

Payment Error Rate Measurement (PERM) Pilot 3 Results



Medicaid Quality Control Section

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The PERM & MEQC Programs

- Centers for Medicare and Medicaid Services (CMS) has suspended all regular Payment Error Rate Measurement (PERM) & Medicaid Eligibility Quality Control (MEQC) requirements for FFYs 2014, 2015, 2016, and 2017;
- Instead CMS is requiring states to operate PERM Pilot Programs
- To monitor the implementation of ACA policies
- PERM Pilot 1: October 2013 – March 2014
- PERM Pilot 2: April 2014 – September 2014
- PERM Pilot 3: October 2014 – March 2015
- PERM Pilot 4: April 2015 – March 2016
- PERM Pilot 5: April 2016 – March 2017



PERM Pilot 3

- Reviewed 214 active and 36 negative eligibility determinations made between October 2014 and March 2015.
- Unlike the first two pilots, this pilot included all types of Medicaid/Children's Health Insurance Program (CHIP) determinations.

PERM Pilot 3

Active Statewide Payment Accuracy Rate

Funding Source	Sample Size	Correct Cases	Total Claims	Error Claims	Payment Accuracy Rate
T19	112	111	\$61,458.02	\$206.55	99.7%
T21	102	101	\$ 13,150.36	\$0	100%
Total Combined	214	212	\$74,608.38	\$206.55	99.9%

Active Error by Element

T19

Element	Cases in Error
Case Processing – <i>Agency granted HC when application/customer did not request HC</i>	1

T21

Element	Cases in Error
Wages & Salaries – <i>Agency failed to enter pre-tax deductions</i>	1

Active Case Deficiencies (T19 and T21 Combined)

Cause of Deficiency	Number of Deficiency Cases	Percent of Total Cases
Incorrect Income Level Calculated	5	2.3%
Identity Not Verified In Accordance with State/Federal Policies	3	1.4%
Assets Not Calculated Correctly (Non-MAGI Only)	1	.46%
Citizenship/Immigration Status Not Verified in Accordance with State/Federal Policies	1	.46%
Total Deficiency Cases	10	

PERM PILOT 3

NEGATIVE Statewide Accuracy Rate

Funding Source	Sample Size	Correct Cases	Case Accuracy Rate
T19	18	18	100%
T21	18	16	88.9%
Total Combined	36	34	94.4%

Negative Error By Element

T19 - No Negative Errors

T21

Element	Cases in Error
Wages & Salaries – <i>Agency failed to enter pre-tax deductions</i>	1
Case Processing – <i>System failed to pick up completed review</i>	1

Negative Case Deficiency (T19 and T21 Combined)

Cause of Error	Number of Cases in Error	Percent of Total Cases
System failed to set correct verification due date	1	2.7%
Total Cases	1	

Pilot 3 Conclusions

- Precision of data and accuracy rates are low due to the number of reviews completed.
- Active Reviews:
 - ❖ Both T19 & T21 Accuracy rates at 99.7% and 100% are very high – Excellent.
- Negative Reviews:
 - ❖ T19 Accuracy rate at 100% is very high – Excellent; and
 - ❖ T21 Accuracy rate at 88.9% is not as high as what we would like, but up from Pilot 2.

General Discussion



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