

Medicaid and SCHIP

Payment Accuracy Measurement Project
Year 3

Final Report

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EXECUTIVE SUMMARY

This final report provides the findings from 27 States that voluntarily participated in the third year of the Payment Accuracy Measure (PAM) pilot project. The PAM research and demonstration project in the first year determined that it was feasible to measure payment accuracy in Medicaid. The second year of the PAM pilot project tested a standard methodology. The purpose of the third year of the project was to refine the standard methodology tested in year two. This methodology was designed to measure the accuracy of Medicaid and the State Children's Health Insurance Program (SCHIP) payments in both fee-for-service (FFS) and managed care at the State and national level.

States' Medicaid and SCHIP programs have wide variation in benefit packages, beneficiary populations and payment systems. Some States provide services in both managed care and FFS settings while other States offer services predominantly through managed care or FFS settings. To structure the testing of payment accuracy to States' particular program characteristics and to attract participation in the pilot project, States could select what programs and components to measure. Twelve States measured payment accuracy in both Medicaid and SCHIP: *Arizona, Delaware, D.C., Florida, Idaho, Iowa, Louisiana, New Mexico, North Carolina, Oklahoma, South Dakota, and Utah*. Twelve States tested payment accuracy in Medicaid only: *Arkansas, California, Colorado, Indiana, Kentucky, Massachusetts, Minnesota, South Carolina, Texas, Virginia, Washington, and Wyoming*. Three States tested payment accuracy in SCHIP only: *Alabama, North Dakota and West Virginia*.

All States used a standard methodology when measuring payment accuracy. All States measured by three types of reviews: medical, data processing and eligibility and categorized improper payments found through the reviews using the same error codes. Finally, all States also used the same formula to compute the accuracy rates.

A national estimate of the accuracy rate of 93.96 percent for Medicaid was computed from the accuracy rates of the participating States. Since not all the States participated in this project, we assume that the participating States are a random sample of all States. CMS projected the accuracy rate from this sample to the population of all 50 States and the District of Columbia (D.C.). It is important to note that the actual sample is self-selected and those States choosing to participate may have payment accuracy rates that are systematically different from those States that declined to participate although there is no evidence regarding this type of bias. Despite this, the sample size for Medicaid is sufficiently large and is a sufficiently high proportion of the total number of States that any bias from being a self-selected sample is likely to be modest.

The following Table 5, which can be found in *Section II. Medicaid Summary of Findings*, summarizes the payment accuracy rate for each FFS and managed care component as measured by the States. For those States measuring both components, this table also shows a combined Medicaid accuracy rate.

Medicaid FFS & Managed Care Specific and Combined Accuracy Rates

State	Medicaid		Combined Medicaid PAM Rate
	Fee For Service PAM Rate	Managed Care PAM Rate	
Arizona	89.82%	92.55%	92.26%
Arkansas	88.10%	-	
California	98.10%	99.60%	98.40%
Colorado	82.96%	-	
Delaware	49.26%	99.57%	70.46%
District of Columbia	45.70%	99.70%	57.87%
Florida	89.83%	-	
Idaho	96.23%	-	
Indiana	96.27%	99.64%	96.54%
Iowa	97.74%	99.90%	97.88%
Kentucky	93.60%	100.00%	94.41%
Louisiana	98.70%	-	
Massachusetts	96.48%	99.72%	97.12%
Minnesota	97.62%	100.00%	97.82%
New Mexico	96.64%	99.89%	97.81%
North Carolina	96.77%	-	
Oklahoma	87.50%	-	
South Carolina	93.95%	-	
South Dakota	98.57%	-	
Texas	84.77%	99.53%	85.62%
Utah	99.20%	-	
Virginia	89.65%	99.14%	91.66%
Washington	91.43%	-	
Wyoming	95.95%	-	

The combined PAM rate is the weighted average of the FFS and managed care accuracy rates for States that reported both, where the weights are the share of total Medicaid expenditures represented by FFS and managed care, respectively.

For SCHIP, CMS is reporting a range of accuracy rates for SCHIP rather than a national accuracy rate because only 15 States volunteered to measure any aspect of SCHIP and those States were self-selected. The SCHIP FFS accuracy rate ranged from 74.85 to 99.52 percent. These rates varied greatly among the States. The SCHIP managed care accuracy rate ranged from 80.30 percent to 100.00 percent. Although this range appears wide, all States except one, had an accuracy rate greater than 97 percent. Table 4B, which can be found in *Section I. C. Compute the Accuracy Rate*, contains the range of SCHIP payment accuracy rates for FFS and for managed care. These estimates represent the results of the 11 participating SCHIP FFS States and the seven participating SCHIP managed care States. On the whole, SCHIP managed care studies reported rates higher than SCHIP FFS studies. One potential reason is that managed care enrollment, which hinges primarily on eligibility, is not error-prone since enrollees

generally received at least 6-months of guaranteed eligibility. Another potential reason is that the managed care claims, for purposes of the PAM Year 3 pilot, are not subjected to medical reviews (for which most errors are attributed due to insufficient documentation).

Table 4B. SCHIP Range of Rates

Program	SCHIP
	Accuracy Rate Range
FFS	74.85%-99.52%
MC	80.30%-100%

Although all States used a standard methodology under the PAM Year 3 pilot project to produce the accuracy rates, the accuracy rates should not be compared. States applied different administrative standards that resulted in a lack of a common approach to the reviews among States. For the medical reviews, States have different policies against which the reviews are conducted. For the eligibility reviews, States had two review options under this pilot for verifying program eligibility. Other differences include the level of provider cooperation in submitting information and whether States conducted the reviews or contracted the reviews to vendors (i.e., vendor experience or lack thereof contributed to efficiencies or problems with the project). Because of these inconsistencies and the wide variation in States' program characteristics, program documentation requirements and strictness of policies, it is important to emphasize that States' accuracy rates should *not* be compared.

Despite the challenges, CMS believes the PAM Year 3 pilot project was successful in testing a standard methodology. When results from all 27 FY2004 pilot States were compiled, CMS was able to develop a national estimate of payment accuracy in the Medicaid program and a range of payment accuracy rates for SCHIP.

I. PAYMENT ACCURACY MEASUREMENT METHODOLOGY

Overview

This final report provides the findings from 27 States that voluntarily participated in the third year of the Payment Accuracy Measure (PAM) pilot project. The PAM research and demonstration project, in the first two years of operation, determined that it was feasible to measure payment accuracy in Medicaid and tested a methodology to do so. The third year of the PAM project refined the methodology to produce national accuracy rates for Medicaid and State Children’s Health Insurance Program (SCHIP).

The PAM methodology estimates States’ payment accuracy for Medicaid and SCHIP payments made in the FFS and managed care settings. Payment accuracy is the ratio of the dollar value of payments made accurately to the dollar value of total payments made. The basic steps of the PAM methodology are to:

- select a random sample of FFS claims and managed care payments from each universe of paid Medicaid and SCHIP FFS claims and managed care payments;
- review the claims in each sample to determine payment accuracy; and,
- compute an accuracy rate based on the sample.

States’ Medicaid and SCHIP programs have wide variation in benefit packages, beneficiary populations and payment systems. Some States provide services in both managed care and FFS settings while other States offer services predominantly through managed care or FFS settings. To accommodate the diversity among States and to encourage participation in the PAM Year 3 pilot project, States were given implementation options. States could elect to test payment accuracy in Medicaid only; in SCHIP only; or, in both Medicaid and/or SCHIP. In testing payment accuracy in the Medicaid and SCHIP programs, States could further focus the testing on FFS payments only; managed care payments only; or both FFS and managed care payments. Therefore, States could elect to test any of the following:

Medicaid FFS	SCHIP FFS
Medicaid managed care	SCHIP managed care
Medicaid FFS and managed care	SCHIP FFS and managed care

Table 1 below illustrates the 27 States participating in the PAM Year 3 project and the selections each State made to measure payment accuracy.

Table 1: States Participating in PAM Year 3 – Selected Measurements

State	Medicaid		SCHIP	
	FFS	Managed Care	FFS	Managed Care
Alabama			•	
Arizona	•	•		•
Arkansas	•			
California	•	•		
Colorado	•			
Delaware	•	•		•
District of Columbia	•	•		•
Florida	•		•	•
Idaho	•		•	
Indiana	•	•		
Iowa	•	•	•	•
Kentucky	•	•		
Louisiana	•		•	
Massachusetts	•	•		
Minnesota	•	•		
New Mexico	•	•	•	•
North Carolina	•		• *	
North Dakota				•
Oklahoma	•		•	
South Carolina	•			
South Dakota	•		•	
Texas	•	•		
Utah	•		•	
Virginia	•	•		
Washington	•			
West Virginia			•	
Wyoming	•			

* Eligibility only

A. Sampling

For PAM Year 3, samples were drawn from a universe of all Medicaid and SCHIP FFS claims and managed care capitation payments paid by the States from October 1 through December 31, 2003. Each State was to design the sample to achieve 3 percent precision at the 95 percent confidence level for the FFS and managed care components of each program.¹

A sub-sample of claims for each program was randomly selected from the sampled claims being reviewed and were further reviewed for program eligibility. In those States where Medicaid eligibility was conferred due to eligibility for other programs, e.g., Temporary Assistance for Needy Families and Supplemental Security Income or were 100 percent Federally funded (i.e., refugee assistance) these cases were excluded. No SCHIP populations were excluded from the eligibility review because SCHIP eligibility is not tied to other benefit programs.

1. Medicaid FFS

Each State randomly selected a proportional, stratified random sample of Medicaid FFS payments from the universe of claims paid by the States from October 1 through December 31, 2003. The sample sizes by stratum were designed to be proportional to the dollar value of the claims represented by each stratum. For example, if inpatient services accounted for 20 percent of the dollars paid during the sample period, 20 percent of the claims that were reviewed were selected from the inpatient strata. The strata were defined as the following types of services:

- (1) inpatient hospital services, e.g., surgeries and services ordinarily furnished in a hospital;
- (2) long term care services, e.g., skilled nursing facility;
- (3) other independent practitioners and clinics, e.g., outpatient hospital, clinic services;
- (4) prescription drugs; e.g., medicines obtained at a pharmacy;
- (5) home and community-based services (HCBS), e.g., home health, hospice services;
- (6) other services and supplies, e.g., labs, x-rays and transportation; and
- (7) primary care case management, e.g., a fee paid to a physician to manage a patient's medical care.

¹ When States submitted their project proposals, those States that have Medicaid expansion SCHIP programs (States with small SCHIP populations that are included in Medicaid coverage groups and where the SCHIP program generally is implemented through the Medicaid State agency) tended to underestimate the number of claims needed to meet the 95 percent confidence level at 3 percent precision and, as a result, underestimated the funding request. States indicated that they thought the SCHIP sample size would be far less than Medicaid because the population was smaller. However, sample size estimates for Medicaid and SCHIP were not substantially different. Conversely, States with SCHIP stand-alone programs (SCHIP programs not associated with Medicaid) correctly estimated the sample size and, therefore, correctly estimated the budget. As a result, CMS gave the SCHIP expansion States the option to reduce the precision level to 4 percent and the confidence level to 90 percent to be able to operate within their allotted budgets. States that selected this option were Idaho, New Mexico, Oklahoma, South Dakota and Utah.

2. Medicaid Managed Care

Each State randomly selected a sample of Medicaid managed care capitation payments from the universe of payments made by the State from October 1 through December 31, 2003. The managed care payments were not stratified.

3. SCHIP FFS

Each State randomly selected a sample of SCHIP FFS payments from the universe of payments made by the State from October 1 through December 31, 2003. Stratification was optional for SCHIP. Of the ten States that conducted SCHIP FFS medical reviews, Alabama, Idaho, Iowa, Louisiana, New Mexico, Oklahoma, and South Dakota used some or all of the Medicaid strata. Florida, Utah, and West Virginia did not stratify the SCHIP FFS samples. Since the States did not consistently stratify the claims, the SCHIP FFS results are not reported by strata.

4. SCHIP Managed Care

Each State randomly selected a sample of SCHIP managed care capitation payments from the universe of payments made by the State from October 1 through December 31, 2003. The managed care payments were not stratified.

B. Reviews

All sampled claims were reviewed for payment accuracy as follows:

- FFS claims: data processing and medical reviews.
- Managed care claims: data processing reviews.
- A sub-sample of claims from the sampled claims: further reviewed for program eligibility.

1. Data Processing Reviews

Data processing reviews were conducted on all FFS and managed care claims to verify payment accuracy based on correct processing of the claim.

Data processing FFS reviews: The State reviewed each FFS claim, at a minimum, for the following errors:

- Duplicate claim: an exact duplicate of the claim was paid – same patient, same provider, same date of service, same procedure code, and same modifier.
- Non-covered service: policies indicate that the service is not payable by Medicaid.
- Managed care organization (MCO) covered service: MCO covered service; the beneficiary is enrolled in a MCO that should have covered the service.

- Third-party liability: payment is subject to third-party liability and was inappropriately billed to Medicaid.
- Pricing error: payment for the service does not correspond with the pricing schedule.
- Logic edit: a system edit was not in place based on policy or a system edit was in place but was not working correctly and the claim line was paid.
- Ineligible recipient: the recipient was not eligible for the services or supplies.
- Data entry (clerical) error: there were clerical errors in the data entry of the claim.
- Other: an error for a reason other than identified above. If this category is selected, the State was to provide a written explanation.

Data Processing managed care reviews: The States reviewed managed care capitation payments for the following errors:

- Ineligible beneficiary: the beneficiary did not meet the criteria to be enrolled in the MCO, e.g., aid category, age, or geographic area;
- Incorrect payment amount: a payment (i.e., capitation payment) that was not made in accordance with the State's policies and in an incorrect dollar amount; or
- Other errors: an error for a reason other than identified above, e.g., the person was automatically enrolled in the MCO but was not sent an enrollment package or the capitation fee should be retracted because the recipient moved to a waiver program.

NOTE: As part of the managed care reviews, States identified FFS claims that were paid on a beneficiary's behalf while the beneficiary was enrolled in a managed care plan. These claims were reviewed to determine if payment should have been the responsibility of the managed care organization. States tracked the number and dollar value of these claims that were payment errors but they were not included in the managed care accuracy rate because they were not part of the managed care sample. These payments also were not included in the FFS accuracy rate because they were not part of the FFS sample. Although these claims were not included in the accuracy rate, the results of this additional workload provided States with management information to help identify additional payment vulnerabilities. Conversely, if States identified payments during the FFS reviews for services that were covered under managed care, the payment errors were included in computing the FFS accuracy rate.

2. Medical Review

Medical reviews were conducted on FFS claims to determine if the service was medically necessary and appropriately coded. All Medicaid and SCHIP managed care capitation payments were reviewed only for data processing errors. States did not conduct medical reviews for the managed care payments because these payments are not based on service utilization. Instead, capitation payments are routinely made for a predetermined dollar amount for each enrolled beneficiary regardless of the number of services the beneficiary receives each month.

The basic process for reviewing FFS claims is to request medical records for the sampled claims, review States guidelines and policies related to the claims, review the medical record documentation, and determine if the claim was paid accurately. Each review finding is based on information that is included in the medical record according to each State's policies. Some States also reviewed claims history for a contextual review. When the medical review error finding is made, the State would code the error as follows:

- No documentation: the claim is unsupported due to no response to the documentation request.
- Insufficient documentation: the claim is unsupported due to insufficient response to the documentation request. Information was submitted by the provider; but it either was for the wrong date of service or did not support the procedure code billed.
- Coding error: the procedure was performed but billed using an incorrect procedure code.
- Unbundling: billing for components of procedure codes when only one procedure code is appropriate.
- Medically unnecessary service: the service is medically unnecessary based upon the documentation of the patient's condition in the medical record.
- Administrative error: the error is administrative in nature (e.g., an incorrect decision on a previous medical review). This error type may or may not result in a payment error.
- Policy violation: a policy is in place regarding the service or procedure performed and medical review indicates that the service or procedure is not in agreement with the documented policy. An inappropriate diagnosis for a service or procedure, as documented in the policy, would also fall into this error code.
- Other: an error for another reason other than identified above. If this category is selected, the State was to provide a written explanation.

3. Eligibility Review

As part of the data processing reviews, States reviewed a sub-sample of claims per program to verify actual program eligibility. The PAM Year 3 requirements indicated that States should review at least 100 claims per program. If a State was measuring only one program or only one component of a program, the State conducted 100 eligibility reviews for that program or component. States were allowed to drop an unlimited number of reviews where eligibility could not be affirmatively determined as long as a total of 100 reviews were completed. However, some States completed a higher number of eligibility reviews while a few States completed a lower number of eligibility reviews. In those States where Medicaid eligibility was conferred due to eligibility for other programs, e.g., Temporary Assistance for Needy Families and Supplemental Security Income or were 100 percent Federally funded (i.e., refugee assistance) these cases were excluded. No SCHIP populations were excluded because SCHIP eligibility is not tied to other benefit programs.

States could opt to review eligibility as of: (1) the date of service, or (2) as of the date of application or most recent redetermination. States were instructed to verify categorical and financial eligibility using documentation contained in the case records or obtained from the beneficiary or other source, e.g., employer, banks, data matches. When an eligibility determination could not be concluded, the case was dropped and the State had the option to replace the dropped case with another sampled claim. States were allowed to drop these cases since the potential to successfully verify eligibility was low due to the time lag between when the claim was paid and when the date of service or most recent action on the case occurred.

When the PAM model was originally constructed, in-depth eligibility reviews were not included in testing payment accuracy. Rather, eligibility was verified as part of the data processing review by ensuring the beneficiary was enrolled in the program at the time of service. The PAM Year 3 model included a sub-sample of in-depth eligibility reviews as part of the data processing reviews to reflect Improper Payments Information Act (IPIA) requirements. However, the eligibility findings were not recorded separately but rather were included with other data processing eligibility errors that checked for program enrollment in the error code “Ineligible Recipient.” CMS extracted the in-depth eligibility review findings from the data-processing eligibility reviews. The in-depth eligibility review information is illustrated in the Eligibility Tables throughout this report. A note of importance is that States could choose which review approach to use and whether or not to review additional claims beyond the minimum sub-sample size. Most States used a sub-sample that is too small to extrapolate a true population error rate with any degree of certainty. Therefore, these findings should be taken at face value and readers should not make any inferences from the data.

