



Oregon

Kate Brown, Governor

Department of Human Services

Safety, Oversight, and Quality

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1/24/18

TO: Community Based Care:
Assisted Living, Residential Care,
Memory Care Facilities, Nursing
Facility Providers

FROM: Safety, Oversight, and Quality (SOQ) Unit

RE: Payment Error Rate Measurement (PERM)

Summary:

PERM audits are a system of audits conducted by Centers for Medicare & Medicaid (CMS) contractors in order to identify improper payments in the Medicaid and Children's Health Insurance Programs (CHIP). Licensed long term care facilities are also included in PERM audits. Facilities are selected randomly by CMS for this process, and audits are performed by a CMS contractor.

CMS has begun the audit process, so you may be receiving requests as part of the audit soon. We want to make you aware that **it is vitally important that you respond timely to auditors' requests and that you provide them with all information they request.**

Failing to send all requested documentation to CMS could result in an error and recovery of payment from the facility to CMS.

Please designate a person from your facility to be the contact person for PERM audits who will be submitting the required information about your facility to the CMS contractor. Share this information with that contact person ASAP.

If a claim is selected from your facility, your facility will receive a letter from the CMS review contractor, CNI Advantage. **Please follow instructions.**

Link to Oregon PERM Website:

<https://www.oregon.gov/DHS/BUSINESSSERVICES/OPAR/perm/Pages/index.aspx>

Link to CMS PERM website:

<https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicaid-and-CHIP-Compliance/PERM/Providers.html>

Auditors are comparing payment to the selected facility against State and Federal rules that directly correlate to the care of residents by review of the documentation maintained by the facility.

Summary:

The reviews will be looking for the following information to verify accurate payment:

<ul style="list-style-type: none">• Services claimed as a Medicaid paid service i.e. <i>doctors' visits; orders not signed/dated; physician progress not signed/dated.</i>• Timely filing• Claim priced accurately to the fee schedule and dates of service• Duplication of claims• Claim adjustments reported Timely• Prior authorization received before claim submitted	<ul style="list-style-type: none">• Completeness of medical record documentation to substantiate claim• Medical necessity of the service Provided• Validation service was provided as ordered and billed• Claim correctly coded
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Contacts:

Nursing Facility: DAVID.C.ALLM@dhsosha.state.or.us

Assisted Living/Residential Care Facilities: Warren.D.Bird@state.or.us

For general information contact the DHS, Safety, Oversight and Quality (SOQ) Unit or visit the DHS Web site at www.oregon.gov/DHS/