Supporting Statement – Part A

State Health Insurance Assistance Program (SHIP) Client Contact Form, Public and Media Form, and Resource Report Form (CMS-10028)
0938-0850

Specific Instructions

A. Background

The State Health Insurance Assistance Program (SHIP), created under Section 4360 of the Omnibus Budget Reconciliation Act (OBRA) of 1990 (P. L. 101-508) (42 USC 1395b-4, attached), authorizes the Secretary of the Department of Health and Human Services (DHHS) to make grants to states to establish and maintain health insurance advisory services programs for Medicare beneficiaries. The purpose of the program is to develop and strengthen the capability of states to provide beneficiaries with information, counseling and assistance on adequate and appropriate health insurance coverage.

Grant funds are awarded by the Centers for Medicare & Medicaid Services (CMS) to states to provide information, counseling and assistance to beneficiaries relating to Medicare and Medicaid matters as well as Medicare supplemental policies, managed care options including Medicare Advantage, long-term care insurance, and other health insurance benefit information. States may carry out the objective of the grants by providing one-on-one counseling, either face-to-face or over the telephone, by trained volunteer staff, by distributing written informational materials, or by holding group educational seminars and presentations and outreach events.

The enabling legislation initially authorized up to $10 million in annual appropriations for the grants for fiscal years 1991, 1992, and 1993. While no funds were appropriated for fiscal 1991, $10 million or more was awarded in SHIP grants annually from fiscal years 1992 to 2001. In fiscal years 2002 and 2003, SHIPs received $12.5 million in funding. In fiscal year 2004 funding was increased to $21.5 million. Funding from CMS' annual appropriation (Program Management Account) increased over the next four years from $31.7 million in fiscal year 2005 to $45 million in fiscal year 2009. Increased funding supported activities related to the outreach and education requirements of the Balanced Budget Act of 1997 (BBA), the requirements of the Medicare Modernization Act of 2003 (MMA), and the requirements of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA). Activities included those related to the Part D Prescription Drug Program, Medicare Advantage, and the Low-Income Subsidy and Medicare Savings Programs (LIS/MSP). CMS remains committed to supporting this program in future periods.

The current Client Contact form, Public and Media Activity Report form, and Resource Report form have been used to collect data to evaluate program effectiveness and improvement. The 2007-2009 SHIP Performance Assessment Workgroup (comprised of SHIP Directors and representatives from external organizations such as the Administration on Aging), in a report to CMS in September 2009, recommended that changes be made to the forms in order to enhance the ability to measure performance and program evaluation for each SHIP; add additional data collection elements as requested by Congress and SHIPs (Limited English Proficiency and Dual Mentally Disabled); and reduce the burden of data submission by counselors as a result of the ability to pre-populate certain data cells. Please see Attachment A for changes to each form.

B. Justification

1 . Need and Legal Basis

Section 4360(f) of OBRA 1990 requires the Secretary to provide a series of reports the U.S. Congress on the performance of the program and its impact on beneficiaries and to obtain important informational feedback from beneficiaries. Further, in response to requirements of the Balanced Budget Act of 1997, CMS launched a comprehensive five-year campaign, the National Medicare Education Program (NMEP), to raise awareness among beneficiaries about their Medicare health plan options and help them assess the advantages and disadvantages each choice holds for them. The Medicare Modernization Act (MMA) of 2003 required SHIPs to be actively engaged in the implementation of the Medicare Prescription Drug Program (Part D). The goal is to ensure that beneficiaries are making an informed choice, regardless of whether they stay in Original Medicare or choose new options. CMS is responsible to Congress for demonstrating improvement over time in the level of awareness and understanding beneficiaries have about health plan options. The SHIPs are an integral component of this initiative.

2. Information Users

The information collected is used to fulfill the reporting requirements described in Section 4360(f) of OBRA 1990. Also, the data will be accumulated and analyzed to measure SHIP performance in order to determine whether and to what extent the SHIPs have met the goals of improved CMS customer service to beneficiaries and better understanding by beneficiaries of their health insurance options. Further, the information will be used in the administration of the grants, to measure performance and appropriate use of the funds by the state grantees, to identify gaps in services and technical support needed by SHIPs, and to identify and share best practices.

3. Use of Information Technology

While the forms are completed manually by many individual SHIP volunteer counselors, virtually all of the states use an automated or electronic data transfer technology to accumulate the data and transmit it to CMS. In order to minimize the burden, CSM has created an internet-based data collection tool for entry of the accumulated data by the state grantees. The forms are relatively simple to use, in an electronic fill-in format. No signatures are required for these forms.

