

0731

Supporting Statement for the Form CMS-21 and CMS-21B,
Quarterly State Children's Health Insurance Program Statement of
Expenditures for the Title XXI State Plan Expenditures and
State Children's Health Insurance Program Budget Report for the
Title XXI Program State Expenditure Plan

A. BACKGROUND

The forms CMS-21, Quarterly State Children's Health Insurance Program (SCHIP) Statement of Expenditures for the Title XXI Program and forms CMS-21B, State Children's Health Insurance Program Budget Report for the Title XXI Program State Plan Expenditures, has been used since July 1998, by the Medicaid State Agencies to report their actual program benefit costs and administrative expenses, budget estimates, and statistical information to the Centers for Medicare & Medicaid Services (CMS) required for implementation of the SCHIP program, Title XXI of the Social Security Act (the Act), established by the Balanced Budget Act of 1997 (BBA).

Certain schedules of the CMS-64 form are used by States to report budget, expenditure and related statistical information required for implementation of the Medicaid portion of the State Children's Health Insurance Programs, Title XXI of the Social Security Act (the Act), established by the recently enacted Balanced Budget Act of 1997 (BBA).

B. JUSTIFICATION

1. Need and Legal Basis

The forms CMS-21 and CMS-21B are currently approved under OMB control number 0938-0731 through June 30, 2008.

Sections 1905 and 2105 of the Social Security Act provide the authority for collecting this information. States are required to submit the form CMS-21 quarterly to CMS no later than 30 days after the end of the quarter being reported and the form CMS-21B quarterly no later than 45 days prior to the start of each quarter of funds request. These submissions provide CMS with the information necessary to issue the quarterly grant awards, monitor current year expenditure levels, determine the allow ability of State claims for reimbursement, develop SCHIP financial management information, provide for State reporting of waiver expenditures, ensure that the federally-established allotment is not exceeded. Further, these forms are necessary in the redistribution and reallocation of unspent funds over the Federally mandated timeframes.

The structure of the current forms CMS-21 and CMS-21B were designed to capture

financial reporting data in a manner that is similar to the forms CMS-64 and CMS-37. Classification, identification and referencing used in the CMS-64 forms has been in place for several years, is readily understood and accepted by the report users, and is supported by strong sentiments in both CMS and the States to maintain the existing format for the forms CMS-21 and CMS-21B as well.

Sections 4901, 4911, and 4912, of the Balanced Budget Act of 1997 (BBA) established a new Title XXI of the Act and related Medicaid provisions, which provides funds to States to enable them to initiate and expand the provision of child health assistance to uninsured, low-income children. In order to make appropriate payments to States pursuant to this new legislation, CMS amended the existing Medicaid Budget and Expenditure System (MBES) and established a new Child Health Budget and Expenditure System (CBES) and established new report forms for States to report budget, expenditure and related statistical information to CMS on a quarterly basis. Reporting of this information by States began after the end of the second quarter of Federal fiscal year 1998 (after the end of June 1998).

2. Information Users

Form CMS-21, Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI

The form CMS-21 consists of a one-page Summary and Certification Sheet with supporting forms for specific expenditure categories contained on the summary. SCHIP program and administrative expenditures reported on the summary sheet are supported by 21P forms. These forms detail, by category, the current quarter program and administration expenditures. Increasing claims or adjustments for prior periods are noted in Columns (a) and (b) of Line 2. Decreasing claims or adjustments for prior periods are noted in Columns (a) and (b) of Line 3. These forms detail the prior period program and administration expenditures by category, arraying the expenditures by fiscal year. A separate form is prepared to support each fiscal year and increasing or decreasing adjustments. Provider-Related Donations and Health Care related Taxes, Fees and Assessments Received Under Public Law 102-234 are detailed on the form CMS-21.11a. Summary Total of Receipts from Form CMS-21.11a represents the total of all CMS-21.11a detailed on the form CMS-21.11. Section 2105 of the Act provides for FFP at the enhanced FMAP available only up to a 10 percent limit for certain categories of State Title XXI expenditures specified at that section.

