

Supporting Statement – Part A

Supporting Statement For Paperwork Reduction Act Submissions

A. Background:

The Medicaid Incentives for Prevention of Chronic Diseases (MIPCD) demonstration program provides grants to states to implement programs that provide incentives to Medicaid beneficiaries of all ages who participate in prevention programs and demonstrate changes in health risk and outcomes, including the adoption of healthy behaviors. Programs address at least one of the following prevention goals: tobacco cessation, controlling or reducing weight, lowering cholesterol, lowering blood pressure, and avoiding the onset of diabetes or in the case of a diabetic, improving the management of the condition. Programs are also comprehensive, widely available, easily accessible, and based on relevant evidence-based research and resources, including: the Guide to Community Preventive Services; the Guide to Clinical Preventive Services; and the National Registry of Evidence-Based Programs.

The proposed information collection, the MIPCD Minimum Data Set (MDS), is intended to collect data for program performance monitoring and evaluation. The MDS is a secondary data collection that assembles information already collected by grantees in the course of tracking beneficiary participation and outcomes and performing their own evaluation activities. Data collected through the MDS will be used to report on program implementation and evaluation to CMS and Congress.

The MDS has two modules. One of these is a core module that will be required of all grantees, which contains identification information, beneficiary demographics, and Medicaid status. The other module contains grantee program-specific data elements that are customized to capture information on their specific program features. These data elements include enrollment status, service utilization, incentives received, and health and behavioral outcomes. This section of the MDS varies slightly by grantee to accommodate differences in prevention goals and approach. This structure reduces the burden on grantees by requiring only those data elements that apply to each program.

B. Justification

1. Need and Legal Basis:

The MIPCD program is authorized by Section 4108 of the Patient Protection and Affordable Care Act (Pub. L. 111-148) (The Affordable Care Act). The purpose of the program as stated in Section 4108 is to “test approaches that may encourage behavior modification and determine scalable solutions.” As a result, the ACA outlines significant reporting and evaluation requirements for the MIPCD program. Specifically, CMS is required to procure an independent

entity to conduct an evaluation and assessment of the MIPCD programs carried out by States. The purpose of the evaluation and assessment includes determining the following:

- The effect of such initiatives on the use of health care services by Medicaid beneficiaries participating in the program;
- The extent to which special populations (including adults with disabilities, adults with chronic illnesses, and children with special health care needs) are able to participate in the program;
- The level of satisfaction of Medicaid beneficiaries with respect to the accessibility and quality of health care services provided through the program; and
- The administrative costs incurred by State agencies that are responsible for administration of the program.

This new information collection addresses CMS' need to evaluate the effectiveness of the MIPCD program. The MDS is designed to capture information that will help CMS assess and describe the reach, effects, and cost of the program. It will also assist CMS in monitoring the performance of its grantees and understanding the implementation process.

States are required by the ACA to perform State-level evaluation activities and track and report on the specific uses of the grant funds, beneficiary participation and outcomes, program implementation process and lessons learned, and preventive services as part of reporting on quality measures for Medicaid managed care programs. The MDS is a secondary data collection that assembles information collected by the grantees in the course of their activities to fulfill their requirements as grantees.

2. Information Users:

This is a new collection. Contractors to CMS will use the submitted data: a program implementation support contractor and an evaluation contractor. Data files will be received by the implementation support contractor, Econometrica, Inc. The implementation support contractor will process and use the data necessary to conduct performance monitoring and support activities, including reporting to CMS on program performance (e.g., enrollment, characteristics of enrollees, incentives earned, outcomes recorded) and identifying technical assistance needs. The evaluation contractor, RTI International, will process and use the data necessary to conduct an evaluation of the MIPCD program.

The findings of these analyses will be reported to CMS in monthly and annual reports and to Congress in two reports. The First Report to Congress will provide an interim evaluation of the effectiveness of the initiatives and recommendations on expanding or extending the MIPCD program. The Second Report to Congress will provide an independent assessment of the effectiveness of the program and recommendations for legislation and/or administrative action.

3. Use of Information Technology:

This data collection will be entirely electronic, involving the submission of a data file (e.g., SAS,

ASCII) by grantees through an FTP server. One hundred percent of the responses from each grantee will be made electronically. This collection does not require a signature.

4. Duplication of Efforts:

This information collection does not duplicate any other effort and the information cannot be obtained from any other source. There is no information elsewhere that can be used to document participation the MIPCD program and understand the outcomes of participation in an MIPCD program for Medicaid beneficiaries as required by the law.

5. Small Businesses:

Not applicable. The data collection does not involve small business.

