

PROVIDER BULLETIN

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TO: Nebraska Medicaid and CHIP Providers

FROM: Vivianne M. Chaumont, Director 
Division of Medicaid & Long-Term Care

BY: Betsie Steenson, Program Integrity Unit
Division of Medicaid & Long-Term Care

RE: Payment Error Rate Measurement (PERM) Review

Please share this information with administrative, clinical, and billing staff.

The Improper Payments Information Act of 2002 (IPIA; Public Law 107-300), amended in 2010 by the Improper Payments Elimination and Recovery Act (IPERA), requires the heads of Federal agencies to review annually programs they oversee that are susceptible to significant erroneous payments, to estimate the amount of improper payments, to report those estimates to Congress, and to submit a report on actions the agency is taking to reduce erroneous expenditures. Medicaid and the Children's Health Insurance Program (CHIP) were identified as programs at risk for significant improper payments. In order to comply with the requirements of the IPIA, the Centers for Medicare and Medicaid Services (CMS) developed the Payment Error Rate Measurement (PERM) review.

The PERM program measures improper payments in Medicaid and CHIP and produces error rates for each program. The error rates are based on reviews of the fee-for-service (FFS), managed care, and eligibility components of Medicaid and CHIP in the federal fiscal year (FFY) under review. Each state participates in the PERM program once every three years. Nebraska previously participated in the FFY 2007 and FFY 2010 PERM reviews, and is currently participating in the FFY 2013 PERM review.

CMS is providing the opportunity for providers to learn more about the PERM reviews, and providers' responsibilities related to this process through a series of Provider Education Conference Call/Webinars. The first webinar was held on May 21, 2013 and will be repeated on June 5, 2013, June 18, 2013 and July 2, 2013. All of the webinars will be held at 2:00 – 3:00 PM CST. There will be a live question and answer session during each webinar. The CMS webinar invitation can be found at http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/PERM/Downloads/2013_Webinar_Invitation.pdf.

With HIPAA privacy laws, many providers are concerned about the validity of information requests. If you receive a request for records from CMS, and would like to verify that it is for the PERM review, or if you have any questions about this provider bulletin, please contact Betsie Steenson at 402-471-9353 or by email at dhhs.MedicaidPERM@nebraska.gov.