

Payment Error Rate Measurement (PERM) Audits 2012

The PERM program is designed to measure improper payments in the Medicaid and CHIP programs, as required by the Improper Payments Information Act (IPIA) of 2002 (amended in 2010 by the Improper Payments Elimination and Recovery Act or IPERA). Selected pharmacies will have a sample of their paid claims reviewed by CMS as a part of this program. The audit period for claims to be reviewed in the sample from each pharmacy is by Claim Date of Service, Fiscal Year 2012 (10/1/2011 – 9/30/2012).

Please be advised that on Wednesday, October 24, 2012 CMS will be hosting a PERM Audit Webinar and conference call to educate pharmacies on the PERM process and provider responsibilities during a PERM review. This webinar is open to any providers. This webinar will also provide instructions on the Electronic Submission of Medical Documentation program, and guidance on frequent mistakes and best practices.

MDCH will be contacting all pharmacy liaisons and each individual selected pharmacy to inform them of their participation in this PERM review. Until a final determination of selected pharmacies has been made, MDCH encourages all pharmacies to attend the webinar. MDCH cannot guarantee that CMS will offer any future PERM webinars.

Please take a moment to review the PERM Audit Webinar details located under Hot Topics on the Provider Portion of the MDCH/Medicaid Website, or open the related PDF here:

www.michigan.gov/documents/mdch/PERM_Webinars_2012_386567_7.pdf

For pharmacies selected in the claims review process, we emphasize the importance of your thorough response, which should include all supporting documentation by the response deadline. If you have any questions regarding the PERM review or the webinar, please contact MDCHPharmacyServices@michigan.gov or (517) 241-8055.