AI and Insurance Audits

Here's what you need to know.

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Changing the Healthcare World

We have all heard of artificial intelligence (AI) and how it is changing the world. In the medical field, it will and is revolutionizing biopsy readings by scanning in detail all the biopsied cells, not just chosen sections. We have heard that through AI, medical research is able to be performed in a fraction of the time of our prior techniques, especially with so-called "orphan diseases". However, it was just a matter of time until AI would rear its head in the field of analyzing medical claim audits. There are already examples of the American Board of Internal Medicine analyzing the test results of candidates, and making claims of cheating with no evidence, outside of their statistical paradigms, that there was cheating. More on this in a future article.

Now, it is all but assured that AI will be used for insurance audits. Companies involved in developing AI systems have an interest in developing these systems. They claim that their systems can process insurance audits and claims much faster and more accurately than the "human"

claim reviewers. Humans are more prone to errors. Besides, performing an audit the "old way" is a very tedious job.

Robotic Process Automation

To obtain the business of the various insurance companies, the AI developers are claiming over a 30% increase in efficiency and over 1/3 fewer appeals or reconsiderations, due to the supposed increased accuracy of the AI "review". They promise a data-driven analysis, devoid of outside influences, in its analysis. It claims to use a combination of OCR (optical character recognition) and the company's algorithms, collectively called Robotic Process Automation. (RPA) The result is a score. If the score is above a certain number, the result is an automatic decision, devoid of any human intervention. If it

is below a certain score, humans are involved.

Remember, the algorithm for what is required, the terminology needed to fulfill that requirement, is determined by a combination of the insurance company and the AI program. It is positive for the insurance company to have higher scores,

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in the AI audit, to decrease costs of the audits, as well as potentially, to either refuse to pay or ask for money back. Additionally, the reduction in the number of appeals or reconsiderations helps the insurance company's bottom line. The AI program purports to improve as time goes on, as it has more data from which to learn.

Additionally, the immense amounts of patient data that will be accumulated by these AI programs will enhance the prospects for mas-

sive data breach. Although the various AI companies claim that they are making these programs HIPAA-compliant, due to past history, one should not be complacent.

Taking Pause

Frankly, it is the assertion of reducing unnecessary claims and overpayments that should make you take pause. Knowing the program saves more money, the insurance companies are effectively incentivized to use these programs.

The various companies claim that the RPA can assist in programming the audit process, guaranteeing a close to perfect process by following the insurance company's predefined guidelines. That is the precise problem—the insurance company must supply predefined guidelines. Depending upon how those "guidelines" are spelled out, the medical provider can be on the wrong end of a "predefined" effort to recoup money for the most minor or inane deviation from these guidelines. The predefined guidelines with RPA may only make it easier for the insurance companies to pick your collective pockets.

The companies boast that their programs will generate detailed audit trails. However, the limiting factor will still be the insurance company's instructions, as to what is to be allowed and the requirements in documentation. This has not changed from the current system.

AI/Audit Pitfalls

Let's examine some potential pitfalls with AI and audits. It starts with what is asked by the AI to analyze. If the insurance company continues to ask for just the dates of service being analyzed, that is an immediate problem. For example, if the audit involves trigger point injections, the guidelines might involve a finite number of such injections being provided in a certain amount of time. The guidelines might also involve use of other pain therapies during certain time periods not reflected in the dates of service being audited.

Unless your chart notes from the audited date of service states that a

specific number of trigger point injections, and precise locations, were given on specific dates, AI cannot know whether they were ever given to the patient. Do your chart notes have that level of detail? AI, depending upon the algorithm employed, may lack the ability to contextualize your chart notes. Certain details in different sections of your EMR might change the audit's outcome. Perhaps your treatment plan is not always in the treatment plan section of your EMR. Perhaps your prescriptions appear in a miscellaneous section of your notes.

