Instructions for Completing the PERM Monthly Sample Selection List

Purpose: These instructions provide guidance on completing the monthly sample selection list. The monthly sample selection list provides the base level information about the cases that have been randomly selected for the given sample month. States submit one monthly Sample Selection List Report for each month in the sampling timeframe. Both active and negative cases that are sampled in a given month are included on each monthly form.

This form is due to CMS on the 15th day of the month after the sample month and must be submitted before eligibility reviews begin.

Line by Line Instructions

State

Enter the name of the State participating in the PERM program that is submitting this report. "State" refers to the 50 States and the District of Columbia. (The Territories are excluded from the PERM program.)

Date

Enter the date that the Monthly Sample Selection form is being submitted to CMS (e.g., June 15, 2007).

Program

Enter the program for which the Monthly Sample Selection List applies (e.g., Medicaid or SCHIP).

Sample Month and Year

Enter the month and year for which the sample was drawn from the universe, e.g., January 2007. "Universe" refers to the total number of cases in the sample month. The universe will be unique for each month.

Number of Cases in the Universe for the Sample Month

Enter the total number of active cases (per stratum) and negative cases in the universe during the sample month. The active universe is the total number of cases in the sample month that are considered eligible for services based on a completed application, redetermination or are currently on the program rolls (see below). The negative universe is the total number of cases that have either been denied based on a completed application or terminated based on a completed redetermination in the given sample month. For active cases, include the number of cases in each stratum in the respective column as follows:

- **Stratum 1 Applications** - A case constitutes an "application" for the sampling month if the State took an action to grant eligibility in that month based on a completed application. States should count an individual reapplying for Medicaid or SCHIP after a break in eligibility as a new application and place the case in stratum one.
- **Stratum 2 Redeterminations** - A case constitutes a "redetermination" for the sampling month if the State took an action to

continue eligibility in the sample month based on a completed redetermination.

- **Stratum 3 All Other Cases** - All other cases (properly included in the universe but do not meet the strata one or two criteria) that are on the program in the sample month are placed in stratum three.

- **Negative Cases** - A negative case contains information on a beneficiary who completed an application for benefits and the State denied the application or who completed the redetermination process but whose program benefits were terminated by the State.

Case/ Beneficiary ID

“Case” refers to an individual beneficiary and for PERM purposes, is not a household or family unit. In this row, enter the case identification (ID) or beneficiary ID, whichever is the custom of the State that correlates with the case reported as sampled on the monthly sample selection list for the sample month.

For each case selected for the sample of active cases, list the case ID in the column for the respective stratum (e.g., Stratum 1, Stratum 2, Stratum 3). For each case selected for the sample of negative cases, list the case ID in the Negative Cases column.

Add rows on an attachment if the number of cases in the sample in any column exceeds the number of rows provided.

Provide the total number of cases sampled in each stratum for active cases and the total number of cases sampled for negative case reviews at the bottom of each row.

Instructions for Completing the PERM Detailed Active Case Review Findings Form

Purpose: The detailed active case review findings form provides detailed information about findings from the eligibility reviews of active cases identified on the monthly sample selection list for each sample month. This form is submitted for each month in the sampling timeframe for the sample of active cases.

This form is due within 150 days from the end of each sample month (i.e., if the sample month is January, the detailed active case review findings form is due on June 30, which is 150 days from January 31).

An "active case" is a case containing information on a beneficiary who was enrolled in the Medicaid or SCHIP program in the sample month. The active case universe includes all active cases on the rolls from the first day of that month through the last day of the month, with the exception of:

- *Negative cases, including all cases that were denied based on completed applications or terminated based on completed redeterminations,*
- *Cases that are under active beneficiary fraud investigation,*
- *Supplemental Security Income cases in 1634 States, and*
- *Title IV-E adoption assistance and foster care cases.*

Line by Line Instructions

State

Enter the name of the State participating in the PERM program that is submitting this report. "State" refers to the 50 States and the District of Columbia. The Territories are excluded from the PERM program.

