

General PERM Questions

- 1. Where can providers find information about PERM?** PERM is designed to comply with the Improper Payments Information Act of 2002 (IPIA); Public Law 107-300, amended in 2010 by the Improper Payments Elimination and Recovery Act or (IPERA). The following link provides additional program information: <http://www.cms.hhs.gov/PERM/>
- 2. How many times can a provider anticipate being reviewed by the PERM program?** CMS uses a 17-state rotation for PERM. Each State and the District of Columbia is reviewed once every three years. By reviewing only a selection of States rather than all States every year it is unlikely for a provider to be selected more than once, per program per year.
- 3. How will a provider know if they are a part of a PERM review?** The CMS PERM Review Contractor will send the provider a letter which describes the medical record documentation they need the provider to submit to support the claims. The letter will clearly explain the documentation needed; when it is due; and where to send it.

PERM Contractors

- 4. Will a provider be in violation of the Health Insurance Portability and Accountability Act (HIPAA) if they submit medical records to a CMS PERM Review Contractor?** The collection and review of protected health information contained in medical records for payment review purposes is authorized by HHS regulations at 45 C.F.R. 164.512(d), as a disclosure authorized to carry out health oversight activities, pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA); CMS PERM Review Contractor activities are performed under this regulation.
- 5. Why were my claims selected for review for PERM by CMS and not the state that usually handles my claims processing?** PERM was developed in response to the Improper Payments Information Act of 2002 (IPIA), Public Law 107-300, amended in 2010 by the Improper Payments Elimination and Recovery Act or (IPERA). Recent laws such as the IPERA are intended to improve fiscal oversight, to identify fraud and abuse, and to protect taxpayer dollars. Section 1902(a)(27) of the Social Security Act and 42 CFR 457.950 gives CMS authority to require providers to submit information regarding payments and claims as requested by the Secretary, state agency, or both. CMS contracts with outside entities that assist with collecting and reviewing claims on behalf of CMS. Under the authority of these statutory provisions, those states selected for review in any given year for the Medicaid or CHIP improper payments measurement are to provide the Federal contractors with information needed to conduct medical and data processing reviews on FFS claims and data processing reviews on managed care claims. It is necessary to view

the actual medical records pertaining to the specific sampled FFS claims. Managed care claims will not need medical review but will have a data processing review completed.

Medical Records

- 6. Is it possible to include all the member names of medical record requests on one fax as opposed to receiving multiple faxes?** In an effort to maintain patient confidentiality and adhere to HIPAA regulations, each medical record request will be received separately.
- 7. Does my state contact know when a medical record request has been sent to my office?** Yes, your state contact is notified when a medical record request has been sent to your office. Your state contact is also notified when documentation is submitted or has not been received timely.
- 8. What happens if I do not comply with the PERM Review Contractor and submit the requested records?** If you do not submit the requested medical record within the 75 day timeframe it will be considered an improper payment because there is no evidence to adequately determine whether the services were provided, were medically necessary and were properly coded and paid. State Medicaid Agencies have the authority to recover any overpayments made to providers.
- 9. Why must I use the PERM cover sheet sent with the request for medical records?** The PERM cover sheet contains a control number that corresponds to each Claim Summary. By including all **relevant** documents listed on each PERM cover sheet, review processing can be expedited without delays.
- 10. What can I do if I have a limited amount of staff available to collect medical records?** CMS contractors are willing to work with providers' state staff in pinpointing the exact documentation needed and are available to provide suggestions on how these records can be easily obtained.
- 11. What can I do in the event that I have a delayed mailing system and do not have access to a fax machine? Is there an alternative to faxing in medical records?** The CMS PERM Review Contractor will be contacting each provider by phone in order to explain the reason for the call, verify that the recipient was seen and that you are the provider who has the documentation, before sending out the medical record request. At that time you can inform the Review Contractor of the delayed mailing system and no access to a fax machine and they will make sure to allow you the complete 75 days to respond based on the date that the medical record request was made. You also can make arrangements to deliver the medical records in person to your state PERM contact person.

12. If a provider receives a medical record request letter and the provider is not the provider who has the medical records to support the claim, who should be notified?

The CMS PERM Review Contractor will contact the provider by phone to verify that the recipient was seen by them and determine who has the medical record before mailing or faxing the request letter. If you are not the provider, please call the number on the letter immediately for additional assistance.

13. Who can a provider contact if they have questions about medical records requests; including questions on the terminology used in some of the communications from the CMS PERM Review Contractor?

If you have any questions, please contact the PERM Review Contractor's Medical Records Manager whose contact information is printed on the bottom of the documentation request letter you received. The CMS PERM Review Contractor works closely with each state to insure which provider (whether it is billing or performing) is most likely to have the documentation that supports the claim. CMS PERM Review Contractor provides a PERM cover sheet with the letter based on the service type of the claim with the required documents needed for review.

14. How do providers know what documentation to submit to the PERM Review Contractor?

CMS PERM Review Contractor will send the provider a PERM cover letter containing a control number that corresponds to each Claim Summary along with information detailing what to submit to support payment of the claim undergoing medical review. The letter will also have information on who to contact if you have questions. You can also go to our website at <http://www.cms.hhs.gov/PERM> and click on the Federal fiscal year being measured for the contractors contact information and their roles and responsibilities during the measurement cycle.

15. Will the provider be notified once the PERM Review Contractor receives the medical record(s)? Once the PERM Review Contractor receives the requested medical record(s), the provider will no longer be contacted. The provider can contact their state PERM contact to verify that the medical record has been received and no additional documentation is required.

Medical Review

16. What is the process for reviewing the medical documentation submitted to the CMS PERM Review Contractor? The CMS PERM RC examines the medical record to ensure there is documentation that supports medical necessity and to verify coding accuracy on the claim. If the record does not contain sufficient documentation, the CMS PERM RC notifies the providers that additional documentation is needed. The provider has a new timeframe of 14 days to provide the missing documentation. The 14 days to provide additional documentation is **not** an extension of the 75 day timeframe. Once the reviews are completed, the findings are posted to the CMS PERM RC secure website, which can be reviewed by your state representative.

PERM Provider Education Outreach

17. **What type of education about PERM can I use for my staff? How would education about PERM be helpful to me?** Please visit the PERM site at <http://www.cms.hhs.gov/PERM/>. The site includes a provider page which contains useful information to educate providers on PERM. You may also e-mail questions to PERMproviders@cms.hhs.gov. Lastly, CMS encourages providers to partner with their state PERM Representatives for all PERM needs.
18. **How can a provider determine if their state has any PERM education opportunities available?** PERM education opportunities vary by state and it is important to note that all states do not have PERM education opportunities available on a regular basis. Providers should contact their state Medicaid website or the PERM contact person within your state. If you are unsure of whom this contact person is, you can contact CMS at PERMproviders@cms.hhs.gov.
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Additional Provider Education Questions

19. **What are Medicaid and Children's Health Insurance Program (CHIP) improper payments?** An improper payment occurs when a provider receives a Medicaid or CHIP payment from the state for a claim filed on a person who is not entitled to benefits or the amount paid is more (overpayment) or less (underpayment) than what should have been paid.
20. **What should a provider do if they no longer own the practice?** Contact the PERM Review Contractor's Medical Records Manager immediately. Contact information is found in the documentation request letter. Or contact your State's Medicaid or CHIP agency.
21. **How does improper payment errors cited affect me as a provider?** Your state may request the return of improper payments found during the measurement. Providers should contact their state representative for specific guidance.