

Payment Error Rate Measurement (PERM) Program 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	N/A	18.63%	0.08%	N/A
2016**	Cycle 1 – FY 2015	N/A	9.78%	0.49%	N/A
2017**	Cycle 2 – FY 2016	N/A	10.55%	0.38%	N/A
2018**	Cycle 3 – FY 2017	N/A	23.91%	0.02%	N/A
2019	Cycle 1 – RY 2019	26.18%	15.12%	0.00%	20.60%

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

**For the 2015-2018 measurements, eligibility reviews were suspended. Therefore, eligibility component improper payment rates have been removed from these rates. 2019 represents the first cycle measured under the new PERM regulation (82 FR 31158). Cycles prior to 2015 were measured under the previous PERM eligibility methodology. Additionally, CMS began reporting the official rates to two decimal places in 2015. Cycles prior to 2015 had rates reported to one decimal place.

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%	6.0%
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%
2017	Cycle 3 – FY 2014 Cycle 1 – FY 2015 Cycle 2 – FY 2016	10.10%	12.87%	0.30%	3.11%
2018	Cycle 1 – FY 2015 Cycle 2 – FY 2016 Cycle 3 – FY 2017	9.79%	14.31%	0.22%	3.11%
2019	Cycle 2 - FY 2016 Cycle 3 – FY 2017 Cycle 1 – RY 2019	14.90%	16.30%	0.12%	8.36%

*Considered the official rates reported by CMS.

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