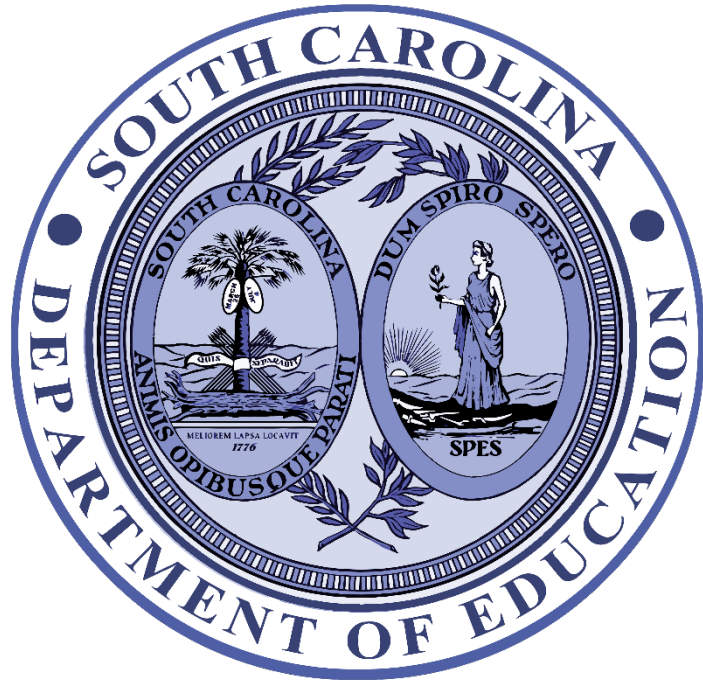




Office of Medicaid Services (OMS) Payment Error Rate Measurement (PERM) Overview

2023 - 2024

Ellen E. Weaver

State Superintendent of Education

Training Overview

- What is PERM?
- How can the OMS assist districts with a PERM review?



What is PERM?

- Payment Error Rate Measurement (PERM) is a Medicaid audit program.
- The program is implemented by the Centers for Medicare and Medicaid Services (CMS).
- PERM was developed to measure the accuracy of Medicaid and Children's Health Insurance Program (CHIP) payments made by states.
- PERM reviews emphasize the importance of measuring, recovering and reducing improper Medicaid payments.



History of PERM

The current PERM audit process was developed through the establishment of many Acts.

- The Improper Payments Information Act (IPIA) of 2002 required federal agencies to review programs susceptible to erroneous payments.
- The Improper Payments Elimination and Recovery Act (IPERA) of 2010 amended the IPIA and required additional processes to identify improper payments.
- The Improper Payment Elimination and Recovery Improvement Act (IPERIA) of 2012 amended the IPERA and required additional process to recover and reduce improper payments.



PERM- Reporting Year 2023

- The PERM cycle takes place every three years.
- The South Carolina Healthy Connections Medicaid program will participate in the PERM program for Reporting Year 2023.
- Claims paid by SCDHHS from July 1, 2022, through June 30, 2023, will be subject to review



PERM Requests

- The CMS contractor, The Lewin Group, will select a sample of South Carolina Healthy Connections Medicaid claims to be reviewed.
- If the sample of claims selected by The Lewin Group includes a claim(s) submitted by Local Education Agencies (LEA), NCI, Information Systems, Inc. will request medical records to support Medicaid reimbursement for the claim(s).
- NCI, Information Systems, Inc. will contact districts directly if medical records are needed.



PERM Documentation

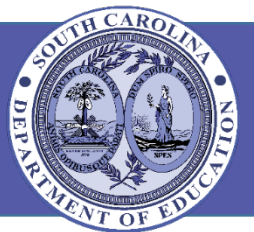
Requested information may include but is not limited to the following:

- Referrals;
- Assessments;
- clinical service notes (CSNs);
- IEP/IFSP, ITP, IPOC;
- progress summaries;
- providers' credential(s); and
- remittance advice (if services billed were later voided).



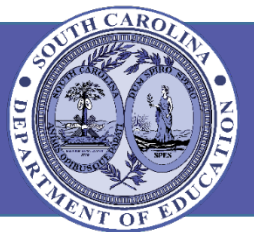
PERM Documentation (Cont.)

- Information/documentation requested must be submitted within 75 calendar days of the initial request.
- If additional information is requested, an additional 14 days from the date of the request will be given to submit the information/documentation.
- All information must be sent in a complete and timely manner.



