

OMB “Survey 3” Clearance Package

Survey of Taxpayers who Are Either HCTC Participants or Potentially Eligible Non-Responders

I. Introduction:

Background:

The Health Coverage Tax Credit (HCTC), a federal tax credit established by the Trade Act of 2002, is designed to help eligible Americans and their families pay for health coverage they might otherwise not be able to afford, by paying 80% of an eligible individual’s health plan premiums.

The program is a partnership of the federal government, state governments and health plan administrators. The federal government administers the program. State agencies help identify people who are eligible and help promote the program. State agencies and health plan administrators work together to make qualified coverage options available for eligible individuals.

Traditionally, the HCTC was designed to assist:

1. Workers who lose their jobs due to the effects of international trade and who are eligible for certain Trade Adjustment Assistance (**TAA**) benefits (i.e., for workers who have been certified to have lost their jobs, or whose hours of work or wages are reduced due to increased imports); or who are eligible for benefits under the Alternative Trade Adjustment Assistance (ATAA) program.
2. People who receive benefits from the Pension Benefit Guaranty Corporation (**PBGC**) and who are at least 55 years old.

In 2003 and 2004, research was conducted with program participants and potentially eligibles to understand their perceptions of the program. Survey 1 was conducted with participants and non-responders to understand program awareness, interest, usage and satisfaction. Survey 2 was conducted among the potentially eligible population to better understand what percentage would actually qualify for the HCTC. This research has not been repeated since that time.

Objectives of Data Collection:

As mentioned earlier, no research has been done with program participants and potentially eligibles since 2004. As the program is changing due to legislative and population enhancements, we plan to re-baseline the quantitative survey done in the program’s infancy in 2003 using a shortened version of this original survey. Results of this effort will provide an updated baseline of program awareness, interest, usage and satisfaction and serve as a benchmark for any future research once the legislative and population changes take hold. Results of this effort will be used to design “Survey 4”—a mandated survey to take place in the

fall of 2009 and results of which will be reported to Congress.

II. Methodology:

Sample Design:

A stratified random national will be drawn from TAA and PBCG participants and potentially eligibles and provided to the contractor. Today, the PBGC represents approximately 55% of the population (TAA is 45%).

The survey sampling plan will be representative of the population at a confidence level of 95%. Since program participation levels are similar to that in 2003, we envision a similar/same sample size—a total of 1200 respondents 600 who are participating in the HCTC program and 600 ‘non-responders’ (those on the potentially eligible list who have not attempted to enroll.) Final data will be weighted to reflect actual population proportions.

Survey Methodology and Administration:

The contractor will conduct the interviews via the telephone and tabulate the results. Survey length is anticipated to be approximately 15 minutes. The data collection contractor will provide a cleansed data set containing both survey responses and open-ended comments coded according to a coding scheme supplied by the project contractor, linked with the issue identification number for analysis. Raw data will also need to be made available for additional IRS analysis.

Data Collection Dates:

Once approval to proceed is secured, it is expected to be an 8 week effort. At present time, we expect the timeframe to commence in mid-late July and end in mid-late September 2009.

Survey Questions:

The questionnaire from 2003 (“Survey 1”) will be shortened to reduce taxpayer burden by eliminating questions from 2003 which are no longer relevant to establishing a baseline. Interviews will be conducted by a data collection contractor on the approved OMB list. Additionally IRS and GAO will add new questions relevant to the program’s current state which will serve as a benchmark for interpreting Survey 4 results later this year.

The full survey instrument is attached. Topic areas/lines of questioning include:

- Awareness of HCTC and other Federal Tax Credits
- Participation in HCTC
- Preferences for enrolling, participating
- Motivations for enrollment/non-enrollment
- Perceived benefits of the program

- Satisfaction (overall and with specific parts of the process)
- Sources influential in helping respondent about benefits available and HCTC
- Reactions to the HCTC Program Kit
- Advance versus EOY enrollment preferences
- Demographics

How data will be used:

The data will be used to provide an updated view of the HCTC program and serve as a benchmark for Survey 4. A written report and a PowerPoint presentation will be derived from the data collected on the survey instruments. No individual data will be reported, only summary statistics will be reported out.