4. Duplication of Efforts

The data to be collected from the SHIP grantees are unique to this grant program and are based significantly on the legislatively mandated reporting requirements. The data is being gathered from and applies only to these federally mandated grant programs.

5. Small Businesses

This information collection will not impact any small entities.

6. Less Frequent Collection

This information collection is necessary to enable fulfillment of the Congressional reporting requirements in Section 4360 of OBRA 1990. There are three forms required as part of this data collection, a Client Contact Form, a Public and Media Activity Report Form, and a Resource Report Form. When the grants were first issued, quarterly reporting by the grantees was required. Although not in any specific required format, those reports summarized program activities for the period as well as reported financial status information. The reporting burden was reduced to semi-annually during an interim period, but with the implementation of the Medicare Modernization Act of 2003, the reporting requirement was returned to quarterly, effective July 1, 2005, so that CMS could have real time data available in order to assess the work of SHIPs, respond to beneficiary needs, and for reporting to Congress on the activities required under MMA.

The frequency in reporting for the Client Contact Form and the Public and Media Activity Form is quarterly, and for the Resource Report Form, is annually. The move to annual from semi-annual submission of the Resource Report Form represents a change in reporting frequency.

7. Special Circumstances

There are no special circumstances.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on December 18, 2009.

9. Payments/Gifts to Respondents

Respondents are primarily volunteers working for recipients of grants from CMS. The terms and conditions of the grants require collection of this information. No specific funds are being paid to respondents for furnishing this information.

10. Confidentiality

The information collected will be held confidential to the extent provided by law. The SHIPs are required as a condition of the grant to maintain appropriate security measures to assure the privacy of individuals that receive SHIP services. None of the personally identifying information will be passed beyond the state program, *i.e.*, no personally identifying information will be forwarded to CMS for analysis. Any results of the information collection will be made public in aggregate statistical form only.

11. Sensitive Questions

The information to be collected includes beneficiary zip code, age, income, gender, disability, and ethnicity/race. This information is necessary to evaluate whether a SHIP is adequately making its services available to populations that are hard-to- reach and underserved due to language, literacy, location and culture. This information will be aggregated at the state level and will not be identified or associated with any individuals.

12. Burden Estimates (Hours & Wages)

This information collection will occur quarterly for the Client Contact (CC) and Public and Media Activity (PAM) Report forms. Each SHIP staff or counselor is required to complete a form for each counseling or outreach event as appropriate. Also, annually, the SHIP Program Director is required to complete and submit the Resource Report (RR) Form. All of the forms are to be completed and submitted electronically through the SHIP web site, http://www.shiptalk.org. Data will be accumulated electronically by CMS and shared with the respective SHIPs.

There is no specific required cost burden to the volunteer or paid respondents other than their volunteered or paid time. Volunteer time cost estimates: The estimated dollar value of volunteer time (hourly wage plus 12% fringe) is $20.25 per hour for 2008 (nationwide estimate). Paid-staff time cost estimates: The average hourly wage in 2007 of community and social service occupations (primarily social workers and counselors) using a weighted average wage across presumed distribution of such workers in the non-profit, private, state government, and local government sectors for SHIP paid staff nationwide in GY 2008 was $19.63. Adding fringe benefits estimated at 32.85% of base wage yields total hourly compensation for paid staff of $26.07 per hour. Almost one-quarter (24.8%) of SHIP counselor and coordinator time is volunteered time with the balance (75.2%) being paid staff time (SHIP-paid or In-Kind Paid). Applying these estimates to the total volume of forms and time required to complete forms (see Form 83 Part II Worksheets attached) yields an annual cost burden to complete the CC forms of $3,327,106 (volunteer time cost for CC forms = $678,482; paid staff time cost for CC forms = $2,648,624) and an annual cost burden to complete the PAM forms of $105,026 (volunteer time cost for PAM forms = $21,418; paid staff time cost for PAM forms = $83,609 , and an annual cost to complete the RR forms = $2,784) for a total valuation of volunteer and paid staff time to complete the CC, PAM, and RR forms of $3,434,917. Across both the CC and PAM forms, the total paid and volunteer valuated record-keeping burden is $2.05 per form completed. For the RR form, the total valuated record-keeping burden is $51.56 per form. On a nominal annual program budget of $45 million, the paid-staff record-keeping burden represents 7.6% of the program budget. This burden is spread over 54 SHIPs on a per-form completed basis (plus state-level weighting for state average differences in private nonfarm production and non-supervisory hourly wages).