Date

Enter the date that the Detailed Active Case Findings form is being submitted to CMS (e.g., June 15, 2007).

Program

Enter the program for which the monthly Detailed Active Case form applies (e.g., Medicaid or SCHIP).

Sample Month and Year

Enter the month and year for which the sample was drawn from the universe. "Universe" refers to the total number of cases in the sample month. The case universe will be unique for each month.

Case/ Beneficiary ID

"Case" refers to an individual beneficiary and, for PERM purposes, is not a household or family unit. In this row, enter the case identification (ID) or beneficiary ID, whichever is the custom of the State, which correlates with the case reported as sampled on the monthly sample selection list for the same sample month.

Add rows if the number of cases in the active case sample for the month being reported exceeds the number of rows provided.

Review Month

Enter the review month for which eligibility was verified (the review month is not necessarily the same as

the sample month). Generally, the review month is the same as the sample month for cases in strata 1 and 2 because, for PERM purposes, the review month is when the State's last action occurred. However, in strata 3, the timeframe for verifying eligibility could differ. Generally, eligibility also would be verified as of the month of the State's last action; but if that action occurred more than 12 months prior to the sample month, then eligibility is reviewed as of the sample month. In the "Review Month" column, enter the month in which eligibility was verified, i.e., either the review month or the sample month, as appropriate to each case.

Dropped Due to Beneficiary Fraud

"Active beneficiary fraud investigation" is defined as a beneficiary's name has been referred to the State Fraud and Abuse Control or similar investigation unit and the unit is currently actively pursuing an investigation to determine whether the beneficiary committed fraud.

States should exclude cases under active beneficiary fraud investigation from the universe. However, if a State cannot exclude these cases from the universe, the State can drop these cases if they appear in the sample.

If a case was dropped from the sample due to an active beneficiary fraud investigation, note the date the case was dropped (e.g., 6/15/07). If the case was not dropped, leave this column blank.

Stratum

Enter the number of the eligibility stratum for the case (e.g., Stratum 1). The strata are as follows:

- **Stratum 1 - Applications** - A case constitutes an "application" for the sampling month if the State took an action to grant eligibility in that month based on a completed application. States should count an individual reapplying for Medicaid or SCHIP after a break in eligibility as a new application and place the case in stratum one.

- **Stratum 2 - Redeterminations** - A case constitutes a "redetermination" for the sampling month if the State took an action to continue eligibility in the sample month based on a completed redetermination.

- **Stratum 3 - All Other Cases** - All other cases (properly included in the universe but do not meet the strata one or two criteria) that are on the program in the sample month are placed in stratum three.

Review Finding

Enter the letter code for the review finding (e.g., MCE1) for each case. The eight review findings are defined as follows:

E **Eligible** – An individual beneficiary meets the State's categorical and financial criteria for receipt of benefits under the program.

EI **Eligible with ineligible services** – An individual beneficiary meets the State's categorical and financial criteria for receipt of benefits under the Medicaid or SCHIP programs but

was not eligible to receive particular services. An example of “eligible with ineligible services” would be a case where the beneficiary did not fully pay his share of cost. Another example would be a person eligible under the medically needy group who received services not provided to the medically needy group.

NE **Not eligible** – An individual beneficiary is receiving benefits under the program but does not meet the State’s categorical and financial criteria for the month eligibility is being verified.

U **Undetermined -** A beneficiary case subject to a Medicaid or SCHIP eligibility determination under PERM about which a definitive determination of eligibility could not be made.

L/O **Liability overstated –** The beneficiary paid too much toward his liability amount or cost of institutional care and the State paid too little.

L/U **Liability understated** – Beneficiary paid too little toward his liability amount or cost of institutional care and the State paid too much.

