

**Supporting Statement for Paperwork Reduction Act Submissions
New Freedom Initiative
Web-based Reporting System for Grantees
CMS-10161, OMB 0938-0979**

Background

This supporting statement for a Paperwork Reduction Act (PRA) submission is requested to allow a web-based reporting system for two distinct grant programs within the Centers for Medicare & Medicaid Services (CMS). These grant programs are as follows:

- The Medicaid Infrastructure Grants
- The Systems Change Grants for Community Living

The Medicaid Infrastructure Grants

Section 203 of the Ticket to Work and Work Incentives Improvement Act of 1999 (P.L. 106-170) directed the Secretary of the Department of Health and Human Services (DHHS) to establish a grant program to support State efforts to enhance employment options for people with disabilities. The Centers for Medicare and Medicaid Services (CMS) is the designated DHHS agency with administrative responsibility for this grant program. The Medicaid Infrastructure Grant program is authorized for 11 years, and \$150 million in funding has been appropriated for the first five years of the program. The minimum grant award to an eligible State is \$500,000 per fiscal year.

The goal of the Medicaid Infrastructure Grant program is to support people with disabilities in securing and sustaining competitive employment in an integrated setting. The grant program will achieve this goal by providing money to the States to develop and implement the core elements of the Ticket to Work and Work Incentives Improvement Act of 1999, so as to successfully modify their health care delivery systems to meet the needs of people with disabilities who want to work.

States began receiving grants in 2000. To date, 47 states have participated in the Medicaid Infrastructure Grant program using it to support the creation of Medicaid buy-in programs for working adults with disabilities, making program improvements to personal care services, and bridging Medicaid to the larger employment systems within the states.

States that participate in this program agree to submit quarterly progress reports to CMS for the duration of their grants. In these progress reports, grantees must disclose the status of each grant outcome and the funding that has been used towards that outcome.

The Systems Change Grants for Community Living

Since fiscal year 2001, the Centers for Medicare & Medicaid Services (CMS) has awarded approximately \$270.3 million in Real Choice Systems Change (RCSC) Grants for Community Living to 50 States, the District of Columbia, and two U.S. territories. In all, 332 grants have been awarded during the seven funding cycles. These grants have provided funding that has enabled States and non-profit agencies build infrastructure that has resulted in effective and enduring improvements in community-integrated services and long-term support systems. The infrastructure that has been developed enables individuals of

all ages to live in the most integrated community setting suited to their medical needs, have meaningful choices about their living arrangements, and exercise more control over the services they receive. (See H.R Conference Report 108-792).

States and other eligible organizations, in partnership with their disability and aging communities, may submit proposals to design and construct systems infrastructure that will result in effective and enduring improvements in community long-term support systems. These system changes are designed to enable children and adults of any age who have a disability or long-term illness to:

- Live in the most integrated community setting appropriate to their individual support requirements and preferences;
- Exercise meaningful choices about their living environment, the providers of services they receive, the types of supports they use, and the manner by which services are provided; and
- Obtain quality services in a manner as consistent as possible with their community living preferences and priorities.

States that participate in this program agree to submit semi-annual and annual progress reports to CMS for the duration of their grants. In these progress reports, grantees must disclose the status of each grant activity, their progress toward outcome measures and the grant funding that has been utilized to date.

A Justification

1. Need and Legal Basis

There is a need and legal basis for allowing a web-based reporting system for grantees. As described in OMB Circular A-102 (Revised 10/7/94, As Further Amended 8/29/97), entitled "Revised Annual Reconciliation of Continuing Assistance Awards," Federal agencies shall reconcile continuing awards at least annually and evaluate program performance and financial reports. Items to be reviewed include:

- (1) A comparison of the recipient's work plan to its progress reports and project outputs,
- (2) The Financial Status Report (SF-269),
- (3) Request(s) for payment,
- (4) Compliance with any matching, level of effort or maintenance of effort requirement, and
- (5) A review of federally-owned property (as distinct from property acquired under the grant).

In addition, the following considerations apply:

- (1) Federal agencies shall require grantees to use the SF-269, Financial Status Report-Long Form, or SF-269a, Financial Status Report-Short Form, to report the status of funds for all nonconstruction projects or programs. Federal agencies need not require the Financial Status Report when the SF-270, Request for Advance or Reimbursement, or SF-272, Report of Federal Cash Transactions, is determined to provide adequate information.
- (2) Federal agencies shall not require grantees to report on the status of funds by object class category of expenditure (e.g., personnel, travel, equipment).
- (3) If reporting on the status of funds by programs, functions or activities within the project or program is required by statute or regulation, Federal agencies shall instruct grantees to use

block 12, Remarks, on the SF-269, or a supplementary form approved by the OMB under the Paperwork Reduction Act of 1995.

(4) Federal agencies shall prescribe whether the reporting shall be on a cash or an accrual basis. If the Federal agency requires accrual information and the grantees' accounting records are not normally kept on an accrual basis, the grantee shall not be required to convert its accounting system but shall develop such accrual information through an analysis of the documentation on hand.

