Florida Medicaid Health Care Alert

July 25, 2017

Provider Type(s): All

Payment Error Rate Measurement (PERM) Medical Record Request for Medicaid & CHIP Providers

The Payment Error Rate Measurement (PERM) program measures improper payments in Medicaid and the Children’s Health Insurance Program (CHIP).

Beginning in August 2017, the PERM Review Contractor, CNI Advantage, LLC, will contact all Medicaid and CHIP providers whose claims were selected for the first quarter of Federal Fiscal Year (FFY) 2017 (October 1 -December 31, 2016) to request medical records for these claims.

The purpose of this Alert is to remind you that, if selected, you must comply with the medical records request.

In an effort to reduce the PERM error rate for this cycle, the Agency for Health Care Administration will send a letter to inform providers of their selection and the importance of submitting the requested medical records to the Review Contractor within the 75-day timeframe.

Shortly after receiving this letter, selected providers will receive a call from a CNI Advantage, LLC representative to verify the contact person and location to mail and/or fax the medical records request containing the sampled claim. The medical records request will then be sent to that contact person.

Background on PERM:

The Centers for Medicare and Medicaid Services developed this program to comply with the Improper Payments Information Act (IPIA) of 2002 (amended in 2010 by the Improper Payments Elimination and Recovery Act or IPERA) and related guidance issued by the Office of Management and Budget.

The PERM error rates are based on reviews of the fee-for-service, managed care, and eligibility components of Medicaid and CHIP in the federal fiscal year under review. It is important to note the error
rate is not a “fraud rate” but simply a measurement of payments made that did not meet statutory, regulatory or administrative requirements.

For more information:

If you would like more information related to PERM and your role in this process, please visit the CMS PERM website at http://www.cms.hhs.gov/perm/. All documentation specific to 2017 participating states will be located under Cycle 3. General state provider information will be located under Providers.

Please look for additional details as they become available from the PERM Review Contractor in upcoming Provider Alerts and on the Agency’s website (http://ahca.myflorida.com/Medicaid/perm/).

You can find a template copy of the notification letter that will be sent to all sampled providers during the FFY 2017 cycles at http://ahca.myflorida.com/Medicaid/perm/pdf/2017_PERM_Provider_Medical_Record_Request_Letter.pdf.

We appreciate your continued cooperation with the Florida Medicaid program.