MCE1 **Managed care error, ineligible for managed care** – Upon verification of residency and program eligibility, the beneficiary is enrolled in managed care but is not eligible for managed care.

MCE2 **Managed care error, eligible for managed care but improperly enrolled** – Beneficiary is eligible for both the program and for managed care but not enrolled in the correct managed care plan as of the month eligibility is being verified.

Cause of Error, if known

Enter the cause of the error, if known, for cases not eligible for the program. Explanations for this column are not standardized but should reflect the State’s finding that caused the case to be in error. Do not use State-specific codes or abbreviations.

Instructions for Completing the PERM Detailed Negative Case Review Findings Submission Form

Purpose: These instructions provide guidance on completing the Detailed Negative Case Review form. This form provides detailed information about findings from the review of negative cases in the monthly sample.

This report is due within 150 days from the end of the sample month (i.e., if the sample month is January, the form is due on June 30, which is 150 days from January 31).

A "negative case" is a case containing information on a beneficiary who completed an application for benefits and was denied or who completed the redetermination process but whose program benefits were terminated based on the State agency's eligibility decision.

The negative case universe includes all cases that were denials of eligibility based on completed applications in a given month and all active cases that were found to be ineligible based on completed redeterminations and moved from active to negative in the month.

Line by Line Instructions

State

Enter the name of the State participating in the PERM program that is submitting this report. "State" refers to the 50 states and the District of Columbia. The Territories are excluded from the PERM program.

Date

Enter the date that the Detailed Negative Case Findings form is being submitted to CMS (e.g., June 15, 2007).

Program

Enter the program for which the monthly Detailed Negative Case form applies (e.g., Medicaid or SCHIP).

Sample Month and Year

Enter the month and year for which the sample was drawn from the universe. “Universe” refers to the total number of cases in the sample month. The case universe will be unique for each month.

Case/ Beneficiary ID

“Case” refers to an individual beneficiary and, for PERM purposes, is not a household or family unit. In this row, enter the case ID or beneficiary ID, whichever is the custom of the State that correlates with the case reported as sampled on the monthly sample selection list for the sample month.

Add rows if the number of cases in the negative case sample for the month being reported exceeds the number of rows provided.

Denial or Termination

Denial – Means an application was completed by the beneficiary but was rejected for not meeting eligibility requirements.

Termination – Means an existing beneficiary completed the redetermination process but no longer meets eligibility requirements and is therefore not eligible for the program.

Enter “D” if the case was a denial. Enter “T” if the case was a termination.

Review Finding

Enter the letter code for the review finding. The three review findings are defined as follows:

C **Correct** – The negative case was properly denied or terminated by the State.

ID **Improper denial** – The application for program benefits was denied by the State for not meeting the categorical and/or financial eligibility requirements but upon review is found to be eligible.

IT **Improper termination** – Based on a completed redetermination, the State determines an existing beneficiary no longer meets the program’s categorical and/or financial eligibility requirements and is terminated but upon review is found to still be eligible.

Cause of Error, if known

Enter the cause of the error, if known. Explanations for this column are not standardized but should reflect the

State's eligibility determination policies. Do not use State-specific codes or abbreviations.

Instructions for Completing the PERM Detailed Payment Review Findings Form

Purpose: The Detailed Payment Review Findings form provides detailed payment review findings for all cases in each monthly sample. This form identifies the total dollars paid, the amount correctly paid and the amount paid in error for each case, as appropriate, in the sample for a given month.

This form is due 210 days from the end of the sample month (i.e., the payment review for the sample month of January is due on August 31, which is 210 days from January 31).

Line by Line Instructions

State

Enter the name of the State participating in the PERM program that is submitting this report. "State" refers to the 50 states and the District of Columbia. The Territories are excluded from the PERM program.

Date

Enter the date that the *Detailed Payment Review form* is being submitted to CMS (e.g., June 15, 2007).

Program

Enter the program for which the monthly Detailed Payment form applies (e.g., Medicaid or SCHIP).

