



Codoxo Forensic AI Platform 2022

AI that Helps Ensure Payment Integrity



Why This Spotlight?

Each year, billions of dollars are put toward healthcare, yet much of it is lost to fraudulent claims and bad payments. To help payer organizations control costs, Codoxo's Forensic AI Platform provides actionable insights that identify existing or emerging fraud, waste, and abuse (FWA) issues. This report looks to validate the Codoxo customer experience.

Codoxo Forensic AI Platform: AI that Helps Ensure Payment Integrity

What Does Codoxo Forensic AI Platform Do? (A Customer Explains)

"We chose Codoxo because we liked that they are an AI vendor first rather than a vendor that added bolt-on AI functionality as part of the trend in the market. Codoxo's platform offers functionalities like querying capabilities, link analysis, geotagging, and peer analysis. Those things gave us an edge. We chose Codoxo because we thought they could help us get information and figure out whether we had a problem more quickly." —Director

Bottom Line

Codoxo's Forensic AI Platform analyzes data and detects potential threats that require further investigation. The system is seen as extremely robust, and its complex navigation is supported by the Codoxo team. Overall, customer respondents say the support is strong and that the company focuses on facilitating an excellent customer experience. One respondent reports that outcomes have not yet been realized. A few respondents would like additional functionality in the case management tool and the report views.

Key Competitors (as reported by Codoxo)

Change Healthcare, Cotiviti, EXL, Healthcare Fraud Shield

Number of Customers Interviewed by KLAS

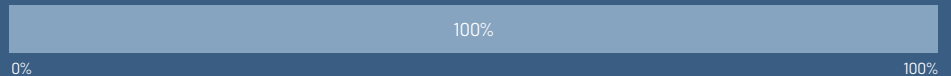
6 individuals from 4 unique organizations (Codoxo shared a list of 9 unique organizations—the list represents 44% of the customers that are eligible for inclusion in this study)

Top Reasons Selected

AI software abilities, useful reference information, desire to preserve payment integrity and eliminate medical FWA

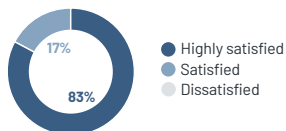
Survey Respondents—by Organization Type (n=6)

■ Payers

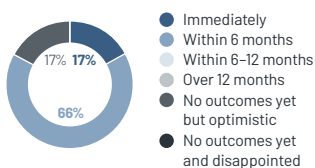


Codoxo Forensic AI Platform Customer Experience: An Initial Look

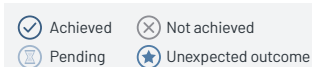
Overall Customer Satisfaction (n=6)



Time to See Outcomes (n=6)



Outcomes Expected by Customers



- Identify potential fraud ☒
- Peer comparisons ☒
- Quick identification of aberrant billing ☒

Key Performance Indicators (1-9 scale)

Supports integration goals

B+

(n=4)

Product has needed functionality

B+

(n=6)

Executive involvement

A

(n=6)

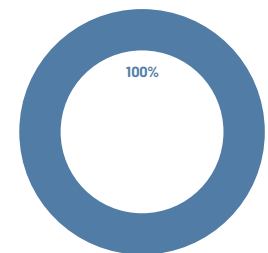
Likely to recommend

A+

(n=5)

Would you buy again? (n=5)

■ Yes ■ No



Grading scale

A+ = 8.55-9.0	B+ = 7.65-7.91	C+ = 6.75-7.01	D+ = 5.85-6.11	F = <5.22
A = 8.19-8.54	B = 7.29-7.64	C = 6.39-6.74	D = 5.49-5.84	
A- = 7.92-8.18	B- = 7.02-7.28	C- = 6.12-6.38	D- = 5.22-5.48	

Adoption of Key Functionality

Percentage of interviewed customers using functionality

Detection of and insights on outliers and patterns



Single, unified view across all departments; ability to ingest multiple claim types from multiple systems into a single platform



