

Payment Error Rate Measurement Program (PERM) Medicaid Improper Payment Rates

Cycle-Specific Medicaid Improper Payment Rates

Year	PERM Cycle	Overall	FFS	Managed Care	Eligibility
2007*	Cycle 1 – FY 2006	--	4.7%	--	--
2008	Cycle 2 – FY 2007	10.5%	8.9%	3.1%	2.9%
2009	Cycle 3 – FY 2008	8.7%	2.6%	0.1%	6.7%
2010	Cycle 1 – FY 2009	9.0%	1.9%	0.1%	7.6%
2011	Cycle 2 – FY 2010	6.7%	3.6%	0.5%	4.0%
2012	Cycle 3 – FY 2011	5.8%	3.3%	0.3%	3.3%
2013	Cycle 1 – FY 2012	5.7%	3.4%	0.2%	3.3%
2014	Cycle 2 – FY 2013	8.2%	8.8%	0.1%	2.3%
2015	Cycle 3 – FY 2014	14.25%	18.63%	0.08%	3.69%
2016	Cycle 1 – FY 2015	8.81%	9.78%	0.49%	3.34%

*Medicaid Fee-For-Service was the only component measured this cycle

Rolling National Medicaid Improper Payment Rates**

Year	PERM Cycles Included	Overall	FFS	Managed Care	Eligibility
2010	Cycle 2 – FY 2007 Cycle 3 – FY 2008 Cycle 1 – FY 2009	9.4%	4.4%	1.0%	5.9%
2011	Cycle 3 – FY 2008 Cycle 1 – FY 2009 Cycle 2 – FY 2010	8.1%	2.7%	0.3%	6.1%
2012	Cycle 1 – FY 2009 Cycle 2 – FY 2010 Cycle 3 – FY 2011	7.1%	3.0%	0.3%	4.9%
2013	Cycle 2 – FY 2010 Cycle 3 – FY 2011 Cycle 1 – FY 2012	5.8%	3.6%	0.3%	3.3%
2014	Cycle 3 – FY 2011 Cycle 1 – FY 2012 Cycle 2 – FY 2013	6.7%	5.1%	0.2%	3.1%
2015	Cycle 1 – FY 2012 Cycle 2 – FY 2013 Cycle 3 – FY 2014	9.78%	10.59%	0.12%	3.11%
2016	Cycle 2 – FY 2013 Cycle 3 – FY 2014 Cycle 1 – FY 2015	10.48%	12.42%	0.25%	3.11%

**Considered the official rates reported by CMS (in 2015, OMB began requiring PERM to report the official rates to two decimal places)