Sample Month and Year

Enter the month and year for which the sample was drawn from the universe. "Universe" refers to the total number of cases in the sample month. The case universe will be unique for each month.

Case/ Beneficiary ID

"Case" refers to an individual beneficiary and, for PERM purposes, is not a household or family unit. In this row, enter the case ID or beneficiary ID, whichever is the custom of the State, which correlates with the case reported as sampled on the monthly sample selection list for the sample month.

Add rows if the number of cases in the active case sample for the month being reported exceeds the number of rows provided.

Note: Include all sampled cases in this table, not just those with payment errors.

Dropped Due to Beneficiary Fraud

"Active beneficiary fraud investigation" is defined as a beneficiary's name has been referred to the State Fraud and Abuse Control or similar investigation unit and the unit is currently actively pursuing an investigation to determine whether the beneficiary committed fraud.

States should exclude cases under active beneficiary fraud investigation from the universe. However, if a State cannot exclude these cases from the

universe, the State can drop these cases if they appear in the sample.

If a case was dropped from the sample due to an active beneficiary fraud investigation, note the date the case was dropped (e.g., 6/15/07). If the case was not dropped, leave this column blank.

Stratum

Enter the number of the eligibility stratum for the case (e.g., Stratum 1). The strata are as follows:

- **Stratum 1 Applications** - A case constitutes an "application" for the sampling month if the State took an action to grant eligibility in that month based on a completed application. States should count an individual reapplying for Medicaid or SCHIP after a break in eligibility as a new application and place the case in stratum one.

- **Stratum 2 Redeterminations** - A case constitutes a "redetermination" for the sampling month if the State took an action to continue eligibility in the sample month based on a completed redetermination.

- **Stratum 3 All Other Cases** - All other cases (properly included in the universe but do not meet the strata one or two criteria) that are on the program in the sample month are placed in stratum three.

Review Finding

Enter the letter code for the review finding (e.g., MCE1). The eight review findings are defined as follows:

E **Eligible** – An individual beneficiary meets the State's categorical and financial criteria for receipt of benefits under the Medicaid or SCHIP programs.

EI **Eligible with ineligible services** – An individual beneficiary meets the State's categorical and financial criteria for receipt of benefits under the program but was not eligible to receive particular services. An example would be a person eligible under the medically needy group who received services not provided to the medically needy group.

NE **Not eligible** – An individual beneficiary is receiving benefits under the program but does not meet the State's categorical and financial criteria.

U **Undetermined** - A beneficiary case sampled for review under PERM about which a definitive verification of eligibility could not be made.

L/O **Liability overstated –** The beneficiary paid too much toward his liability amount or cost of institutional care and the State paid too little.

L/U **Liability understated** – Beneficiary paid too little toward his liability amount or cost of institutional care and the State paid too much.

MCE1 **Managed care error, ineligible for managed care** – Upon verification of residency and program eligibility, the

beneficiary is enrolled in managed care but is not eligible for managed care.

MCE2 **Managed care error, eligible for managed care but improperly enrolled** – Beneficiary is eligible for both the program and for managed care but not enrolled in the correct managed care plan as of the month eligibility is being verified.

Payment Amount Correct – A correct payment amount is a payment to a provider, insurer, or managed care organization based on the beneficiary's eligibility for the program and for the services received under the coverage group under which the beneficiary is eligible as defined in the State's plan.

For FFS cases, enter the total amount of dollars paid for the beneficiary based on claims for services rendered at any time in the spend down period (if appropriate) through the review month or are rendered in the sample month (for cases in stratum 3) which are paid by the end of the fourth month after the review month (or sample month for cases in stratum 3).

For managed care cases, enter the capitated amount paid for the case. All managed care payments made for coverage in the review month (for strata 1 and 2 cases) and the sample month (for stratum 3 cases) are included regardless of the actual payment date so long as the payment dates fall within the review month (for cases in strata 1 and 2) or sample month and are paid by the end of the fourth month after the review month or sample month.

