# Supporting Statement For Paperwork Reduction Act Submission: Health Care Reform Insurance Web Portal and Supporting Authority Contained in Sections 1103 and 10102 of The Patient Protection and Affordability Care Act, P.L. 111-148 (PPACA)

## A. Background

In accordance with Sections 1103 and 10102 of The Patient Protection and Affordability Care Act, P.L. 111-148 (PPACA) the U.S. Department of Health and Human Services (DHHS) is tasked with developing and implementing an Internet website portal to assist consumers with identifying affordable and comprehensive health insurance coverage options that are available in their State.

CCIIO is requesting approval to implement this provision for the collection of information to assist consumers in making educated decisions on their health care options. This collection was initially approved under OMB control number 0938-1086. A prior draft of this document was submitted for 60 day period for comment by the public. This version reacts to comments received, and provides the final version for 30 day review.

As this data collection is intended to provide consumers with an appropriate educational experience for learning the affordable health insurance options available to them, it entails two separate collections of related information. Information on the individual market is collected at a portal plan (detailed) level, and comprises detailed benefits information, and data required to return estimated base rates returned from information provided by the consumer.

Small group insurance is actually purchased in a different manner, such that small employers generally contract for a suite of products which allow their employees to choose between different options. Because of this, benefit information is collected as a set of available options with more general summaries. As base premiums would only apply after a small employers consumers choose between the available options, it was determined that base premiums could not be reliably collected and displayed. Instead, an estimate of cost per enrollee is calculated using enrollment and premium information reported.

Finally, it should be noted that other developments in the the Health Insurance market and its regulatory environment have impacted the collection. While we are not reporting on association products to consumers at this time, those products have increased their market share significantly over the last few years. Provisions are included in this PRA to allow for us to distinguish such products from those which do not require membership in defined bodies. It is hoped that this lays the foundation for discussion with industry and consumers as to how best to display such information in the future.

A second development has been the emergence of a standard for reporting on health benefits and cost sharing to consumers which has emerged under the auspices of the NAIC. Referred to as the Summary

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of Benefits and Coverage, this standard is currently the foundation for reporting requirements which have been released for public comment as an MPRM covering transparency requirements in Section 2715 of the ACA. As this is an emerging standard, it was determined that the overall burden would be diminished if this data collection made similar adjustments. Section 1103 does require that we be consistent with any such emerging standard. This standard does request some additional information beyond the original specification. However, by adopting this standard, we can reduce the overall burden on issuers by providing a centralized location for providing this information to consumers, and allowing for one specification instead of several.

These changes have evolved from prior experience with the initial collections and feedback received from industry, consumer representatives, and internal stakeholders. The new specifications of this package reflect those changes, as is made clear from the accompanying Revision Crosswalk.

## B. Justification

### 1. Need and Legal Basis

This information is mandated by Sections 1103 and 10102 of The Patient Protection and Affordability Care Act, P.L. 111-148. A copy of this mandate is provided in Appendix B.

### 2. Information Users

Once all of the information was collected from the states, State health benefits high risk pools, and insurance issuers (hereon referred to as issuers), this information was processed by contractors for display on the healthcare.gov website. The information that is provided helps the general public make educated decisions about their choice in organizations providing private health care insurance.

### 3. Use of Information Technology

CCIIO has created a system where insurance issuers and their states log into the web portal using a custom user ID and password validation. The states were asked to provide information on issuers in their state and various websites (see Appendix E). The issuers have been downloading a basic information template to enter data then upload into the portal. Information to be collected on issuers and products can be found in Appendix C. The pricing and benefits data that will be collected can be found in Appendix D. The templates and instructions presented in support of this PRA package as Appendix G are those developed for the prior data collections.

CCIIO will be using drop down menus and error checks wherever possible to minimize burden. Once the data is submitted, the issuers can later log in to update information they provided instead of having to re-upload all plan/product information.

### 4. Duplication of Efforts

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This information collection does not duplicate any other Federal effort. In anticipation of implementation of the A.C.A. section 2715 requirement for specific standards of reporting information to consumers, we have attempted to align our data collection with the structure for a Summary of Benefits and Coverage as recommended by the National Association of Insurance Commissioners (NAIC). The specifics are delineated in Appendix D. Additionally, in order to leverage the experience of issuers in this collection for other data requirements, it is anticipated that this portal will be utilized for other CCIIO collections such as rate review filings and possibly medical loss ratios.

