

Supporting Statement for Paperwork Burden Reduction Act PACE State Plan Amendment Preprint

A. Background

The Balanced Budget Act (BBA) of 1997 created section 1934 of the Social Security Act that established the Program for the All- Inclusive Care for the Elderly (PACE). PACE programs coordinate and provide all needed preventive, primary, acute and long term care services so that older individuals can continue living in the community. PACE is an innovative model designed to enable individuals 55 years old and older and certified to need nursing home care to live as independently as possible. The legislation authorized the PACE program as a Medicaid State plan option serving the frail and elderly in the home and community. The BBA incorporates the PACE model of care as a benefit of the Medicare program and enables States to provide PACE services to Medicaid beneficiaries as a State option. To provide this Medicaid benefit, States must elect to cover PACE services as a State Plan option and collaborate with potential PACE organizations to submit the PACE provider application. Upon completion and approval of these documents, a three party program agreement is executed. There are currently 36 PACE organizations operating in 20 States.

B. Justification

1. Need and Legal Basis

Pursuant to notice given in the Federal Register, 64 FR 66271 (November 24, 1999), if a State elects to offer PACE as an optional Medicaid benefit, it must complete a State Plan Amendment preprint packet described as "Enclosures #3,4,5,6 and 7". CMS is seeking OMB approval to use Enclosures #3, 4, 5, 6 and 7. The information, collected by CMS from the State on a **one- time basis** is needed in order to determine if the State has properly elected to cover PACE services as a State Plan option.

2. Information Users

State Medicaid agencies are required to complete applicable templates. CMS will review the information provided in order to determine if the State has properly elected to cover PACE services as a State Plan option.

3. Use of Information Technology

The application process is facilitated through the use of emails, faxes and phone calls between the Regional Offices and the States. Once the

preprint forms are completed, every effort is made to communicate via the use of information technology to complete the process.

4. Duplication of Efforts

There is no duplication of effort on how information is associated with this collection. The State is required to complete the preprint only once.

5. Small Businesses

The collection of this information is not applicable to small businesses.

6. Less Frequent Collection

Interested States are required to complete a preprint packet (Enclosures #3-7) only once. Therefore, less frequent collection circumstances are not applicable.

7. Special Circumstances

There are no special circumstances or impediments.

8. Federal Register/Outside Consultation

A 60-day Federal Register notice was published on 4/13/2007.

In State Medicaid Director letters dated March 23, 1998, and November 9, 2000, CMS advised States that it had provided a suggested preprint and supplemental pages for States to express its intention to elect PACE as an option to its State plans. As preprint packet Enclosures #3-7 were suggested and not required, CMS did not believe at the time that a suggested form required clearance from OMB. The PACE regulation 42 CFR Part 460 was first published in the Federal Register as an interim final rule on November 24, 1999. The final PACE rule was published on December 8, 2006.

9. Payments/Gifts to Respondents

There are no payments of gifts associated with this collection.

10. Confidentiality

We make no pledges of confidentiality. There is no personal identifying information collected. All of the information is available to the public.

11. Sensitive Questions

There are no questions of a sensitive nature associated with these forms.

12. Burden Estimates (Hours & Wages)

The burden associated with this requirement is the time and effort put forth by a State to develop its State plan amendment to elect PACE as an optional Medicaid benefit. CMS estimates that it would take one State approximately 20 hours to complete the requirement. At 20 hours x \$50.00 per hour, the cost for one state would be \$1,000.00. Since 20 States have already elected PACE as an optional benefit, the burden estimate provided here only includes the remaining 36 States/Territories. Also, we are unable to determine how many of the remaining States will elect this option in any given year; therefore, we have divided the burden by 3 to obtain the estimated annual burden. (36 States \ 3 = 12) (12 x 20 hours = 240 annual hours)

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

The cost to the Federal government would be the time and effort put forth by a Health Insurance Specialist to review the State Plan Amendment. It is estimated that it would take one analyst 5 hours to review the State Plan Amendment. At an average hourly salary of \$43.26 X 5 hours, it would cost \$216.30 for each State Plan Amendment review. To complete the review for all 56 states, it would cost the Federal government a total of \$12,112.80.

15. Changes to Burden

This is a collection currently in use without an OMB number. Currently 20 States have elected PACE as an optional benefit. Since this is a one-time collection, estimated annual burden will decrease as States elect the option.

16. Publication/Tabulation Dates

There are no plans to publish the information for statistical use.

17. Expiration Date

CMS does not oppose the display of the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.

C. Collections of Information Employing Statistical Methods

The use of statistical methods does not apply to this form.