C. Compute the Accuracy Rate

A national estimate of the accuracy rate for Medicaid can be constructed from the accuracy rates of the participating States. Since not all States participated in this project, we assume that the participating States are a random sample of all States. We project the accuracy rate from this sample to the population of all 50 States and the District of Columbia (D.C.).

Since participation in this pilot was voluntary, it is important to note that the actual sample is self-selected and those States choosing to participate may have payment accuracy rates that are systematically different from those States that declined to participate, although we have no evidence regarding this type of bias. Despite this, the sample size for Medicaid is sufficiently large and is a sufficiently high proportion of the total number of States that any bias from being a self-selected sample is likely to be modest.

For SCHIP, CMS is reporting a range of accuracy rates for SCHIP rather than a national accuracy rate because only 15 States volunteered to measure any aspect of SCHIP and those States were self-selected.

The number of States participating, by Medicaid and SCHIP and by FFS and managed care is shown in Table 2 below.

Table 2: Number of Participating States by Program Component

Medicaid		SCHIP	
FFS	MC	FFS	MC
24	12	11*	7

*One State in SCHIP FFS only reviewed 100 claims for eligibility and did not review any claims for data processing or medical review.

For the participating States, the sample of payments was drawn from services paid by the States from October 1 through December 31, 2003. The inference regarding the national accuracy rate is for Federal fiscal year 2003. Hence, an annual rate is inferred from payments adjudicated for the first quarter of the fiscal year. Because of this inference, we assume payments adjudicated in the first quarter of the fiscal year are representative of payments over the entire fiscal year.

Table 3 contains estimates of the Medicaid national payment accuracy rate from the sample of participating States. The national estimates of the accuracy rate are about the same. Formally, we could not reject the hypothesis that they are the same at typical levels of statistical significance.

Table 3: Medicaid National Accuracy Rate Estimate

	Accuracy Rate	90% Confidence Interval	
		Upper	Lower
Medicaid	93.96%	95.9%	92.03%

The estimate of the national accuracy rate for Medicaid, based on the sample of participating States, exceeds the precision requirements of the IPIA. The precision requirement for the IPIA is that a 2.5 percentage point interval around the estimate encompasses the true rate with 90 percent probability. The 90 percent confidence interval around the estimate of the national accuracy rate is plus or minus 1.9 percentage points.

The FFS and managed care components of the national accuracy rates for Medicaid are shown in Table 4A. The national accuracy rate for Medicaid managed care is higher than the national for FFS rate. Moreover, the difference is statistically significant at the 0.05 level.

Table 4A: Medicaid FFS and Managed Care National Accuracy Rate

Program	Medicaid		
	Accuracy Rate	90% Confidence Interval	
		Upper	Lower
FFS	93.18%	95.4%	90.9%
MC	97.99%	99.9%	95.8%

Table 4B contains the range of SCHIP payment accuracy rates for FFS and for managed care. These estimates represent the results of the 11 participating SCHIP FFS States and the seven participating SCHIP managed care States. On the whole, SCHIP managed care studies reported rates higher than SCHIP FFS studies. One potential reason is that managed care, which hinges

primarily on eligibility, is not error-prone since enrollees generally received at least 6-months of guaranteed eligibility. Also, the managed care claims for purposes of the PAM Year 3 pilot, are not subjected to medical reviews (for which most errors are attributed due to insufficient documentation).

Table 4B. SCHIP Range of Rates

Program	SCHIP
	Accuracy Rate Range
FFS	74.85%-99.52%
MC	80.30%-100%

II. MEDICAID SUMMARY OF FINDINGS

Twenty-four States measured payment accuracy in Medicaid; either in FFS **and** managed care, or only FFS **or** only managed care. Table 5 summarizes the payment accuracy rate for each FFS and managed care component as measured by the States. For those States measuring both components, Table 5 also shows a combined Medicaid accuracy rate.

Table 5: Medicaid FFS & Managed Care Specific and Combined Accuracy Rates

State	Medicaid		Combined Medicaid PAM Rate
	Fee For Service PAM Rate	Managed Care PAM Rate	
Arizona	89.82%	92.55%	92.26%
Arkansas	88.10%	-	
California	98.10%	99.60%	98.40%
Colorado	82.96%	-	
Delaware	49.26%	99.57%	70.46%
District of Columbia	45.70%	99.70%	57.87%
Florida	89.83%	-	
Idaho	96.23%	-	
Indiana	96.27%	99.64%	96.54%
Iowa	97.74%	99.90%	97.88%
Kentucky	93.60%	100.00%	94.41%
Louisiana	98.70%	-	
Massachusetts	96.48%	99.72%	97.12%
Minnesota	97.62%	100.00%	97.82%
New Mexico	96.64%	99.89%	97.81%
North Carolina	96.77%	-	
Oklahoma	87.50%	-	
South Carolina	93.95%	-	
South Dakota	98.57%	-	
Texas	84.77%	99.53%	85.62%
Utah	99.20%	-	
Virginia	89.65%	99.14%	91.66%
Washington	91.43%	-	
Wyoming	95.95%	-	

The combined PAM rate is the weighted average of the FFS and managed care accuracy rates for States that reported both, where the weights are the share of total Medicaid expenditures represented by FFS and managed care, respectively.

Nine States reported FFS accuracy rates more than three percentage points below the national average: Arizona, Arkansas, Colorado, Delaware, D.C., Florida, Oklahoma, Texas and Virginia. The majority of errors for these States were attributable to lack of documentation or insufficient

documentation provided during the medical reviews of FFS claims. There was wide variation in the lack of documentation among States within the strata that define the following services: (1) inpatient hospital services; (2) long term care services; (3) other independent practitioners and clinics; (4) pharmacy; (5) home and community-based services (HCBS); (6) other services and supplies; and (7) primary care case management (PCCM). For example, Colorado had a high number of error claims for long term care (Stratum 2) because of missing or incomplete physician orders while Texas had a high rate of no documentation in practitioners and clinics (Stratum 3) and prescription drugs (Stratum 4).

Although most States did not specifically comment on the causes of provider non-cooperation in the reports, Virginia did comment that the accuracy rate for its FFS claims was negatively impacted by the failure of a number of providers to return the documentation needed to complete approximately one-half of the medical reviews. Virginia's efforts to solicit provider cooperation met with minimal success because the State told providers that claims found to be paid in error would not be recouped, which may have contributed to the lack of response. As a result, Virginia reported that it may recoup overpayments under the Payment Error Rate Measurement pilot project.

Delaware had an unusually large number of claims in error primarily due to insufficient documentation for long term care services because the State cited errors when nursing home medical records did not contain the Minimum Data Set (MDS), an assessment tool that many States use to calculate payment. However, the State's policy did not require that the MDS be included with other supporting documentation so if the other medical documentation supported the code that was billed, Delaware should not have cited such instances as errors. If these errors were excluded, the accuracy rate for the *medical review component* of the FFS review would be 99.84 percent rather than 64.87 percent.² Delaware did not have sufficient grant funds remaining to re-review the medical records for these claims and concluded that these findings are "lessons learned" from the pilot project.

Similarly, D.C. had an accuracy rate of 64.06 percent for the *medical review component*; again due to insufficient documentation or no documentation largely attributed to the lack of medical documentation provided by the D.C. Public Schools (DCPS), Child and Family Services Administration (CFSA) and the Department of Mental Health for children with special needs. For example, if a special needs child attended a DCPS school and was serviced by a school-based clinic, attendance records and print-outs from the claims/encounter tracking systems were considered insufficient to substantiate medical necessity and appropriateness of billing procedures. Both the DCPS and the CFSA have undergone a CMS fiscal audit in 2002/2003 which substantiated that these agencies lack adequate documentation to validate the claim or need for the service. The findings from the medical reviews in D.C. highlighted this issue.

² Note that the FFS sample used a dollar-weighted stratification approach that led to undersampling (relative to the claims frequency) of some strata and oversampling of others. The accuracy rates by strata were re-weighted in calculating the overall FFS accuracy rates. However, the percentages noted here for the medical review component do not reflect the reweighted figures. Therefore, while the figures accurately reflect the frequency of errors in the sample that was drawn and reviewed, they may not accurately represent the unbiased estimate of the frequency of these types of errors in the universe.

In Colorado, 156 overpayment errors were found through the medical reviews that totaled \$88,169.25. The lack of documentation or insufficient documentation accounted for 93 of 156 medical review errors (i.e., 51 “no documentation” errors totaling \$21,524.53 and 42 “insufficient documentation” errors totaling \$26,372.23).

In Texas, 133 overpayments errors were found through the medical reviews that totaled \$86,270.86. Sixty-seven of those errors (totaling \$12,179.34) occurred due to insufficient documentation because the medical records did not contain the date of service or the actual service was not documented. The majority of errors for Texas (41 or 60 percent of the 133 FFS errors) occurred in the pharmacy stratum; most were due to lack of pharmacy documentation. Twenty-nine of the 41 errors were cited because either the pharmacies did not send the original prescription copy of the service or the prescription lacked the required documentation for a controlled substance. The other 12 errors were cited when providers did not send records per Texas’ request.

Arizona, in addition to some lack of documentation for medical reviews (94 of 123 FFS overpayment errors), reported that eligibility reviews were difficult to complete because clients no longer receiving benefits would not cooperate and other clients, employers and other sources were difficult to contact, had moved or were no longer in business. These obstacles accounted for 7.6 percent of the cases being dropped from review.

The 12 States measuring improper payments in Medicaid managed care had accuracy rates above 99 percent except Arizona. Arizona reported that approval of the new mental health rates by CMS were extremely delayed which caused payments for 156 claims (out of the 201 managed care processing underpayment errors) in October 2003 for mental health services to be paid at an incorrect rate. Despite the fact that 78 percent of the data processing errors resulted from this error, it only totaled \$68.74 or 6 percent of the dollars in error. In addition, Arizona had 61 managed care overpayment errors totaling \$8,318.98 attributable to ineligibility. The State reported that one cause for a number of these errors was because Christmas bonuses caused recipients to be ineligible due to excess income.

A. Medicaid Accuracy Rates – FFS

Twenty-one States measured payment accuracy in Medicaid FFS. Table 6 summarizes the Medicaid FFS payment accuracy rate by State. The Medicaid FFS accuracy rates are based on the results of the processing review and the medical review for each claim and the eligibility review from a sub-sample of those claims. The State sample size was estimated to achieve a 3 percent precision level at the 95 percent confidence level. Since the sample size was estimated, some States achieved greater than 3 percent precision and some States achieved less.

Regardless, States are 95 percent sure that the true accuracy rate is within the specified lower and upper confidence intervals. As stated above, the majority of errors in the FFS component of the Medicaid program for most States are attributable to insufficient documentation to support the medical reviews.

Table 6: Medicaid FFS Accuracy Rates

State	Sample Size	FFS PAM Rate	Lower Confidence Interval	Upper Confidence Interval
Arizona	866	89.82%	86.88%	92.76%
Arkansas	650	88.10%	N/A*	N/A*
California	864	98.10%	96.60%	99.60%
Colorado	861	82.96%	79.40%	86.51%
Delaware	1731	49.26%	43.58%	54.94%
District of Columbia	867	45.70%	40.50%	50.91%
Florida	866	89.83%	86.05%	93.61%
Idaho	1075	96.23%	94.94%	97.51%
Indiana	1089	96.27%	94.69%	97.85%
Iowa	1430	97.74%	96.76%	98.73%
Kentucky	1067	93.60%	90.86%	96.33%
Louisiana	550	98.70%	97.49%	99.91%
Massachusetts	861	96.48%	94.81%	98.15%
Minnesota	1247	97.62%	96.44%	98.79%
New Mexico	867	96.64%	93.47%	99.80%
North Carolina	465	96.77%	94.97%	96.78%
Oklahoma	860	87.50%	82.99%	92.02%
South Carolina	1097	93.95%	91.79%	96.12%
South Dakota	897	98.57%	97.70%	99.44%
Texas	861	84.77%	80.31%	89.24%
Utah	867	99.20%	98.60%	99.80%
Virginia	900	89.65%	85.29%	94.00%
Washington	960	91.43%	89.72%	93.14%
Wyoming	860	95.95%	N/A*	N/A*

* This information was not made available by the State.

1. Medicaid FFS Overpayments and Underpayments

FFS overpayments are payment errors in which the payment should not have been made or was paid either at a higher rate than the State’s reimbursement rate or at an amount that was more than the program’s share of cost. A FFS underpayment is a payment error in which the payment was made at an amount less than the State’s set payment rate for a service or less than its share of cost.³

Tables 7 and 8 below summarize total overpayments and underpayments made by the 24 States measuring payment accuracy in Medicaid FFS. These tables reveal several findings related to

³ However, if the provider bills for a service at a rate less than the State’s set payment rate and the State pays the lesser rate, the payment is not considered an error.

the relative size and frequency of the different error types (medical, date processing and eligibility). States found substantially more overpayment errors (2,929 errors worth \$3,829,582.55) than underpayment errors (118 errors worth \$44,487.81).

For each type of review there were more overpayments than underpayments. While there was one-third as many data processing underpayment errors as data processing overpayment errors, the dollar value of the underpayment errors represented only 5 percent of the dollars improperly paid. The number of medical review underpayment errors was 2 percent of the total number of medical review errors and represented 1 percent of the dollars in error. There were 78 eligibility overpayment errors and no underpayment eligibility errors.

For overpayment errors, the hierarchy of frequency by error type was: (1) medical review errors (11.6 per 100 cases reviewed); (2) eligibility review errors (2.12 per 100 cases reviewed); and, (3) data processing review errors (less than 1 per 100 cases reviewed).

The dollar value of medical review errors (\$9.07 per \$100 reviewed) was much higher than the dollar value of the processing review errors (\$1.16 per \$100 reviewed). States reviewed only a subset of cases for eligibility and did not consistently report the dollar value of the eligibility sub-sample. Therefore, CMS cannot calculate the dollars in error found per \$100 reviewed.

Table 7: FFS Total Overpayments

Medicaid FFS Types of Errors	Number of Reviews	Total Number of Errors Found	Errors Found Per 100 Reviews	Total Dollars in the Sample Universe	Total Dollars in Error	Dollars in Error Found per \$100 Reviewed
Processing	22,658	220	0.97	\$36,692,216.88	\$425,865.44	\$1.16
Medical Review	22,658	2631	11.6	\$36,692,216.88	\$3,329,687.07	\$9.07
Eligibility	3340	78	2.3	N/A	\$74,030.04	N/A
Total	48,656	2,929	6.0	N/A	\$3,829,582.55	N/A

Table 8: FFS Total Underpayments

Error Type	Number of Reviews	Total Number of Errors Found	Errors Found Per 100 Reviews	Total Dollars in the FFS Sample	Total Dollar Amount of Errors	Dollars in Error per \$100 Reviewed
Processing	22,658	72	.3	\$36,692,216.88	\$22,187.83	\$0.06
Medical review	22,658	46	.2	\$36,692,216.88	\$22,299.98	\$0.06
Eligibility	3,340	0	0	N/A	\$0.00	\$0.00
Total	48,656	118	.2	N/A	\$44,487.81	N/A

Table 9 below provides more detail on the overpayment data processing and medical review errors found in the Medicaid FFS studies. The number, frequency, and dollar size of data processing and medical review errors varies substantially among the 24 States. For example, a

third of States found fewer than five data processing and medical review errors per 100 claims reviewed; while a quarter found more than 15 errors (Arkansas, Colorado, Delaware, D.C., New Mexico, and Texas). In total, an average of 12.6 claims per 100 reviews were found to be in error with an average of \$10.24 per \$100 reviewed to be in error.

In Colorado, all 156 overpayment errors totaling \$88,169.25 were attributed to medical reviews; primarily due to no documentation, insufficient documentation or medical necessity. New Mexico identified a total of 134 errors totaling \$21,328.53. All but one of the 24 data processing overpayment errors (totaling \$2,122.24) was due to incorrect pricing in which case the review uncovered that the Interim Capital Rate for inpatient/hospital had not been updated by the Fiscal Agent for October. All but four of the 110 medical review errors (totaling \$18,332.26) were policy violations because the personal care service plan was not followed and/or time in and out was not noted on the timesheet, as required. All but two of Texas' 135 overpayment errors (133 totaling \$86,270.86) were identified in the medical reviews. The majority of these errors (120) were for no documentation (23), insufficient documentation (67) or coding (30). The two other errors were data processing overpayments in the amount of \$139.91. Similarly, all but one of the 128 overpayment errors (127 totaling \$20,045.72) in Arkansas was identified in the medical reviews.

Delaware and D.C. were outliers. Delaware had an unusually large amount of claims in error in the medical reviews due to insufficient documentation (525 claims totaling \$1,271,504.80) primarily in the long term care stratum for the reasons discussed above. Similarly, D.C. had many errors in the medical reviews due to insufficient documentation or no documentation (327 out of 352 medical review overpayments, totaling \$1,229,025.56) largely attributed to lack of medical documentation provided by the D.C. Public Schools (DCPS), Child and Family Services Administration (CFSA) and the Department of Mental Health for children with special needs.

