

Payment Integrity Scorecard

Program or Activity

Centers for Medicare & Medicaid Services (CMS) - Children's Health Insurance Program (CHIP)

Reporting Period

Q2 2026

FY 2025 Overpayment Amount (\$M)*

\$1,305

*Estimate based a sampling time frame starting 7/2023 and ending 6/2024



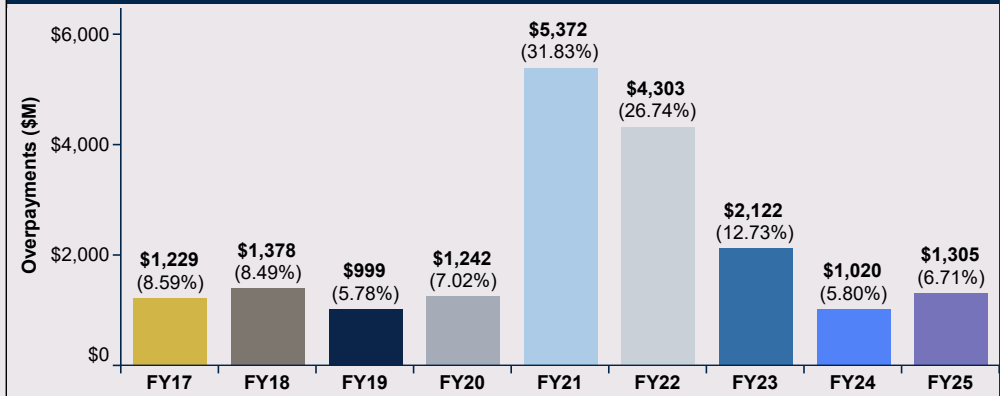
HHS

Centers for Medicare & Medicaid Services (CMS) - Children's Health Insurance Program (CHIP)

Brief Program Description & summary of overpayment causes and barriers to prevention:

The Children's Health Insurance Program (CHIP) provides low-cost health coverage to children in families that earn too much money to qualify for Medicaid but not enough to buy private insurance. In some states, CHIP covers pregnant women. Each state offers CHIP coverage and works closely with its state Medicaid program. Overpayments occur due largely to eligibility and data processing errors, missing documentation to support eligibility determinations, failure to meet provider enrollment/National Provider Identifier requirements, and medical necessity not documented. Similar to Medicaid, known barriers include lack of sufficient training/utilization of all available resources and ongoing updates to applicable systems.

Historical Payment Rate and Amount (\$M) (Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

The Centers for Medicare & Medicaid Services (CMS) continued to offer the data compare service to states, which allows them to rely on Medicare screening for dually enrolled providers. CMS also utilized monthly Technical Advisory Group calls to offer an open forum to address area specific questions from states, including provider enrollment and fraud, waste, and abuse. CMS maintains additional resource documents for states, including a centralized moratoria page and provider enrollment directory. CMS will continue to monitor Corrective Action Plan submissions and follow up with all states on their progress in implementing effective corrective actions, and will continue to issue quarterly updates via the Medicaid Provider Enrollment Compendium to provide enhanced sub-regulatory guidance to states.

Accomplishments in Reducing Overpayment

		Date
1	Provided technical assistance and guidance to the 18 states within a Payment Error Rate Measurement cycle to ensure their corrective action plans addressed the source of identified errors. Utilized Technical Advisory Groups to target specific risk areas.	Mar-26
2	Requested a high-level timeline and detailed provider revalidation strategy plan from all 50 states.	May-26
3	The Medicaid Integrity Institute provided education to states and territories covering: Clinical Validation, Professional and Hospital Outpatient Services, Focused Outpatient and Professional Coding Series, Fraud Schemes and Trends, Medical Review and Eligibility Review.	Mar-26

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Goals towards Reducing Overpayments	Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1 Identify five states for in-person visits in 2026 (Georgia, Kansas, Washington, Arkansas, and Illinois) to provide targeted assistance with achieving compliance with all applicable provider enrollment, screening, and disclosure requirements, ultimately reducing payment error rates.	On-Track	Sep-26	1 Recovery Audit	CHIP claims are not included within the scope of Medicaid recovery audit reviews. However, States are not precluded from reviewing CHIP claims to identify overpayments or underpayments.	Current statutory authority only allows certain eligibility-related overpayments to be recovered through the Payment Error Rate Measurement program. Other payment errors are recoverable on a sample basis.
2 Monitor Corrective Action Plan submissions and follow-up with all states on their progress in implementing effective corrective actions. Gather lessons learned to inform areas to evaluate for future guidance and education.	On-Track	Jun-26	2 Recovery Activity	Medicaid Recovery Audit Contractors operate at the direction of the states. States have the discretion to determine what areas of the Medicaid programs to target based on vulnerabilities identified in their respective states.	States must return the federal share of certain overpayments identified by the Payment Error Rate Measurement program within one year from the date the recovery contractor submits the Final Errors for Recovery report.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$1,305M	Overpayments that occurred because of a Failure to Access Data/Information Needed.	The primary cause for data processing overpayment is providers not screened using risk-based criteria prior to the claim payment date and Ordering/Referring Provider Type 1 National Provider Identifier required but not listed on the claim.	Training - teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Provide provider enrollment tools, technical assistance, and training to ensure payments are not made for claims that do not meet requirements.
		The primary cause for eligibility overpayment is insufficient documentation to verify if an eligibility check was done at all or if the verification was completed, if initiated.	Audit - process for assuring an organization's objectives of operational effectiveness, efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.	Review and monitor state action plans in response to audit findings to reduce overpayments stemming from improper CHIP claims.
		The primary causes of CHIP overpayments are insufficient state documentation (mostly related to eligibility redetermination/verification and provider screening/revalidation/National Provider Identifier) and states claiming beneficiaries under CHIP instead of Medicaid.	Change Process - altering or updating a process or policy to prevent or correct error.	Work with states to develop state-specific corrective action plans to reduce overpayments made in error for CHIP claims.