

Supporting Statement Part B

Collection of Information Employing Statistical Methods

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A. Collection of Information Employing Statistical Methods

In contrast to the regulations governing the Payment Error Rate Measurement (PERM) program,¹ the Medicaid Eligibility Quality Control (MEQC) regulations do not require a statistically valid sample.² For active cases, the regulations at 42 CFR § 431.812(b)(2) state that, “The State must select and review, at a minimum, 400 active cases in total from the Medicaid and CHIP universe” and that of these, “[t]he State must review at least 200 Medicaid cases.” The MEQC regulations at 42 CFR § 431.812(c)(2) likewise require that, “The State must review, at a minimum, 200 negative cases from Medicaid and 200 negative cases from CHIP.”

The regulations also specify that states may choose to review more than these minimums.³ In practice, this means that the numbers of cases states select may meet the criteria for a statistically valid sample. However, by requiring minimum totals of active and negative case reviews, the regulations do not stipulate the use of a sampling methodology that guarantees statistical validity. In addition, 42 CFR § 431.812(b)(3) allows states “to focus the active case reviews on recent changes to eligibility policies and processes, areas where the state suspects vulnerabilities, or proven error prone areas.” CMS’ MEQC Phase 1 Sub-Regulatory Guidance provides examples of appropriate topics for active case focused reviews.⁴ The state option to conduct stratified random sampling within the mandatory active caseload of 400 samples would also make it difficult to impose a statistical validity requirement in the MEQC program.

Regulations specify that MEQC pilot planning documents require states to describe their sample selection procedure for both active and negative cases, respectively, in accordance with CMS instructions.⁵ Specified in CMS’ MEQC Phase 1 Sub-Regulatory Guidance, states must select their samples on a randomized basis.⁶ As such, all valid cases in the active and negative case universe will have an equal chance of being selected, whether a state samples from the entire Medicaid or CHIP universe or elects to conduct focused reviews.

The respondents affected by the above requirements include all 50 states, the District of Columbia and the Commonwealth of Puerto Rico (beginning in fiscal year (FY) 2024). The MEQC reviews take place during the off-years between the year of each state’s triennial PERM review.

¹ 42 CFR Part 431 Subpart Q—Requirements for Estimating Improper Payments in Medicaid and CHIP. Available at: <https://www.ecfr.gov/current/title-42/part-431/subpart-Q>.

² 42 CFR Part 431 Subpart P—Quality Control Medicaid Eligibility Quality Control (MEQC) Program. Available at: <https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-C/part-431>.

³ 42 CFR §§ 431.812(b)(2)(iii) and 431.812(c)(2)(i).

⁴ See <https://www.medicaid.gov/medicaid/eligibility/downloads/meqc-updated-phase1-guidance-05132021.pdf>, pages 16-17 and Appendix I, pages 32-35.

⁵ 42 CFR §§ 431.814(b)(1)(iv) and 431.814(b)(2)(iii).

⁶ See <https://www.medicaid.gov/medicaid/eligibility/downloads/meqc-updated-phase1-guidance-05132021.pdf>, pages 14, 18.

1) Describe procedures for collecting information.

From 2018 through 2022, states were required to submit their MEQC pilot planning documents electronically to a specially designated MEQC mailbox by November 1st following the end of the state's PERM year. Beginning in August 2023, states were required to upload their MEQC case level reports and CAPs into the Medicaid and CHIP Program Integrity Reporting Portal (MCPIRP) platform. It is part of a larger strategy to automate MEQC pilot planning submission and reporting to better facilitate tracking and analysis of all required MEQC deliverables and state technical assistance requests. States are required to review a combined minimum total of 400 Medicaid and CHIP active cases, with at least 200 of the active cases being Medicaid cases. States have the flexibility to determine the precise distribution of active cases. States must also review a minimum of 200 Medicaid and 200 CHIP negative cases. The States will identify the active sample size per program and the negative sample size per program in the MEQC pilot planning document.

2) Describe methods to maximize response rates.

Enhancements to the MCPIRP platform will provide states with the ability to upload their MEQC pilot planning documents rather than submit them via email. The MCPIRP platform will provide CMS and states the ability to track pilot planning document submissions, revisions, and associated correspondence. These enhancements will help alleviate state and federal burden once fully implemented and provide CMS the ability to monitor state compliance with pilot planning submission requirements.

3) Describe any test of procedures or methods.

States must comply with the MEQC pilot planning document requirements and MEQC case level and CAP report requirements:

42 CFR § 431.812	Review procedures.
42 CFR § 431.814	Pilot planning document.
42 CFR § 431.816	Case review completion deadlines and submittal of reports.
42 CFR § 431.818	Access to records.
42 CFR § 431.820	Corrective action under the MEQC program.

4) Provide the name and telephone number of individuals consulted on statistical aspects of the design.

The revised MEQC pilot program does not require a statistically valid sample. Therefore, there was no consultation regarding statistical aspects of the pilots.