The following discussion highlights each section of the form CMS-21 and supporting forms in their order of appearance.

o **CMS-21 SUMMARY SHEET**

Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI, Summary Sheet. The form CMS-21 summary sheet is a one-page summary sheet summarizing the total expenditures reported for the quarter. The

remaining forms provide additional detail and support the entries made on the summary sheet.

o **CMS-21 BASE**

Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI, Expenditures in this Quarter. The form CMS-21 BASE is one page that is used for detailing, by category, current quarter program expenditures by type of service (e.g., clinical services, dental services). The total figures from the form CMS-64.9 BASE are transferred to the form CMS-21 Summary Sheet, Line 1, columns (A) and (B). This information will be computer generated from the CMS-21 and CMS-21 Waivers.

o **CMS-21**

Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI, Expenditures in this Quarter. The form CMS-21 is one page that is used for detailing, by category, current quarter program expenditures by type of service (e.g., clinical services, dental services). These expenditures are non-waiver expenditures. The total figures from the form CMS-21 are transferred to the form CMS-21 BASE.

o **CMS-21 Waiver**

Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI, Expenditures in this Quarter. The form CMS-64.9 Waiver is comprised of two pages that are used for detailing, by category, current quarter program expenditures by type of service (e.g., clinical services, dental services). The total figures from each form CMS-64.9 Waiver are transferred to the form CMS-64.9 BASE.

o **CMS-21P**

Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI, Prior Period Adjustments. The form CMS-21P supports claims or adjustments for prior period (years) which are transferred to the form CMS-21 summary sheet and noted on Lines 2 for increasing adjustments and 3 for decreasing adjustments, columns (A) and (B). It contains the same service categories as the form CMS-21. This form details the program expenditures, by category, arraying the expenditures by fiscal year. A separate form CMS-21P is prepared to support each fiscal year and each line entry (Lines 2 and 3) on the summary sheet. The prior period waiver-related expenditures are reported on a separate CMS form, CMS-21P Waiver. A separate form CMS-21P must be filed for each waiver including HCBS waivers.

o **CMS-21P Waiver**

Quarterly Medicaid State Children's Health Insurance Program Statement of Expenditures for Title XXI, Prior Period Adjustments. The form CMS-21P Waiver supports waiver claims or adjustments for prior period (years) which are transferred to the form CMS-21 summary sheet and noted on Lines 2 for increasing adjustments and 3 for decreasing adjustments, columns (A) and (B). It contains the same service categories as the form CMS-21. This form details the program expenditures, by category, arraying

the expenditures by fiscal year. A separate form CMS-21P Waiver is prepared to support each fiscal year and each line entry (Lines 2 and 3) on the summary sheet.

o **CMS-21 L**

State Children's Health Insurance Program Statement of Expenditures for the Title XXI Program, Calculation of 10% Limit. The form CMS-21 L calculates FFP at the enhanced FMAP which is available only up to a "10 Percent Limit" for certain categories of State Title XXI expenditures. This limit applies to administrative expenditures, outreach, health service initiatives, and certain other child health assistance. Because of the State allotment limitation, the 10 percent limit may be no more than 10 percent of the total computable amount of the State's allotment for the FFY. This form will be computer generated by the system based on information reported by States on the CMS-64 and the CMS-21.

o **CMS-21C**

Allocation of Title XIX and Title XXI Expenditures to SCHIP Fiscal Year Allotment. The form CMS-21C has been created to track payments of Title XXI by Federal Fiscal Year. This one page form details, expenditures matched at the enhanced Title XXI rate for both Title XIX and XXI details the allotment and Title XXI payments by Federal Fiscal Years and is systems generated. This is authorized under Sections 1905(u)(2)/(3) and 2105(a)(1)(C)/(D) of the Act.

o **CMS-21.11**

Summary Total of Receipts from form CMS-21.11A. The form CMS-21.11 has been created to summarize the information reported on the various CMS-21.11a forms. This is authorized under Section 1903(w) of the Act.