## 5. Small Business

Small Businesses are not significantly affected by this collection.

## 6. Less Frequent Collection

CCIIO has been operating with an approximately 45 day refresh schedule to obtain changes in plan benefits and pricing as well as comprehensive lists of products approved within a state for sale to the public. In the event that an issuer enhances their existing plans, proposes new plans, or deactivates plans, the organization would be required to update the information in the web portal using the edit function or uploading an updated template within an open window period.

In response to the desire to decrease burden as much as possible, it is anticipated that we will adjust our collection period to quarterly. Through the use of effective dates and periodic windows of opportunity for changes, we anticipate that we can decrease the overall burden for the data collection significantly.

## 7. Special Circumstances

Dependent on the frequency with which an issuer enhances, eliminates, or adds options to their products, additional submissions may be necessary.

Information that is to be collected from State health benefits high risk pools (Appendix F) has been collected from NASCHIP at this time. Administrators have been voluntarily entering changes as they develop, so no general call for the collection of data from these groups is currently contemplated.

## 8. Federal Register/Outside Consultation

The interim final rule that published on May 5, 2010 served as the emergency Federal Register notice for the initial information collection request (ICR) associated with this effort.  The Office of Management and Budget reviewed this ICR under emergency processing and approved the ICR on April 30, 2010.

Additionally, consultations with contractors have occurred to determine what is feasible for the release, and what information would be beneficial to the public during this time frame. Two

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training/feedback meetings have been held with states as well as meetings held with a group of state and NAIC representatives who have expressed an interest in improving the validity and accuracy verification of the data. Comments to the regulation and prior PRA have been analyzed, compiled, and incorporated into our approach even in the absence of a formal response. Weekly calls have been held during collection periods to get feedback from those responsible for submitting data. These calls have averaged over 100 industry representatives, and have led to a number of clarifications and enhancements.

Participants in this effort include CCIIO staff, other HHS staff, representatives of the private plan industry, and various HHS contractors.

## 9. Payments/Gifts to Respondents

There are no payments/gifts to respondents.

## 10. Confidentiality

To the extent provided by law, we will maintain respondent privacy with respect to the information being collected.

## 11. Sensitive Questions

There are no sensitive questions included in this collection effort.

## 12. Burden Estimates (Hours & Wages)

The estimated hour burden on issuers for the Plan Finder data collection in the first year is estimated as 84,600 total burden hours, or 113 hours per organization. This estimate is based on an assumed average of 450 individual plan issuers and 700 small group plan issuers per each of the four quarterly collections. It includes 30 hours per organization for training and communication. Additionally, for each of the issuers it includes 10 hours of preparation time, one hour of login and upload time, two hours of troubleshooting and data review and one half hour for attestation per organization per quarterly refresh.

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**Insurance Issuers**:

| Issuers | Submissions | Hours | Total | Xs | Annual Hours | Per Hour | Total Cost | Explanation |
|---|---|---|---|---|---|---|---|---|
| 800 | | 30 | 24000 | 1 | 24000 | $100 | $2,400,000 | Training and communication |
| | 450 | 10 | 4500 | 4 | 18000 | $65 | $1,170,000 | Submission Preparation - Individual |
| | 700 | 10 | 7000 | 4 | 28000 | $65 | $1,820,000 | Submission Preparation - Small Group |
| | 450 | 1 | 450 | 4 | 1800 | $65 | $117,000 | Data entry - Individual |
| | 700 | 1 | 700 | 4 | 2800 | $65 | $182,000 | Data entry - Small Group |
| | 450 | 2 | 900 | 4 | 3600 | $65 | $234,000 | Troubleshoot - Individual |
| | 700 | 2 | 1400 | 4 | 5600 | $65 | $364,000 | Troubleshoot - Small Group |
| | 450 | 0.5 | 225 | 4 | 900 | $100 | $90,000 | Attest - Individual |
| | 700 | 0.5 | 350 | 4 | 1400 | $100 | $140,000 | Attest - Small Group |
| | | | 39525 | | 86100 | | $6,517,000 | Total |

**State Burden**

The estimated hour burden on the states is informed by the fact that they have already submitted the data once and only need to update. The overall hours estimate is 575, or 11.5 per Department of Insurance. This is premised on 2 hours of training and communication, 8 hours for data collection, and one half hour of submission.