Sources: The estimated dollar value of volunteer time is $20.25 per hour for 2008 (nationwide estimate). Based on the average hourly earnings of production and nonsupervisory workers on private nonfarm payrolls plus 12% add-on to base wage for fringe benefits. Source: Independent Sector. http://www.independentsector.org/programs/research/volunteer_time.html.

Average hourly wage in 2007 of community and social service occupations (primarily social workers and counselors) using a weighted average wage across presumed distribution of such workers in the non-profit, private, state government, and local government sectors for SHIP paid staff (40%, 20%, 30%, 10% respectively) nationwide in GY 2008 = $19.63. Source of wages by sector: Bureau of Labor Statistics. Plus fringe benefits estimated at 32.85% of base wage = total hourly compensation of $26.07 per hour. Fringe estimate from GAO Circular A-76, attachments C and D.

Based on testing conducted in the course of development of these information collection forms, it is estimated that it takes a respondent about 5 minutes to complete the Client Contact Form and 5 minutes to complete the Public and Media Activity Form. Based on direct communication with State SHIP Directors, it takes a respondent a median of 120 minutes to complete the Resource Report Form (with a large range in time spent, depending on the ease with which the state director can accumulate the needed input data). There are approximately 1,621,223 client contacts per year, approximately 51,117 public and media events per year, and 54 state-level Resource Reports per year.

Client Contact Form Cost and Time Burden Details:
Total Active Counselors (Respondents) Over 12 Month Period = 12,407.5
Mean Contacts Per Unique Active Counselor Per Year = 130.665
Total Contacts Per Year (Annual Number of Responses) = 1,621,223
Amount of Time to Complete Each Contact Form (Time Per Response) (Hours) = 0.08333
Total Hours to Complete All Contact Forms (Annual Hour Burden) = 135,101.917
Proportion of Counselor and Coordinator Hours Volunteered = 24.8%

Estimated Value of Volunteer Time Per Hour = $20.25
Estimated Dollar Value of Volunteer Time to Complete Contact Forms = $678,481.83
Proportion of Counselor and Coordinator Hours Paid = 75.2%
Estimated Value of Paid Time (SHIP-Paid, In-Kind Paid) Per Hour = $26.07
Estimated Dollar Value of Paid Staff Time to Complete Contact Forms = $2,648,624.44
Estimated Dollar Value of Volunteer Plus Paid Time to Complete Contact Forms = $3,327,106.27
Estimated Cost in Volunteer Plus Paid Time to Complete Each Contact Form = $2.05

Public and Media Form Cost and Time Burden Details:
Number of Individual Presenters (Respondents) in Year = 8,316
Mean Public and Media Forms Per Presenter Per Year = 6.154
Public and Media Forms Per Presenter Per Year (Annual Number of Responses) = 51,177
Amount of Time to Complete Each Public and Media Form (Time Per Response) (Hours) = 0.08333
Total Hours to Complete All Contact Forms (Annual Hour Burden) = 4,264.75
Proportion of Counselor and Coordinator Hours Volunteered = 24.8%
Estimated Value of Volunteer Time Per Hour = $20.25
Estimated Dollar Value of Volunteer Time to Complete Public and Media Forms = $21,417.57
Proportion of Counselor and Coordinator Hours Paid = 75.2%
Estimated Value of Paid Time (SHIP-Paid, In-Kind Paid) Per Hour = $26.07
Estimated Dollar Value of Paid Staff Time to Complete Public and Media Forms = $83,608.89
Estimated Dollar Value of Volunteer Plus Paid Time to Complete PAM Forms = $105,026.46
Estimated Cost in Volunteer Plus Paid Time to Complete Each PAM Form = $2.05

Resource Form Cost and Time Burden Details:
Number of State SHIP Directors (Respondents) in Year = 54
Number of Resource Report Forms Per State SHIP Director = 1
Resource Report Forms Per State SHIP Director Per Year = 1
Total Resource Report Forms Per Year (Annual Number of Responses) = 54
Amount of Time to Complete Each Resource Report Form (Time Per Response) (Hours) = 2.000
Total Hours to Complete All Resource Report Forms (Annual Hour Burden) = 108
Proportion of State Director Hours Volunteered – Estimate = 5.0%
Estimated Value of Volunteer Time Per Hour = $20.25
Estimated Dollar Value of Volunteer Time to Complete Resource Report Forms = $109.35
Proportion of State Director Hours Paid – Estimate = 95.0%
Estimated Value of Paid Time (SHIP-Paid, In-Kind Paid) Per Hour = $26.07
Estimated Dollar Value of Paid Staff Time to Complete Resource Report Forms = $2,674.78
Estimated Dollar Value of Volunteer Plus Paid Time to Complete Resource Forms =