0% 100%

Strengths

Good partnership, communication, and support



"When we have given the vendor feedback, they have always incorporated our feedback into the solution. They are great about that, and we are pleased with them. Codoxo does a great job of communicating with their clients, and we really appreciate the business relationship that we have with them. When we speak to the vendor's people, they listen."
—VP/director

AI functionality drives outcomes

"Part of the reason we were really excited about the platform was the rate at which it identifies new issues. It reduces the time lag between scheme emergencies and catches up with rules-based updates. I have seen that trend happen without human interaction. So, we are hopeful that the timeline will work for us in the future." —VP/director

Vendor keeps all promises

"The vendor has kept their promises, and they have been very good to work with. The vendor has done what we have asked them to do." —Director

Opportunities

Product is not always easy to use and could be streamlined



"The ease of use is the best thing that Codoxo could improve on. The product is great. The problem with a great product is that sometimes there is so much information that it can be overwhelming. Codoxo could streamline the platform." —Analyst

Product needs additional functionality

"We were hoping to see some functionality in the product that wasn't there. The product was missing some of the report views. I haven't seen functionality that fully aligns with our business." —VP/director

KLAS' Points to Ponder

The Positives: Commercial payers, government agencies, self-insured employers, provider-based plans, and Medicaid organizations are highly focused on FWA challenges that waste billions of dollars each year. Codoxo provides an AI-based solution that not only improves FWA monitoring but also provides peer comparisons, flexible reporting functions, link analysis, and geotagging to create a solid foundation for managing payment integrity.

Organizations should consider the following:

The Solution's Long-Term Viability in Healthcare

AI solutions that manage FWA and drive higher levels of payment integrity will become foundational for all payer organizations. When AI solutions like Codoxo's are frequently trained and fine-tuned, they continually evolve to increase protection and value in delivering risk stratification and management. Emerging AI solutions have sophisticated capabilities, and AI vendors will need to offer effective training and customer support programs to help clients succeed in optimizing the solutions. Codoxo has effective customer support and will be more competitive with improved training programs.

Impacts and Trade-Offs of the Underlying Technology

Codoxo's platform is based on AWS cloud and database solutions. The security and data encryption services are also well designed. Data downloads using ETL functions or RESTful APIs are used to acquire the data for risk analysis. The AI environment of Codoxo is based on client claims data and outside data from the AMA and AAPC. The AI algorithms focus on risk stratification analysis. AI training models are updated quarterly for provider data and weekly for claims data. User interface and workflow designs are improving.

Vendors with Healthcare Expertise Create Better Solution Designs

Many companies are introducing innovative solutions into the market that will likely improve care delivery quality, patient safety, and operating costs. While new capabilities like AI generate industry awareness of the product, the product's ease of use, flexibility, and level of adoption will ultimately determine its success. Companies such as Codoxo should ensure they have employees with sufficient healthcare experience, hire consultants, or create effective advisory boards to improve product design and value.

Good Training Drives High Client Satisfaction

Many emerging vendors deliver their products to the market without developing a training program that educates clients on product capabilities and how to improve work processes. Software engineers or data analysts with limited healthcare experience sometimes design the initial training program that launches with the product. This can lead to frustrated clients who take longer to learn product functions, resulting in lower user satisfaction. Some Codoxo clients have experienced this frustration, but they indicate the training program is improving.



Mike Davis

HCIT market research and analysis expert with 40+ years of experience

Codoxo: Company Profile at a Glance

Founders

Musheer Ahmed,
Mustaque Ahamad

Year founded

2016

Headquarters

Atlanta, GA

Number of customers

At time of study, 12 live and 1 under contract; most customers are large health plans

Number of employees

50

Estimated revenue

\$10M per annum

Funding

Seed—\$3.5 million; Series A—\$7.2 million; Series B—\$20 million

Revenue model

Enterprise SaaS license-fee model; integrity software and services sold on a contingency basis; pricing for government plans sold on a PMPM basis

Target customer

Health plans, government agencies, and PBMs; vendor is having some exploratory conversations with TPAs

Healthcare Executive Interview



Musheer Ahmed,
CEO

What is your background?

