

Application to Use Burden/Hours from Generic PRA Clearance:
Medicaid and CHIP State Plan, Waiver, and Program Submissions
(CMS-10398, OMB 0938-1148)

Information Collection #41 – 1095 B Reporting State Readiness

July 7, 2015

Center for Medicaid and CHIP Services (CMCS)
Centers for Medicare & Medicaid Services (CMS)

We are seeking an expedited approval from OMB. We would like to start engaging with states to determine their readiness in August 2015.

A. Background

The Centers for Medicare & Medicaid Services (CMS) work in partnership with States to implement Medicaid and the Children’s Health Insurance Program (CHIP). Together these programs provide health coverage to millions of Americans. Medicaid and CHIP are based in Federal statute, associated regulations and policy guidance, and the approved State plan documents that serve as a contract between CMS and States about how Medicaid and CHIP will be operated in that State. CMS works collaboratively with States in the ongoing management of programs and policies, and CMS continues to develop implementing guidance and templates for States to use to elect new options available as a result of the Affordable Care Act or to comply with new statutory provisions. CMS also continues to work with States through other methods to further the goals of health reform, including program waivers and demonstrations, and other technical assistance initiatives.

B. Description of Information Collection

Effective on January 2016, government-sponsored programs, included Medicaid and CHIP, are required to report on individual’s health insurance coverage to support a new Affordable Care Act (ACA) regulation. This requirement falls under Section 6011(e)(2)(A) of the Internal Revenue Code and section 6055 of the Affordable Care Act. State Medicaid Agencies must provide each beneficiaries who received minimum essential coverage with Form 1095-B (OMB 1545-2252). This form is a health insurance tax form, which reports an individual’s type of coverage and the period of coverage for the prior year. Medicaid Agencies will use this form to verify that an individual had at least minimum qualifying health insurance coverage.

To ensure that State Medicaid Agencies are ready to comply with this requirement, CMS, in partnership with the IRS, would like to obtain information from states to gauge their “readiness” to file 1095-Bs next year. The information obtained will help CMS determine whether further technical assistance is needed.

C. Deviations from Generic Request

No deviations are requested.

D. Burden Hour Deduction

The total approved burden ceiling of the generic ICR is 154,104 hours, and CMS previously requested to use 66,810 hours, leaving our burden ceiling at 87,294 hours.

Wage Estimate

To derive average costs, we used data from the U.S. Bureau of Labor Statistics’ May 2014 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm). In this regard, the following table presents the mean hourly wage, the cost of fringe benefits (calculated at 100 percent of salary), and the adjusted hourly wage.

Occupation Title	Occupation Code	Mean Hourly Wage	Fringe Benefit	Adjusted Hourly Wage
Medical and Health Services Manager*	11-9111	\$49.84	\$49.84	\$99.68

As indicated, we are adjusting our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and overhead costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, there is no practical alternative and we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

Burden Estimate

CMS estimates that each State will complete the collection of data and submission to CMS once a year. Each response will take 1 hour to complete. There is a potential universe of 56 respondents, so the total burden deducted from the total for this request is 56 hours.

To complete the poll, we estimate an average cost of \$99.68 per hour, which is equivalent to the 2014 base salary of a Medical And Health Services Manager Occupation employee from the U.S. Bureau of Labor Statistics' May 2014 National Occupational Employment and Wage Estimates (as referenced above) and a comparable position to grantee employees likely responsible for completing and returning the templates. Under the above scenario, the total annual cost to respondents is \$5,582 (\$99.68 per hour * 56 hours).

E. Timeline

CMS hopes to deploy this collection in July 2015. In August thru October 2015, CMS, in partnership with the IRS, will host a series of All State SOTA calls with State Medicaid Agencies to discuss the 1095 B reporting requirement.

Attachment

- Questions - 1095 B Reporting