Supporting Statement Part B

Eligibility Error Rate measurement in Medicaid and the Children's
Health Insurance Program

1.  Describe potential respondent universe.

The universe for this project is the 50 States' and the
District of Columbia's Medicaid and CHIP programs.

The potential respondent universe is 34 unique programs (17
Medicaid and 17 CHIP).  We estimate that approximately 504
active cases will be randomly selected for review by each of
the 17 States in each program to achieve a State specific,
program specific eligibility payment error rate.  These
results will be used to calculate a national eligibility
component error rate.  We estimate States will randomly select
204 denied and terminated cases for the negative case reviews.

The anticipated response rate is 100 percent due to the
statutory requirements at section 1902(a)(6) of the Act and
Section 2107(b)(1) of the Act that require States to provide
information necessary for the Secretary to monitor program
performance.

2.  Describe procedures for collecting information.

In the first year of each State's eligibility measurement, we
determined a case sample size of 504 active and 204 negative
cases (per State using an assumed error rate of 5 percent).
In subsequent years, the actual sample size for each State
will be estimated to achieve a 95 percent confidence level
(using the mid-point of the confidence interval) within three
percent precision.

In order to meet the requirements of IPIA, all selected States
must participate.

3.  <u>Describe methods to maximize response rates.</u>

We will depend on States to provide reliable data.  The States are reporting findings monthly and on an annual basis for the year selected for review (once every three years).

4.  <u>Describe any tests of procedures or methods.</u>

Not applicable.


5.  <u>Provide the names and telephone numbers of individuals consulted on the statistical aspects.</u>

Livanta LLC, The Lewin Group, and the CMS Region 2 statistician consulted on the statistical methodology of this project and the applicable data substitution provisions.