports for fraud prevention projects
- Prepared and monitored vendor contracts for the Office

ILLINOIS DEPARTMENT OF PUBLIC AID – BUREAU OF INTERNAL AUDITS, SPRINGFIELD, ILLINOIS INTERNAL AUDITOR, 1991–1995

- Conducted financial and compliance audits
- Conducted internal control reviews
- Developed and completed audit programs to support audits and the annual external audit
- Developed complex Quattro Pro formulas to determine federal compliance
- Served as primary liaison between the external audit firm and the Department
- Served as primary liaison between the Department’s Medicaid program and the Bureau

KERBER, ECK & BRAECKEL, CPAs, SPRINGFIELD, ILLINOIS AUDITOR, 1990–1991

- Performed financial audits of various entities throughout the region
- Prepared and analyzed the financial statements of auditees
- Prepared tax returns for auditees
- Utilized various spreadsheet and word processing software

FEDERATED FUNERAL DIRECTORS OF AMERICA, SPRINGFIELD, ILLINOIS ACCOUNT SUPERVISOR, 1987–1989

- Supervised three staff accountants for 72 funeral homes nationwide
- Prepared corporate and individual tax returns
- Prepared unaudited financial statement, payroll, and sales tax returns

Education/Certifications

BS, Finance and Production Management, 1985, Eastern Illinois University, Charleston, IL

CPA Candidacy Coursework, 1987, University of Illinois, Springfield, IL

AS, Accounting, 1982, Lincoln Land Community College, Springfield, IL

CFE (Certified Fraud Examiner), 2010, Association of Certified Fraud Examiners and Institute of Internal Auditors

Key Publications

Tackling Fraud, Waste, and Abuse in the Medicare and Medicaid Programs: Response to the May 2 Open Letter to the Healthcare Community, June 2012

- White paper prepared in response to federal request
- Submitted to the Senate Finance Committee

On May 2, 2012, the Senate Finance Committee issued a letter to the healthcare sector soliciting industry stakeholder insights on ways to combat fraud, waste, and abuse in the Medicare and Medicaid programs. The letter invited recommendations from the public and private sectors for program integrity and fraud and abuse enforcement reforms that would strengthen and improve current efforts to prevent and detect unlawful conduct and waste involving government healthcare programs. Mr. Olson offers eight recommendations as a direct response to that invitation.

Using Data Analytics to Fight Fraud and Abuse: A Call to Action, April 2010

- White paper prepared in response to federal request
- Submitted to the Department of Justice, Health and Human Services and the Health Care Fraud Prevention and Enforcement Action Team (HEAT)

Prompted by the presidential administration's initiative to collect improper health care payments through Payment Recapture Audits and a request for information from the federal level, Mr. Olson authored this white paper, which focuses on the use of data analytics to unravel emerging issues of fraud and abuse. The paper addresses the following three questions: What are the key questions that need to be asked? How should the data be evaluated? How much effort should we expend to find the answers? Mr. Olson suggests that leveraging the power of data analytics will combat and disrupt emerging issues in health care fraud and abuse.

National Provider Identifier White Paper, October 2005

- Submitted to the National Coordinator for Medicaid Safeguards at the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (HHS CMS)
- Submitted on behalf of the National Association of Surveillance Officials (NASO)

Mr. Olson co-authored this white paper, which represented the opinions of over 45 state Medicaid program integrity units. The paper assessed the impact of the implementation of the NPI number on Medicaid fraud and abuse prevention activities and presented the following key recommendations to the National Coordinator for Medicaid Safeguards, CMS/HHS:

- Require all providers to obtain a unique NPI per location so that the focus of identifying and sanctioning potential fraud and abuse cases will be conducted in an efficient and effective manner.
- Provide intelligence within the NPI that will identify covered organizational healthcare providers and their locations.
- Expand the information that is captured to validate the provider's identity and cross-match that information against national databases.

Predictive Modeling – Medicaid Transformation Grant for the State of Illinois, February 2007

Mr. Olson co-authored this proposal for the Predictive Modeling Medicaid Transformation Grant for Illinois. Based on the quality of concepts presented in this proposal, CMS awarded Illinois \$4,849,200 to transform its Medicaid program integrity efforts by developing a predictive modeling system. The system leverages Illinois' historical data from previous fraud and abuse cases in order to develop well-honed fraud predictors. OIG will use this capability to improve care for asthmatic patients and identify collusion between psychotherapy and nonemergency transportation providers.

Payment Accuracy Review of the Illinois Medical Assistance Program: A Blueprint for Continued Improvement, August 1998

Mr. Olson co-authored this study, which described the Payment Accuracy Review (PAR) analysis performed by the Illinois Medical Assistance Program. Representing the first time in the United States that a Medicaid program measured payment accuracy in its fee-for-service program, this historic study provided an empirical baseline against which future anti-fraud initiatives could be measured.

The study determined that the department correctly spends 95.28%, plus or minus 2.31%, of the dollars paid to providers. By interviewing clients and closely examining medical histories, the OIG study was able to assess the propriety of the services in the sample. While the PAR did not intend to establish a fraud rate, the study led to the development of CMS' Payment Error Rate Measurement (PERM).

Additional Publications

Publications created at Health Information Designs, LLC or under the auspices of the Illinois Department of Public Aid (now the Illinois Department of Healthcare and Family Services):

- ***SURVEIL Now***, published monthly
- *Funeral and Burial: A Review of Claims Processing Issues*, October 1997
- *Maintaining A Safe Workplace: Best Practices in Violence Prevention*, June 1997
- *Fraud Science Team Development Initiative Proposal*, April 1997
- *Prior Approval Study*, May 1996
- *Clozaril Report*, February 1996

Appointments and Awards

- Member, Harvard Business Review Advisory Council, February 2012
- Charter member, Advisory Council for the Association of Certified Fraud Examiners, January 2011
- Princeton Global Network, March 2010
- Cambridge Who's Who, 2010
- Chairman, National Association of Medicaid Program Integrity – Federal Region V, 2006
- Illinois representative on the Medicaid Fraud and Abuse Technical Advisory Group, 2005
- Federal Region V Program Integrity Workgroup Member, 2003–2007
- Who's Who in American Leadership Award, 1989
- Outstanding Young Men of America Award, 1987

Presentations

The Science of Fraud Control and the Art of Discovery. American Drug Utilization Review Society (ADURS) 20th Annual Meeting, Scottsdale, AZ, February 2010.

The Science of Fraud Control and the Art of Discovery. Eastern Medicaid Pharmacy Administrators Association (EMPAA) 33rd Annual Meeting, White Sulphur Springs, WV, November 2009.

Discover It. Track It. Recover It. National Association for Medicaid Program Integrity (NAMPI) 25th Annual Conference, Portland, ME, September 2009.

Benefits Obtained Through Sharing Information Among Border States. NAMPI 23rd Annual Conference, San Diego, CA, September 2007.

References

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