As optical computer recognition is in play with AI, it is fair to ask its ability to recognize certain handwriting in non-EMR records, or certain terminology and abbreviations used.

Perhaps you use a synonym to describe a service or event that is not included in the insurance guidelines. In audit parlance, the desired terminology is often called "the phrase that pays". It is not that hard to remember carriers paying for bunionectomies but not for hallux valgus repair. Were you treating a joint with diagnosed bursitis, but that chart note did not spell out the cardinal signs of bursitis? Perhaps a prior note did. Yes, if the guidelines are written with the medical provider in mind, this indeed could speed up the process and make it more accurate. However—and this is very big however—the insurance companies generally worry about their bottom line before they worry about the health and welfare of either the medical providers, or your patients.

Yes, the need for the insurance company's input of guidelines is the weak link in the use of AI. The claim that AI decision-making is unbiased is total nonsense! It is biased by the source of its data and the source of its guidelines. One must simply look at the results of a study that exam-

ined the photos of Caucasian and non-Caucasian people and the emotions demonstrated in their photographs. Black faces were typed by AI as angrier than similarly photographed white faces.

Lack of Transparency

Another area of concern with the use of AI in medical insurance audits is the lack of transparency. The AI models can involve deep learning algorithms. By their very nature, they can be very difficult to explain. In turn, that will lead to a lack of accountability. Guess who will be on the wrong end because of this lack of accountability? Yes, you.

Let's take this one step further.

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AI will be used by insurance companies' fraud and abuse divisions. AI programs are generally proprietary. That means that unless ordered by a court, representatives for the physician cannot look "under the hood". Certain results may not be reliable, but will be relied on, nonetheless. The ABIM accusations of physician cheating are a good example of this. The very shortcomings of AI could then be used to threaten all sorts of outcomes by these divisions. Often, insurance company threats are implied or inferred. These very AI conclusions, based upon "potentially" biased guidelines, are already used to accuse physicians of cheating on various board examinations.

Tremendous Potential in Documentation

AI has tremendous potential in enhancing patient documentation. It has the potential to document those prior patient encounters, in detail, such as referenced earlier on in this article. AI could pull up the previous trigger point injections, their location and their frequency. When used and not abused, AI is a true game-chang-

er. AI can analyze and categorize all your prior lab results, showing trends or patient stability.

AI will be able to be of help in administering your practice. It will

tation, thereby doing much better while under audit from insurance companies. The increased quality of documentation will also lessen your exposure to medical malpractice issues as well as possible medical disciplinary situations.

to time. Its potential is to reduce physician errors, enhance diagnosis, and improve medical documentation. Its potential is undeniable. It is already here. Avoid the pitfalls if possible and profit from its potential. And use a competent healthcare attorney and legal team to defend against these issues. **PM**

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be able to efficiently remind you it is time to clean out expired samples, time to refill the O2 tank, create letters for patients whose visits are overdue, or their account is overdue. Quite a few practices are currently using AI EMR and office management systems.

The same way insurance companies can use AI to audit you, you can use AI to radically improve the quality of your medical documen-

Use and Abuse

AI is a technology. Like all technology, it can be used, or it can be abused. An automobile can get you to work in the morning, or when used by an impaired driver, it can be used as a weapon. It is extremely important that AI be regulated, so that it is used in a positive fashion. Like any other technology, it must be supervised by humans. It must be maintained and upgraded from time

Dr. Kobak is Senior Counsel in Frier Levitt's Healthcare Department in New York. Larry has extensive experience representing physicians in connection with licensure issues, as well as successfully defending physicians before Medical Boards, OPMC, OPD investigations, as well as Medicare Fraud, Fraud & Abuse, Hospital Actions, RAC Audits, Medicare Audits, OIG Fraud, Healthcare Fraud, Medical Audits, and Health Plan Billing Audits. As a licensed podiatrist prior to becoming an attorney, he served as the international president of the Academy of Ambulatory Foot and Ankle Surgery.