

Justification for Emergency PRA Package for the  
State Plan Preprint to Implement Sections 6082 of the Deficit Reduction Act (DRA) of  
2005

Reason for Emergency Submission

CMS is requesting that the new information collection request (ICR) entitled, “Health Opportunity Accounts” be processed under the emergency clearance procedures. As stated in 5 CFR 1320.13(a)(2)(i), the agency cannot reasonably comply with the normal clearance procedures as a statutory deadline related to the final rule will be missed if the normal clearance procedures are followed.

Background

The DRA provides states with numerous flexibilities in operating their State Medicaid programs. For example, Section 6082 of the DRA (Health Opportunity Accounts) allows up to 10 States to operate Medicaid demonstrations to test alternative systems for delivering their Medicaid benefits. Under these demonstrations, States would have the flexibility to deliver their Medicaid benefits to volunteer beneficiaries through a program that is comprised of an HOA and a High Deductible Health Plan (HDHP).

Only 10 demonstrations will be approved during the initial 5 years of the program, which is to begin on January 1, 2007.

Under the DRA, States can submit SPAs to CMS to effectuate this change to their Medicaid programs. CMS will provide a State Medicaid Directors letter providing guidance on this provision and the implementation of the DRA and the associated SPA template for use by states to modify their Medicaid State plans if they choose to implement this flexibility. Previously, Medicaid program alternatives could only be implemented through the Section 1115 waiver process. Under this process, the end result is the State burden will be reduced significantly.

The DRA outlines deadlines that must be met. This deadline is January 1, 2007. In an effort to meet this deadline, CMS is requesting an emergency clearance of the Paperwork Burden Reduction Act.

Propose Timeline

**Requested and Proposed Timelines**

<u>Date</u>	<u>Activity</u>
12/01/2006	Submit emergency justification to OMB
12/05/2006	Receive approval to submit emergency package to OMB

12/08/2006	Publication in the Federal Register Document - Beginning of 10 day public comment period and OMB review
12/18/2006	End of public comment period
12/22/2006	Requested date of OMB approval
12/27/2006	Release of State Medicaid Director's Letter and State Plan Preprint to effectuate revisions prior to DRA statutory deadline of January 1, 2007