6. Less Frequent Collection:

If the information collection is not conducted, CMS will not have the information necessary to carry out the monitoring and evaluation requirements of the program as stated in Section 4108 of the ACA.

7. Special Circumstances:

There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines stated above and in 5 C.F.R. 1320.5 (d) (2).

8. Federal Register/Outside Consultation:

The requirements of this information collection were developed in close collaboration with the reporting entities, the MIPCD grantees, to ensure that the collection meets the tracking and reporting requirements in the statute authorizing the program and is appropriate to the individual programs and reporting capacity of each grantee.

9. Payments/Gifts to Respondents:

Grantees will be reimbursed according to their grant agreements and the requirements of the ACA for costs that will include the following: incentive payments to program participants; costs of providing preventive services to program participants; and program administrative costs (e.g., personnel, travel, training, outreach and marketing, IT infrastructure). No other payments or gifts will be provided to the grantees.

10. Confidentiality:

Confidentiality of patient-specific data will be maintained as provided by the Privacy Act of 1974 (5 U.S.C. 552a). The requested data set does not include personally identifiable information such as participant names, addresses, or Social Security numbers. However, participants' Medicaid ID and date of birth are collected to facilitate the linking of their MIPCD program data to their

Medicaid claims data by the evaluation contractor, RTI. To ensure the confidentiality of the data during transmission from a) the grantees to Econometrica and b) from Econometrica to RTI, we will set up secure FTP servers through which the data are to be transmitted. The data to be transmitted will be encrypted using American Encryption Standard (AED) 256-bit. Encrypted data uploaded by the grantees to Econometrica's secure FTP server, will be downloaded into Econometrica's secure data server within 48 hours of the grantees' informing of the transmission. Access to the data for validation and analysis will be limited to project personnel who have been granted specific use-credentials for the task and have signed an Assurance of Confidentiality agreement. Once the data are validated, a copy of it will be encrypted and transmitted to RTI via the secure FTP server.

The data collection effort assures respondents that the raw data will be treated as proprietary. Econometrica has established stringent procedures and safeguards for securing and protecting data against inappropriate disclosure or release of confidential information that will be collected. The contractors handling the MIPCD data will not release any of the information collected in such a way that it can be linked to individual MIPCD program participants or their health care providers. All results will be presented in the aggregate.

11. Sensitive Questions:

No information of a sensitive nature will be collected.

12. Burden Estimates (Hours & Wages):

Estimates are based on discussions with respondents during the development of the data set requirements and assessments by the developers of the MDS of usual amounts of time needed to conduct relevant activities.

Initially, respondents will need to develop and test a SAS program or alternative process to extract data from the grantee's program records into a file for transfer and test use of the FTP site to upload files. The hour and cost burden for these activities is shown in Table 1.

- The estimated one-time burden to respondents for start-up is 800 hours.
- The estimated one-time cost to respondents is \$31,072. This figure is based on an hourly wage rate for a state government worker of \$38.84, including overhead.¹

¹ The Bureau of Labor Statistics estimates that state government workers on average earned \$23.77 in 2007. The figure is updated to \$25.89 in 2011 dollars using the CPI, which is approximately \$38.84 including overhead ($\$25.89 * 1.50$). <http://www.bls.gov/opub/cwc/cm20081022ar01p1.htm>.

Table 1. One-time Respondent Burden and Cost

Number of Respondents	Estimated Hours per Response	Total Burden (hours)	Average Hourly Wage Rate (including overhead)	Total Cost to Respondents
10	80	800	\$38.84	\$31,072

Following start-up activities, respondents will need to prepare and submit data files quarterly. The annual hour and cost burden for these activities is shown in Table 2.

- The estimated annual burden to respondents is 3,200 hours.
- The estimated annual cost to respondents is \$124,288. This figure is based on an hourly wage rate for a state government worker of \$38.84, including overhead.²

Table 2. Annual Respondent Burden and Cost

Number of Respondents	Total Number of Responses per Year	Estimated Hours per Response	Total Burden (hours)	Average Hourly Wage Rate	Total Cost to Respondents
10	4	80	3,200	\$38.84	\$124,288

Hour and cost burdens on respondents for all years of the data collection are shown in Table 3 and Table 4:

- The total hour burden for the first year of the data collection activity is estimated to be 4,000 hours, as shown in Table 3.
- The total cost in the first year is estimated to be \$155,360, as shown in Table 4.
- The hour and cost burdens in subsequent years resemble those in Table 2.
- The total burden for all years combined is 10,400 hours.
- The total cost burden for all years combined is \$403,936.