| States | Submissions | Hours | Total | Xs | Annual Hours | Per Hour | Total Cost | Explanation |
|---|---|---|---|---|---|---|---|---|
| 50 | | 2 | 100 | 1 | 100 | $100 | $10,000 | Training |
| | 50 | 8 | 400 | 1 | 400 | $65 | $26,000 | Data Collection |
| | 50 | 0.5 | 25 | 1 | 25 | $65 | $1,625 | Submission |
| | | | | | 525 | | $37,625 | |

## 13. Capital Costs

There is no capital costs needed for this collection effort.

## 14. Cost to Federal Government

The initial burden to the Federal Government for the development and implementation of the collection of basic, pricing, and benefits information of issuers on the web portal is **$15,161,494**. The calculations for CCIIO employees' hourly salary was obtained from the OPM website: http://www.opm.gov/oca/10tables/html/dcb_h.asp.

| Software Development and Hosting | $15,000,000 |
|---|---|
| | |
| Managing and Coordinating Contracts | |
| 3 GS – 13: 3 x $42.66 x 416 | $53,240.00 |

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| | |
|---|---|
| Analysis and QA | |
| 4 GS – 13:4 x $42.66 x 416 | $70,986.00 |
| | |
| Overhead Costs | |
| 84,978.72 * 30% | $37,267.80 |
| | |
| **Total Cost to Government** | $15,161,494 |

## 15. Changes to Burden

The current estimate for the burden on issuers is a reduction of $755,200 from the initial estimates provided in 2010. exceeds the initial annual estimate by $328,610. These numbers are broken down in Form 83 Part II. Essentially, during the course of the prior year, we have readjusted our estimate for the amount of time required to set up reporting systems and begin submissions. However, we are also proposing a change in methodology to allow for fewer actual submissions (from 13,000 down to 4,600) by making quarterly reports sufficient to reflect changes to benefits and pricing. We would anticipate that after the first year costs will begin to decrease significantly as issuers familiarize themselves with the systems and requirements. The burden on State governments is anticipated to drop from $50,539.50 to $37,625 based primarily on a reduction in training costs associated with a basic refresh in contrast to an initial submission.

**Insurance Issuers**:

| Issuers | Submissions | Hours | Total | Xs | Annual Hours | Per Hour | Total Cost | Explanation |
|---|---|---|---|---|---|---|---|---|
| Original Estimate: 08/09/2010 | | | | | | | | |
| 650 | | 30 | 19500 | 1 | 19500 | $100 | 1,950,000 | Training and communication |
| | 13,000 | 63 | 81,880 | 1 | 81,880 | $65 | 5,322,200 | Data submission and edits |
| | | | | | | | 7,272,200 | Total |
| | | | | | | | | |
| | | | | | | | | |
| Current Estimate: 10/06/2011 | | | | | | | | |
| 800 | | 30 | 24000 | 1 | 24000 | $100 | $2,400,000 | Training and communication |
| | 450 | 10 | 4500 | 4 | 18000 | $65 | $1,170,000 | Submission Preparation - Individual |
| | 700 | 10 | 7000 | 4 | 28000 | $65 | $1,820,000 | Submission Preparation - Small Group |
| | 450 | 1 | 450 | 4 | 1800 | $65 | $117,000 | Data entry - Individual |
| | 700 | 1 | 700 | 4 | 2800 | $65 | $182,000 | Data entry - Small Group |
| | 450 | 2 | 900 | 4 | 3600 | $65 | $234,000 | Troubleshoot - Individual |
| | 700 | 2 | 1400 | 4 | 5600 | $65 | $364,000 | Troubleshoot - Small Group |
| | 450 | 0.5 | 225 | 4 | 900 | $100 | $90,000 | Attest - Individual |
| | 700 | 0.5 | 350 | 4 | 1400 | $100 | $140,000 | Attest - Small Group |
| | | | 39525 | | 86100 | | 6,517,000 | Total |

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## 16. Publication/Tabulation Dates

The information from issuers is anticipated under this request to occur scheduled for collection the week of March 21, and projected to be repeated early in June 2011.

## 17. Expiration Date

CCIIO has no objections to displaying the expiration date.

## 18. Certification Statement

There are no exceptions to the certification statement.

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