Codoxo's technology was initially developed at the Georgia Institute of Technology as part of my PhD dissertation. It identified a gap in the industry: many detection capabilities were mostly reactive, causing payers to lose significant dollars to new schemes before they were identified and before any action was taken on them. To address this gap, I built technology that could help identify newly emerging FWA schemes quickly and more accurately so payers can take action to stop the bleeding much sooner and minimize their financial losses.

Is your solution integrated into a core system?

Our solution can integrate into a payer's claims processing system at the pre- or post-adjudication step to flag claims for a pre-payment review. We support multiple API solutions to meet our client needs. Our solution can also be used in the post-payment setting. It can be used as a standalone product that helps with identifying, investigating, and acting on suspicious activity.

What is Codoxo's biggest differentiator?

Codoxo's platform uses patented AI technology. We invest in an internal team of PhD scientists that continue to push the boundaries of what is possible using cutting-edge AI technology and filing patents on new innovations. Our main differentiator is our ability to identify new and existing FWA much faster and with greater accuracy than other AI and rules-based systems on the market. Implementation occurs in a matter of weeks and provides a unified platform to house all claim types.

How is AI used in the solution?

Payer claims data is used to create data models sourced mainly from customers and supplemented by industry sources. The AI solution is used in provider risk stratification and claims risk stratification. Provider-level models are updated every quarter and claim-level models are updated every week to improve accuracy.

Solution Technical Specifications (provided by Codoxo)

Cloud environment

AWS

Development platform

PHP, JavaScript, Python, and PySpark

Database environment

AWS RDS Aurora (PostgreSQL)

HITRUST certification

Yes

Mobile application environment

Not supported

Security platform

Security architecture is mapped for NIST SP 800-53 Controls; HITRUST compliant

Confidentiality

BAA

Data encryption

Encryption of data at rest—encrypted with AES 256; encryption of data in transit—encrypted and authenticated using TLS 1.2, ECDHE_RSA with P-256 & AES_128_GCM

Integration approach

Platform works on any mutually agreed data format; integrates with systems and format using REST API

Report Information

Reader Responsibility

KLAS data and reports are a compilation of research gathered from websites, healthcare industry reports, interviews with healthcare, payer, and employer organization executives and managers, and interviews with vendor and consultant organizations. Data gathered from these sources includes strong opinions (which should not be interpreted as actual facts) reflecting the emotion of exceptional success and, at times, failure. The information is intended solely as a catalyst for a more meaningful and effective investigation on your organization's part and is not intended, nor should it be used, to replace your organization's due diligence.

KLAS data and reports represent the combined candid opinions of actual people from healthcare, payer, and employer organizations regarding how their vendors, products, and/or services perform against their organization's objectives and expectations. The findings presented are not meant to be conclusive data for an entire client base. Significant variables—including a respondent's role within their organization as well as the organization's type (rural, teaching, specialty, etc.), size, objectives, depth/breadth of software use, software version, and system infrastructure/network—impact opinions and preclude an exact apples-to-apples comparison or a finely tuned statistical analysis.

KLAS makes significant effort to identify all organizations within a vendor's customer base so that KLAS scores are based on a representative random sample. However, since not all vendors share complete customer lists and some customers decline to participate, KLAS cannot claim a random representative sample for each solution. Therefore, while KLAS scores should be interpreted as KLAS's best effort to quantify the customer experience for each solution measured, they may contain both quantifiable and unidentifiable variation.

We encourage our clients, friends, and partners using KLAS research data to take into account these variables as they include KLAS data with their own due diligence. For frequently asked questions about KLAS methodology, please refer to klasresearch.com/faq.

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Note

Performance scores may change significantly when additional organizations are interviewed, especially when the existing sample size is limited, as in an emerging market with a small number of live clients.



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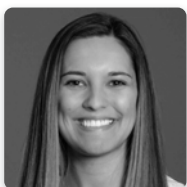
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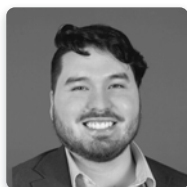


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Our Mission

Improving the world's healthcare through collaboration, insights, and transparency.

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