

Supporting Statement for Paperwork Reduction Act Submission

A. Background

The Centers for Medicare & Medicaid Services (CMS) awarded The Lewin Group (Lewin) the contract for CMS RTOP-09-001 Mandated Report to Congress. Under this contract, Lewin is to perform the work defined in Section 7001(c)(2) of the Supplemental Appropriations Act, 2008 (SAA, P.L. 110-252). This section of the SAA requires that the Secretary of Health and Human Services (HHS) enter into a contract with an independent organization to produce a report on four specific Medicaid regulatory publications issued by the Centers for Medicare & Medicaid Services.

Beginning in early 2007, CMS issued several regulations that were part of an effort to reduce ambiguity and ensure Medicaid regulations accurately reflect the governing Federal statute and the longstanding efforts the Federal Government uses to ensure sound fiscal management of the Medicaid program. The four regulations that are subject to the above mentioned report are listed below. CMS was precluded from implementing or enforcing any of these regulations as a result of Congressional action in the form of various moratoria.

- (1) Proposed rule, published January 18, 2007 - Medicaid Program; Cost Limit for Providers Operated by Units of Government and Provisions to Ensure the Integrity of Federal-State Partnership (CMS-2258-P).
- (2) Proposed rule, published May 23, 2007 - Medicaid Program; Graduate Medical Education (CMS-2279-P).
- (3) Proposed rule, published August 13, 2007 - Medicaid Program; Coverage for Rehabilitative Services (CMS-2261-P).
- (4) Final rule, published December 28, 2007 - Medicaid Program; Elimination of Reimbursement Under Medicaid for School Administration Expenditures and Costs Related to Transportation of School-Age Children Between Home and School (CMS-2287-F).

Lewin is required to produce a comprehensive final draft report to meet the requirements of Section 7001(c)(2) of SAA, P.L. 110-252. The report is to include:

- (1) The prevalence of the problems that the Medicaid regulations are meant to address
- (2) Strategies in existence to address these problems
- (3) An assessment of the impact of each regulation on each State and the District of Columbia

Specific sections of the report are to address the following:

- (1) Identification of which claims, associated with the four regulations, for items and services (including administrative activities) under Title XIX of the Social Security Act are not processed through systems described in section 1903(r) of the Social Security Act;

[NOTE: Section 1903(r) of the Social Security Act requires the use of an automated data system in order to receive payments for claims. For Medicaid purposes, the mechanized claims processing and information retrieval system which States are required to have, unless this requirement is waived by the Secretary, is the Medicaid Management Information System (MMIS). The MMIS is an integrated group of procedures and computer processing operations developed at the general design level to meet principle objectives. The objectives of this systems and its enhancements include Medicaid program control and administrative costs; service to recipients, providers and inquiries; operations of claims control and computer capabilities; and management reporting for planning and control.]

- (2) Examination of the reasons why these claims are not processed through such systems; and
- (3) Recommendations on actions by the Federal government and the States that can make claims for such items and services more accurate and complete consistent with the Medicaid statute.

Lewin will interview representatives of all 50 states and the District of Columbia to collect the information required to prepare this report. Lewin expects to begin the data collection process through interviews and data requests to state Medicaid officials to identify the structure for administrative and fiscal oversight for the affected service areas and claims and to assist in the identification of which claims associated with the regulations are not processed through states' MMIS. Lewin will also obtain information from state staff responsible for preparation and certification of the CMS-64, other state agencies to whom administrative or financial responsibilities for affected services have been delegated, and other government entities with relevant administrative responsibilities

Interviews will be conducted with state government personnel identified as knowledgeable about issues related to the four regulations. While the number and duration of interviews will vary depending on the complexity of each state's program, we estimate that, on average, each state will spend approximately 60 person-hours responding the proposed interview questions. (See the burden calculations on the OMB 83-I Form and item 12 in the supporting statement).

Lewin will compile the information collected to produce the Mandated Report to Congress. Lewin will not use specific sampling methodology, make assumptions about the underlying distributions, or make statistical claims about the results of the survey.

B. Justification

1. Need and Legal Basis

The collection of this information is necessitated to perform the work defined in Section 7001(c)(2) of the Supplemental Appropriations Act, 2008 (SAA, P.L. 110-252).

2. Information Users

Information obtained by this instrument will be collected by Lewin via survey and telephone interviews. The information will subsequently be used to prepare the comprehensive Mandated Report to Congress.

3. Use of Information Technology

The survey will be administered exclusively in an electronic format and can be returned via email. Interviews will primarily be conducted via teleconference.

4. Duplication of Efforts

This information collection effort does not duplicate any other efforts and the information cannot be obtained from any other source.

5. Small Businesses

This collection does not impact small businesses.

6. Less Frequent Collection

This information collection effort is time limited. This information collection is not anticipated to recur regularly.

7. Special Circumstances

There are no special circumstances required for this data collection.

8. Federal Register/Outside Consultation

An emergency 30-day FR notice was published on April 10, 2009.

9. Payments/Gifts to Respondents

Respondents will not receive payment, gifts, or any other form of remuneration from CMS or Lewin for completing the survey.

10. Confidentiality

We make no pledge of confidentiality.

11. Sensitive Questions

The survey does not contain questions of a sensitive nature.

12. Burden Estimates (Hours & Wages)

The burden on the state staff members will be the amount of time required to complete the initial survey, and time spent in telephone interviews. The cost burden was determined using the most recent wage data available from the Bureau of Labor Statistics for State Government Financial Managers (\$38.41/hr) (http://www.bls.gov/oes/2007/may/naics4_999200.htm#b13-0000)

Instruments	Number of Respondents	Number of Responses per Respondent	Ave. Burden (Hours Per Response)	Total Burden Hours	Total Burden Cost
Survey of Innovative or Unique Approaches	51	1	60	60(51) = 3,060	\$117,534.60

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

The cost for the Mandated Report to Congress contract CMS has with Lewin is \$2,282,632.

15. Changes to Burden

This is a new collection.

16. Publication/Tabulation Dates

Lewin will write a final comprehensive report to Congress regarding the four Medicaid regulations. Lewin will not use complex statistical methodologies to analyze the data and will not include complicated statistical techniques for the report. The time schedule for the contract and report production efforts is available in the timeline below:

Activity Description	Due Date
Contract awarded	12/31/2008
Outline of approach/strategy and tentative schedule of report development activities	3 weeks after contract award
Final schedule of report development activities	4 weeks after contract award
First draft of report	8 months after contract award
Second draft of report	9 months after contract award
List of resources utilized besides those provided by CMS	7 months after contract award
Final Report (20 copies)	12 months after contract award

17. Expiration Date

CMS would like to display the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.

C. Collection of Information Using Statistical Methods

Lewin is not employing statistical methods this data collection effort and Lewin will not use specific sampling methodology, make assumptions about the underlying distributions, or make statistical claims about the results of the survey.