Table 9: Medicaid FFS Processing and Medical Review Overpayment Errors (Aggregate)

State	Sample Size	Total Number of Processing or Medical Review Errors Found	Errors Found per 100 Reviews	Total Dollars in the FFS Sample	Total Processing and Medical Review FFS Dollars in Error	Dollars in Error Found per \$100 Reviewed
Arizona	866	128	14.8	\$1,586,778.04	\$21,501.42	\$1.36
Arkansas	650	128	19.7	\$265,624.87	\$20,057.14	\$7.55
California	864	29	3.4	\$1,356,507.00	\$4,259.53	\$0.31
Colorado	861	156	18.1	\$1,035,346.00	\$88,169.25	\$8.52
Delaware	1731	741	42.8	\$4,102,401.28	\$1,440,819.52	\$35.12
D.C.	867	444	51.2	\$4,632,429.43	\$1,646,977.57	\$35.55
Florida	866	73	8.4	\$1,014,660.00	\$40,235.24	\$3.97
Idaho	1075	50	4.7	\$1,177,917.00	\$4,438.00	\$0.38
Indiana	1089	64	5.9	\$1,165,406.70	\$11,596.51	\$1.00
Iowa	1430	69	4.8	\$1,723,935.23	\$29,262.56	\$1.70
Kentucky	1067	74	6.9	\$1,204,166.34	\$21,597.16	\$1.79

State	Sample Size	Total Number of Processing or Medical Review Errors Found	Errors Found per 100 Reviews	Total Dollars in the FFS Sample	Total Processing and Medical Review FFS Dollars in Error	Dollars in Error Found per \$100 Reviewed
Louisiana	550	15	2.7	\$918,389.89	\$2,830.76	\$0.31
Massachusetts	861	43	5.0	\$1,906,635.01	\$9,552.12	\$0.50
Minnesota	1247	69	5.5	\$1,815,676.37	\$14,439.28	\$0.80
New Mexico	867	134	15.5	\$1,123,031.06	\$21,328.53	\$1.90
North Carolina	465	21	4.5	\$1,351,738.00	\$21,846.22	\$1.62
Oklahoma	860	101	11.7	\$846,799.20	\$85,594.31	\$10.11
South Carolina	1097	137	12.5	\$1,099,052.95	\$59,831.05	\$5.44
South Dakota	897	33	3.7	\$1,714,985.53	\$5,030.48	\$0.29
Texas	861	135	15.7	\$828,884.77	\$86,410.77	\$10.42
Utah	867	13	1.5	\$1,603,830.74	\$12,803.72	\$0.80
Virginia	900	110	12.2	\$1,594,273.53	\$73,197.41	\$4.59
Washington	960	23	2.4	\$1,351,738.00	\$5,433.17	\$0.40
Wyoming	860	61	7.1	\$1,272,009.94	\$28,340.79	\$2.23
Total	22,658	2,851	12.6	\$36,692,216.88	\$3,755,552.51	\$10.24

Table 10 below provides more detail on the Medicaid FFS underpayment processing and medical review errors by State. As with the overpayment errors, the number, frequency, and dollar size of processing and medical review underpayment errors varies among the 24 States but in all States is quite low. In total, an average of .5 claims per 100 reviewed (data processing and medical reviews) were found to be underpaid with the average underpayment for every \$100 reviewed to be 12 cents.

In D.C., the relatively high number of underpayment errors all occurred in data processing and all but two errors were due to third-party liability errors (claims were paid in full for Medicare eligible recipients). New Mexico's underpayment errors were all pricing errors. New Mexico attributed this problem to the fiscal agent not updating the payment guidelines in the month of October.

Table 10: Medicaid FFS Processing and Medical Review Underpayment Errors
(Aggregate)

State	Number of Reviews	Total Number of Processing or Medical Review Errors Found	Errors Found per 100 Reviews	Total Dollars in the FFS Sample	Total FFS Dollars in Error	Dollars in Error per \$100 Reviewed
Arizona	866	0	0.0	\$1,586,778.04	\$0.00	\$0.00
Arkansas	650	0	0.0	\$265,624.87	\$0.00	\$0.00
California	864	0	0.0	\$1,356,507.00	\$0.00	\$0.00
Colorado	861	2	0.2	\$1,035,346.00	\$82.00	\$0.01
Delaware	1731	12	0.7	\$4,102,401.28	\$545.58	\$0.01
D.C.	867	30	3.5	\$4,632,429.43	\$17,820.10	\$0.38
Florida	866	5	0.6	\$1,014,660.00	\$383.33	\$0.04
Idaho	1075	0	0.0	\$1,177,917.00	\$0.00	\$0.00
Indiana	1089	4	0.4	\$1,165,406.70	\$8,170.83	\$0.70
Iowa	1430	6	0.4	\$1,723,935.23	\$1,137.24	\$0.07
Kentucky	1067	7	0.7	\$1,204,166.34	\$1,340.18	\$0.11
Louisiana	550	2	0.4	\$918,389.89	\$118.56	\$0.01
Massachusetts	861	0	0.0	\$1,906,635.01	\$0.00	\$0.00
Minnesota	1247	3	0.2	\$1,815,676.37	\$587.32	\$0.03
New Mexico	867	14	1.6	\$1,123,031.06	\$1,713.46	\$0.15
North Carolina	465	1	0.2	\$1,351,738.00	\$7.55	\$0.00
Oklahoma	860	1	0.1	\$846,799.20	\$99.72	\$0.01
South Carolina	1097	3	0.3	\$1,099,052.95	\$1.23	\$0.00
South Dakota	897	10	1.1	\$1,714,985.53	\$5,030.48	\$0.29
Texas	861	1	0.1	\$828,884.77	\$4.16	\$0.00
Utah	867	0	0.0	\$1,603,830.74	\$0.00	\$0.00
Virginia	900	3	0.3	\$1,594,273.53	\$138.17	\$0.01
Washington	960	10	1.0	\$1,351,738.00	\$5,413.12	\$0.40
Wyoming	860	4	0.5	\$1,272,009.94	\$1,939.78	\$0.15
Totals	22,658	118	0.5	\$36,692,216.88	\$44,532.81	\$0.12

Tables 11 and 12 provide additional detail, by State, on the number and dollar value of data processing and medical review FFS overpayment and underpayment errors. These tables show that every State identified a higher number of medical review overpayment errors than data processing overpayment errors. In terms of dollars, every State except Massachusetts identified a higher amount of overpayments in medical review than in data processing. Three States, Colorado, Utah, and Virginia, did not report any data processing overpayment errors. However all States reported medical review overpayment errors.

In terms of underpayments, the number and amount of underpayments by review type were mixed. Of the 24 States, nine states identified more medical review errors than data processing

errors. Eight States identified more processing underpayments than medical review underpayments, and seven States identified the same number or no underpayment. Thirteen States did not report any medical review underpayment errors.

Table 11: Medicaid FFS Processing and Medical Review Overpayment Errors (Separate)

State	Total Number of Processing Errors	Total Dollar Value of Processing Errors	Total Number of Medical Review Errors	Total Dollar Value of Medical Review Errors
Arizona	5	\$3,585.20	123	\$17,916.22
Arkansas	1	\$11.42	127	\$20,045.72
California	2	\$12.66	27	\$4,246.87
Colorado	0	\$0.00	156	\$88,169.25
Delaware	1	\$42.88	740	\$1,440,776.64
D.C.	92	\$398,861.27	352	\$1,248,116.30
Florida	7	\$2,015.07	66	\$38,220.17
Idaho	10	\$1,705.00	40	\$2,733.00
Indiana	14	\$1,349.02	50	\$10,247.49
Iowa	7	\$5.07	62	\$29,257.49
Kentucky	3	\$108.12	71	\$21,489.04
Louisiana	3	\$39.53	12	\$2,791.23
Massachusetts	10	\$5,360.95	33	\$4,191.17
Minnesota	4	\$2,829.07	65	\$11,610.21
New Mexico	24	\$2,130.80	110	\$19,197.73
North Carolina	4	\$514.46	17	\$21,331.76
Oklahoma	2	\$4,606.05	99	\$80,988.26
South Carolina	14	\$626.86	123	\$59,204.19
South Dakota	5	\$1,431.51	28	\$3,598.97
Texas	2	\$139.91	133	\$86,270.86
Utah	0	\$0.00	13	\$12,803.72
Virginia	0	\$0.00	110	\$73,197.41
Washington	7	\$490.59	16	\$4,942.58
Wyoming	3	\$0.00	58	\$28,340.79
Total	220	\$425,865.44	2,631	\$3,329,687.07

Table 12: Medicaid FFS Processing and Medical Review Underpayment Errors (Separate)

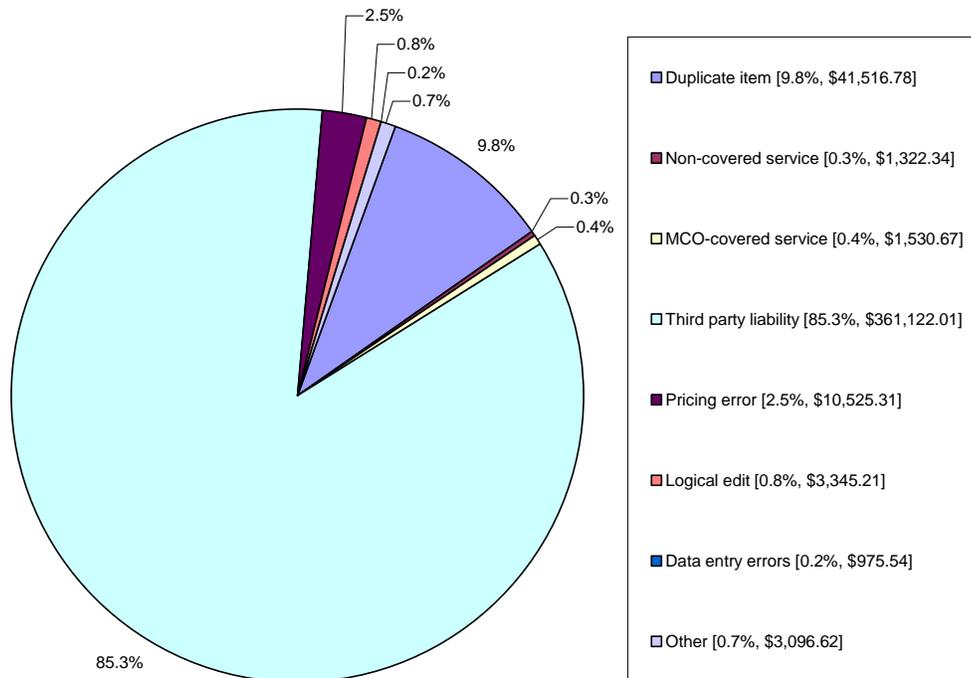
State	Total Number of Processing Errors	Total Dollar Value of Processing Errors	Total Number of Medical Review Errors	Total Dollar Value of Medical Review Errors
Arizona	0	\$0.00	0	\$0.00
Arkansas	0	\$0.00	0	\$0.00
California	0	\$0.00	0	\$0.00
Colorado	0	\$0.00	2	\$82.00
Delaware	0	\$0.00	12	\$545.58
D.C.	30	\$17,820.10	0	\$0.00
Florida	5	\$338.33	0	\$0.00
Idaho	0	\$0.00	0	\$0.00
Indiana	1	\$420.85	3	\$7,749.98
Iowa	0	\$0.00	6	\$1,137.24
Kentucky	3	\$158.83	4	\$1,181.35
Louisiana	2	\$118.56	0	\$0.00
Massachusetts	0	\$0.00	0	\$0.00
Minnesota	0	\$0.00	3	\$587.32
New Mexico	14	\$1,713.46	0	\$0.00
North Carolina	1	\$7.55	0	\$0.00
Oklahoma	1	\$99.72	0	\$0.00
South Carolina	3	\$1.23	0	\$0.00
South Dakota	7	\$1,431.51	3	\$3,598.97
Texas	0	\$0.00	1	\$4.16
Utah	0	\$0.00	0	\$0.00
Virginia	0	\$0.00	3	\$138.17
Washington	5	\$77.69	5	\$5,335.43
Wyoming	0	\$0.00	4	\$1,939.78
Total	72	\$22,187.83	46	\$22,299.98

Participating States were asked to report errors using uniform error codes. A breakdown of the distribution of the specific types of processing and medical review errors (by dollar value) reported by the States are presented in Figures 1 through 4 below.

States conducted a total of 22,658 reviews and found 220 data processing overpayment errors. Of the \$36,692,216.88 total dollars in the sample, \$425,865.44 were data processing overpayment errors. As shown in Figure 1, the highest proportion of Medicaid FFS overpayment data processing errors, by dollar value of error, were third-party liability errors, which accounted for 84.8 percent of the value of overpayment errors. Third-party liability errors occur when the service should have been paid by a third-party and was inappropriately paid by Medicaid. The next largest error category was *duplicate item*, which accounted for 9.8 percent of dollars that

were overpaid. The remaining six categories of processing errors: *data entry*, *logic edits* (payment was not correctly paid due to a system edit error or lack of an edit), *MCO-covered service*, *non-covered service*, *pricing*, and *other* amounted to only 4.9 percent of the dollars that were overpaid.

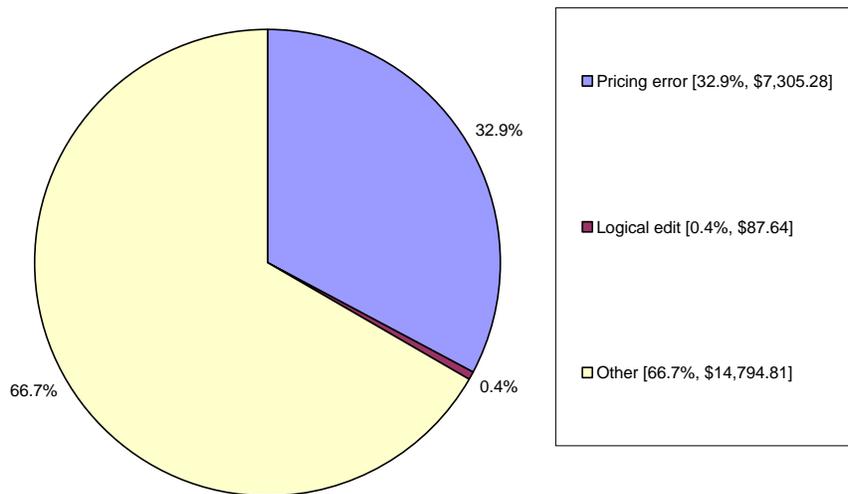
Figure 1: Medicaid FFS Processing Overpayment Errors by Error Code
Percentages represent Dollars



States conducted 22,658 reviews and found 72 data processing underpayment errors. Of the \$36,692,216.88 total dollars in the FFS sample, \$22,187.83 were underpaid. Figure 2 shows that the highest proportion of Medicaid FFS underpayment data processing errors, by dollar value of error, were “other” errors (e.g., miscalculation of hospital leave days) which accounted for 66.7 percent (or \$14,865.84) of the value of the underpayment errors. The District of Columbia was responsible for \$14,676.25 or 99% of those errors due to an underpayment on a hospital bill.

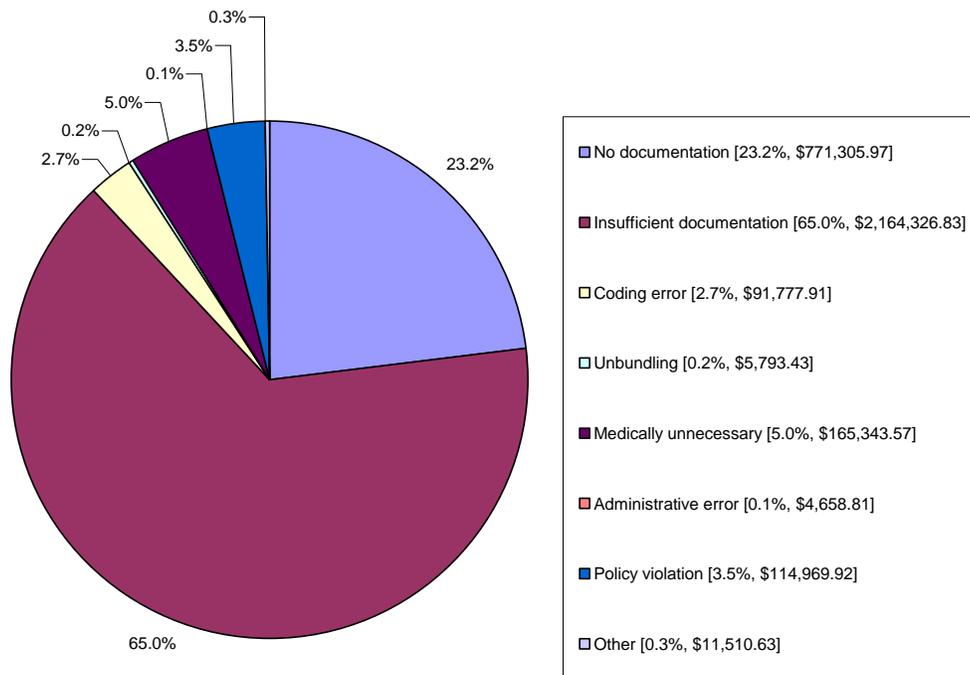
“Pricing” errors was the next largest category of dollars that were underpaid, which accounted for 32.9 percent. The final category, “logic edits,” accounted for less than 1 percent of the underpayment errors. There were no processing underpayment errors in the *data entry*, *MCO-covered service*, *duplicate item*, *non-covered service*, and *third-party liability* categories. It is also important to reiterate that, as shown above, the dollar value of FFS underpayment data processing errors was only \$22,187.83, compared to \$425,865.44 in overpayment data processing errors.