PERM Documentation Guidelines

- A lack of sufficient documentation is the largest cause of error.
- Failure to provide requested documentation may result in sanctions including payment recoupment, and/or termination from participation in the South Carolina Healthy Connections Medicaid program.
- Please follow CMS instructions when submitting your packet to CMS.

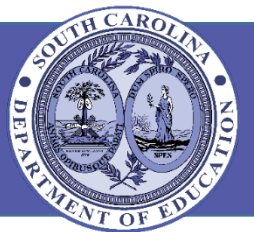


Authorization to Release Information

The release of health information to the CMS designated entity does not require patient permission per the following:

- Federal regulation (Section 1902 [a][27] and Section 2107 [b][1] of the Social Security Act
- Health Insurance Portability and Accountability Act of 1996 regulations (45 Code of Federal Regulations, Parts 160 and 164)

Note: Please ensure that you are aware of Family Education Rights and Privacy Act (FERPA) regulations.



Example of PERM Request 2013

PERM-ID: [REDACTED]	
Patient Name: [REDACTED]	Date: 09/04/2013
Date of Birth: [REDACTED]	Provider Number: [REDACTED]
Recipient ID: [REDACTED]	Provider Name: LEXINGTON SCHOOL DISTRICT
Date(s) of Service: 01/14/2013 - 01/14/2013	
Category 13: Day Habilitation and Waiver Programs, Adult Day Care, Foster Care, and School Based Services	
Record Submission Due Date: 11/17/2013	

Please submit all *applicable* documents from the listing below along with any other documentation the State requires to be maintained.

Home & Community Based Services (HCBS) Waivers (*signed & dated, with amount, type, start/stop times, & duration*):

- Daily Progress Notes, Attendance Logs, Flowsheets, Worksheets, and Records
- Case Management / Supervisory Visit Notes
- DME Signature Log / Proof of Delivery
- Service / Treatment Plan and Goals (*in effect during sampled dates of service*):
- Individual Education Plan (IEP); Individual Program Plan (IPP)
- Individual Service Plan (ISP); Individual Family Service Plan (IFSP)
- Transportation Provider
- Account Ledger and Billing Statements
- Ground Mileage / Pick-up & Drop Off Details

School Based Services (*signed & dated with amount, type, start/stop times, & duration*):

- Orders from identified qualified provider
- Daily Progress Notes, Attendance Logs, Flowsheets, Worksheets, & Records
- Psychological Testing, Mental Health counseling notes, treatment plan, & progress toward goals
- Case Management, Skilled Nursing, Social Work, &/or Personal Care Service
- Assistive Mobility, Vision, &/or Hearing Technology Device
- Deaf Interpreter or Sign Language Service
- PT, OT, SLP, Audiology, Vision, and Respiratory Therapy (RT): Evaluation and Re-evaluation/Notes
- Medication Administration Record (MAR)
- Service / Treatment Plan and Goals (*in effect during sampled dates of service*):
- Individual Education Plan (IEP); Individual Program Plan (IPP)
- Individual Service Plan (ISP); Individual Family Service Plan (IFSP)
- Transportation Provider



HOW CAN THE OMS ASSIST DISTRICTS WITH A PERM REVIEW?



OMS Assistance Needed

Notify your district's assigned Education Associate (EA) if you would like for your district's documentation to be reviewed.

- Please notify you district's assigned EA that assistance is needed as soon as possible and submit any documentation that you would like to be reviewed as soon as possible.
- Please permit two weeks for the EA to review the documentation and respond.
- The EA will review the documentation to ensure that all documents requested are present and provide guidance regarding the documents.
- The school district will be responsible for submitting the documents to the requesting party.



Documentation Needed for OMS Assistance

The following documents are needed for the OMS to appropriately review records:

- copy of the PERM request/letter,
- completion of the 2023 PERM Checklist (located on the OMS webpage),
- consent form(s),
- Parent/Caregiver/Guardian Agreement Form (if applicable),
- referral(s),
- physician's medical order(s) or parent permission for over-the-counter medication(s),
- evaluation(s) and/or assessment(s),
- IEP, IFSP, ITP, IPOC,
- clinical service note(s),
- Behavior Modification Plan (if applicable),
- progress summary(ies), and
- staff credentials



Questions

- If you have questions about PERM requirements, please contact the SCDHHS' PERM team at PERM@scdhhs.gov.
- If you have PERM questions and have been selected to participate in a PERM review, please direct your questions to the NCI Information Systems, Inc. contact who has requested documentation.
- If you have questions about how the OMS can assist you, please contact your district's assigned EA or the OMS at medicaidservices@ed.sc.gov.

