

FFY2016 PERM Audit Information

Every three years, DVHA is subject to the Centers for Medicare and Medicaid Services (CMS) Payment Error Rate Measurement (PERM) audit.

Background: The Centers for Medicare and Medicaid Services (CMS) developed the Payment Error Rate Measurement (PERM) program in response to the Improper Payment Information Act, 2002 [IPIA, Public Law 107–300,] enacted November 26, 2002. This act required 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 of the actions the federal agency is taking to reduce erroneous expenditures. The Improper Payments Elimination and Recovery Act of 2010 (IPERA) enhances the IPIA of 2002 and aims to further reduce improper payments.

Providers that are included in the audit are selected based on a claims sample drawn by CMS from DVHA's universe of Medicaid claims data. The universe includes claims data that fall between Oct 1, 2015 and September 30, 2016 (FFY). For FFY2016, CMS PERM contractor, CNI Advantage, LLC, will be conducting the audit. The audit is to test for data processing accuracy and medical necessity.

Providers, selected in the sample, will be required to submit medical record and association documentation on their claims. CNI Advantage, LLC will be contacting these providers directly. Selected providers are required to participate, as stated in your signed Provider Enrollment Agreement:

- Provider Enrollment Agreement (Section 6) and/or, if you have recently revalidated your enrollment, your signed General Provider Agreement (Article VI, Section 1), provider participation is required!

DVHA will provide assistive guidance and support during this process as well as issue ongoing PERM notices and direct communications to PERM selected providers.

PERM FFY2016 - DVHA Time Limit Requirements:

- Providers have 30 days from the date of receipt of notice to submit required claims medical records and adjoining documents to CNI Advantage, LLC
- Providers have 7 days from the date of receipt of notice, of request for additional information to submit additional claims documentation for inaccurate medical record and adjoining documents, to CNI Advantage, LLC

******Sanction for Non-Compliance:***

- DVHA will enforce a 10% withholding of all VT Medicaid payments for all provider's, until the issue is resolved, that do not submit the required medical records and adjoining documents within 30 days or the additional documentation within 7 days.