Figure 2: Medicaid FFS Processing Underpayment Errors by Error Code
Percentages represent Dollars



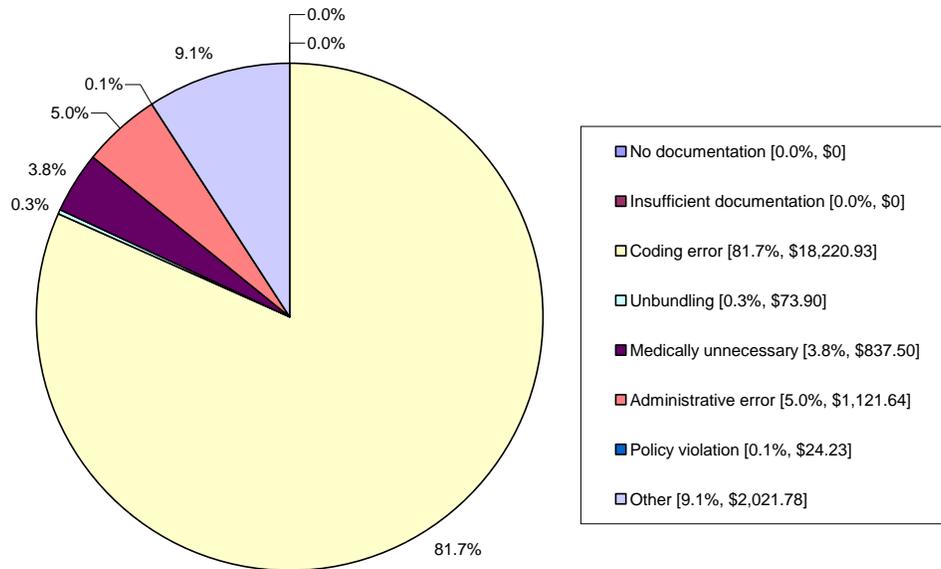
States conducted medical reviews on 22,658 claims and found 2,631 total overpayment errors. Of the \$36,692,216.88 total dollars in the sample universe, \$3,329,687.07 were in error. Figure 3 shows that 65 percent of the medical review dollars that were overpaid were caused by insufficient documentation, which amounts to 1,308 claims in error. “No documentation” accounted for 394 errors or 23.2 percent of errors by dollar value. Together, these categories accounted for 89 percent of the FFS medical review dollars that were overpaid, or over \$2.9 million in error. However, if the errors as a result of insufficient documentation for Delaware (525 errors) and D.C. (265 errors) are not considered due to the unique circumstances in these States, the total number of errors as a result of “insufficient documentation” is 660 or \$1,297,700.07 in error. Of the remaining six categories of medical review errors, *medical necessity*, *policy violations*, and *coding* accounted for over 11 percent of the medical review dollars overpaid. *Administrative errors*, *unbundling*, and *other* accounted for less than 1 percent of the dollars overpaid.

Figure 3: FFS Medical Review Overpayment Errors by Error Code
Percentages represent Dollars



States conducted 22,658 medical reviews and found 46 total underpayment medical review errors. Figure 4 shows the distribution of medical review underpayment errors, which totaled only \$22,300 compared to approximately \$3,300,000 in medical review overpayment errors. Among underpayments, there were no *insufficient* or *no documentation* errors. Of the underpayment errors, 81.7% were attributed to coding errors where the provider under coded the service. The *other* category accounted for 9 percent of the dollars that were underpaid. There were only six errors in this category: two in Colorado and four in Wyoming. The errors in Colorado occurred when the State underpaid \$80 for a hospital service (although the amount was accurately calculated) and made a \$2 underpayment for another service. The four errors (totaling \$1,939.78) in Wyoming occurred as follows: one in the long term care stratum where the State underpaid the number of days the patient was in the facility; the other three errors where in the HCBS stratum where the State underpaid for provider hours. The hierarchy of the remaining error categories is: *administrative errors*, *medical necessity*, *unbundling*, and *policy violation* which totaled 9.2 percent of the underpaid dollars.

Figure 4: FFS Medical Review Underpayment Errors by Error Code
Percentages represent Dollars



2. Medicaid FFS Eligibility

Table 13 provides information on the number and dollar value of eligibility review overpayment errors. There were no underpayment errors in the Medicaid FFS component. Note that eligibility reviews were only conducted on a subset of cases ranging from 50 claims to the entire FFS sample in some States. Also, because the reviews were only conducted on a subset of claims, States did not consistently report the dollar value of the eligibility review sub-sample. Thus, we cannot calculate the dollars in error per \$100 reviewed.

As previously mentioned, States were given two options on how to conduct the eligibility reviews. Option 1 – review eligibility for the date of service or Option 2 – review eligibility as of the date of application or most recent redeterminations. Ten States chose Option 1 and 14 chose Option 2.

This table shows that the number of eligibility overpayment errors varies by State. Twenty-four States conducted eligibility reviews. Ten States found no eligibility overpayment errors. Only five States found six or more eligibility errors per 100 cases reviewed, and Idaho was an outlier with 20 eligibility errors per 100 cases reviewed. Idaho's report noted that 13 of the 20 errors occurred for sampled claims in the long term care stratum. Idaho implemented a new

consolidated long term care eligibility unit in early 2004 and hopes that these errors will be reduced in the future. In Arizona, many of the recipients received a bonus in the month of December, making them ineligible due to excess income for the month of service. Minnesota's eligibility errors were mostly attributed to ineligibility due to excess resources.

States that used review Option 1 found more errors in total than States that used review Option 2. Of the 10 States that used review Option 1, three States did not find any errors and the other seven States found a total of 48 eligibility overpayment errors (3.24 errors per 100 cases reviewed) with a dollar value of \$52,071. Of the 14 States that used review Option 2, seven States found no errors and the other seven States found a total of 30 eligibility overpayment errors (1.37 errors per 100 cases reviewed) with a dollar value of \$21,959.

The average size of the overpayment for eligibility errors also varied substantially among States. For example, in Colorado, Iowa, and Utah the average size of each error was less than \$100, while in Arizona, Florida, Indiana, Louisiana, Massachusetts, and Minnesota the average size of each error was over \$1,000. Florida's errors occurred in the aged, blind and disabled populations which tend to have high-cost medical services. In Minnesota, five of the seven eligibility errors were due to excess resources; these errors were for high dollar amounts. Indiana, Louisiana and Massachusetts had one or two cases with a high dollar service attached to the eligibility error. Arizona had many errors due to Christmas bonuses that caused ineligibility due to excess income.

Table 13: Medicaid FFS Eligibility Errors

State	Number of Eligibility Reviews (Sub-Sample)	Total Number of Eligibility Overpayment Errors	Errors Found per 100 Reviews	Eligibility Overpayment Dollars in Error
Arizona (1)	670	19	2.84	\$29,218.86
Arkansas (2)	100	0	0.00	\$0
California (1)	54	0	0.00	\$0
Colorado (1)	100	2	2.00	\$69.80
Delaware (2)	50	0	0.00	\$0
D.C. (2)	50	0	0.00	\$0
Florida (1)	100	3	3.00	\$3,140.41
Idaho (2)	100	20	20.00	\$12,369.00
Indiana (2)	50	2	2.00	\$2,162.99
Iowa (2)	50	2	2.00	\$44.50
Kentucky (2)	100	0	0.00	\$0
Louisiana (2)	100	1	1.00	\$1,269.81
Massachusetts (2)	50	1	2.00	\$3,512.08
Minnesota (1)	106	7	6.60	\$12,785.53
New Mexico (1)	50	0	0.00	\$0
North Carolina (1)	100	7	7.00	\$3,214.84
Oklahoma (1)	100	6	6.00	\$2,864.19
South Carolina (2)	100	0	0.00	\$0

State	Number of Eligibility Reviews (Sub-Sample)	Total Number of Eligibility Overpayment Errors	Errors Found per 100 Reviews	Eligibility Overpayment Dollars in Error
South Dakota (2)	100	0	0.00	\$0
Texas (1)	50	0	0.00	\$0
Utah (2)	100	1	1.00	\$91.95
Virginia (1)	50	4	8.00	\$777.80
Washington (2)	960	3	0.31	\$2,508.28
Wyoming (2)	100	0	0.00	\$0
Total	3,340	78	2%	\$74,030.04

(1) = State chose eligibility review option one.

(2) = State chose eligibility review option two.

3. Medicaid FFS Payment Accuracy by Stratum

States testing payment accuracy in Medicaid FFS drew a proportional stratified random sample by dollar of paid Medicaid claims by service type. The sample sizes were not designed to meet State-specific precision requirements at the strata level. Therefore, the payment accuracy rates presented in Table 14 are the weighted average, by dollar, of each State's stratum accuracy rate. That is, States with higher expenditures in a stratum weighed into the average proportionately more than States with lower expenditures in the same stratum.

A majority of the States indicated that *insufficient documentation* or *no documentation* were factors to their accuracy rates, particularly in Strata 4 (*Pharmacy*) and Strata 5 (*HCBS*). Texas reported an accuracy rate of 76.58 percent in pharmacy claims and 85.60 percent in HCBS claims that were due to lack of pharmacy documentation and insufficient HCBS documentation. Likewise, Virginia's pharmacy strata accuracy rate was 78.01 percent with a dollar value of overpayment errors as \$3,438.90. Virginia reported that more than one-half of the absolute dollar value of errors (64 percent) resulted from two types of errors: no documents provided and insufficient documentation.

Also in the pharmacy strata, Colorado (74 percent), Florida (85 percent with an absolute dollar value of errors being \$2,213), and Washington State (78.42) reported that their pharmacy accuracy rates also reflected records that contained no prescription or a prescription that was expired, unsigned, improperly dated, illegible or of questionable origin. Records also failed to contain patients' signatures to indicate receipt of a prescription or receipt of patient counseling.

Florida also reported its HCBS accuracy rate as 79 percent with an absolute dollar value of errors being \$3,610, due to no evidence of authorization of services or an expired physician's order. Idaho's HCBS strata reflected an accuracy rate of 86.47 percent. More than half of the errors were attributed to its Developmental Disability Agencies providing services without a physician order/referral/recommendation. Additional reasons included providing services outside of the plan, billing for non-covered services, upcoding and services not medically necessary. South Carolina's accuracy rate (68.74 percent) was due to no response for documentation or insufficient response.

Strata 6 (*Other Services and Supplies*), which includes laboratory, radiology, transportation and durable medical equipment claims, provided similar results to the pharmacy and HCBS strata. California (88.05 percent), Colorado (46 percent), and Texas (86.94 percent) reported *insufficient documentation* or *no documentation* as primary reasons for their accuracy rates. California found that ineligible providers did not have current CLIA and state licenses. South Carolina (83.37 percent) reported that one error resulted in an overpayment of \$224.28 which accounts for 74 percent of the dollar value of its errors (\$303.92). While Washington State (78.42 percent) reported that more than half (61 percent) of its errors were attributed to insufficient documentation, findings revealed that more supplies were dispensed and billed than had been ordered by the prescribing physician. Prescribing orders were found to be old, unclear or missing required information. Minnesota’s accuracy rate for this strata was 85.13 percent, due to the loss of the client’s medical record.

The fourth strata found with an overall low accuracy rate was Strata 3 (*Other Independent Practitioners and Clinics*) at 91.45 percent. Once again, *insufficient documentation* or *no documentation* were the primary reasons for Florida and Texas (80.19 percent). Texas also discovered that providers were billing for higher levels of care than documented and providers were not complying with record requests.

Table 14: Medicaid FFS Accuracy by Stratum

Strata	Sample Size	Accuracy Rate	Lower Confidence Interval (95% Confidence)	Upper Confidence Interval (95% Confidence)
Hospital	3,455	97.72%	96.08%	99.37%
Long-Term Care	5,729	96.82%	95.41%	98.23%
Other Practitioner	4,888	91.45%	88.92%	93.97%
Pharmacy	3,606	90.77%	86.88%	94.66%
HCBS	2,771	90.95%	86.53%	95.36%
Other Services	1,980	86.94%	77.82%	96.06%
PCCM	229	98.84%	98.04%	99.63%

B. Medicaid Accuracy Rates - Managed Care

All sampled managed care capitation payments were subject to data processing reviews and a sub-sample were subject to eligibility reviews. The sample was designed to achieve a 3 percent precision level at the 95 percent confidence level. That is, based on the sample sizes selected for these reviews, States are 95 percent sure that the true accuracy rate is within certain lower and upper confidence intervals.

Managed care capitation payments are not subject to medical reviews because these payments are not based on service utilization. The capitation payment is the same regardless of the number of services the beneficiary receives each month. Managed care data processing errors are

payment errors that can be identified from information available in the capitation payment system or in the system that processes vouchers for payment to MCOs. Managed care eligibility errors are the same as FFS eligibility errors.

Twelve States measured payment accuracy in Medicaid managed care. Table 15 summarizes the Medicaid managed care payment accuracy rates by State. The Medicaid managed care accuracy rates are based on the results of the data processing review for each claim and the eligibility reviews completed on a sub-sample of those claims.

Table 15: Medicaid FFS Managed Care Accuracy Rates

State	Sample Size	Managed Care PAM Rate	Lower Confidence Interval	Upper Confidence Interval
Arizona	865	92.55%	89.96%	95.13%
California	864	99.60%	99.30%	100.00%
Delaware	1160	99.57%	99.20%	99.93%
District of Columbia	874	99.70%	99.36%	100.04%
Indiana	1066	99.64%	99.28%	100.00%
Iowa	1120	99.90%	99.70%	100.00%
Kentucky	1162	100.00%	100.00%	100.00%
Massachusetts	863	99.72%	99.45%	99.99%
Minnesota	1200	100.00%	100.00%	100.00%
New Mexico	865	99.89%	99.69%	100.10%
Texas	1067	99.53%	99.28%	99.78%
Virginia	900	99.14%	98.36%	99.92%

*The confidence intervals for D.C. and New Mexico were the numbers reported by these States. The numbers were not truncated.

Eleven of the 12 States reported PAM managed care accuracy rates above 99 percent. The twelfth State, Arizona, had a lower accuracy rate for two reasons: (1) delay of CMS approval of the new mental health payment rates caused 156 mental health services claims (of the 203 claims in error) to be paid at an incorrect rate; and (2) Arizona conducted more eligibility reviews than the other States (756 reviews out of the 865 claim sample) and experienced a higher total number of eligibility errors. Two States, Kentucky and Minnesota, did not find any errors in their managed care samples. Based on these results, it appears that payment accuracy in managed care is higher than in FFS programs. This is to be expected, given that routine capitation payments can be more fully automated by computer systems. Additionally, managed care payments require only a processing review and not a medical review.

Medicaid Managed Care Overpayments and Underpayments

Overpayments made in Medicaid managed care are payments made to an MCO that were made for ineligible recipients or were paid in an amount that was more than the MCO was entitled to receive. Underpayments made in Medicaid managed care are payments made to an MCO that are less than the MCO was entitled to receive.

A Medicaid managed care data processing error is a payment error that can be determined from information available to the capitation payment system or the system that processes vouchers for payment to an MCO. A Medicaid managed care eligibility error is the same as a Medicaid FFS eligibility error.

Table 16 summarizes total overpayments and Table 17 summarizes total underpayments made by the 12 States measuring payment accuracy in Medicaid managed care. The majority of both the number and the dollar value of the overpayment errors was due to eligibility errors. That is, of the 95 managed care overpayment errors, 8 were data processing errors with a dollar value of \$798 and 87 were eligibility errors with a dollar value of \$12,192.14 (61 of the 87 errors occurred in Arizona; dollar value \$8318.98). This corresponds to the Medicaid FFS findings, in which both the number and dollar value of eligibility errors were greater than the number and value of data processing errors. Medical reviews are not performed on managed care payments, medical review errors are not reported.

The converse was true for underpayment errors. Both the number and value of underpayment data processing errors were greater than the number and value of underpayment eligibility errors. Of 210 underpayment errors, 208 were processing errors with a dollar value of \$2,244.93 and only two were eligibility errors with a dollar value of \$450.54. However, 156 of the 210 errors (dollar value \$1,145.59) are attributable to underpayments for the mental health services in Arizona because of the delayed CMS approval of the new payment amount.

Table 16: Managed Care Total Overpayments

Medicaid Managed Care Types of Errors	Number of Reviews	Total Number of Errors Found	Errors Found per 100 Reviews	Total Dollars in the Managed Care Sample	Total Dollars in Error	Dollars in Error per \$100 Reviewed
Eligibility	1,290	87	6.7	N/A	\$12,192.14	N/A
Processing	10,844	8	0.1	\$1,988,541.52	\$798.00	\$0.04
Total	12,134	95	0.8	N/A	\$12,990.14	N/A

Table 17: Managed Care Total Underpayments

Medicaid Managed Care Types of Errors	Number of Reviews	Total Number of Errors Found	Errors Found per 100 Reviews	Total Number of Dollars in the Managed Care Sample	Total Amount of Dollars in Error	Total percent of Dollars in Error
Eligibility	1,290	2	0.2	N/A	\$450.54	N/A
Processing	10,844	208	1.9	\$1,988,541.52	\$2,244.93	\$0.11
Total	12,134	210	1.7	N/A	\$2,695.47	N/A

Tables 18 and 19 below provides more detail on the number and dollar value of Medicaid managed care overpayment and underpayment errors, by State. All 12 States found more eligibility errors than processing errors; however, the difference is not as great if the Arizona's eligibility errors are disregarded (26 eligibility errors versus eight data processing errors rather than 95 eligibility errors versus eight data processing errors).

Table 18: Medicaid Managed Care Overpayment Errors

State	Sample Size Processing	Sample Size Eligibility Sub-Sample	Total Number of Errors	Total Amount of Dollars in Error	Number of Processing Errors	Dollar Amount of Processing Errors	Number of Eligibility Errors	Dollar Amount of Eligibility Errors
Arizona (1)	865	756	61	\$8,318.98	0	\$0.00	61	\$8,318.98
California (1)	864	60	4	\$308.15	0	\$0.00	4	\$308.15
Delaware (2)	1160	50	2	\$204.91	2	\$204.91	0	\$0.00
D.C. (2)	874	25	3	\$563.14	2	\$374.13	1	\$189.01
Indiana (2)	1066	100	5	\$473.00	0	\$0.00	5	\$473
Iowa (2)	1120	50	1	\$103.62	0	\$0.00	1	\$103.62
Massachusetts (2)	863	50	2	\$459.00	0	\$0.00	2	\$459
Minnesota (1)	1200	49	1	\$0.88	0	\$0.00	1	\$0.88
New Mexico (1)	865	50	1	\$8.18	1	\$8.18	0	\$0.00
Texas (1)	1067	50	8	\$740.70	2	\$121.15	6	\$619.55
Virginia (1)	900	50	7	\$1,809.96	1	\$90.01	6	\$1,719.95
Total	10,844	1,290	95	\$12,990.52	8	\$798	87	\$12,192.14

Table 19: Medicaid Managed Care Underpayment Errors

State	Sample Size-Processing	Sample Size Eligibility Sub-Sample	Total Number of Errors	Total Number of Dollars in Error	Number of Processing Errors	Dollar Amount of Processing Errors	Number of Eligibility Errors	Dollar Amount of Eligibility Errors
Arizona (1)	865	756	203	\$1,596.13	201	\$1,145.59	2	\$450.54
California (1)	864	60	0	\$0.00	0	\$0.00	0	\$0.00
Delaware (2)	1160	50	4	\$796.48	4	\$796.48	0	\$0.00
D.C. (2)	874	25	0	\$0.00	0	\$0.00	0	\$0.00
Indiana (2)	1066	100	0	\$0.00	0	\$0.00	0	\$0.00
Iowa (2)	1120	50	0	\$0.00	0	\$0.00	0	\$0.00
Massachusetts (2)	863	50	0	\$0.00	0	\$0.00	0	\$0.00
Minnesota (1)	1200	49	0	\$0.00	0	\$0.00	0	\$0.00
New Mexico (1)	865	50	1	\$263.32	1	\$263.32	0	\$0.00
Texas (1)	1067	50	1	\$12.86	1	\$12.86	0	\$0.00
Virginia (1)	900	50	1	\$26.68	1	\$26.68	0	\$0.00
Total	10,844	1,290	210	\$2,695.47	208	\$2,244.93	2	\$450.54

III. SCHIP SUMMARY OF FINDINGS

Fifteen States measured payment accuracy in SCHIP; either in both FFS and managed care components, only in FFS, or only in managed care. For SCHIP, CMS is reporting a range of accuracy rates rather than a national accuracy rate because only the fifteen States volunteered to measure SCHIP payment accuracy in some form.