$2,784.13
Estimated Cost in Volunteer Plus Paid Time to Complete Each Resource Form = $51.56

Most of the data being requested in this instrument, under the mandate in Section 4360 of OBRA 1990, is information that any prudent manager of a public sector program would normally collect and publish in the course of managing the program. In fact, most of the programs are or will be required by their own State leaders to provide information similar to that being solicited by the instrument. This instrument is designed to combine with any state level information collection in order to simultaneously fulfill any existing or anticipated state level reporting requirements.

CMS and its National Performance Reporting (NPR) System contractor are currently working with several SHIPs on their state proprietary systems so that they can meet the specifications for NPR reporting. These states do however have the option to submit data directly into the internet-based data system. Any training or other preparation, or resources needed, will be provided through SHIP grant funds.

These forms will be prepared, primarily, by volunteers at no actual cost.

13. Capital Costs

There are no capital or operational costs.

14. Cost to Federal Government

Costs to the Federal Government include contractor time for development of the performance measurement process for the SHIPs, any updated design of the forms, and for maintenance of a database to facilitate accumulation, analysis and feedback of the data. The total future cost is estimated at $422,311 per year.

15. Changes to Burden

The burden changed from the initial application as a result of spreading the responsibility for filing the forms from the SHIP Program Director to each of the counselors and staff conducting the counseling and outreach events. Previously, the SHIP Program Director had full responsibility. The amount of data being collected has not changed. Only the collection process has been enhanced to simplify and make easier the entire process.

Based on testing conducted in the course of development of these information collection forms, it is estimated that it takes a respondent about 5 minutes to complete the Client Contact Form and 5 minutes to complete the Public and Media Activity Form. Based on direct communication with State SHIP Directors, it takes a respondent a median of 120 minutes to complete the Resource Report Form (with a large range in time spent, depending on the ease with which the state director can accumulate the needed input data).

There are approximately 1,621,223 client contacts per year, approximately 51,117 public and media events per year, and 54 state-level Resource Reports per year. The time estimate to complete the Client Contact Form and the time estimate to complete the Public and Media Activity Form remain unchanged since the last OMB submission. The current time estimate to complete the Resource Report Form is 30 minutes longer than the previous estimate, even though the current Resource Report Form is shorter. The diligence and quality of the Resource report data submitted by the State Directors has improved over recent years, thus accounting for the increased time estimate. However, the Resource Report reporting requirements have changed, resulting in only one Resource Report submission annually.

The following changes in the data elements were recommended, in order to clarify responses or to capture activities performed in response to the implementation of MMA and consistent with the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA). Changes for these forms were based on recommendations from the PAW in order to enhance the ability to measure performance and program evaluation for each SHIP; add additional data collection elements as requested by Congress and SHIPs (Limited English Proficiency and Dual Mentally Disabled); and will result in a reduction of burden due to pre-population of certain data cells.

The following changes in the data elements were made, effective 2005, in order to clarify responses or to capture activities performed in response to the implementation of MMA. While there was a reduction in the annual hour burden, this change in burden is not due to the changes in the forms, but rather, the estimates used in completing the forms. In some instances data elements were clarified, added, or eliminated. The changes are found in the attached chart titled, Attachment A. *Changes to SHIP National Performance Report (NPR) Forms.*

The process for filling out the forms is now totally automated and SHIPs are expected to file the forms electronically through the SHIP web site http://www.shiptalk.org. All SHIPs have access to this web site. There is no further burden or obligation beyond filling out each form on-line. For some SHIPs with State level electronic data collection systems, arrangements have been made to directly upload the necessary data to http://www.shiptalk.org.No further burden is required in this case either.

16. Publication/Tabulation Dates

Data collection:	Quarterly for Client Contact Form and Public and Media Activity Report Form; annually for Resource Report. The SHIP grant year is April 1-March 31.
Data processing:	Quarterly
Data Analysis:	Quarterly and annually

Report preparation: Quarterly and annually

17. Expiration Date

Displaying the expiration date is not problematic.

18. Certification Statement

N/A