How data will be analyzed:

We will provide analysis of the survey for each stratum Participants, Non-Responders, TAA, PBGC and all combined stratum. Appropriate statistics will be computed using frequencies, cross tabulations, and confidence intervals.

Who is conducting the research?

The research is being coordinated by Wage & Investment, Research Group 4 of the IRS. Accenture will be designing, analyzing and managing the subcontractor who will be programming the survey and conducting the telephone interviews.

Location – region/city and facilities:

The survey sample will be drawn from all of Taxpayers enrolled and potentially eligible to participate in the program. Therefore, the survey will be sent to all regions of the country.

Stipend:

Respondents will not be paid to participate in the survey.

Recruitment efforts:

Taxpayers who are selected to participate in the survey will be screened via the phone

Methods to maximize response rate:

The survey will include an introduction that explains how results will be used to better equip the HCTC to serve participants. The number of survey questions has been limited to reduce participant fatigue.

Expected Response Rate:

Previous experience with surveys indicates the response rate will be approximately 60 percent.

Efforts to not duplicate research:

We not have found any previous research that duplicates our efforts.

III. Participant Criteria:

There are 2 main groups of respondents:

- Participants in the HCTC program
- Potentially eligibles who have not made an attempt to resigter/enroll

Lists will be generated from the master file and respondents will be screened to verify status.

Participants and potentially eligibles will include both TAA and PBGC participants/potentially eligibles.

IV. Privacy, Security, Disclosure

Research Group 4 will ensure that the utmost scrutiny is given to privacy, security, and disclosure when profiling the Taxpayers that respond to this survey. Every precaution will be taken to assure the proper protection of the Taxpayer's survey responses. The survey responses will be associated with the amount of Taxpayer data that is necessary to accomplish the objectives. We will limit and control the amount of information that we collect to those items that are necessary to accomplish the research objectives.

We will carefully safeguard the security of data utilized, as well as, the privacy of the Taxpayers. Physical security measures include a locked, secure office. In addition, we will store printouts of sensitive data in locked cabinets, and shred the data when we no longer need it. We will accomplish data security at the C-2 level through the Windows NT operating system. Systems are password protected, users are profiled for authorized use, and individual audit trails will be generated and reviewed. We will apply fair information and record-keeping practices to ensure protection of all Taxpayer information.

We will protect the privacy of the Taxpayers that participate in the surveys by not using names in our report. We will also control official access to the information and will not allow public access to the information. The surveys and Taxpayer data will be destroyed when we have completed the project and there is no further need for the data.

We will apply fair information and record-keeping practices to ensure protection of all Taxpayers. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code provides for the protection of Taxpayer information as well as its release to authorized recipients.

V. Burden Hours

- Screening: For Survey 3, it is anticipated that the response rate will be approximately 60 % and 90% of those will qualify. Therefore, approximately 2300 contacts will need to be made to achieve 1200 qualified respondents. With this 90% qualification figure, a total of 1,333 Taxpayers will have to be screened in order to complete the 1,200 telephone surveys. The time required to screen each of these potentially qualified Taxpayers would be on average about 3 minutes. The time burden on Taxpayers for this screening process would be $1,333 \times 3 = 3,999$ minutes/ $60 = 66.65$ burden hours.
- Each main interview (those questions beyond screening) is expected to take an average of 12 minutes. $1200 \times 12 / 60 = 240$ burden hours
- Total respondent burden = 306.65 hours (66.65 screening, 240 interviewing)

The total cost for this research is estimated to be \$105,000.

VI. Special Tallies and Other Information

The following information will be provided within 10 business days after the close of the survey data collection operations:

1. Findings: a brief summary of significant (important) findings that were evidenced in the results.
2. Actions taken or lessons learned: a brief summary of actions taken or lessons learned as a result of the findings
3. Number of requests for Taxpayer participation
4. Number of completed questionnaires