



PERM Corrective Action Plan (CAP) Process

Presented by

Division of Error Rate Measurement
Provider Compliance Group
Office of Financial Management
Centers for Medicare & Medicaid Services





PERM OVERVIEW

- The Payment Error Rate Measurement (PERM) program measures improper payments for Medicaid and the Children’s Health Insurance Program (CHIP).
- Implemented to comply with the Improper Payments Information Act (IPIA) of 2002 and the Office of Management and Budget (OMB) guidance.
- CMS uses a 17- state rotation for PERM. Each State and the District of Columbia is reviewed once every three years.

FY 2008	Alaska, Arizona, District of Columbia, Florida, Hawaii, Indiana, Iowa, Louisiana, Maine, Mississippi, Montana, Nevada, New York, Oregon, South Dakota, Texas, Washington
FY 2009	Arkansas, Connecticut, Delaware, Idaho, Illinois, Kansas, Michigan, Minnesota, Missouri, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, Virginia, Wisconsin, Wyoming
FY 2010	Alabama, California, Colorado, Georgia, Kentucky, Maryland, Massachusetts, Nebraska, New Hampshire, New Jersey, North Carolina, Rhode Island, South Carolina, Tennessee, Utah, Vermont, West Virginia



Success is where preparation and
opportunity meet.

-Bobby Unser



What is a Corrective Action Plan?

- A step by step plan of action that your State develops to achieve targeted outcomes for resolution of identified problems in an effort to:
 - Identify the most cost-effective actions that can be implemented to correct error causes
 - Develop and implement a plan of action to improve processes or methods so that outcomes are more effective and efficient
 - Achieve measureable improvement in the highest priority areas
 - Eliminate repeated deficient practices



Why do States' need a Corrective Action Panel?

- CMS believes that an essential step in the corrective action process is the formulation of a **corrective action panel**.
- **Corrective Action Panel Responsibilities**
 - Providing insight on possible causes of errors
 - Communicating the corrective action plan progress to management and other stakeholders
 - Developing strategies
 - Making all major decisions on the planning, implementation and evaluation of corrective actions
- CMS also believes that the key to a successful corrective action process requires the **participation** and **commitment** of top management to coordinate efforts across their agency and ensure participation of major department heads in the process.

5 Steps of a Corrective Action Plan (CAP)

Step 1

- Data Analysis

Step 2

- Program Analysis

Step 3

- Corrective Action Planning

Step 4

- Implementation

Step 5

- Evaluation and Monitoring



Five Sections of a Corrective Action Plan (CAP)

Data Analysis	Identify the root cause of the error when did the error occur who or what caused the error
Program Analysis	Identify operational policies and procedures that cause the error
Corrective Action Planning	Focus on error concentrations that have the most significant impact on the error rate
Implementation	Identify major tasks required to implement the corrective action, timelines including target implementation dates, and key personnel/components responsible for each action
Evaluation and Monitoring	Assess whether the corrective actions in place are effective at reducing or eliminating error causes



State Liaison Officer Contact Information

CMS Region	States	CMS PERM CAP State Liaison Officer	
4	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee	Monetha Dockery E-mail:	410-786-0155 Monetha.Dockery@CMS.hhs.gov
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1	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Chris King E-mail:	410-786-6972 Christopher.King@CMS.hhs.gov
3	Delaware, D.C., Maryland, Pennsylvania, Virginia, West Virginia		
2	New York, New Jersey	Nicole Perry E-mail:	410-786-8786 Nicole.Perry@CMS.hhs.gov
5	Illinois, Indiana, Minnesota, Michigan, Ohio, Wisconsin		
7	Iowa, Kansas, Missouri, Nebraska		
6	Arkansas, Louisiana, New Mexico, Oklahoma, Texas	Felicia Lane E-mail:	410-786-5787 Felicia.Lane@CMS.hhs.gov
9	Arizona, California, Hawaii, Nevada		
10	Alaska, Idaho, Oregon, Washington		



Moving forward CMS will...

- Begin follow-up calls with States to discuss development, progress, and composition of their CAP Panel.
- Provide individual data analysis and executive summary's for PERM and discuss through individual State calls
- Provide an opportunity for States to discuss amongst each other best practices for an effective Corrective Action Plan via a State Forum Call
- Initiate regular status update calls with each State

Reminder:

Deadline for all Corrective Action Plans (CAPs) is **December 01, 2009**



Questions

