Supporting Statement For Paperwork Reduction Act Submissions

State Option for Supplemental Dental-only Coverage (CMS-10289)

A. Background

CHIPRA 2009 provides States with an option to provide supplemental dental-only coverage to children who would be eligible to enroll in the State's Children's Health Insurance Program (CHIP) program, except that they already have health insurance coverage, either through a group health plan or employer sponsored insurance. If the health insurance plan the child is enrolled in does not provide dental benefits, the State may provide the child with the same State-defined dental package or the same benchmark benefit plan provided to children who are eligible for the entire CHIP benefit package. The child will only be entitled to the dental services provided to other CHIP children.

In order to choose this option, States must comply with all other requirements of the CHIP statute regarding cost sharing, income eligibility level, absence of a waiting list for their entire CHIP program (not just for dental coverage), and not providing more favorable treatment to children eligible for the supplemental dental benefit under this option. States must also have a Separate CHIP program in order to choose this option.

B. Justification

1 . Need and Legal Basis

Pursuant to CHIPRA 2009, if a State elects to provide supplemental dental-only coverage to eligible children, it must complete the State Plan Amendment (SPA) preprint, Enclosure #1, in order to implement this option. CMS is seeking OMB approval to use Enclosure #1 for this purpose. The information collected by CMS from the States will be on a **one-time basis** and is needed in order to determine if the State has properly elected to provide supplemental dental-only coverage as a State Plan option.

2. Information Users

State CHIP agencies are required to complete applicable State plan templates. CMS will review the information provided in order to determine if the State has properly elected to provide supplemental dental-only coverage as a State Plan option.

3. Use of Information Technology

The SPA review 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 (Enclosure #1) 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 06/12/2009.

   A State Health Official letter is pending, in which CMS advises the States of this option and providing them with the draft SPA template (Enclosure #1) for their information and to consider as an option to its State plans.

9. Payments/Gifts to Respondents
   There are no payments of gifts associated with this collection.

10. Confidentiality
    CMS makes 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 supplemental dental-only coverage as an optional CHIP 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 all 50 States and the District of Columbia (DC) are eligible to implement this benefit, the burden estimate provided here includes all States and the District of Columbia. However, because we are unable to determine how many of the States and if DC will elect this option, we have considered that all States and DC will obtain the estimated annual burden. (51 X 20 hours= 1020 hours) At an average hourly wage of $50.00, we estimate the one time cost to a State or DC will be $1,000.00 ($50.00 X 20 hours = $1,000.00)

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 51 states, it would cost the Federal government a total of $11,031.30.

15. Changes to Burden
    This is a new collection.

16. Publication/Tabulation Dates
    There are no plans to publish the information for statistical use.

17. Expiration Date
    There is no 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.