SCHIP FFS accuracy rate range: 74.85 to 99.52%

SCHIP managed care accuracy range: 80.30% to 100.00%.

The FFS accuracy rates vary greatly among the States. Conversely, while the managed care accuracy rates also had a wide range, all States but Arizona had an accuracy rate greater than 97 percent. Table 20 summarizes the payment rate for each FFS and managed care component and, for those States measuring both components, a combined SCHIP rate.

Table 20: SCHIP FFS & Managed Care Specific and Combined Accuracy Rates

State	SCHIP		Combined SCHIP PAM Rate
	Fee For Service PAM Rate	Managed Care PAM Rate	
Alabama	77.96%	-	-
Arizona	-	80.30%	-
Delaware	-	100.00%	-
District of Columbia	-	99.21%	-
Florida	74.85%	97.17%	96.54%
Idaho	84.30%	-	-
Iowa	97.45%	99.51%	98.59%
Louisiana	97.52%	-	-
New Mexico	91.80%	100.00%	95.62%
North Carolina**	85.49%	-	-
North Dakota	-	99.91%	-
Oklahoma	89.57%	-	-
South Dakota	99.34%	-	-
Utah	92.57%	-	-
West Virginia	99.52%	-	-

*The combined PAM rate is the weighted average of the FFS and managed care accuracy rates for States that reported both. The weights are the share of total SCHIP expenditures represented by FFS and managed care, respectively.

** North Carolina only reviewed 100 FFS claims for eligibility. This accuracy rate reflects the State's eligibility review results.

The FFS accuracy rates vary greatly from 74.85 percent to 99.52 percent. Two States reported accuracy rates below 80 percent, two States reported accuracy rates between 80 percent and 90 percent, two more States reported accuracy rates between 90 percent and 95 percent, and the remaining four States reported accuracy rates over 95 percent.

Alabama and Florida reported the lowest FFS accuracy rates in the pilot. Alabama had a total of 179 errors. Of those 179 errors, 170 were medical review overpayment errors that totaled \$34,250.35. Of the 170 medical review errors, all but three were either due to no documentation or insufficient documentation, accounting for \$32,595.39. Florida's FFS sample was very small, 67 claims compared to its SCHIP managed care sample of 674 claims. Of the 67 claims in the sample, 28 percent, or 19 claims, were in error. The majority of errors were attributed to medical review. As a result of the small sample size and the relatively large number of errors, Florida's upper and lower confidence levels are over 35 percent apart, thus not making this a very precise accuracy rate.

Idaho and Oklahoma also had relatively low FFS accuracy rates. Idaho reported 60 data processing overpayment errors due to ineligible recipients with a total dollar amount of \$3,537.09. Idaho also had 14 overpayment medical review errors totaling \$468.81; half of the errors were due to insufficient documentation. Oklahoma had 42 errors, which were all overpayments. Thirty seven of Oklahoma's 42 errors were found through medical review. Of the 37 medical review errors 26 were policy violations due to insufficient documentation. Oklahoma also identified five eligibility errors.

The managed care accuracy rates ranged from 80.30 percent to 100 percent. Although this range appears large, all States, with the exception of Arizona, had an accuracy rate greater than 97 percent.

Out of Arizona's 863 claims in the sample, 266 or 31% contained errors. There were 190 overpayment errors and 76 underpayment errors. Of the 190 overpayment errors, 145 (totaling \$9,974.41), contained one eligibility error and 45 overpayment errors, totaling \$10,743.11, were data processing errors. It is interesting to note that although eligibility overpayments outnumber the data processing overpayments by a ratio of over 3-to-1, the dollars associated with the 45 data processing errors was greater than the total amount of overpayments for the 145 eligibility errors. Arizona also had a large number of underpayments, 76. Despite the large number of underpayments the total dollar amount of the underpayments was only \$36.10, which averages to less than 50 cents per error. Seventy-five of the 76 errors were data processing errors in the incorrect amount (total of \$17.59) and the remaining underpayment was an eligibility error in the amount of \$18.51.

A. SCHIP Accuracy Rates – FFS

Ten States conducted full payment accuracy reviews in their SCHIP FFS program, while one state, North Carolina, conducted eligibility reviews on a 100 claim sample. Table 21 summarizes the SCHIP FFS payment accuracy rate by State. For the 10 States that conducted all aspects of the SCHIP FFS review, the SCHIP FFS accuracy rate is based on the results of the data processing review, medical review, and the eligibility review for a sub-sample of those

claims.⁴ North Carolina’s accuracy rate is based on the results of its eligibility sample. The State sample size was estimated to achieve a 3 percent precision level at the 95 percent confidence level or a 4 percent precision level at the 90 percent confidence level.⁵ Since the sample size was estimated, States may have achieved a greater or lesser level of precision that was estimated. Regardless, States are 90 percent or 95 percent sure that the true accuracy rate is within the specified lower and upper confidence intervals.

Table 21: SCHIP FFS Accuracy Rates

State	Sample Size	FFS PAM Rate	Lower Confidence Interval	Upper Confidence Interval
Alabama	866	77.96%	70.59%	85.34%
Florida	67	74.85%	61.31%	88.38%
Idaho	426	84.30%	78.51%	96.51%
Iowa	473	97.45%	95.64%	99.25%
Louisiana	549	97.52%	96.31%	98.73%
New Mexico	51	91.80%	80.29%	103.32%
North Carolina	100	85.49%	N/A*	N/A*
Oklahoma	339	89.57%	85.37%	93.78%
South Dakota	359	99.34%	N/A*	N/A*
Utah	260	92.57%	N/A*	N/A*
West Virginia	519	99.52%	99.24%	99.86%

*This information was not made available by the State.

Also, since North Carolina only tested SCHIP eligibility, the State did not report an overall rate; thus, this accuracy rate reflects the eligibility review findings; upper and low confidence intervals for North Carolina cannot be calculated.

1. SCHIP FFS Overpayments and Underpayments

As in Medicaid, SCHIP FFS overpayments are payment errors in which the payment should not have been made or was paid either at a higher rate than the State’s reimbursement rate or an amount more than the program’s share of cost. A FFS underpayment is a payment error in which the payment was made at an amount less than the State’s set payment rate for a service or less than its share of cost.⁶

Tables 22 and 23 below summarize total overpayments and underpayments made by the 11 States measuring payment accuracy in SCHIP FFS. The SCHIP FFS results were similar to Medicaid FFS in that States reported significantly more overpayment errors than underpayment errors. The 11 States reported a total of 434 overpayment errors with a dollar value of \$64,983.50, compared to 14 underpayment errors with a dollar value of \$193.99. In addition to finding more overpayments overall, there were more total overpayments for each type of review

⁴ The following States only completed FFS eligibility reviews: Alabama, Idaho, and Louisiana. Iowa and Oklahoma randomly selected the 100 eligibility reviews from both FFS and managed care SCHIP claims. **CHECK**

⁵ See discussion on [page 7](#) as to why SCHIP States were provided an option in estimating sample size.

⁶ However, if a provider bills for a service in an amount that is less than the State’s set payment rate and the State pays that lesser amount, the payment is not considered an underpayment error.

than underpayments. States found the most errors (11.7 per 100 reviews) in eligibility reviews. Medical review errors (7.9 per 100 reviews) were the second most common and processing errors (.3 per 100 reviews) were the least common. The dollar value of medical review overpayment errors (\$3.51 in error per \$100 reviewed) was also much higher than the dollar value of processing errors (\$0.02 per \$100 reviewed).⁷ The same trend, in terms of errors per 100 reviews, appears among the underpayment errors, although the number and dollar value of underpayment errors is almost negligible compared to the size of the sample.

Table 22: FFS Total Overpayments

SCHIP FFS Types of Errors	Number of Reviews	Total Number of Errors Found	Errors Found per 100 Reviews	Total Dollars in the Sample	Total Dollars in Error	Dollars in Error Found per \$100 Reviewed
Processing	3,909	13	.3	\$1,581,416.11	\$387.47	\$0.02
Medical Review	3,909	310	7.9	\$1,581,416.11	\$55,592.98	\$3.51
Eligibility	952	111	11.7	N/A	\$9,003.05	N/A
Total	8,770	434	4.95	N/A	\$64,983.50	N/A

Table 23: FFS Total Underpayments

FFS Types of Errors	Number of Reviews	Total Number of Errors Found	Errors Found per 100 Reviews	Total Dollars in the Sample Universe	Total Dollars in Error	Dollars in Error Found per \$100 Reviewed
Processing	3,909	4	0.1	\$1,581,416.11	\$35.70	\$0.002
Medical Review	3,909	7	0.2	\$1,581,416.11	\$83.29	\$0.01
Eligibility	952	3	0.3	N/A	\$75.00	N/A
Total	8,770	14	0.15	N/A	\$193.99	N/A

Table 24 below provides detail, by State, on the overpayment data processing and medical review errors found in the SCHIP FFS payment accuracy studies. The number, frequency, and dollar size of processing and medical review errors varies substantially among the 10 States.⁸ Seven of the 10 States reported fewer than five errors per 100 reviews. One State, Oklahoma, had over 10 errors per 100 reviews. Two States, Alabama and Florida, found more than 20 errors per 100 reviews.

⁷ States reviewed only a subset of claims for eligibility and did not consistently report the dollar value of the eligibility sub-sample. Therefore, we cannot calculate the dollars in error per \$100 reviewed for SCHIP eligibility.

⁸ North Carolina only conducted an eligibility sample on its SCHIP FFS claims. Therefore, North Carolina is not represented in the tables that reflect processing and medical review errors.

Table 24 shows Alabama, Florida and Oklahoma had the highest ratio of overpayments to number of cases reviewed and dollar amount of error per \$100 reviewed. Documentation errors were the primary source of these errors in all three States.

There was a total of 240 of the 310 (77 percent) medical review overpayments attributed to documentation for a total error in the amount of \$37,308.90 or 53 percent of the total error amount. Alabama was responsible for 70 percent of the number of documentation errors and 87 percent of the dollar documentation error.

Only seven of Alabama’s 177 errors were due to processing and amounted to a total of \$70.00. Of the remaining 170 errors, 167 were medical review errors due to no documentation or insufficient documentation for a total of \$32,595.39. Alabama’s documentation error was 59 percent of the total dollar error of the 10 States. Florida had nine of 14 errors due to insufficient or no documentation and Oklahoma had seven of its 37 errors due to insufficient documentation. Oklahoma also had 26 medical review errors attributed to policy violations amounting to \$6,928.24 in payment error. Oklahoma had 10 percent of the total number of errors (30) for reasons other than documentation that amounted to \$8911.16 or 16 percent of the total error amount. Iowa had 12 coding and administrative errors (4 percent) in the amount of \$7050.95 or 12 percent of the total error amount.

Table 24: SCHIP Processing and Medical Review Overpayment Errors (Aggregate)

State	Sample Size	Total Number of Processing or Medical Review Errors Found	Errors Found per 100 Reviews	Total Dollars in the FFS Sample	Total Dollar Amount of Errors	Dollars in Error per \$100 Reviewed
Alabama	866	177	20.4	\$229,052.27	\$34,320.35	\$14.98
Florida	67	14	20.9	\$3,111.00	\$574.50	\$18.47
Idaho	426	14	3.3	\$21,497.70	\$468.81	\$2.18
Iowa	473	22	4.7	\$134,874.00	\$7,329.40	\$5.43
Louisiana	549	25	4.6	\$166,970.43	\$330.40	\$0.20
New Mexico	51	2	3.9	\$14,532.68	\$218.91	\$1.51
Oklahoma	339	37	10.9	\$178,917.46	\$9,342.48	\$5.22
South Dakota	359	8	2.2	\$25,604.96	\$163.27	\$0.64
Utah	260	1	0.4	\$25,571.72	\$0.00	\$0.00
West Virginia	519	23	4.4	\$781,283.89	\$3232.33	\$0.41
Totals	3,909	323	8.3	\$1,581,416.11	\$55,980.45	\$3.54

Table 25 provides detail, by State, on the SCHIP FFS underpayment data processing and medical review errors. A total of only 11 underpayment data processing or medical review errors were found in the FFS sample, compared to 323 overpayments. The number, frequency and dollar amount of the SCHIP FFS underpayment errors are relatively consistent and overall very low. In fact, the number of data processing and medical review errors found per 100 reviews is only .3. In terms of dollars, the 10 States only found approximately one cent in error per \$100 reviews.

Table 25: SCHIP Processing and Medical Review Underpayment Errors (Aggregate)

State	Number of Reviews	Total Number Processing or Medical Review Errors Found	Errors Found per 100 Reviews	Total Dollars in the SCHIP Sample	Total FFS Dollars in Error	Dollars in Error per \$100 Reviewed
Alabama	866	2	0.2	\$229,052.27	\$9.00	\$0.00
Florida	67	0	0	\$3,111.00	\$0.00	\$0.00
Idaho	426	0	0	\$21,497.70	\$0.00	\$0.00
Iowa	473	3	0.6	\$134,874.00	\$57.85	\$0.04
Louisiana	549	2	0.4	\$166,970.43	\$23.25	\$0.01
New Mexico	51	1	2	\$14,532.68	\$26.00	\$0.18
Oklahoma	339	0	0	\$178,917.46	\$0.00	\$0.00
South Dakota	359	2	0.6	\$25,604.96	\$0.89	\$0.00
Utah	260	0	0	25,571.72	\$0.00	\$0.00
West Virginia	519	1	0.2	781,283.89	\$2.00	\$0.00
Total	3,909	11	0.3	\$1,402,498.65	\$118.99	\$0.01

Tables 26 and 27 provide detail, by State, on the number and dollar value of data processing and medical review overpayment and underpayment errors. These tables show that every State identified a higher number of medical review overpayments than data processing overpayments. Nine of the 10 States identified more gross dollars overpaid as a result of medical review errors than as a result of data processing errors. Utah did not discover any dollars overpaid in either medical review or data processing. The medical review error that Utah discovered was technical in nature, and although technically in error, the amount that should have been paid was the same as the amount that was paid. This resulted in a dollar value error of zero.

Five States did not identify any SCHIP FFS processing overpayment errors and seven States did not identify processing underpayment errors. All States reported SCHIP FFS medical review overpayment errors but only four of the 10 States reported medical review underpayment errors.

Of the 323 total overpayments, 96 percent of them (310 errors) were attributable to medical review. Louisiana had 7 percent of the total number of errors (23) but it amounted to only 1 percent of the total dollar amount of errors (\$329.35). Most of the errors and dollar amount attributed to those errors is from insufficient or no documentation like it is in the other States. Iowa had one less total medical review error (22) and yet a fewer number of its errors, 12 out of the 22, accounted for 12 percent of the total error amount for all 10 states. West Virginia had a similar amount of errors (21) and fell in between Iowa and Louisiana in terms of the total dollar amount. What this analysis shows is that number of errors and corresponding dollar amounts should not be compared.

Alabama appears to have seven errors for a total of \$70 paid in error. Two of Alabama's errors resulted in a total of \$5 in error, one had no dollar impact and four accounted for the remaining \$65 paid in error. Conversely, West Virginia had two errors, one of which was a logic edit in the amount of \$254.69. Louisiana had two errors in the *other* category. Florida's processing errors also were due to *other*.

Data on underpayments is even harder from which to draw conclusions. Only a total of 11 errors resulting in underpayments were found among the 10 states, four processing and seven medical review errors. Alabama had two of the processing errors; a *pricing* and *other* underpayment error totaling \$9 in underpayments while New Mexico had one resulting in an underpayment of \$26. Louisiana had two medical review errors for coding resulting in an underpayment total of \$23.25 and South Dakota had only one error, for coding, in the amount of 19 cents. Again, the low number of errors and resulting amount of dollar impact make these findings insignificant.

