

Category	Number of Sample Improper Payments	Number of Claims Sampled	Sample Improper Payments	Sample Paid Amount	Projected Improper Payments (millions)	Projected Paid Amount (millions)	Improper Payment Rate	95% CI
Denied Claims	0	315	\$0.0	\$0.0	\$0.0	\$0.0	N/A	N/A
Hospice Services	0	7	\$0.0	\$10,890.9	\$0.0	\$0.8	0.0%	0.0% - 0.0%
ICF/IID and ICF/Group Homes	0	43	\$0.0	\$706,036.8	\$0.0	\$3.0	0.0%	0.0% - 0.0%
Total	758	22,808	\$510,697.3	\$72,096,254.7	\$134.8	\$6,187.4	2.2%	1.9% - 2.5%

Note: Details do not always sum to the total due to rounding. Additionally, for denied claims or categories with fewer than two claims per sample stratum, a confidence interval is not calculated. For denied claims, there is also no improper payment rate calculated since there is no paid amount associated with the claim.

Table C2. Data Processing Error Codes

Error Code	Error	Definition
DP1	Duplicate Claim Error	The sampled line item/claim or capitation payment is an exact duplicate of another line item/claim or capitation payment that was previously paid. Services on a sampled claim conflict with services on another claim during the same DOS.
DP2	Non-covered Service/Beneficiary Error	The state’s policy indicates that the service billed on the sampled claim is not payable by the Medicaid program or CHIP and/or the financial system reflects incorrect beneficiary eligibility status for the coverage category for the service.
DP3	FFS Payment for a Managed Care Service Error	The beneficiary is enrolled in an MCO that includes the service on the sampled claim under capitated benefits, but the state inappropriately paid for the sampled service.
DP4	Third-Party Liability Error	Medicaid/CHIP paid the service on the sampled claim as the primary payer, but a third-party carrier should have paid for the service.
DP5	Pricing Error	The payment for the service does not correspond with the pricing schedule on file and in effect for the DOS on the claim.
DP6	System Logic Edit Error	The system did not contain the edit that was necessary to properly administer state policy or the system edit was in place, but was not working correctly and the sampled line item/claim was paid inappropriately.
DP7	Data Entry Error	The sampled line item/claim was paid in error due to clerical errors in the data entry of the claim.
DP8	Managed Care Rate Cell Error	The beneficiary was enrolled in managed care on the sampled DOS and assigned to an incorrect rate cell, resulting in payment made according to the wrong rate cell.
DP9	Managed Care Payment Error	The beneficiary was enrolled in managed care and assigned to the correct rate cell, but the amount paid for that rate cell was incorrect.
DP10	Provider Information/Enrollment Error	The provider was not enrolled in Medicaid/CHIP according to federal regulations and state policy or required provider information was missing from the sampled claim.
DP11	Claim Filed Untimely Error	The sampled claim was not filed in accordance with the timely filing requirements defined by state policy.
DP12	Administrative/Other Error	A payment error was discovered during data processing review, but the error was not a DP1 – DP11 error.
DTD	Data Processing Technical Deficiency	A deficiency was found during data processing review that did not result in a payment error.

For more information on the PERM methodology and findings please visit www.cms.gov/perm and the 2017 HHS AFR.