



North Carolina Department of Health and Human Services  
**Division of Medical Assistance**

2501 Mail Service Center • Raleigh, N. C. 27699-2501 • Tel 919-855-4100 • Fax 919-733-6608

Beverly Eaves Perdue, Governor  
Lanier M. Cansler, Secretary

Craigian L. Gray, MD, MBA, JD, Director

January 13, 2010

Dear County Director of Social Services:

**RE: Payment Error Rate Measurement  
(PERM) for Medicaid for FY 2010**

North Carolina is one of 17 states federally mandated to participate in the Payment Error Rate Measurement (PERM) project reviews for federal fiscal year 2010 (October 1, 2009 – September 30, 2010). As a result, staff from the Division of Medical Assistance Quality Assurance section will be contacting you for several months for the purpose of conducting the eligibility reviews for PERM. Random statewide samples of active, terminated, and denied cases will be selected each month from the universe of Medicaid cases. Due to the requirements of PERM, cases may be sampled more than once during the sampling period.

County department of social service agencies (dss) will be asked to provide case records for the eligibility cases that are selected as part of the sample. DMA Quality Assurance staff will contact the county DSS to request records selected as part of the sample be sent via UPS. If a county has multiple records selected in the monthly sample, different Quality Assurance staff may be requesting each of the records. The county dss will be required to send the case files to the Quality Assurance staff member requesting the record. Quality Assurance Analysts conducting the reviews are: Ann Williams, Annette Sineath, Brooke Wolz, Drucilla Connor, Emily Clark, Nina Greeson, Renee Jones, Robin Tomblin, Sherry Silver, and Vickie Turlington.

The county DSS will receive a written report of findings on each case reviewed. The county DSS will be notified of the active errors via the DMA-7002P, PERM Active Case Error Final Report, and negative errors via the DMA-7004P, PERM Negative Case Final Error Report. Rebuttal of QC errors will be allowed solely on agency responsible errors on active cases. When agency responsible active errors are discovered, DMA Quality Assurance staff will notify the county via the DMA-7001P, PERM Active Case Potential Error Report. The county will be allowed three workdays to respond and provide supporting documentation of a rebuttal via fax or Zixmail. The Quality Assurance supervisor will notify the county DSS of the final decision regarding a rebuttal via the DMA-7001P. If the final decision results in a finding of an error on an agency responsible error or the county dss fails to respond to the DMA-7001P, a DMA-7002P will be sent to the county DSS via Zixmail.

The county will be required to submit corrective action for all errors to DMA Quality Assurance and the MPR within 60 calendar days of notification of error findings. The MPR will follow up with the county within the 60-day period to ensure that corrective action has been implemented. The county and the MPR will submit a description of the corrective action taken to DMA Quality Assurance via Zixmail on the DMA-7003P, PERM Corrective Action Report. Copies of these forms are attached.



PERM for Medicaid for FY2010

If you have any questions regarding the Payment Error Rate Measurement, Jeryl Anderson, Chief of DMA Quality Assurance at 919-647-8000 or via email at [Jeryl.Anderson@dhhs.nc.gov](mailto:Jeryl.Anderson@dhhs.nc.gov).

Sincerely,

Craig L. Gray, MD, MBA, JD

Attachments



**County's Response:** (Check One)  Concur with Finding  Rebut (Explain)

*\*Note: Please fax proof/documentation/verification, etc. to support rebuttal. Fax to: \_\_\_\_\_, QC Supervisor, at 919-715-7706.*

Reason for Rebuttal:

Name: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Quality Assurance Response to Rebuttal:**

QC Supervisor: \_\_\_\_\_ Date: \_\_\_\_\_

CC: \_\_\_\_\_, MPR  
Jon York, MPR Field Supervisor

DMA-7001P



## North Carolina Division of Medical Assistance – Quality Assurance

**DEPARTMENT OF SOCIAL SERVICES**  
**PERM CORRECTIVE ACTION REPORT**

County:	Date:
Case Name:	EIS Case ID #:
PERM Individual Name:	PERM Individual ID#:
PERM Review Month:	PERM Review #:

<p><i>County's Response</i>  (Please complete all information)</p>	
Error Corrected:	<input type="checkbox"/> Yes If checked, describe action taken. <input type="checkbox"/> No If checked, explain reason no correction was made.
Corrective Action Taken:	<input type="checkbox"/> Yes If checked, describe action taken. <input type="checkbox"/> No If checked, explain reason no correction was made.

Name:	Title:	Date:
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ZixMail Response to: \_\_\_\_\_ at \_\_\_\_\_@dhhs.nc.gov  
, MPR at \_\_\_\_\_

DESCRIPTION OF CORRECTIVE ACTION PLAN FOLLOWUP  
*(To Be Completed by MPR):*

**MPR:**

**Date of Contact:**

North Carolina Division of Medical Assistance – Quality Assurance

PERM NEGATIVE CASE FINAL ERROR REPORT

Date:

To:

County Department of Social Services

Case Name:	EIS Case ID #:
PERM Individual Name:	PERM Individual ID#:
QC Review Month:	QC Review #:
Program/Category:	County:

Advance Notice Requirements:  N/A  
 Met  
 Not Met

Case Record Indicates:  Correct Action; however,  
 Documentation Problems Found  
 Verification Problems Found  
 Policy Problems Found  
 Other; Explain:  
  
 Incorrect Action, due to:  
 Application Denied in Error  
 Case Terminated in Error

Description of Error Finding(s):  
  
**Manual Citation(s):**

**SUGGESTED CORRECTIVE ACTION**

Reviewers: \_\_\_\_\_, Quality Assurance Analyst  
\_\_\_\_\_, Quality Assurance Supervisor



cc: , MPR  
Jon York, MPR Field Supervisor  
, QCA

DMA-7004P