



# Payment Error Rate Measurement

## PERM

- PERM is a regulation issued by CMS as a result of the 2002 Improper Payments and Information Act (IPIA)
- PERM measures improper payments for State Medicaid programs and State Children's Health Insurance Programs (SCHIP)
- A random sample of paid claims are selected for review
- MDCH will publish a bulletin soon regarding PERM



## How Does PERM Work?

- **Livanta LLC** has been selected as the National contractor that will contact providers to collect medical record documentation pertinent to the selected paid claims
- Providers **must** submit the requested medical record documentation with 60 days
- Failure to comply with the request(s) is considered payment error. Michigan Medicaid will incur a penalty and may recoup the payments that were made on the selected claims from the providers