Table 26: SCHIP Processing and Medical Review Overpayment Errors (Separate)

State	Number of Processing Errors	Total Dollar Value of Processing Errors	Number of Medical Review Errors	Total Dollar Value of Medical Review Errors
Alabama	7	\$70.00	170	\$34,250.35
Florida	1	\$44.56	13	\$529.94
Idaho	0	\$0.00	14	\$468.81
Iowa	0	\$0.00	22	\$7,329.40
Louisiana	2	\$1.04	23	\$329.36
New Mexico	0	\$0.00	2	\$218.91
Oklahoma	0	\$0.00	37	\$9,342.48
South Dakota	1	\$3.12	7	\$160.15
Utah	0	\$0.00	1	\$0.00
West Virginia	2	\$268.75	21	\$2,963.58
Total	13	\$387.47	310	\$55,592.98

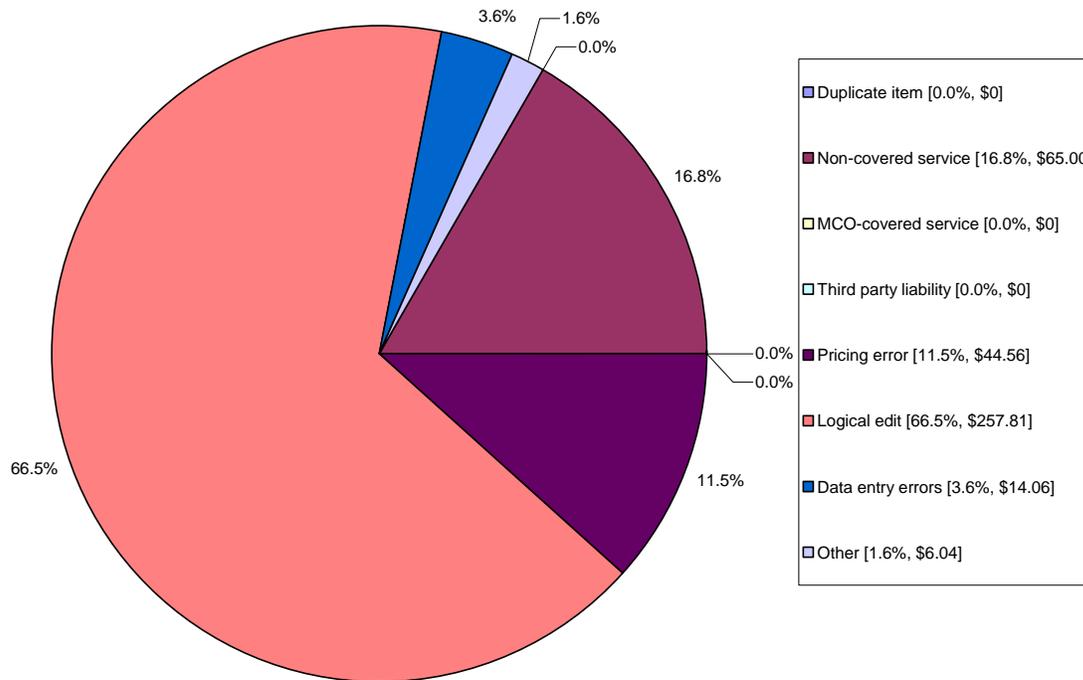
Table 27: SCHIP Processing and Medical Review Underpayment Errors (Separate)

State	Number of Processing Errors	Total Dollar Value of Processing Errors	Number of Medical Review Errors	Total Dollar Value of Medical Review Errors
Alabama	2	\$9.00	0	\$0.00
Florida	0	\$0.00	0	\$0.00
Idaho	0	\$0.00	0	\$0.00
Iowa	0	\$0.00	3	\$57.85
Louisiana	0	\$0.00	2	\$23.25
New Mexico	1	\$26.00	0	\$0.00
Oklahoma	0	\$0.00	0	\$0.00
South Dakota	1	\$0.70	1	\$0.19
Utah	0	\$0.00	0	\$0.00
West Virginia	0	\$0.00	1	\$2.00
Total	4	\$35.70	7	\$83.29

Participating States were asked to report findings using uniform error codes. A breakdown of the specific types of data processing and medical review errors (by dollar value) reported by the States are presented in Figures 5 through 7 below.

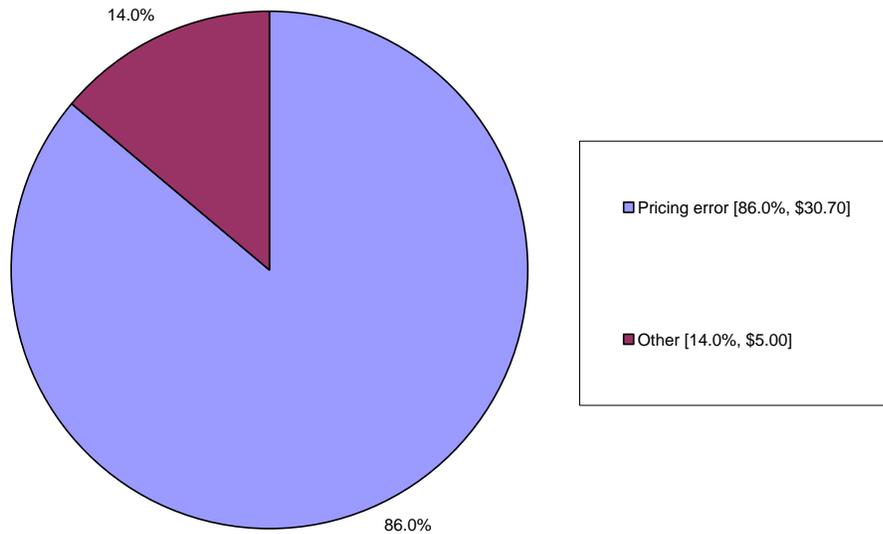
States conducted a total of 3,909 reviews and found 13 data processing overpayment errors. Of the \$1,581,416.11 total dollars in the sample, \$387.47 are data processing overpayment errors. As shown in Figure 5, the highest proportion of SCHIP FFS overpayment data processing errors (by dollar value of error) were logic edit errors, which accounted for 66.5 percent of the value of overpayment errors. The next largest error category was non-covered services, which accounted for 16.8 percent of dollars that were overpaid. Pricing errors accounted for 11.5 percent of the dollars that were overpaid while the remaining types of errors: *data entry* and *other* only accounted for 5.2 percent of the data processing dollars that were overpaid. States did not find any overpaid dollars for *MCO covered services*, *ineligible recipients* or *third-party liability* errors in the SCHIP processing review.

Figure 5 SCHIP Processing Overpayments
Percentages Represent Dollars



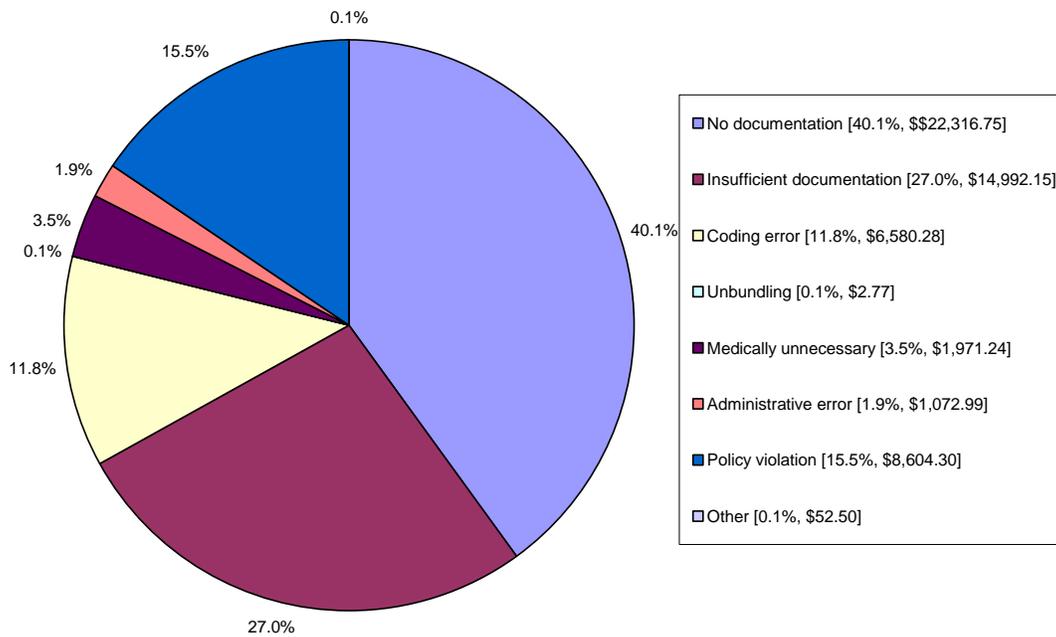
States conducted a total of 3,909 reviews and found only four data processing underpayments. Of the \$1,581,416.11 total dollars in the sample, only \$35.70 are data processing underpayment errors. As shown in Figure 6, 86 percent of the dollars that were underpaid were attributed to pricing errors and the remaining 14 percent of the dollars was reported as another type of error, an error that did not fit into one of the data processing error codes.

Figure 6 SCHIP Processing Underpayments
Percentages represent Dollars



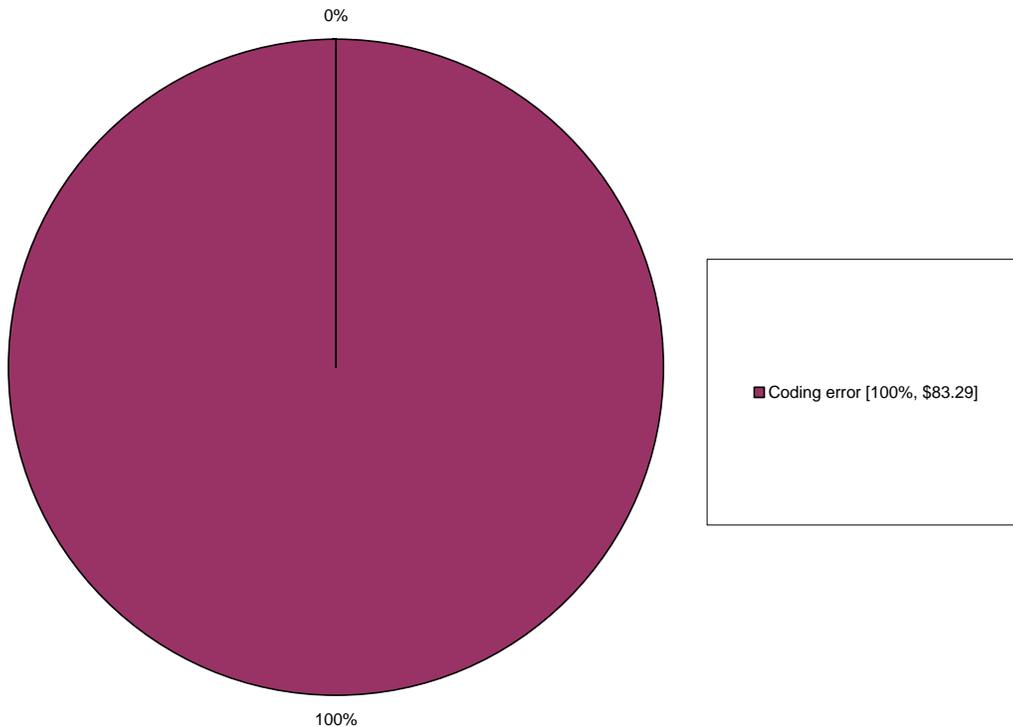
States conducted a total of 3,909 reviews and found 310 medical review overpayment errors. Of the \$1,581,416.11 total dollars in the sample, \$55,592.98 are medical review overpayment errors. As shown in Figure 7, the highest proportion of SCHIP FFS overpayment medical review errors (by dollar value of error) were because no documentation was submitted, accounting for 40 percent of the overpaid medical review dollars. The next largest error category was insufficient documentation, which accounted for 27 percent of dollars that were overpaid. Together these two categories accounted for 67 percent of the dollars overpaid as a result of medical review. Policy violations accounted for 15.5 percent of the dollars that were overpaid and coding errors accounted for 11.8 percent of the dollars that were found to be overpaid through the medical review process. The remaining errors, medical necessity, administrative error, other and unbundling accounted for the remaining 5.6 percent dollars in error.

Figure 7 SCHIP Medical Review Overpayments
Percentages represent Dollars



SCHIP States only reported one type of medical review underpayment error, coding. There were seven total coding errors resulting in \$83.29 in underpayments.

Figure 8 SCHIP Medical Review Underpayments
Percentages Represent Dollars



2. SCHIP FFS Eligibility

There were 111 eligibility overpayment errors and three eligibility underpayment errors in the SCHIP FFS component of the review. As previously mentioned, eligibility reviews were conducted on a sub-sample of claims and because States did not consistently report the dollars in the eligibility sub-samples, the dollars in error per \$100 reviewed was not calculated.

States could opt to review eligibility as of: (1) the date of service, or (2) as of the date of application or most recent redetermination. States were instructed to verify categorical and financial eligibility using documentation contained in the case records or obtained from the beneficiary or other source, e.g., employer, banks, data matches. When an eligibility determination could not be concluded, the case was dropped and the State had the option to replace the dropped case with another sampled claim. States were allowed to drop these cases since the potential to successfully verify eligibility was low due to the time lag between when the claim was paid and when date of service or most recent action on the case occurred.

For SCHIP FFS eligibility reviews, three States chose review Option 1 (Florida, New Mexico and Oklahoma) and seven States chose review Option 2 (Alabama, Idaho, Iowa, Louisiana, South Dakota, Utah and West Virginia). The remaining four States (Arizona, Delaware, D.C., and North Dakota) did not test SCHIP FFS eligibility. For SCHIP managed care eligibility

reviews, three States chose review Option 1 (Arizona, Florida and New Mexico) and four States chose review Option 2 (Delaware, D.C., Iowa and North Dakota). The remaining States did not test SCHIP managed care eligibility (Alabama, Idaho, Louisiana, Oklahoma, South Dakota, Utah and West Virginia).

Table 28 provides information on the number and dollar value of overpayment and underpayment eligibility errors by State. The number of eligibility overpayments per State varies substantially. Three of the 11 States did not identify any eligibility overpayment errors. Five States identified between one and seven errors. Three States identified from 13 to 60 errors.

As in the Medicaid study, Idaho was a significant outlier in terms of the number of eligibility errors. Of the 60 Idaho SCHIP eligibility overpayment errors, 30 beneficiaries were found to be eligible for the Medicaid program, thus making them ineligible for SCHIP.⁹ The remaining 30 were ineligible for both SCHIP and Medicaid. Idaho implemented changes in its automated eligibility system in July 2004, which may have contributed to the number of errors.

Four States conducted eligibility reviews using Option 1 and the remaining seven States conducted the eligibility reviews using Option 2. Unlike Medicaid, the States that used review Option 2 found more errors than those that used review Option 1.

The four States that used review option one conducted a total of 263 reviews. Out of the 263 reviews, there were 23 overpayment errors (8.75 per 100 reviews) with a total dollar value of \$2,350.18. The seven States that used review option two conducted 689 reviews. These States found 88 eligibility overpayment errors (12.77 per 100 reviews) with a total dollar value of \$6,652.87.

Finally, most States used a sub-sample too small to extrapolate a true population error rate with any degree of certainty and these findings should be taken at face value.

⁹ Federal SCHIP program rules require States to screen SCHIP applicants for potential Medicaid eligibility (which is matched with Federal funds at a lower rate) and refer any to the Medicaid agency to make application.

Table 28: SCHIP FFS Eligibility Errors

State	Number of Eligibility Reviews (Sub-Sample)	Total Number of Eligibility Overpayment Errors	Errors Found per 100 Reviews	Dollar Amount of Eligibility Overpayment Errors	Total Number of Eligibility Underpayment Errors	Total Dollar Amount of Eligibility Underpayment Errors
Alabama (2)	150	0	0.0	\$0.00	0	\$0.00
Florida (1)	13	5	38.5	\$208.06	0	\$0.00
Idaho (2)	100	60	60.0	\$3,537.09	0	\$0.00
Iowa (2)	39	0	0.0	\$0.00	0	\$0.00
Louisiana (2)	100	7	7.0	\$773.67	0	\$0.00
New Mexico (1)	50	0	0.0	\$0.00	0	\$0.00
North Carolina (1)	100	13	13.0	\$1,952.34	0	\$0.00
Oklahoma (1)	100	5	5.0	\$189.78	0	\$0.00
South Dakota (2)	100	1	1.0	\$7.00	0	\$0.00
Utah (2)	100	15	15.0	\$1,899.07	0	\$0.00
West Virginia (2)	100	5	5.0	\$436.04	3	\$75.00
Total	952	111	11.7	\$9,003.05	3	\$75.00

(1) = State chose eligibility review option one.

(2) = State chose eligibility review option two.

B. SCHIP Accuracy Rates – Managed Care

All sampled managed care capitation payments were subject to data processing reviews and a sub-sample was subject to eligibility reviews. Managed care data processing errors are payment errors that can be identified from the information available in the capitation payment system or in the system that processes vouchers for payments to MCOs. Managed care eligibility errors are the same as FFS eligibility errors. Managed care capitation payments are not subject to medical reviews because these payments are not based on service utilization. The capitation payment is the same regardless of the number of services the beneficiary receives each month.

The accuracy rate reported has either a 4 percent precision level at 90 percent confidence (Florida, New Mexico), or a 3 percent precision level at 95 percent confidence (Arizona, Delaware, D.C., Iowa, and North Dakota). That is, based on the sample sizes selected for these reviews, States are 90 percent or 95 percent sure that the true accuracy rate is within the upper and lower confidence intervals shown below.

Table 29 summarizes the SCHIP managed care accuracy rates by State. As with Medicaid, the SCHIP managed care accuracy rates are based on the results of the processing review for each capitation payment and the eligibility review from a sub-sample of those payments.

Table 29: Managed Care PAM Rates

State	Sample Size	Managed Care PAM Rate	Lower Confidence Interval	Upper Confidence Interval
Arizona	863	80.30%	76.41%	84.19%
Delaware	928	100.00%	100.00%	100.00%
District of Columbia	849	99.21%	99.78%	99.78%
Florida	674	97.17%	95.74%	98.60%
Iowa	1095	99.51%	99.18%	99.84%
New Mexico	292	100.00%	100.00%	100.00%
North Dakota	897	99.91%	99.89%	99.93%

All seven States reported SCHIP managed care accuracy rates of 97 percent or better, with the exception of Arizona, which mirrors the Medicaid managed care findings. Two States, Delaware and New Mexico, did not find any errors in their managed care samples.

Based on these results, it appears that payment accuracy in managed care is higher than in FFS programs. This is to be expected, given that routine capitation payments can be more fully automated by computer systems. Additionally, managed care payments require only a processing review and not a medical review.

SCHIP Managed Care Overpayments and Underpayments

Overpayments made in SCHIP managed care are payments made to an MCO that were made for ineligible recipients or were paid in an amount that was more than the MCO was entitled to receive. Underpayments made in SCHIP managed care are payments made to an MCO that are less than the MCO was entitled to receive.

An SCHIP managed care data processing error is a payment error that can be determined from information available to the capitation payment system or the system that processes vouchers for payment to an MCO. An SCHIP managed care eligibility error is the same as an SCHIP FFS eligibility error.