2. Information Users

Information gained from the web-based grantee reporting system is primarily used by three different groups of users. First and foremost, the information is used by CMS for grant monitoring purposes. Grant Project Officers, in both Central Office and the Regional Offices, review the web-based reports submitted by the grantees in order to effectively monitor the grants progress and achievements. As the questions contained in the report are consistent for each grant of its type, the uniformity of the web-based reporting systems allows the project officers to review each grant's progress as compared to other grants within the grant category. The knowledge gained from capturing all grantee reports, in a web-based system, allows CMS to offer superior technical assistance to grantees, but promoting promising grantee practices, and, if needed, assistance in resolving common obstacles experienced and expressed by grantees.

The second group of users is comprised of CMS sanctioned contractors and technical assistance providers. This group of users accesses and utilizes the web-based reporting system in order to analyze and evaluate grant activities. Issues papers, policy briefs, and compendiums are just a few of the documents that have been produced as a result of the information contained in the web-based reporting system. In addition, the technical assistance providers use the web-based system as a tool to obtain current information from the grantee so that optimal assistance will be available to grantees to ensure grant success.

The third group of users is the grantees as they are able to access the web-based system and read the reports of other grantees. This feature allows them look at their progress and obstacles as compared to the progress and obstacles of their peers. This allows cross fertilization of ideas and the promotion of promising practices of grant operations.

3. Use of information Technology

The collection of information is entirely comprised of electronic techniques. CMS felt that by the use of electronic collection techniques would provide a more efficient grant monitoring program with reduced burden to both CMS and the grantees. For each group of grants, a template is provided for use in web-based reporting. After initial completion, by the grantee, each subsequent report updates new information leaving existing unmodified information intact. This promotes efficiency by reducing the time to complete each report as grantees have easy access, with the system, to existing information. Time is saved, and burden is reduced, by simply updating or modifying relevant sections of the web-based report. The grantee need not begin anew with each required report. Grantees will be required to use this system for all their standard reporting requirements as defined in their terms and conditions for the grants. Electronic signatures are not required; however, the name of the report preparer is required in web-based reporting.

4. Duplication of Efforts

This information collection does not duplicate any other effort and the information cannot be obtained from any other source. No other entity is collecting this same or similar information.

5. Small Businesses

This collection does not impact small businesses.

6. Less Frequent Collection

If the collection of this information is not conducted or is conducted less frequently, the ability to effectively monitor the grant program may be compromised. CMS feels that this is the minimal amount of information that can be collected by grantees that enables Federal officials to effectively monitor and report to Congress, and other key stakeholders, on the status and impact of the programs. CMS feels that the quarterly collection of reports from the MIG grantees, and the semi-annual collection of reports from the RCSC grantees represent the minimal collection effort required to achieve the basic monitoring elements of the programs.

7. Special Circumstances

There are no special circumstances that would require respondents to report information to the agency more often than quarterly. In addition, there are no special circumstances for the following:

- requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- requiring respondents to submit more than an original and two copies of any document;
- requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- conducting or in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- including a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect respondents confidentiality to the extent permitted by law.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on February 2, 2012 (77 FR 5258). No further outside consultation was needed or done. In addition, extensive training was provided to all grantees regarding the web-based reporting system. Technical assistance continues to be available and provided to the respondents regarding the use of the system.

9. Payments/Gifts to Respondents

There are no provisions or circumstances that would require any payments or gifts to respondents, other than remuneration of contractors or grantees.

10. Confidentiality

We do not request any confidential information to be reported in the web-based system.

11. Sensitive Questions

There are no questions of a sensitive nature contained in the web-based reporting system.

12. Burden Estimates (Hours & Wages)

We estimate that there will be a total of 171 respondents across the grant programs that are addressed in this PRA notice. The RSCS grantees report on a semi-annual basis. The MIG grantees report on a quarterly basis. We expect that it will take each grantee, regardless of grant type, 16 hours to complete the first report, and then four hours to complete each subsequent report. The total annual hour burden for this collection is 3,764 hours.

The breakdown for this composite estimate is as follows:

- The RCSC grantees will have a total of 2,560 annual hour burden (128 grantees times 16 hours plus 128 grantees times 4 hours equals 2,560 annual burden hours.)
- The MIG grantees will have a total of 1,204 annual hour burden (43 grantees times 16 hours to complete first report plus 43 grantees times 4 hours plus 43 grantees plus 4 hours plus 43 grantees times four hours equals 1,204 annual burden hours).

13. Capital Costs

There are no capital costs associated with this collection.

14. Cost to Federal Government

There is no increased cost to the Federal Government because of the web-based reporting system. CMS is required to monitor all grants on a quarterly or semi-annual basis (depending on grant type). Prior to the development of the web-based system, grantees were required to send quarterly or semi-annual reports (based on grant type) to CMS. These reports were reviewed by CMS program and fiscal staff. The time spent reviewing grantee reports is the same for both methods of report collection.

15. Changes to Burden

There are no program changes or burden adjustments.

16. Publication/Tabulation Dates

There are no publication or tabulation dates expected or needed for this collection.

17. Expiration Date

This collection does not lend itself to the displaying of an expiration date.

18. Certification Statement

There are no exceptions.

B Collections of Information Employing Statistical Methods

This information collection does not employ statistical methods.