

# 2019 PERM Error Results

In reviewing the 2019 PERM Error Results we have found areas for improvement. When providers render services to Medicaid Beneficiaries, please keep the tips listed below in mind to avoid the possibility of the State of Michigan receiving an improper payment error.

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There is a necessity to respond to CMS and its contractors when there is an audit request such as PERM.

- MDHHS Policy and Federal Regulation (45 CFR 160 and 164) support this.

When CMS requests a provider to send documentation for PERM and none is submitted or incomplete documentation is submitted, then these claims will be determined to be paid in error.

On occasion, CMS requests documentation for a claim after a provider goes out of business. Please see the Michigan Medicaid Provider Manual Section 2, Provider Enrollment which lists the required disclosure details and the requirement to update ownership information within 35 days of any change.

Here are some things to consider when submitting documentation to CMS regarding PERM:

Was the correct and complete documentation submitted for the correct recipient and dates of service?

Is the documentation submitted legible?

- If your facility/practice has digital signature, make sure the signature and credentials are visible in the medical record submitted to CMS.

Does the documentation specifically support the procedure code?

Is the documentation sufficient to establish medical necessity?

Were the correct number of units documented for the services provided or for the submitted procedure or revenue code?

- During this PERM Cycle some OB providers used global maternity codes, but the medical record did not support seven or more antepartum visits which is a requirement when using a global code.
- See the Medicaid Provider Manual 2021, Section 6.15 Maternity Care Services (p. 28)

Is the clinical record sufficiently detailed to allow reconstruction of what transpired for each billed service as appropriate?

Providers are reminded to reference the Michigan Medicaid Provider Manual to ensure required documentation is included in a beneficiary's medical record.

Pharmacy signature logs are required containing: The beneficiary's name, the signature of the beneficiary or his/her representative and the date of receipt of the prescription.

- The log must differentiate between prescriptions received by a beneficiary for which counseling was accepted/provided and those for which counseling was offered and declined.

Some error examples for missing and incomplete documentation from the 2019 PERM Cycle include the following:

- The provider did not respond to the request for records.
- The state could not locate the provider to help facilitate obtaining medical records for PERM.
- Missing physician's orders for the sampled DOS
- Physician's orders cannot be signed and dated after the DOS.
- Missing physician's progress notes for the sampled DOS
- Missing provider signature and credentials for the sampled DOS
- Missing Pharmacy Signature Logs and/or documentation of Patient Counseling
- Number of visits in the Medical Record did not support the global code billed on the claim.