Table 3. Total Respondent Hour Burden by Year

Activity	Total Burden Year 1 (hours)	Total Burden Year 2 (hours)	Total Burden Year 3 (hours)	Total Burden All Years
Start-up (one time)	800	0	0	800
Reporting	3,200	3,200	3,200	9,600
TOTAL	4,000	3,200	3,200	10,400

²The Bureau of Labor Statistics estimates that state government workers on average earned \$23.77 in 2007. The figure is updated to \$25.89 in 2011 dollars using the CPI, which is approximately \$38.84 including overhead (\$25.89 * 1.50). <http://www.bls.gov/opub/cwc/cm20081022ar01p1.htm>.

Table 4. Total Respondent Cost Burden by Year

Activity	Total Cost to Respondents Year 1	Total Cost to Respondents Year 2	Total Cost to Respondents Year 3	Total Cost All Years
Start-up (one time)	\$31,072	\$0	\$0	\$31,072
Reporting	\$124,288	\$124,288	\$124,288	\$372,864
TOTAL	\$155,360	\$124,288	\$124,288	\$403,936

13. Capital Costs:

There is no non-hour cost burden to respondents.

14. Cost to Federal Government:

Costs to the Federal Government are estimated in Table 5, drawing figures for respondent costs from Table 4:

- The estimated one-time cost to the government for start-up activities is \$71,207.
- The total cost to the government in the first year (including start-up activities) is estimated to be \$285,521.
- The estimated annual cost to the government in later years is \$214,314.
- The total cost burden for all years combined is estimated to be \$714,149.

Table 5. Total Cost to the Federal Government

Activity/ Partner	Specific Activities	Year 1 Cost	Year 2 Cost	Year 3 Cost	Cost all Years	Cost Description
Start-up/ Government	<ul style="list-style-type: none"> • Providing guidance on MDS development 	\$8,131	\$0	\$0	\$8,131	GS-13 staff: 50 hours X \$48.35 GS-14 staff: 100 hours X \$57.13
Start-up/ Contractor	<ul style="list-style-type: none"> • developing data set requirements • setting up FTP site for file transfer • providing assistance to respondents • testing FTP site 	\$32,004	\$0	\$0	\$32,004	Contractor staff: ³ 600 hours X \$53.34

³ According to national industry-specific occupational employment and wage estimates, workers in “Management, Scientific, and Technical Consulting Services” (NAICS 541600) on average earned \$35.56 in 2011, which is approximately \$53.34 including overhead (\$35.56 * 1.50). http://www.bls.gov/oes/current/naics4_541600.htm

Activity/ Partner	Specific Activities	Year 1 Cost	Year 2 Cost	Year 3 Cost	Cost all Years	Cost Description
Start-up/ Respondents	<ul style="list-style-type: none"> develop SAS program test FTP site 	\$31,072	\$0	\$0	\$31,072	State government full time worker: 800 hours X \$38.84
Reporting/ Government	<ul style="list-style-type: none"> reviewing results reviewing reports 	\$26,018	\$26,018	\$26,018	\$78,054	GS-13 staff: 160 hours/yr X \$48.35 GS-14 staff: 320 hours/yr X \$57.13
Reporting/ Contractor	<ul style="list-style-type: none"> validating data writing code for analysis conducting analysis interpreting results writing reports 	\$64,008	\$64,008	\$64,008	\$192,024	Contractor staff: 1,200 hours/yr X \$53.34
Reporting/ Respondents	<ul style="list-style-type: none"> running program to extract data reviewing and validating data uploading the file staff training 	\$124,288	\$124,288	\$124,288	\$372,864	State government full time worker: 3,200 hours/yr X \$38.84
TOTAL START-UP		\$71,207	\$0	\$0	\$71,207	
TOTAL REPORTING		\$214,314	\$214,314	\$214,314	\$642,942	
TOTAL ALL ACTIVITIES		\$285,521	\$214,314	\$214,314	\$714,149	

15. Changes to Burden:

Not applicable. This is a new information collection.

16. Publication/Tabulation Dates:

Grants were awarded to the 10 states in September 2011. The collection of information will begin after completion of the OMB review process on a quarterly reporting schedule (January, April, July, and October of each year of program operations). The information collection will continue for three years.

Information gathered through this collection will be aggregated and analyzed quarterly for the purposes of monitoring the demonstration and reporting on its outcomes. Findings will be reported to CMS monthly and to Congress in two public reports, an Initial Report to Congress due January 1, 2014 and a Final Report to Congress due July 1, 2016.

17. Expiration Date:

CMS would like an exemption from displaying the expiration date, since this is a quarterly data collection instrument to be used on continuing basis.

18. Certification Statement:

There are no exceptions.