

“Mini-PERM” Measurements

An opportunity for states to utilize federal resources to identify and eliminate state Medicaid and CHIP improper payments

WHAT: A “mini-PERM” measurement is a downscaled version of PERM designed to identify Medicaid and/or CHIP improper payments. A “mini-PERM” measurement can focus on a smaller sample, a particular component (FFS, managed care, or eligibility), a specific service type, or anything else a state may choose. Since many states have expressed the desire to conduct such a review but have been unable to due to state resource constraints, CMS is offering the resources necessary to conduct these measurements. CMS has reviewers, statisticians, and other resources available to assist states in conducting “mini-PERMs”. In general, CMS aims to make these measurements as flexible and non-burdensome for states as possible. Therefore, the design of the measurement and the CMS resources used will be up to your state.

WHEN: “Mini-PERM”s would occur during a state’s off-year from PERM. Conducting “mini-PERMs” during off-years allows states to look at payments not being reviewed under PERM and prevents the need to coordinate both efforts simultaneously. Cycle 2 PERM states are in a perfect position to start a “mini-PERM” measurement since the FY 2010 cycle is coming to an end and Medicaid and CHIP payments made in your state will not be subject to PERM review again until FY 2013.

WHY: Executive Order 13520, Reducing Improper Payments, aims at further intensifying efforts to eliminate payment error, waste, fraud, and abuse in federal programs including Medicaid and CHIP. The Executive Order encourages coordinated federal, state, and local government action in identifying and eliminating improper payments. Conducting “mini-PERM” measurements is a perfect opportunity for states to identify and eliminate improper payments in state-specific areas. “Mini-PERMs” will allow states to develop targeted corrective actions to decrease improper payments made in Medicaid and CHIP.

HOW: States interested in conducting a “mini-PERM” measurement or looking for more information can contact Stacey Carroll at 410-786-0241 or Stacey.Carroll@cms.hhs.gov. CMS and your state can discuss the focus of your “mini-PERM” and what CMS resources your state would like to utilize to conduct the measurement.