Enter the portion of the payments, in part or in whole as appropriate, that were correct for each sampled case.

Payment Amount in Error – Enter the amount of payment that is in error based on the beneficiary's:

- ineligibility for services received.
- ineligibility for the program,
- liability overstated or understated,
- ineligibility for managed care,
- eligibility for managed care but enrollment in the wrong managed care plan.

Enter the portion of the payment, in whole or in part, that was in error for each sampled case.

Instructions for Completing the PERM Summary Case Review Findings and Error Rate Form

Purpose: The Summary Case Review and Error Rate Form provides summary case review findings from the review of all cases in the monthly active and negative case samples as well as the payment and case error rates, as appropriate. This form provides comprehensive data for active cases (total and for each of the three stratum) and negative cases (total, denials and terminations).

This form is due by July 1st following the fiscal year being measured (i.e., for States completing PERM eligibility reviews for fiscal year 2007, the summary report is due by July 1, 2008).

Line by Line Instructions

State

Enter the name of the State participating in the PERM program that is submitting this report. "State" refers to the 50 States and the District of Columbia. The Territories are excluded from the PERM program.

Date

Enter the date that the Summary Case Review and Error Rate form is being submitted to CMS (e.g., Jul y 1, 2008).

Program

Enter the program for which the Summary Case Review and Error Rate form applies (e.g., Medicaid or SCHIP).

Total

Enter the total number of cases in each column. For example, in column one, enter the total number of cases sampled in each stratum of the active cases and total number of cases sampled as denied and terminated for negative cases. In column two, enter the total number of cases excluded due to beneficiary fraud.

Active

Enter the total number of active cases equal to the sum of Strata 1, 2 and 3. An active case is a case containing information on a beneficiary who was enrolled in the program in the sample month.

Stratum 1 Applications - A case constitutes an "application" for the sampling month if the State took an action to grant eligibility in that month based on a completed application. States should count an individual reapplying for Medicaid or SCHIP after a break in eligibility as a new application and place the case in stratum one.

Enter the total active cases in Stratum 1, Applications, sampled for the fiscal year.

Stratum 2 Redeterminations - A case constitutes a "redetermination" for the sampling month if the State took an action to continue eligibility in the sample month based on a completed redetermination.

Enter the total active cases in Stratum 2, Redeterminations, sampled for the fiscal year.

Stratum 3 All Other Cases - All other cases (properly included in the universe but do not meet the strata

one or two criteria) that are on the program in the sample month are placed in stratum three.

Enter the total active cases in Stratum 3, All other cases, sampled for the fiscal year.

Negative - A negative case is a case where a beneficiary completed an application for benefits and the State denied the application or who completed the redetermination process but whose program benefits were terminated by the State.

Enter the total number of negative cases; equal to the sum of Denials and Terminations**.**

Denials - Denials occur when the State rejected a completed application for not meeting categorical and financial eligibility requirements.

Enter the total number of denials sampled for the fiscal year.

Terminations - Terminations occur when an existing beneficiary no longer meets eligibility requirements and the State took an action to terminate program eligibility.

Enter the total number of terminations sampled for the fiscal year.

For each row, enter the appropriate numbers in each column, as follows:

Number of Cases in the Universe Column

Enter the number of cases in the universe subject to sampling for the months reviewed throughout the fiscal year.

Number of Cases Sampled Column

Enter the number of cases sampled in each of the categories described in the rows. These should equal the totals reported on the Monthly Sample Selection Lists.

Number of Cases Excluded due to Beneficiary Fraud Column

Enter the number of cases excluded from the sample due to beneficiary fraud in each of the categories described in the rows. These should equal the number of beneficiary fraud cases reported on the monthly Detailed Active Case Review Findings form.

The cells should be left blank in the Negative, Denials, and Terminations rows.

