ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

# PERM Overview
# For Skilled Nursing Facilities on Tribal Lands
## *Documentation Requirements*

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Division of Fee-for-Service Management

# CMS PERM Overview

The purpose of this presentation is to educate providers about the PERM program. Learn about the documentation requirements and processes for Nursing Facilities located on tribal lands.

Where can I find more information about PERM?

- CMS PERM Website
- Provider PERM Frequently Asked Questions

# What is Payment Error Rate Measurement (PERM)

The PERM audit measures improper payments in Medicaid and CHIP and produces improper payment rates for each program. Improper payment rates are based on reviews of fee-for-service (FFS), managed care and eligibility of Medicaid and CHIP in the year under review.

PERM is designed to comply with the Improper Payments Information Act (IPIA) of 2002, amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA) and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), requires the heads of federal agencies to annually review programs that they administer to:

- Identify those that may be susceptible to significant improper payments.
- Estimate the amount of improper payments.
- Submit those estimates to Congress.
- Submit a report on corrective actions the agency is taking to reduce improper payments.

# PERM Review Process

The Center for Medicare and Medicaid Services (CMS) uses a 17-state rotation for PERM, so each state is reviewed *once every three years*.

Arizona is a Cycle 3 state. CMS conducts a medical record review of fee-for-service (FFS) payments to determine the appropriateness of the payment.

- A random sample of payments is selected from all Medicaid and CHIP FFS payments a state makes in a year.
- Those providers that provided services for payments in the random sample selected will be contacted to provide medical documentation.
- Medical records are requested from the provider by the PERM Review Contractor hired by CMS.
- All errors found during a PERM audit are considered improper payments.

# PERM Cycle by State

The following is a list of states and their assignment within the three rotation cycles:

- Cycle 1 - Arkansas, Connecticut, Delaware, Idaho, Illinois, Kansas, Michigan, Minnesota, Missouri, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, Virginia, Wisconsin, Wyoming.

- Cycle 2 - Alabama, California, Colorado, Georgia, Kentucky, Maryland, Massachusetts, Nebraska, New Hampshire, New Jersey, North Carolina, Rhode Island, South Carolina, Tennessee, Utah, Vermont, West Virginia.

- Cycle 3 - Alaska, Arizona, District of Columbia, Florida, Hawaii, Indiana, Iowa, Louisiana, Maine, Mississippi, Montana, Nevada, New York, Oregon, Puerto Rico, South Dakota, Texas, Washington.

# PERM Review Process (continued)

CMS uses a PERM Review Contractor (RC) to conduct a medical review of payments to determine proper or improper payment.

Customer service representatives from the PERM Review Contractor will call all providers in the sample to identify the appropriate medical record point of contact for each provider.

- A written request will be faxed or mailed to the provider's office.
- The request will specify the types of documents needed for each claim type and will provide instructions for how to submit the records to the PERM Review Contractor.
- If the documentation submitted is incomplete, additional documentation will be requested.

Important Note: If the provider is unable to provide sufficient documentation, the PERM Review Contractor will cite the payment as an error and the state will be required to recoup the payment from the provider.

# Skilled Nursing Facilities on Tribal Lands

Per AMPM Policy 310-R – Nursing Facility Services,  on tribal land, nursing facilities are not required to have a license but must meet licensure requirements.

- SNFs on tribal lands that accept Medicare or Medicaid members must meet federal standards for participation. These standards include requirements for documentation related to resident care and services.

# PERM Medical Records and Documentation Requests

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# What are the provider responsibilities for PERM?

- Providers will be receiving medical document request from the CMS PERM contractor
- Ensure that you are meeting the medical record documentation requirements for each claim type.
- Respond to the request for records as soon as possible but no later than the due date.
- Respond to any additional requests for medical records no later than the due date.

- Keep your contact information up-to-date with AHCCCS.
- Periodically review your organization's medical records process and procedures to ensure compliance.
- Providers must submit the requested information no later than the due date of the request.
- Respond to any additional requests for medical records no later than the due date.

# Medical Records Documentation

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# AMPM Policy 940 – Medical Records and Communication of Clinical Information

Nursing homes and assisted living facilities provide LTSS to elders and people with disabilities who have too many LTSS needs to receive care at home. Tribally run nursing homes offer these services in culturally appropriate settings.

- Providers are required to maintain comprehensive documentation related to care and services provided to members.

# AMPM 940 Medical Records and Communication of Clinical Information

A. Medical Record Requirements

- Records shall be kept up to date, well organized and comprehensive, with sufficient detail to demonstrate and promote effective member care and ease of quality review. Medical record requirements are applicable to paper, electronic format medical records, and telemedicine.
- Medical Records shall be available to individuals authorized according to policies and procedures for accessing the patient's medical record and as permitted by law.

  a. Providers shall maintain a list of persons and/or organizations who inspect member records as identified under A.A.C. R9-21-209.

# AMPM 940 Medical Records and Communication of Clinical Information (continued)

G. Medical records shall identify the treating or consulting provider. A member may have more than one medical record kept by various physical and/or behavioral health care providers that have rendered services to the member.

i. Treating provider shall sign their treatment notes after each appointment and/or procedure. Provider signature shall occur as close to the actual entry of treatment notes as possible and based on either professional standards of care and/or requirements specified within A.A.C. Title 9, Chapter 10.

# AMPM 940 Medical Records and Communication of Clinical Information

1. Medical record requirements are applicable to both paper format and electronic medical records. Records may be documented on paper format or in an electronic format and shall include the following:
a. Documentation of identifying demographics, including:

- Any previous names by which the member is known,
- Previous address,
- Telephone number with cell or home designation, and both if applicable,
- Email address,
- Birth sex,
- Race,
- Ethnicity, and
- Preferred language.

# AMPM 940 Medical Records and Communication of Clinical Information (continued)

I. Documentation of coordination of care activities including, but not limited to:

- Referrals to other providers,
- Transmission of the diagnostic, treatment and disposition information related to a specific member to the requesting provider, as appropriate to promote continuity of care and quality management of the member's health care,
- Reports from referrals, consultations, and specialists for behavioral and/or physical health, as applicable,
- Emergency/urgent care reports,
- Hospital discharge summaries,
- Transfer of care to other providers, and
- Any notification when a member's health status changes or new medications are prescribed.

# Skilled Nursing Facility Documentation

Skilled nursing facilities are required to maintain specific documentation to ensure residents receive appropriate care and comply with federal and state regulations.

- This documentation may include but may not be limited to the following:

| Assessment | Care Plans | Progress Notes | Physician Orders |
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| Rehabilitation therapy logs | Medication administration records | Discharge summaries | Medicare physician certifications |

Additionally, facilities need to document aspects like initial evaluations, re-evaluations, treatment encounter notes, and quality improvement letters.

# AMPM Policies and Resources:

- AMPM Policy 1620-K Skilled Nursing Need Standards
- IHS-Tribal Provider Billing Manual Chapter 15 Nursing Facility Services
- AMPM Policy 940 Medical Records and Communication of Clinical Information
- AMPM Policy 310-R Nursing Facility Services

# Recap

- Remember the importance of timeliness on responses and submission of documents when requested.
- Follow provider submission instructions listed on the final page of the letter packet.
- Verify records submitted are complete, legible, and include all relevant documentation to support the sample claim.
- Contact the PERM RC by phone or email with any questions or concerns regarding medical record requests.