

**Supporting Statement for
Paperwork Reduction Act Submissions
Accounts Receivable Confirmations
OMB Control Number 1010-0162
(Expiration Date: March 31, 2009)**

Terms of Clearance: None

General Instructions

The Supporting Statement, including the text of the notice to the public required by 5 CFR 1320.5(a)(i)(iv) and its actual or estimated date of publication in the *Federal Register*, must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified in Section A below. If an item is not applicable, provide a brief explanation. When statistical methods are employed, Section B of the Supporting Statement must be completed. The Office of Management and Budget (OMB) reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

A. Justification

See Section A.

B. Collection of Information Employing Statistical Methods

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g., establishments, state and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

The agent selects the initial small sample of payors. The agent's Audit Procedures Policy, including sampling procedures and sample thresholds, is proprietary information, as is the *MRM Audit Procedures Manual*. Therefore, we do not know the exact methodology the agent utilized in determining the initial sample. However, MMS assumes that the agent utilized standard auditing procedures in selecting an initial sample size. Standard auditing procedures employ random selection procedures and statistical evaluation techniques in representative testing, to eliminate the risk of bias and quantify the sampling confidence achieved.

The evidential matter obtained from the sample is based on the reasoning that the characteristics found in a representative sample of a population are reasonably accurate reflections of the characteristics to be found in the whole of that population. Therefore, if auditors see similar

negative attributes across the initial responses, standard auditing procedures would call for an expansion of the sample to other payors to determine if that negative attribute is systemic. Therefore, because there is potential to expand beyond an initial sample, MMS estimates that there may be approximately 100 respondents annually.

2. Describe the procedures for the collection of information including: (a) Statistical methodology for stratification and sample selection; (b) estimation procedure; (c) degree of accuracy needed for the purpose described in the justification; (d) unusual problems requiring specialized sampling procedures; and (e) any use of periodic (less frequent than annual) data collection cycles to reduce burden.

Not applicable in this collection.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield “reliable” data that can be generalized to the universe studied.

Not applicable in this collection.

4. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of tests may be submitted for approval separately or in combination with the main collection of information.

Not applicable in this collection.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

Not applicable in this collection.