Number of Cases Eligible Column

Enter the number of cases deemed to be eligible through the PERM eligibility reviews in each of the categories described in the rows.

These should equal the number of cases reported on the Detailed Active Case Review Findings forms completed throughout the fiscal year with findings of “E—eligible,” “EI—eligible for ineligible services,” “L/O—liability overstated,” “L/U—liability understated,” “MCE1—managed care error, ineligible for managed care,” or “MCE2 — eligible for managed care but improperly enrolled.”

Enter the number of denied and terminated cases found eligible through the negative case action reviews throughout the fiscal year as reported on the Detailed Negative Case Review Findings forms (codes ID for incorrect denials and IT for incorrect terminations) .

Number of Cases Ineligible Column

Enter the number of cases deemed to be ineligible through the PERM eligibility review in each of the categories described in the rows.

These should equal the number of cases reported on the Detailed Active Case Review Findings forms completed throughout the fiscal year with a findings of “NE—not eligible.”

Enter the number of denied and terminated cases found ineligible through the negative case action reviews throughout the fiscal year as reported on the Detailed Negative Case Review Findings forms (code C for cases that were correctly denied and terminated).

Number of Cases Undetermined Column

Enter the number of cases for which the State was unable to determine eligibility in each of the categories described in the rows.

These should equal the number of cases reported on the Detailed Active Case Review Findings forms completed throughout the fiscal year with findings of “U--undetermined.”

The cells should be left blank in the Negative, Denials, and Terminations rows because if no evidence exists to support a denial or termination, the case is cited as an improper denial or termination.

Total Dollars Paid Column

Enter the total dollars paid that corresponds with each of the categories described in the rows.

The cells should be left blank in the Negative, Denials, and Terminations rows because payment reviews are not completed for negative case reviews.

Total Dollars Correct Column

Enter the total dollars paid correctly that corresponds with each of the categories described in the rows.

The cells should be left blank in the Negative, Denials, and Terminations rows because payment reviews are not completed for negative case reviews.

Total Dollars in Error Column

Enter the total dollars found in error that corresponds each of the categories described in the rows.

The cells should be left blank in the Negative, Denials, and Terminations rows because payment reviews are not completed for negative case reviews.

For the second table, rows are defined as follows:

Dollar Amount Column

Active Payment Error Rate

The active payment error rate is a "dollar weighted" error rate. The dollar value of claims for services provided in the month of eligibility review are used to calculate the payment error rate. Enter the payment error rate as calculated for your State.

Active Case Error Rate

The active case error rate is a simple case error rate (valid or invalid eligibility) for active cases. Enter the case error rate as calculated for your State.

Negative Case Error Rate

The negative case error rate is a simple case error rate (valid or invalid eligibility) for negative cases. Enter the case error rate as calculated for your State.

Undetermined Cases

Enter the number and percentage of cases for which eligibility cannot be determined.

For each row, enter the appropriate amounts in each column, as follows:

Dollar Amount

For Active Payment Error Rate and Undetermined Cases enter the dollar amount represented in the universe.

The cells should be left blank in the Active Case Error Rate and Negative Case Error Rate rows because these are case error rates only.

Error Rate Column

For Active Payment Error Rate, Active Case Error Rate, and Negative Case Error Rate, enter the computed error rate. Please report the error point with one decimal (e.g., 94.2%).

The cell should be left blank in the Undetermined Cases row because these cases do not have an associated error rates.

Confidence and Precision Column

For Active Payment Error Rate, Active Case Error Rate, and Negative Case Error Rate, enter the confidence and precision of the computed error rate – which should be 95.0%, +/- 3 %.

The cell should be left blank in the Undetermined Cases row because these cases do not have an associated error rates.

Percentage Column

For Undetermined Cases, enter the percentage of the sample represented by undetermined cases.

The cells should be left blank in the Active Payment Error Rate, Active Case Error Rate, and Negative Case Error Rate rows.