

Supporting Statement Part A
PACE State Plan Amendment Preprint
CMS-10227, OMB # 0938-1027

Background

The Balanced Budget Act (BBA) of 1997 created section 1934 of the Social Security Act that established the Program for the All- Inclusive Care for the Elderly (PACE). PACE programs coordinate and provide all needed preventive, primary, acute and long-term care services so that older individuals can continue living in the community. PACE is an innovative model designed to enable individuals age 55 and older who are certified to need nursing home care to live as independently as possible. The legislation authorized the PACE program as a Medicaid State plan option serving the frail and elderly in the home and community. The BBA incorporates the PACE model of care as a benefit of the Medicare program and enables States to provide PACE services to Medicaid beneficiaries as a State option. To provide this Medicaid benefit, States must elect to cover PACE services as a State Plan option and collaborate with potential PACE organizations to submit the PACE provider application. Upon completion and approval of these documents, a three party program agreement is executed. There are currently more than 90 PACE organizations operating in over 30 States.

A. Justification

1. Need and Legal Basis

Pursuant to notice given in the Federal Register, 64 FR 66271 (November 24, 1999), if a State elects to offer PACE as an optional Medicaid benefit, it must complete a State Plan Amendment preprint packet described as “Enclosures #3, 4, 5, 6 and 7”. The information, collected by CMS from the State on a **one-time basis** is needed in order to determine if the State has properly elected to cover PACE services as a State Plan option.

2. Information Users

State Medicaid agencies are required to complete applicable templates. CMS will review the information provided in order to determine if the State has properly elected to cover PACE services as a State Plan option.

3. Use of Information Technology

The application process is facilitated through the use of emails, faxes and phone calls between the Regional Offices and the States. Once the preprint forms are completed, every effort is made to communicate via the use of information technology to complete the process.

4. Duplication of Efforts

There is no duplication of effort on how information is associated with this collection. The

State is required to complete the preprint only once.

5. Small Businesses

The collection of this information is not applicable to small businesses.

6. Less Frequent Collection

Interested States are required to complete a preprint packet (Enclosures #3-7) only once. Therefore, less frequent collection circumstances are not applicable.

7. Special Circumstances

There are no special circumstances or impediments.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on October 4, 2013 (78 FR 61848). No comments were received.

9. Payments/Gifts to Respondents

There are no payments of gifts associated with this collection.

10. Confidentiality

We make no pledges of confidentiality. There is no personal identifying information collected. All of the information is available to the public.

11. Sensitive Questions

There are no questions of a sensitive nature associated with these forms.

12. Burden Estimates (Hours & Wages)

The burden associated with this requirement is the time and effort put forth by a State to develop its State plan amendment to elect PACE as an optional Medicaid benefit. CMS estimates that it would take one State approximately 20 hours to complete the requirement including time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection.

At 20 hours x \$50.00 per hour, the cost for one state would be \$1,000.00. Since over 30 States have already elected PACE as an optional benefit, the burden estimate provided here only includes the remaining States/Territories. Also, we are unable to determine how many of the remaining States will elect this option in any given year; therefore, we have divided the burden by 3 to obtain the estimated annual burden. (21 States \ 3 = 7 States), (7 States x 20

hours = 240 annual hours), (7 States x \$1,000 per State = \$7,000 annual cost).

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

The cost to the Federal government would be the time and effort put forth by a Health Insurance Specialist to review the State Plan Amendment. It is estimated that it would take one analyst 5 hours to review the State Plan Amendment. At an average hourly salary of \$43.26 X 5 hours, it would cost \$216.30 for each State Plan Amendment review. To complete the review for all 56 states, it would cost the Federal government a total of \$12,112.80. If we use our estimate of 12 States annually, the cost to the Federal Government would be \$2,595.60.

15. Changes to Burden

While this ICR does not have any program changes, our burden estimates have been adjusted from 36 to 21 respondents since more than 30 States/Territories have elected PACE as an optional benefit.

Since this is a one-time collection, estimated annual burden will decrease as States/Territories elect the option.

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

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

The use of statistical methods does not apply to this form.