o **CMS-21.11A**

Actual Receipts by Plan Name. The form CMS-21.11a has been created to report the actual receipts by plan names form provider-related donation and health care related taxes, fees and assessments. This is authorized under Section 1903(w) of the Act.

o **CMS-21T TRACKING**

Children's Health Insurance Program Expenditures for the Title XXI Program. The form CMS-21T TRACKING has been created to report the application of 20 percent Medicaid allowance for FY 2005 through 2008 allotment States used in the calculation of the 20 percent limit. This one page form details expenditures matched at the enhanced Title XXI rate for both Title XIX and XXI, and is systems generated.

o **CMS-21B**

State Children's Health Insurance Program Budget Report for the Title XXI Program, State Expenditure Plan. The form CMS-21B has been created to report State projected expenditures by quarter for the two most current Federal Fiscal Years that is used to process advanced awards to States for the upcoming quarter.

3. Improved Information Technology

CMS has developed an automated Medicaid expenditure system for use within CMS using electronic transfer between States and CMS for processing all State Medicaid expenditure data.

4. Duplication/Similar Information

The information covered by this request does not duplicate any data being collected. It is unique to the two programs involved, Medicaid and SCHIP and is reported by the State administering the programs to the Federal agency responsible for oversight and administration of the programs, CMS.

5. Small Business

NA, this information is reported by States only.

6. Less Frequent Collection

The statute requires this information be submitted quarterly, therefore, less frequent collection would violate the statute.

7. Special Circumstances

States would need to report more often than quarterly if circumstances require adjustments in what the States previously reported; for example, if the State needed an additional grant award, or if expenditures were previously reported incorrectly.

8. Federal Register Notice/Outside Consultation

A 60-day Federal Register was published on 4/2/2008.

These forms were developed in consultation with States (i.e., the American Public Welfare Association (APWA) and the National Governors' Association (NGA), as well as with Federal government components in the Department of Health and Human Services, the Office of Management and Budget and the White House.

9. Payment/Gifts To Respondents

There were no payments/gifts to respondents.

10. Confidentiality

The forms CMS-21 and CMS-21B do not collect information on individuals and is not subject to the Privacy Act.

11. Sensitive Questions

There are no questions of a sensitive nature associated with this report.

12. Burden Estimate

Respondent Cost

There are 56 States (including Commonwealths and Territories). Submission of the budget forms will be required 4 times each year for each State. Submission of the expenditure forms will be required 4 times each year for each State. The estimate of total annual burden for completing these forms is 7,840 hours. The annual burden was determined as follows. The SCHIP expenditure report (CMS-21) will require 35 hours for each submission per respondent. Thus the burden would be 56 respondents X 4 quarterly responses X 35 hours per submission = 7,840 hours. The SCHIP budget form is only one page and is included in the 35 hours per submission.

13. Capital Cost

There is no capital cost.

14. Cost to the Federal Government

Federal Costs

Review of the SCHIP related Forms CMS-21 and CMS-21B are based on analytical costs. Federal clerical costs are negligible since States' input is reviewed electronically.

Federal analytical costs are based on reviewing 448 submissions per year (56 submissions times four quarters per year for both the expenditure and budget reports). Each review takes an average of 3 hours to complete at an average cost of \$23.00 per hour.

Therefore, the total Federal cost related to the review of the Forms CMS-21 and CMS-21B is computed as follows:

Analyst Costs

448	Number of Submissions (56/QTR x 4 QTR x 2 for budget/expenditures)
X 3	Hours per review
1,344	total reporting costs
X \$ 23	Average hourly cost per analyst
\$30,912	Subtotal

\$ 7,100 Miscellaneous Costs (including printing and distribution)

Federal Share of State Costs

7,840	total reporting hours (56 States x 35 hrs/QTR per State x 4 QTRS)
X\$ 23	cost per hour
\$180,320	total reporting costs
X 50	% Federal Share
\$ 90,160	

\$128,172 Cost to Federal Government of information collection or rulemaking

15. Changes in Program/Burden

There were no Program/Burden Changes.

16. Publication and Tabulation Data

There are no publication or tabulation dates.

17. Expiration Date

CMS would like to display the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.