



Kaiser Foundation Health Plan
Program Offices

September 3, 2015

William N. Parham, III,
Director, Paperwork Reduction Staff,
Office of Strategic Operations and Regulatory Affairs
Department of Health and Human Services
Hubert H. Humphrey Building,
200 Independence Avenue SW
Washington, DC 20201

Submitted electronically via www.regulations.gov

RE: Public Information Collection Requirements Submitted to the Office of Management and Budget (OMB Control Number 0938–1155)

Dear Sir or Madam:

Kaiser Permanente provides comments to the Centers for Medicare and Medicaid Services (“CMS”) in response to the “Public Information Collection Requirements Submitted to the Office of Management and Budget” (OMB Control Number 0938–1155).¹ Kaiser Permanente is the largest private integrated healthcare delivery system in the United States, delivering health care to more than 10 million members in eight states and the District of Columbia.² We participate in the individual and Small Business Health Options Program (“SHOP”) Marketplace in each of the jurisdictions where we operate.

CMS has identified a number of significant discrepancies in the 2014 benefit year submissions that issuers made for MLR and risk corridors on July 31, 2015. CMS requests approval of an emergency revision to the risk corridors data validation information collection requirement. Each company that submitted risk corridors data for the 2014 benefit year will be required to complete and attest to a checklist which identifies critical components of the risk corridors and MLR submission. CMS is also requiring select issuers justify the difference for reported claims or premium amounts for risk corridors and MLR from data collected for the risk adjustment and reinsurance programs. To complete this data verification, CMS calculated an additional annual burden of 2,040 hours in total for 250 issuers.

¹ 80 Fed. Reg. 52478 (Aug. 31, 2015).

² Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation’s largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 38 hospitals and over 600 other clinical facilities; and the Permanente Medical Groups, independent physician group practices that contract with Kaiser Foundation Health Plan to meet the health needs of Kaiser Permanente’s members.

Government Relations

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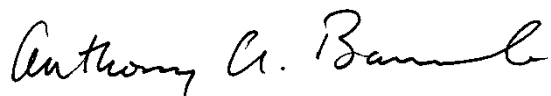
After reviewing the supporting materials published by CMS,³ we believe CMS grossly underestimates the magnitude of the work associated with completing the checklist and providing the methodology and written justifications for differences in the claims and premium reports. CMS calculates the annual burden to be 8.13 hours per issuer. This approximation of the burden is consistent with a high-level brief written justification of the claims and premium difference.

Completing the MLR and Risk Corridors Submission Checklist (“Checklist”) and providing supporting methodology and written justification to complete the Risk Corridors Discrepancy Worksheet (“Worksheet”) will require significantly more time and resources. We expect the burden to be at least 600-800 hours. To complete the Checklist and Worksheet, we have assigned five employees full time for two weeks (400 - 500 hours) and assigned an additional five employees part-time (200-300 hours). Even with these resources, we do not believe we are able to complete the detailed allocations within the allotted time frame. We will submit the information we have available by the September 14 deadline and continue performing reconciliations beyond the submission date.

We understand CMS’ challenge of resolving data discrepancies. However, we are very concerned that CMS’ compressed timeline to complete the checklist, put upon issuers with little notice, will lead to incomplete or late submissions. Due to this burden, we request CMS allow leniency in the deadline of submissions so issuers are able to accurately complete the data request.

If you have questions or concerns, please contact Erica Pham at 510.271.6616 (email: erica.d.pham@kp.org) or me by phone or email at 510.271.6835 (email: anthony.barrueta@kp.org).

Sincerely,



Anthony Barrueta
Senior Vice President, Government Relations
Kaiser Permanente

³ “Risk Corridors Data Validation for 2014 Plan Year,” CMS-10582 (Aug. 27, 2015). Available at: <https://www.cms.gov/Regulations-and-Guidance/Legislation/PaperworkReductionActof1995/PRA-Listing.html> (accessed Sept. 3, 2015).