

RY 2019 Contractor Roles and Responsibilities

RY 2019 Statistical Contractor (SC) - The Lewin Group – Responsible for Sample Selection, Populating Claims, and Improper Payment Rate Calculation

Each quarter throughout the fiscal year, the SC collects the universe of claims data for Medicaid and Children's Health Insurance Program (CHIP) Fee-For-Service (FFS) and managed care from the states. The universe includes claims that are matched with Title XIX (Medicaid) or Title XXI (CHIP) Federal Financial Participation (FFP), including payments made outside of the state's Medicaid Management Information System (MMIS).

The SC draws a random sample of claims from the quarterly Medicaid FFS, CHIP FFS, Medicaid managed care, and CHIP managed care universes submitted by the states. There are also state-specific sample sizes based on the prior cycle improper payment rates and margin of error with a sample size cap for Medicaid (1,800 FFS, 200 managed care, and 1,200 eligibility) and CHIP (1,080 FFS, 120 managed care, and 800 for eligibility). Since claims data is submitted quarterly by the states, each quarter is treated as a separate universe and sampled accordingly. After drawing the samples, the SC sends the samples to the Review Contractor (RC), the Eligibility Review Contractor (ERC), and the state.

For routine PERM states, the FFS sample list contains minimum data information so the states must enhance the information on the sampled FFS claims (submitting details). After the samples are populated and returned to the SC, the SC standardizes the format of the claims data and sends it to the RC for medical records requests. For PERM+ states, enhanced information is submitted in the original universe and the SC sends claims data to the RC for medical records request without the need for states to populate the sample.

At the end of the PERM process, the SC calculates state-specific and national Medicaid and CHIP improper payment rates overall and by component.

RY 2019 Review Contractor (RC) – CNI Advantage, LLC - Responsible for Policy Collection, Medical Records Requests, and Medical and Data Processing Reviews

The RC collects state Medicaid and CHIP policies that are used for the medical and data processing reviews.

When the RC receives the sample list from the SC, the RC schedules on-site or remote data processing reviews with each of the states. For FFS claims, the data processing review includes examining line items in each claim to validate that it was processed correctly. The RC also performs data processing reviews on managed care claims for the accuracy of the processing of the capitation payment or premium.

When the RC receives standardized full claims data from the SC, the RC contacts those providers whose FFS claims were sampled to obtain copies of medical records for the claims in question. Providers have 75 calendar days to comply and send copies of medical records for the selected claims. If the provider does not respond, the state is notified of an error due to no documentation.

The RC also begins medical reviews on FFS claims. Managed care claims are not subject to medical reviews because there is no specific service rendered on which to make a medical necessity determination. The RC examines the medical record to ensure there is documentation that supports medical necessity and to verify coding accuracy. If the record does not contain sufficient documentation,

then the provider has a timeframe of 14 calendar days to provide the missing documentation. Once the reviews are completed, the findings are posted to the RC's secure Web site, which can be reviewed by the individual states.

RY 2019 Eligibility Review Contractor (ERC) – Booz Allen Hamilton – Responsible for Eligibility Policy Collection, Eligibility Case Review, and Corrective Action Planning

The ERC brings consistency to the eligibility review process, confirms the PERM eligibility standard operating procedures (SOPs) are implemented accurately, and ensures eligibility review findings are comparable across states and measurement cycles. Additionally, the ERC works to minimize state work associated with the PERM eligibility review process.

The ERC is responsible for obtaining and maintaining federal and state eligibility policies for the PERM program by working with states and CMS to coordinate and conduct all tasks. This ensures the ERC is familiar with the eligibility policies in each state (policy content and application, location and format) prior to the PERM eligibility review.

The ERC is also responsible for obtaining access to state eligibility and document management systems, prior to the start of eligibility review cycle, to collect case file documentation. The ERC recommends states provide remote system access. If systems must be accessed onsite, the ERC will travel to the states to collect the case file documentation.

The ERC reviews a total of 6,000 Medicaid and 4,000 CHIP samples across the 17 states in each PERM cycle. The ERC reviews state eligibility determinations that made individuals eligible on the date of service (DOS) for each claim payment sampled. The ERC reviews the state's eligibility determination in accordance with federal and state policies. If the eligibility case file does not contain sufficient documentation to support the state's determination, states have 30 days to provide missing documentation. Once the reviews are completed, the findings are posted to the State Medicaid Error Rate Findings (SMERF) system. At that time, states can request Difference Resolution (DR) or appeal the findings of the DR with CMS.

The ERC is also responsible for collecting eligibility information from the state's eligibility system(s) for the RC's data processing reviews.

Upon completion of the eligibility case review, the ERC works with CMS and the state to develop corrective action plans for reduction of error rates. Upon completion of the PERM cycle, the ERC assists CMS with reviewing findings, providing guidance on origin of errors, summarizing state findings, and developing corrective actions.