

Supporting Statement for Paperwork Reduction Act  
1932 State Plan Amendment Template  
OMB 0938-0933 / CMS-10120

## **Background**

The template outlines the information a state must include in its Medicaid state plan to ensure compliance with the statutory provisions of section 1932(a)(1)(A) and the regulations requirements of 42 CFR 438.50.

Section 1932(a)(1)(A) of the Social Security Act (the Act) grants states the authority to enroll Medicaid beneficiaries on a mandatory basis into managed care entities (managed care organization (MCOs) and primary care case managers (PCCMs)). Under this authority, a state can amend its Medicaid state plan to require certain categories of Medicaid beneficiaries to enroll in managed care entities without being out of compliance with provisions of section 1902 of the Act on statewideness (42 CFR 431.50), freedom of choice (42 CFR 431.51) or comparability (42 CFR 440.230). This template may be used by states to easily modify their state plans if they choose to implement the provisions of 1932(a)(1)(A).

## **A. Justification**

### **1. Need and Legal Basis**

Section 1901 of the Act (42 U.S.C. 1396) requires that states must establish a state plan for medical assistance that are approved by the Secretary to carry out the purpose of title XIX. The collection of information is defined in section 1932(a)(1)(A) of the Act and in 42 CFR 438.50.

### **2. Information Users**

The State Medicaid Agencies will complete the template. CMS will review the information to determine if the state has met all the requirements of 1932(a)(1)(A) and 42 CFR 438.50. If the requirements are met, CMS will approve the amendment to the state's title XIX plan giving the state the authority to enroll Medicaid beneficiaries on a mandatory basis into managed care entities (managed care organization (MCOs) and primary care case managers (PCCMs)). For a state to receive Medicaid (title XIX) funding, there must be an approved title XIX state plan.

### **3. Improved Information Technology**

This form is available in electronic format. We expect every submittal to be forwarded to our agency using the electronic format. The document is written and organized in a user friendly format.

4. Duplication of Similar Information

There is no duplication of similar information.

5. Small Businesses

This collection does not impact small businesses.

6. Less Frequent Collection

Once the amendment is approved, there is no need to resubmit unless changes are made to the program. Without this information, CMS cannot grant a state the authority to implement mandatory managed care programs in the absence of waiver authority.

7. Special Circumstances

None

8. Federal Register Notice/Outside Consultation

The 60-day Federal Register notice published on December 6, 2013 (78 FR 73545). No comments were received.

9. Payment/Gift To Respondent

There is no payment/gift to respondent.

10. Confidentiality

There is no personal identifying information collected in the document. All the information is available to the public.

11. Sensitive Questions

There are no questions of a sensitive nature.

12. Burden Estimate (Total Hours & Wages)

Hours

The potential number of respondents is 56 (50 states, D.C., and 5 territories); however, currently 16 States use this authority for managed care enrollment in 22 separate programs. Since the prior reauthorization of the template in 2011, we have averaged 15 state submissions annually. Only 2 of those are usually new program requests, and the remainder are amendments.

10 hrs x 2 respondents = 20 Annual hours for new requests

Once approved, the state will only need to resubmit to amend the prior submission. We estimate it would take 5 hours per state to complete and submit an amendment.

5 hrs x 13 respondents = 65 Annual hours for new requests

Cost

To complete and submit the template for a new program, it would cost a state no more than \$300 (\$30/hr x 10 hrs). To amend an existing template it would cost \$150 (\$30/hr x 5 hrs).

*\$30/hr wage represents the hourly wage of the State employee filling out the preprint (based on an annual salary of approximately \$60,000).*

13. Capital Costs (Maintenance of Capital Costs)

There are no capital costs.

14. Cost to Federal Government

There is no cost to the Federal Government.

15. Program or Burden Changes

The burden has been adjusted since the number of respondents has increased from 10 to 15. The burden has also been corrected since the previous package allotted 10 hr for new requests and 10 hr for amendments. That package should have allotted 5 hr (per response) for amendments.

With regard to program changes (see attached Crosswalk), the burden remains the same. While some questions requiring descriptive responses were added, many were deleted and others were put into simpler "check box" tables and questions. We believe the additional and reduced burden are balanced and result in no net change.

16. Publication and 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. Collection of Information Employing Statistical Methods**

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