

Supporting Statement – Part A
Supporting Statement For Balancing Incentive Program
CMS-10411, OMB 0938-New

A. Background

Section 10202 of the Patient Protection and Affordable Care Act (Pub. L. 111-148) (The Affordable Care Act), entitled the “State Balancing Incentive Payments Program” (referred to as the Balancing Incentive Program) authorizes grants to States to provide financial incentives to increase access to non-institutionally based long-term services and supports (LTSS). The Balancing Incentive Program requires that States undertake three structural changes to their LTSS systems in order to increase nursing home diversions and access to community-based care: implementation of a No Wrong Door/Single Entry Point System, conflict-free case management, and the use of a core standardized assessment for supporting eligibility determination and service planning. In addition, grantee States must increase their community-based LTSS expenditures relative to their overall expenditures on LTSS to a minimum of 25% or 50%.

B. Justification

1. Need and Legal Basis

The increased Federal Medical Assistance Percentage (FMAP) available to States through Section 10202 begins on October 1, 2011, and this increase is time limited. A significant amount of preparation is required for this opportunity, and States are awaiting CMS guidance in the form of this letter and solicitation in order to proceed. The expeditious release of the solicitation will allow States sufficient time to prepare their application and will prevent States from being penalized by allowing them to receive the increased FMAP for the longest period of time possible.

2. Information Users

State Medicaid agencies are responsible for developing the submissions to CMS in order to participate in this opportunity. States will submit application materials and CMS will review for consistency with statutory requirements. If the requirements are met, CMS will approve the State’s submission, giving the State the authority to implement the changes in the program and to draw down the increased FMAP funds.

3. Use of Information Technology

The forms are available in electronic format. We expect every submittal to be forwarded to CMS in an electronic format. The forms create streamlined and structured data, decreasing the time required by States to develop their submissions to CMS.

4. Duplication of Efforts

There is no duplication of similar information.

5. Small Businesses

There is no burden on small businesses.

6. Less Frequent Collection

Under Medicaid and CHIP State plans, there is no need to resubmit information once it is approved, unless the State elects to change its program.

7. Special Circumstances

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8. Federal Register/Outside Consultation

Due to the emergency nature of the program announcement, OMB has waived the Federal Register notice requirements for this collection.

9. Payments/Gifts to Respondents

There are no payments or gifts to respondents.

10. Confidentiality

Program submissions to CMS from States are public information, and there is no personal identifiable information collected in the documents. No assurance of confidentiality is provided to respondents.

11. Sensitive Questions

There are no questions of a sensitive nature.

12. Burden Estimates (Hours & Wages)

There is a universe of 56 potential respondents, including States and Territories, to the Balancing Incentive Program opportunity. Over the course of the program, each respondent would submit an application only once at the outset of the program. If each of the 56 respondents submitted one response, this would result in a total of 56 responses.

The estimate of time involved for completing the application for the Balancing Incentive Program is 40 hours (per respondent). In the above scenario, each State could spend 40 hours to produce one response, resulting in 2,240 total hours spent through the entire program (40 hours * 56 States).

To complete and return the templates, we estimate an average cost of \$40 per hour, which is equivalent to the 2011 base salary of a GS-14 Step 1 Federal employee and a comparable position to State employees likely responsible for completing and returning the templates. Under the above scenario, the total cost to respondents is \$40 per hour * 2,240 hours = \$89,600.

13. Capital Costs

There are no capital costs associated with this information collection.

14. Cost to Federal Government

There is no cost to the Federal government.

15. Changes to Burden

This is a new project.

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

Exception to the certification statement is not requested.