Table 30 summarizes total overpayments and Table 31 summarizes total underpayments made by the seven States measuring payment accuracy in SCHIP managed care. The majority of both the number and dollar value of managed care overpayment errors due to eligibility. Of 248 managed care overpayment errors, 61 errors with a dollar value of \$11,825.75 were processing errors and 187 errors with a dollar value of \$27,551.35 were eligibility errors. This corresponds to the SCHIP FFS findings, in which the number and value of eligibility errors were significantly greater than the number and value of processing errors. Medical reviews are not performed on managed care payments, therefore, medical review errors are not reported.

As shown in Table 31, there were very few SCHIP underpayment errors. There was one eligibility error worth \$18.51 and two processing errors worth \$199.94.

Table 30: Managed Care Total Overpayments

SCHIP Managed Care Types of Errors	Number of Reviews	Number of Errors Found	Errors Found per 100 Reviews	Total Number of Dollars in the Managed Care Sample	Total Dollars in Error	Dollars in Error per \$100 Reviewed
Eligibility	843	187	22.2	N/A	\$27,551.35	N/A
Processing	5,598	61	1.1	\$1,043,478.33	\$11,825.75	\$1.13
Total	6,441	248	3.9	N/A	\$39,377.10	N/A

Table 31: Managed Care Total Underpayments

SCHIP Managed Care Types of Errors	Number of Reviews	Total Number of Errors Found	Errors Found per 100 Reviews	Total Dollars in the Managed Care Sample	Total Dollars in Error	Dollars in Error per \$100 Reviewed
Eligibility	843	1	0.1	N/A	\$18.51	N/A
Processing	5,598	2	0.03	\$1,043,478.33	\$199.94	\$0.01
Total	6,441	3	0.04	N/A	\$218.45	N/A

Tables 32 and 33 below provide detail, by State, on the number and dollar value of SCHIP managed care overpayment and underpayment errors.

Of the seven States testing SCHIP managed care, two States, Delaware and New Mexico found no overpayment errors in either *data processing* or *eligibility*. Three States performed the eligibility reviews using Option 1 and four States performed the eligibility reviews using Option 2. Among the five States that found overpayment errors, all but D.C., found more eligibility errors than processing errors.

Unlike the SCHIP FFS study, although consistent with the Medicaid FFS and managed care studies, States that used eligibility review option one found more overpayment errors. The three States that used Option 1 conducted 557 reviews and found 228 overpayment errors. The four States that used Option 2 conducted 286 reviews and found 20 overpayment errors, or seven errors per 100 reviews. Only Arizona found an underpayment eligibility error. The differences are not statistically significant due to the small amount of States and reviews conducted.

States found fewer underpayment errors than overpayment errors and of 77 underpayment errors, 76 were processing errors and one was eligibility related. The total dollar value of the underpayment 77 underpayment errors was \$218.45. Out of the 76 processing errors that were identified, 75 of them were in Arizona. However, these errors only contributed \$36.10 to the underpayment. The other data processing underpayment error was identified by D.C., in the amount of \$182.35. The one eligibility underpayment error was identified by Arizona in the amount of \$18.51.

Table 32: SCHIP Managed Care Overpayment Errors

State	Sample Size	Sample Size Eligibility Sub-Sample	Total Number of Errors	Total Number of Dollars in Error	Number of Processing Errors	Dollar Amount of Processing Errors	Number of Eligibility Errors	Dollar Amount of Eligibility Errors
Arizona (1)	863	400	190	\$10,743.11	45	\$768.70	145	\$9,974.41
Delaware (2)	928	100	0	\$0.00	0	\$0.00	0	\$0
D.C. (2)	849	25	7	\$1,268.44	5	\$967.50	2	\$300.94
Florida (1)	674	107	38	\$25,496.78	10	\$9,958.32	28	\$15,538.46
Iowa (2)	1095	61	6	\$787.38	1	\$131.23	5	\$656.15
New Mexico (1)	292	50	0	\$0.00	0	\$0.00	0	\$0
North Dakota (2)	897	100	7	\$1,081.39	0	\$0.00	7	\$1,081.39
Totals	5,598	843	248	\$39,377.10	61	\$11,825.75	187	\$27,551.35

(1) = State chose eligibility review option one. (2) = State chose eligibility review option two.

Table 33: SCHIP Managed Care Underpayment Errors

State	Sample Size-Processing	Sample Size Eligibility Sub-Sample	Total Number of Errors	Total Dollars in Error	Number of Processing Errors	Dollar Amount of Processing Errors	Number of Eligibility Errors	Dollar Amount of Eligibility Errors
Arizona (1)	863	400	76	\$36.10	75	\$17.59	1	\$18.51
Delaware (2)	928	100	0	\$0.00	0	\$0.00	0	\$0
D.C. (2)	849	25	1	\$182.35	1	\$182.35	0	\$0
Florida (1)	674	107	0	\$0.00	0	\$0.00	0	\$0
Iowa (2)	1095	61	0	\$0.00	0	\$0.00	0	\$0
New Mexico (1)	292	50	0	\$0.00	0	\$0.00	0	\$0
North Dakota (2)	897	100	0	\$0.00	0	\$0.00	0	\$0
Totals	5,598	843	77	\$218.45	76	\$199.94	1	\$18.51

(1) = State chose eligibility review option one. (2) = State chose eligibility review option two.

IV. CONCLUSION

This final report provides the findings from 27 States that voluntarily participated in the third year of the Payment Accuracy Measure (PAM) pilot project. The PAM Year 3 pilot project presented challenges and produced valuable and educational lessons. The project incorporated several elements that had not previously been tested by a large number of States, including the review of the accuracy of SCHIP payments and detailed eligibility reviews. Consistency among States proved to be a challenge in measuring accuracy rates and CMS determined that, to the extent possible given the variation among State characteristics, a consistent approach to implementing the methodology is important. Another challenge for most States was to complete the project on time. Most States, because of staffing, contractor, and recruiting problems could not complete work products, including the final review findings, in a timely manner. In PAM Year 3, final reports were due October 31, 2005, and all but two States requested extensions, of various timeframes, to complete their studies.

Although all States used a standard methodology under the PAM Year 3 pilot project to produce the accuracy rates, the accuracy rates should not be compared. States applied different administrative standards that resulted in a lack of a common approach to the reviews among States. For the medical reviews, States have different policies against which the reviews are conducted. For the eligibility reviews, States had two review options under this pilot for verifying program eligibility. Other differences include the level of provider cooperation in submitting information and whether States conducted the reviews or contracted the reviews to vendors (i.e., vendor experience or lack thereof contributed to efficiencies or problems with the project). Because of these inconsistencies and the wide variation in States' program characteristics, program documentation requirements and strictness of policies, it is important to emphasize that States' accuracy rates should *not* be compared.

Despite all of the obstacles, CMS believes the PAM Year 3 pilot project was successful in testing a standard methodology. When results from all 27 FY2004 pilot States were compiled, CMS was able to develop a national estimate of payment accuracy in the Medicaid program and a range of payment accuracy rates for SCHIP.

APPENDIX

State: ALABAMA

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
866	177	\$34,320.35	7	\$70	170	\$34,250.35

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
866	2	\$9	2	\$9	0	\$0

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
150	0	\$0	0	\$0

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	4	\$65.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	1	\$0.00	1	\$4.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	2	\$5.00	1	\$5.00
Total	7	\$70.00	2	\$9.00

(State: Alabama Cont.)

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	87	\$21,173.09	0	\$0.00
Insufficient documentation	80	\$11,422.30	0	\$0.00
Coding error	0	\$0.00	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	2	\$108.17	0	\$0.00
Policy violation	1	\$1,546.79	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	170	\$34,250.35	0	\$0.00

State: ARIZONA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
866	128	\$21,501.42	5	\$3,585.20	123	\$17,916.22

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
866	0	\$0	0	\$0	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
670	19	\$29,218.86	0	\$0

State: Arizona (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	1	\$206.00	0	\$0.00
Ineligible recipient	1	\$2,430.96	0	\$0.00
Data entry errors	2	\$945.24	0	\$0.00
Other	1	\$3.00	0	\$0.00
Total	5	\$3,585.20	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	17	\$5,026.07	0	\$0.00
Insufficient documentation	77	\$9,137.59	0	\$0.00
Coding error	4	\$402.46	0	\$0.00
Unbundling	1	\$206.00	0	\$0.00
Medically unnecessary	4	\$1,368.49	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	19	\$1,696.14	0	\$0.00
Other	1	\$79.47	0	\$0.00
Total	123	\$17,916.22	0	\$0.00

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Errors
865	61	\$8,318.98	0	\$0.00	61	\$8,318.98

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Errors
865	203	\$1,596.13	201	\$1,145.59	2	\$450.54

State: Arizona (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	61	\$8,318.98	2	\$450.54
Incorrect payment amount	0	\$0.00	201	\$1,145.59
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	61	\$8,318.98	203	\$1,596.13

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
863	190	\$10,743.11	45	\$766.70	145	\$9,974.41

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
863	76	\$36.10	75	\$17.59	1	\$18.51

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	145	\$9,974.41	1	\$18.51
Incorrect payment amount	45	\$768.70	75	\$17.59
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	190	\$10,743.11	76	\$36.10

State: ARKANSAS

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
650	128	\$20,057.14	1	\$11.42	127	\$20,045.72

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
650	0	\$0	0	\$0	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	0	\$0	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	1	\$11.42	0	\$0.00
Total	1	\$11.42	0	\$0.00

State: Arkansas (Cont.)

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	0	\$0.00	0	\$0.00
Coding error	6	\$190.45	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	42	\$9,766.31	0	\$0.00
Administrative error	1	\$270.39	0	\$0.00
Policy violation	8	\$1,097.81	0	\$0.00
Other	70	\$8,720.76	0	\$0.00
Total	127	\$20,045.72	0	\$0.00

State: CALIFORNIA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
864	29	\$4,259.53	2	\$12.66	27	\$4,246.87

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
864	0	\$0	0	\$0	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
54	0	\$0	0	\$0

State: California (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	2	\$12.66	0	\$0.00
Total	2	\$12.66	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	2	\$27.87	0	\$0.00
Insufficient documentation	16	\$2,868.49	0	\$0.00
Coding error	5	\$429.51	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	2	\$139.16	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	2	\$781.84	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	27	\$4,246.87	0	\$0.00

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
864	4	\$308.15	0	\$0	4	\$308.15

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
864	0	\$0	\$0	\$0	0	\$0

State: California (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	4	\$308.15	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	4	\$308.15	0	\$0.00

State: COLORADO

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
861	156	\$88,169.25	0	\$0	156	\$88,169.25

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
861	2	\$82	0	\$0	2	\$82

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	2	\$69.80	0	\$0

State: Colorado (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	51	\$21,524.53	0	\$0.00
Insufficient documentation	42	\$26,372.34	0	\$0.00
Coding error	6	\$3,806.15	0	\$0.00
Unbundling	1	\$7.00	0	\$0.00
Medically unnecessary	41	\$34,813.71	0	\$0.00
Administrative error	9	\$1,305.84	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	6	\$339.68	2	\$82.00
Total	156	\$88,169.25	2	\$82.00

State: DELAWARE

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1731	741	\$1,440,819.52	1	\$42.88	740	\$1,440,776.64

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1731	12	\$545.58	0	0	12	\$545.58

State: Delaware (Cont.)

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	0	\$0	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	1	\$42.88	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	1	\$42.88	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	94	\$163,281.11	0	\$0.00
Insufficient documentation	525	\$1,271,504.80	0	\$0.00
Coding error	20	\$835.03	12	\$545.58
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	87	\$4,302.35	0	\$0.00
Other	14	\$853.35	0	\$0.00
Total	740	\$1,440,776.64	12	\$545.58

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
1160	2	\$204.91	2	\$204.91	0	\$0

State: Delaware (Cont.)

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
1160	4	\$796.48	4	\$796.48	0	\$0

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	0	\$0.00	0	\$0.00
Incorrect payment amount	2	\$204.91	4	\$796.48
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	2	\$204.91	4	\$796.48

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
928	0	\$0	0	\$0	0	\$0

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
928	0	\$0	0	\$0	0	\$0

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	0	\$0.00	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

State: DISTRICT OF COLUMBIA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
867	444	\$1,646,977.57	92	\$398,861.27	352	\$1,248,116.30

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
867	30	\$17,820.10	30	\$17,820.10	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	0	\$0	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	4	\$35,856.50	0	\$0.00
Non-covered service	8	\$727.85	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	44	\$360,947.49	0	\$0.00
Pricing error	30	\$89.56	28	\$3,143.85
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	1	\$0.00	0	\$0.00
Other	5	\$1,239.87	2	\$14,676.25
Total	92	\$398,861.27	30	\$17,820.10

State: District of Columbia (Cont.)

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	62	\$468,546.27	0	\$0.00
Insufficient documentation	265	\$760,479.29	0	\$0.00
Coding error	12	\$1,509.35	0	\$0.00
Unbundling	1	\$5,358.13	0	\$0.00
Medically unnecessary	1	\$11,523.85	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	1	\$54.08	0	\$0.00
Other	10	\$645.33	0	\$0.00
Total	352	\$1,248,116.30	0	\$0.00

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
874	3	\$563.14	2	\$374.13	1	\$189.01

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
874	0	\$0	0	\$0	0	\$0

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	1	\$189.01	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	3	\$1,383.50	0	\$0.00
Other	2	\$374.13	0	\$0.00
Total	6	\$1,946.64	0	\$0.00

State: District of Columbia (Cont.)

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
849	7	\$1,268.44	5	\$967.50	2	\$300.94

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
849	1	\$182.35	1	\$182.35	0	\$0

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	2	\$300.94	0	\$0.00
Incorrect payment amount	1	\$3.00	1	\$182.35
FFS payment in error	1	\$646.00	0	\$0.00
Other	3	\$482.25	0	\$0.00
Total	7	\$1,432.19	1	\$182.35

State: FLORIDA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
866	73	\$40,235.24	7	\$2,015.07	66	\$38,220.17

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
866	5	\$383.33	5	\$383.33	0	\$0

State: Florida (Cont.)

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	3	\$3,140.41	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	7	\$2,015.07	5	\$338.33
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	7	\$2,015.07	5	\$338.33

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	10	\$4,245.32	0	\$0.00
Insufficient documentation	14	\$7,695.80	0	\$0.00
Coding error	2	\$86.62	0	\$0.00
Unbundling	1	\$5.00	0	\$0.00
Medically unnecessary	24	\$6,671.25	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	14	\$19,515.99	0	\$0.00
Other	1	\$0.19	0	\$0.00
Total	66	\$38,220.17	0	\$0.00

State: Florida (Cont.)

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
67	14	\$574.50	1	\$44.56	13	\$529.94

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
67	0	\$0	0	\$0	0	\$0

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
13	5	\$208.06	0	\$0

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	1	\$44.56	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	1	\$44.56	0	\$0.00

State: Florida (Cont.)

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	6	\$268.03	0	\$0.00
Insufficient documentation	3	\$80.65	0	\$0.00
Coding error	2	\$31.42	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	2	\$149.84	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	13	\$529.94	0	\$0.00

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
674	38	\$25,496.78	10	\$9,958.32	28	\$15,538.46

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
674	0	\$0	0	\$0	0	\$0.00

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	28	\$15,538.46	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	2	\$118.76	0	\$0.00
Other	8	\$9,958.32	0	\$0.00
Total	38	\$25,615.54	0	\$0.00

State: IDAHO

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1075	50	\$4,438	10	\$1,705	40	\$2,733

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1075	0	\$0	0	\$0	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	20	\$12,369	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	2	\$360.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	2	\$3.00	0	\$0.00
Logical edit	3	\$1,104.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	3	\$238.00	0	\$0.00
Total	10	\$1,705.00	0	\$0.00

State: Idaho (Cont.)

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	12	\$361.00	0	\$0.00
Coding error	3	\$391.00	0	\$0.00
Unbundling	1	\$15.00	0	\$0.00
Medically unnecessary	2	\$254.00	0	\$0.00
Administrative error	5	\$327.00	0	\$0.00
Policy violation	16	\$1,371.00	0	\$0.00
Other	1	\$14.00	0	\$0.00
Total	40	\$2,733.00	0	\$0.00

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
426	14	\$468.81	0	\$0	14	\$468.81

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
426	0	\$0	0	\$0	0	\$0

SCHIP FFS ELIGIBILITY

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	60	\$3,537.09	0	\$0

State: Idaho (Cont.)

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	7	\$156.70	0	\$0.00
Coding error	3	\$281.67	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	2	\$3.54	0	\$0.00
Policy violation	2	\$26.90	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	14	\$468.81	0	\$0.00

State: Indiana

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1089	64	\$11,596.51	14	\$1,349.02	50	\$10,247.49

State: Indiana (Cont.)

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1089	4	\$8,170.83	1	\$420.85	3	\$7,749.98

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	2	\$2,162.99	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	1	\$595.07	0	\$0.00
Non-covered service	2	\$122.32	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	1	\$133.29	0	\$0.00
Pricing error	6	\$10.40	1	\$420.85
Logical edit	4	\$487.94	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	14	\$1,349.02	1	\$420.85

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	1	\$57.69	0	\$0.00
Insufficient documentation	25	\$1,376.48	0	\$0.00
Coding error	8	\$129.86	3	\$7,749.98
Unbundling	1	\$4.75	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	6	\$581.28	0	\$0.00
Policy violation	9	\$8,097.43	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	50	\$10,247.49	3	\$7,749.98

State: Indiana (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	5	\$473.00	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	5	\$473.00	0	\$0.00

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
1066	5	\$473	0	\$0	5	\$473

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
1066	0	\$0	0	\$0	0	\$0

State: IOWA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1430	69	\$29,262.56	7	\$5.07	62	\$29,257.49

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1430	6	\$1,137.24	0	\$0	6	\$1,137.24

State: Iowa (Cont.)

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	2	\$44.50	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	7	\$5.07	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	7	\$5.07	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	18	\$13,179.22	0	\$0.00
Insufficient documentation	15	\$1,217.51	0	\$0.00
Coding error	19	\$10,993.42	5	\$1,063.34
Unbundling	0	\$0.00	1	\$73.90
Medically unnecessary	1	\$171.00	0	\$0.00
Administrative error	5	\$787.10	0	\$0.00
Policy violation	2	\$2,596.99	0	\$0.00
Other	2	\$312.25	0	\$0.00
Total	62	\$29,257.49	6	\$1,137.24

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
1120	1	\$103.62	0	\$0	1	\$103.62

State: Iowa (Cont.)

