

# Supporting Statement For Paperwork Reduction Act Submissions For Self-Directed PAS State Plan Pre-Print

## **A. Background**

The Deficit Reduction Act (DRA) of 2005 was enacted into law on February 8, 2006. Section 6087 of the DRA amended Section 1915 of the Social Security Act (42 U.S.C. 1396n) to add a new subsection that would allow a State the option to amend their State plan to provide self-directed personal assistance services (PAS) to beneficiaries, without regard to the Medicaid requirements of comparability or statewideness. Self-directed PAS is a service delivery model that States may offer as an alternative to traditional PAS. Self-direction is an important component of independence. It also promotes quality, access and choice.

Individuals are permitted to direct the PAS that have been identified in their service plan and budget based upon their State-assessed needs for PAS. Individuals directing PAS have decision-making authority that includes, minimally, the ability to hire, fire, supervise and manage employees of their own choosing, and to direct a budget from which they purchase their PAS. At the State's election, individuals may be permitted to hire legally liable relatives. Also, if the option is made available by the State, individuals may use their funds to acquire items that increase independence or substitute for human assistance, to the extent that expenditures would otherwise be made for the human assistance.

To provide this new option, States must amend their Medicaid State Plans to reflect this new flexibility.

## **B. Justification**

### **1. Need and Legal Basis**

If a State elects to offer self-directed personal assistance services through the State Plan, it must complete a State Plan Amendment preprint. CMS is seeking OMB approval to use this preprint. The information, collected by CMS from the State on a one-time basis, is needed in order to determine if a State has properly elected to provide self-directed personal assistance 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 provide self-directed personal assistance 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 the preprint 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 01/25/2010.

9. Payments/Gifts to Respondents

There are no payments or gifts associated with this collection.

10. 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 this preprint.

12. Burden Estimates (Hours & Wages)

The burden associated with these requirements is the time and effort for a State to develop its

State Plan Amendment to elect to provide self-directed personal assistance services. CMS estimates that each State would take 20 hours to complete the requirements. At 20 hours X \$50.00 per hour, the cost for one State would be \$1,000.00. If all 56 States and Territories were to elect this new option, the total annual burden is estimated to be 1,120 hours and \$56,000. However, seven States have already completed the preprint. CMS believes that an estimate of 20 States is a more appropriate estimate based on expressed State interest and the existence of additional authorities permitting self-direction of Medicaid services. Burden based on 20 States is 400 annual hours resulting in a \$20,000 cost to States.

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

There are no costs to the Federal Government.

15. Changes to Burden

The changes in burden take into account the seven States who have already completed the preprint as well as lowered CMS estimates on the number of States who will seek to amend their State Plans within the next year to provide self-directed personal assistance services.

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 preprint.