

## Payment Error Rate Measurement (PERM) Program Medicaid Improper Payment Rates

### Cycle-Specific Medicaid Improper Payment Rates

Year	PERM Cycle	Overall**	FFS	Managed Care	Eligibility
2019*	Cycle 1 – RY 2019	26.18%	15.12%	0.00%	20.60%
2020***	Cycle 2 – RY 2020	27.47%	12.67%	0.16%	22.32%
2021	Cycle 3 – RY 2021	13.68%	13.91%	0.00%	9.27%
2022	Cycle 1 – RY 2022	6.64%	3.72%	0.00%	5.36%
2023	Cycle 2 – RY 2023	6.26%	5.13%	0.00%	3.90%
2024	Cycle 3 – RY 2024	3.17%	5.46%	0.00%	1.53%

\*2019 represents the first cycle measured under the new PERM regulation (82 FR 31158).

\*\*The overall estimate is comprised of the weighted sum of the FFS and managed care components, plus the eligibility component, minus a small adjustment to account for the overlap between the claims and eligibility review functions. The cycle-specific rate represents only the 17 states sampled.

\*\*\*Due to the COVID-19 Public Health Emergency, CMS suspended all improper payment-related engagement/communication or data requests to providers and state agencies in April 2020. Effective August 11, 2020, CMS resumed PERM-related engagements with providers and states. CMS determined that, at the time of the PERM suspension, CMS had completed all data and documentation requests necessary to complete national reporting and did not resume any state or provider outreach. Due to the public health emergency impact, the Cycle 2-specific rates may not be comparable to other cycles.

**Note: Information pertaining to cycle-specific and national rolling Medicaid improper payment rates prior to 2019 can be found in the Archive section of the PERM website - [HERE](#)**

### National Rolling Medicaid Improper Payment Rates\*

Year	PERM Cycles Included	Overall	FFS	Managed Care	Eligibility
2019	Cycle 2 – FY 2016 Cycle 3 – FY 2017 Cycle 1 – RY 2019	14.90%	16.30%	0.12%	8.36%
2020	Cycle 3 – FY 2017 Cycle 1 – RY 2019 Cycle 2 – RY 2020	21.36%	16.84%	0.06%	14.94%
2021	Cycle 1 – RY 2019 Cycle 2 – RY 2020 Cycle 3 – RY 2021	21.69%	13.90%	0.04%	16.62%
2022	Cycle 2 – RY 2020 Cycle 3 – RY 2021 Cycle 1 – RY 2022	15.62%	10.42%	0.03%	11.89%
2023	Cycle 3 – RY 2021 Cycle 1 – RY 2022 Cycle 2 – RY 2023	8.58%	6.90%	0.00%	5.95%
2024	Cycle 1 – RY 2022 Cycle 2 – RY 2023 Cycle 3 – RY 2024	5.09%	4.83%	0.00%	3.31%

\*Considered the official rates reported by CMS.