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
1120	0	\$0	0	\$0	0	\$0

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	5	\$656.15	0	\$0.00
Incorrect payment amount	1	\$131.23	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	6	\$787.38	0	\$0.00

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
473	22	\$7,329.40	0	\$0	22	\$7,329.40

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
473	3	\$57.85	0	\$0	3	\$57.85

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
39	0	\$0.00	0	\$0

State: Iowa (Cont.)

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	9	\$256.14	0	\$0.00
Insufficient documentation	1	\$22.31	0	\$0.00
Coding error	8	\$6,089.67	3	\$3.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	4	\$961.28	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	22	\$7,329.40	3	\$3.00

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
1095	6	\$787.38	1	\$131.23	5	\$656.15

State: Iowa (Cont.)

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
1095	0	\$0	0	\$0	0	\$0

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	6	\$787.38	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	6	\$787.38	0	\$0.00

State: KENTUCKY

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1067	74	\$21,597.16	3	\$108.12	71	\$21,489.04

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1067	7	\$1,340.18	3	\$158.83	4	\$1,181.35

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	0	\$0	0	\$0

State: Kentucky (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	1	\$12.16	0	\$0.00
Pricing error	2	\$95.96	3	\$158.83
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	3	\$108.12	3	\$158.83

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	21	\$3,476.07	0	\$0.00
Insufficient documentation	29	\$5,348.96	0	\$0.00
Coding error	12	\$9,272.74	2	\$59.71
Unbundling	1	\$6.16	0	\$0.00
Medically unnecessary	2	\$3,137.60	0	\$0.00
Administrative error	1	\$25.89	2	\$1,121.64
Policy violation	5	\$221.62	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	71	\$21,489.04	4	\$1,181.35

State: LOUISIANA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
550	15	\$2,830.76	3	\$39.53	12	\$2,971.23

State: Louisiana (Cont.)

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
550	2	\$118.56	2	\$118.56	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	1	\$1,269.81	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	01	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	3	\$39.53	2	\$118.56
Total	3	\$39.53	2	\$118.56

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	2	\$1,910.53	0	\$0.00
Insufficient documentation	9	\$705.41	0	\$0.00
Coding error	0	\$0.00	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	1	\$175.29	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	12	\$2,791.23	0	\$0.00

State: Louisiana (Cont.)

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
549	25	\$330.40	2	\$1.04	23	\$329.36

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
549	2	\$23.25	0	\$0	2	\$23.25

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	7	\$773.67	0	\$0

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	2	\$1.04	0	\$0.00
Total	2	\$1.04	0	\$0.00

State: Louisiana (Cont.)

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	2	\$10.59	0	\$0.00
Insufficient documentation	13	\$279.07	0	\$0.00
Coding error	1	\$6.00	2	\$23.25
Unbundling	1	\$2.77	0	\$0.00
Medically unnecessary	2	\$10.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	3	\$20.93	0	\$0.00
Other	1	\$0.00	0	\$0.00
Total	23	\$329.36	2	\$23.25

State: MASSACHUSETTS

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
861	43	\$9,552.12	10	\$5,360.95	33	\$4,191.17

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
861	0	\$0	0	\$0	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	1	\$3,512.08	0	\$0

State: Massachusetts (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	3	\$10.68	0	\$0.00
Third-party liability	1	\$29.07	0	\$0.00
Pricing error	2	\$4,636.25	0	\$0.00
Logical edit	3	\$625.55	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	1	\$59.40	0	\$0.00
Total	10	\$5,360.95	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	3	\$36.44	0	\$0.00
Insufficient documentation	3	\$59.06	0	\$0.00
Coding error	8	\$109.93	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	2	\$93.70	0	\$0.00
Administrative error	1	\$0.00	0	\$0.00
Policy violation	8	\$3,590.06	0	\$0.00
Other	8	\$301.98	0	\$0.00
Total	33	\$4,191.17	0	\$0.00

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
863	2	\$459	0	\$0	2	\$459

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
863	0	\$0	0	\$0	0	\$0

State: Massachusetts (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	2	\$459.00	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	1	\$11.65	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	3	\$470.65	0	\$0.00

State: Minnesota

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1247	69	\$14,439.28	4	\$2,829.07	65	\$11,610.21

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1247	3	\$587.32	0	0	3	\$587.32

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
106	7	\$12,785.53	0	\$0

State: Minnesota (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	1	\$472.17	0	\$0.00
MCO-covered service	1	\$872.72	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	2	\$1,484.18	0	\$0.00
Total	4	\$2,829.07	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	2	\$26.51	0	\$0.00
Insufficient documentation	31	\$3,295.04	0	\$0.00
Coding error	25	\$7,197.98	3	\$587.32
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	7	\$1,090.68	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	65	\$11,610.21	3	\$587.32

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
1200	1	\$0.88	0	\$0	1	\$0.88

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
1200	0	\$0	0	\$0	0	\$0

State: Minnesota (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	1	\$0.88	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	1	\$0.88	0	\$0.00

State: NEW MEXICO

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
867	134	\$21,328.53	24	\$2,130.80	110	\$19,197.73

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
867	14	\$1,713.46	14	\$1,713.46	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	0	\$0	0	\$0

State: New Mexico (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	23	\$2,122.24	14	\$1,713.46
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	1	\$8.56	0	\$0.00
Total	24	\$2,130.80	14	\$1,713.46

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	3	\$749.60	0	\$0.00
Coding error	0	\$0.00	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	106	\$18,332.26	0	\$0.00
Other	1	\$115.87	0	\$0.00
Total	110	\$19,197.73	0	\$0.00

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Review Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
865	1	\$8.18	1	\$8.18	0	\$0

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
865	1	\$263.32	1	\$263.32	0	\$0

State: New Mexico (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	0	\$0.00	0	\$0.00
Incorrect payment amount	1	\$8.18	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	1	\$263.32
Total	1	\$8.18	1	\$263.32

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
51	2	\$218.91	0	\$0	2	\$218.91

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
51	1	\$26.00	1	\$26	0	\$0

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	0	\$0	0	\$0

State: New Mexico (Cont.)

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	1	\$26.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	1	\$26.00

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	2	\$218.91	0	\$0.00
Coding error	0	\$0.00	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	2	\$218.91	0	\$0.00

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Review Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
292	0	\$0	0	\$0	0	\$0

State: New Mexico (Cont.)

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
292	0	\$0	0	\$0	0	\$0

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	0	\$0.00	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

State: NORTH CAROLINA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
465	21	\$21,846.22	4	\$514.46	17	\$21,331.76

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
465	1	\$7.55	1	\$7.55	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	7	\$3,214.84	0	\$0

State: North Carolina (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	1	\$149.70	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	1	\$0.60	1	\$7.55
Logical edit	1	\$364.16	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	1	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	4	\$514.46	1	\$7.55

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	1	\$153.12	0	\$0.00
Insufficient documentation	4	\$493.51	0	\$0.00
Coding error	5	\$19,153.95	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	7	\$1,531.18	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	17	\$21,331.76	0	\$0.00

State: NORTH DAKOTA

SCHIP Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Review Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
897	7	\$1,081.39	0	\$0	7	\$1,081.39

SCHIP Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
897	0	\$0	0	\$0	0	\$0

State: NORTH DAKOTA

SCHIP Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	7	\$1,081.39	0	\$0.00
Incorrect payment amount	0	\$0.00	0	\$0.00
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	7	\$1,081.39	0	\$0.00

State: OKLAHOMA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
860	101	\$85,594.31	2	\$4,606.05	99	\$80,988.26

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
860	1	\$99.72	1	\$99.72	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	6	\$2,864.19	0	\$0

State: Oklahoma (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	1	\$3,958.78	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	1	\$647.27	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	1	\$99.72
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	2	\$4,606.05	1	\$99.72

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	16	\$7,763.01	0	\$0.00
Insufficient documentation	24	\$14,255.35	0	\$0.00
Coding error	1	\$72.30	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	8	\$35,866.04	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	50	\$23,031.56	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	99	\$80,988.26	0	\$0.00

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
339	42	\$9,532.26	0	\$0	37	\$9,342.48

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
339	0	\$0	0	\$0	0	\$0

State: Oklahoma (Cont.)

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	5	\$189.78	0	\$0

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	7	\$431.32	0	\$0.00
Coding error	1	\$171.52	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	3	\$1,811.40	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	26	\$6,928.24	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	37	\$9,342.48	0	\$0.00

State: South Carolina

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
1097	137	\$59,831.05	14	\$626.86	123	\$59,204.19

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
1097	3	\$1.23	3	\$1.23	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	0	\$0	0	\$0

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	6	\$553.85	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	5	\$16.01	3	\$1.23
Logical edit	3	\$57.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	14	\$626.86	3	\$1.23

State: South Carolina (Con't)

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	34	\$31,612.47	0	\$0.00
Insufficient documentation	59	\$10,451.83	0	\$0.00
Coding error	16	\$9,942.20	0	\$0.00
Unbundling	4	\$154.84	0	\$0.00
Medically unnecessary	3	\$2,904.86	0	\$0.00
Administrative error	3	\$1,299.90	0	\$0.00
Policy violation	4	\$2,838.09	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	123	\$59,204.19	0	\$0.00

State: SOUTH DAKOTA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
897	33	\$5,030.48	5	\$1,431.51	28	\$3,598.97

State: South Dakota (Cont.)

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
897	10	\$5,030.48	7	\$1,431.51	3	\$3,598.97

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	0	\$0	0	\$0

State: South Dakota (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	1	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	3	\$1,420.09	6	\$1,420.09
Logical edit	0	\$11.42	1	\$11.42
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	1	\$0.00	0	\$0.00
Total	5	\$1,431.51	7	\$1,431.51

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	1	\$0.00	0	\$0.00
Insufficient documentation	6	\$0.00	0	\$0.00
Coding error	6	\$2,761.47	1	\$2,761.47
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	4	\$837.50	2	\$837.50
Administrative error	0	\$0.00	0	\$0.00
Policy violation	8	\$0.00	0	\$0.00
Other	3	\$0.00	0	\$0.00
Total	28	\$3,598.97	3	\$3,598.97

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
359	8	\$163.27	1	\$3.12	7	\$160.15

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
359	2	\$0.89	1	\$0.70	1	\$0.19

State: South Dakota (Cont.)

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	1	\$7	0	\$0

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	1	\$0.70
Logical edit	1	\$3.12	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	1	\$3.12	1	\$0.70

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	2	\$26.21	0	\$0.00
Coding error	0	\$0.00	1	\$0.19
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	2	\$81.44	0	\$0.00
Other	3	\$52.50	0	\$0.00
Total	7	\$160.15	1	\$0.19

State: TEXAS

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
861	135	\$86,410.77	2	\$139.91	133	\$86,270.86

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
861	1	\$4.16	0	0	1	\$4.16

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	0	\$0	0	\$0

State: Texas (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	1	\$111.06	0	\$0.00
Logical edit	1	\$28.85	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	2	\$139.91	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	23	\$8,546.31	0	\$0.00
Insufficient documentation	67	\$12,179.34	0	\$0.00
Coding error	30	\$16,942.34	1	\$4.16
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	12	\$48,199.59	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	1	\$403.28	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	133	\$86,270.86	1	\$4.16

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Eligibility Review Overpayment Errors	Amount of Eligibility Overpayment Dollar Errors
1067	8	\$740.70	2	\$121.15	6	\$619.55

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
1067	1	\$12.86	1	\$12.86	0	\$0

State: Texas (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	6	\$619.55	0	\$0.00
Incorrect payment amount	2	\$121.15	1	\$12.86
FFS payment in error	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	8	\$740.70	1	\$12.86

State: Utah

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
867	13	\$12,803.72	0	\$0	13	\$12,803.72

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
867	0	\$0	0	\$0	0	\$0

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	1	\$91.95	0	\$0

State: Utah (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	1	\$21.00	0	\$0.00
Coding error	3	\$47.63	0	\$0.00
Unbundling	1	\$31.69	0	\$0.00
Medically unnecessary	3	\$9,518.25	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	3	\$3,102.40	0	\$0.00
Other	2	\$82.75	0	\$0.00
Total	13	\$12,803.72	0	\$0.00

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
260	1	\$0.00	0	\$0	1	\$0

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
260	0	\$0	0	\$0	0	\$0

State: Utah (Cont.)

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	15	\$1,899	0	\$0

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

State: Utah (Cont.)

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	0	\$0.00	0	\$0.00
Insufficient documentation	0	\$0.00	0	\$0.00
Coding error	0	\$0.00	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	1	\$0.00	0	\$0.00
Total	1	\$0.00	0	\$0.00

State: VIRGINIA

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
900	110	\$73,197.41	0	\$0	110	\$73,197.41

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
900	3	\$138.17	0	\$0	3	\$138.17

Medicaid Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
50	4	\$777.80	0	\$0

State: Virginia (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	0	\$0.00	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	27	\$34,060.77	0	\$0.00
Insufficient documentation	29	\$12,834.33	0	\$0.00
Coding error	16	\$7,133.62	2	\$113.94
Unbundling	1	\$4.86	0	\$0.00
Medically unnecessary	1	\$9.05	0	\$0.00
Administrative error	1	\$61.41	0	\$0.00
Policy violation	35	\$19,093.37	1	\$24.23
Other	0	\$0.00	0	\$0.00
Total	110	\$73,197.41	3	\$138.17

Medicaid Managed Care Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Total Dollar Amount of Processing Dollar Errors	Number of Eligibility Overpayment Errors	Amount of Eligibility Underpayment Dollar Errors
900	7	\$1,809.96	1	\$90.01	6	\$1,719.95

Medicaid Managed Care Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Eligibility Underpayment Errors	Amount of Eligibility Underpayment Dollar Errors
900	1	\$26.68	1	\$26.68	0	\$0

State: Virginia (Cont.)

Medicaid Managed Care

Managed Care Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Ineligible beneficiary	6	\$1,719.95	0	\$0.00
Incorrect payment amount	0	\$0.00	1	\$26.68
FFS payment in error	0	\$0.00	0	\$0.00
Other	1	\$90.01	0	\$0.00
Total	7	\$1,809.96	1	\$26.68

State: Washington

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
960	23	\$5,433.17	7	\$490.59	16	\$4,942.58

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
960	10	\$5,413.12	5	\$77.69	5	\$5,335.43

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
960	3	\$2,508.28	0	\$0

State: Washington (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	1	\$1.47
Logical edit	6	\$460.29	4	\$76.22
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	1	\$30.30	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	7	\$490.59	5	\$77.69

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	1	\$2,305.77	0	\$0.00
Insufficient documentation	7	\$151.20	0	\$0.00
Coding error	6	\$369.90	5	\$5,335.43
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	1	\$69.21	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	1	\$2,046.50	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	16	\$4,942.58	5	\$5,335.43

State: WEST VIRGINIA

SCHIP FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
519	23	\$3,232.33	2	\$268.75	21	\$2,963.58

State: West Virginia (Cont.)

SCHIP FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
519	1	\$2.00	0	\$0	1	\$2.00

SCHIP FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
519	0	\$0	3	\$75.00

SCHIP FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	1	\$254.69	0	\$0.00
Ineligible recipient	0	\$0.00	3	\$75.00
Data entry errors	1	\$14.06	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	2	\$268.75	3	\$75.00

State: West Virginia (Cont.)

SCHIP FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	9	\$608.90	0	\$0.00
Insufficient documentation	12	\$2,354.68	0	\$0.00
Coding error	0	\$0.00	1	\$2.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	21	\$2,963.58	1	\$2.00

State: WYOMING

Medicaid FFS Overpayments

Sample Size	Total Number of Overpayment Errors	Total Dollar Amount of Overpayment Errors	Number of Processing Overpayment Errors	Amount of Processing Overpayment Dollar Errors	Number of Medical Review Overpayment Errors	Amount of Medical Review Overpayment Dollar Errors
860	61	\$28,340.79	3	\$0	58	\$28,340.79

Medicaid FFS Underpayments

Sample Size	Total Number of Underpayment Errors	Total Dollar Amount of Underpayment Errors	Number of Processing Underpayment Errors	Amount of Processing Underpayment Dollar Errors	Number of Medical Review Underpayment Errors	Amount of Medical Review Underpayment Dollar Errors
860	4	\$1,939.78	0	\$0	4.00	\$1,939.78

Medicaid FFS Eligibility

Sub-Sample	Total Number of Eligibility Errors Overpayments	Total Dollar Amount of Eligibility Errors Overpayments	Total Number of Eligibility Errors Underpayments	Total Dollar Amount of Eligibility Errors Underpayments
100	0	\$0	0	\$0

State: Wyoming (Cont.)

Medicaid FFS Processing

Processing Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
Duplicate item	0	\$0.00	0	\$0.00
Non-covered service	0	\$0.00	0	\$0.00
MCO-covered service	0	\$0.00	0	\$0.00
Third-party liability	0	\$0.00	0	\$0.00
Pricing error	0	\$0.00	0	\$0.00
Logical edit	0	\$0.00	0	\$0.00
Ineligible recipient	0	\$0.00	0	\$0.00
Data entry errors	3	\$0.00	0	\$0.00
Other	0	\$0.00	0	\$0.00
Total	3	\$0.00	0	\$0.00

Medicaid FFS Medical Review

Medical Review Errors	Number of Overpayment Errors	Dollar Amount of Overpayment Errors	Number of Underpayment Errors	Dollar Amount of Underpayment Errors
No documentation	8	\$5,526.89	0	\$0.00
Insufficient documentation	45	\$22,768.90	0	\$0.00
Coding error	2	\$0.00	0	\$0.00
Unbundling	0	\$0.00	0	\$0.00
Medically unnecessary	0	\$0.00	0	\$0.00
Administrative error	0	\$0.00	0	\$0.00
Policy violation	0	\$0.00	0	\$0.00
Other	3	\$45.00	4	\$1,939.78
Total	58	\$28,340.79	4	\$1,939.78