Supporting Statement – Part A
Initial and Renewal Model of Care Submissions
Off-cycle Submission of Summaries of Model of Care Changes
CMS-10565, OMB 0938-New
September 25, 2015

Background

The Affordable Care Act (ACA) PL 111-148 Section 3205(e) and Section 1859(f)(7) of the Social Security Act requires that all Medicare Advantage (MA) Special Needs Plans (SNPs) be approved by the National Committee for Quality Assurance (NCQA). SNPs are a specific type of Medicare Advantage coordinated care plan that provide targeted care to individuals with unique special needs. Special needs individuals are defined as: 1) institutional beneficiaries; 2) dual eligible beneficiaries who are eligible for both Medicare and Medicaid; and 3) beneficiaries who have one or more co-morbid and medically complex chronic conditions that are substantially disabling or life threatening. SNPs are required to submit Models of Care (MOC) as a component of the Medicare Advantage application process through the Health Plan Management System (HPMS). A MOC is a narrative submitted to CMS by the SNP that describes the:

- Basic quality framework the plan will use to meet the individual needs of SNP enrollees; and
- SNP's infrastructure to promote care management and care coordination.

SNP MOCs are considered a vital quality improvement tool and integral component for ensuring that the unique needs of each beneficiary enrolled in a SNP are identified and addressed.

MOC approval is based on NCQA's evaluation using scoring guidelines developed by NCQA and the Centers for Medicare & Medicaid Services (CMS) for the Secretary of the Department of Health and Human Services. The MOC elements cover the following areas: MOC 1- Description of the SNP Population; MOC 2 - Care Coordination; MOC 3 - Provider Network; and MOC 4 - Quality Measurement & Performance Improvement. Based on their MOC scores, SNPs receive an approval for a period of 1, 2 or 3 years.

CMS is creating a new Model of Care Module in the HPMS so that all MOC narrative submissions and reports will be located in one place and outside of the HPMS Application module. Further, CMS is developing a MOC off-cycle revision process so that SNPs can enter revisions to the MOC in HPMS during their MOC approval periods. SNPs will submit summaries of their MOC revisions into HPMS for NCQA evaluation when a SNP makes significant changes to its MOC as described in the annual *Announcement of Medicare Capitation Rates and Medicare Advantage and Part D Payment Policies and Final Call letter for CY 2015 and CY2016*. NCQA will review the summary of changes to verify that the revisions are consistent with the acceptable, high quality standards included in the original approved MOC.

Although MOC changes are at the discretion of SNPs, it is the responsibility of SNPs to notify

CMS of significant changes and electronically submit their summary of changes to their MOC in the agency's HPMS.

A. Justification

1. <u>Need and Legal Basis</u>

The ACA, Section 3205(e), requires that all SNPs be approved by NCQA. This approval is based on NCQA's evaluation of SNPs' MOC narratives using MOC scoring guidelines.

- 42 CFR – 422.4(a)(1)(iv) – Types of MA plans
- 42 CFR – 422.101(f) – Requirements relating to basic benefits
- 42 CFR – 422.152(g) – Quality improvement program

Currently, Initial and Renewal MOC submissions are covered under the MA Part C Application ICR (OMB Control Number 0938-0935; CMS-10237). However, due to the change in submission procedures for initial and renewal MOC submissions, CMS is concurrently seeking to remove that burden from its CY 2017 MA Part C Application package[1], while adding MOC submission burden to this new PRA package (OMB Control Number 0938-New; CMS-10565).

Creating a new module in HPMS for initial and renewal MOC submissions will alleviate data inconsistencies that have arisen related to MOC submission due dates and enable SNPs to have access to their MOC reports and data about their MOC throughout the calendar year rather than only during the SNP application time frame. For example, a D-SNP must have a signed and executed contract with their respective State Medicaid Agency in the State in which they operate. A State may change the dual eligible population type that the D-SNP should serve per the State Medicaid Agency contract. Therefore, the D-SNP would need to revise their MOC narrative so that it reflects the correct population to receive care coordination, care management and benefits.

Allowing this new module to also accept off-cycle submissions for MOCs with updates will ensure that CMS and NCQA are apprised of up-to-date information regarding a SNP's MOC, and strengthens CMS' ability to fulfill its obligation to adequately monitor the MOC so that the SNP continues to meet its established quality standards. The application time frame is limited from February – May. SNPs need to have access to their reports after the application closes in HPMS, so that they can understand the weaknesses in their MOC, and later improve their MOC when the MOC approval date expires.

2. <u>Information Users</u>

NCQA and CMS will use information collected in the Initial Section of the HPMS MOC

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1 In Supporting Statement section 15, under Program or Burden Changes, under SNP Proposal decrease, we propose to delete the requirement for the submission of the MOC Matrix Upload Document and the MOC Narrative for SNP applicants submitting an SAE application. The proposed action was submitted to OIRA on September 30, 2015, which is currently under OMB review.

module to review and approve MOC narratives in order for a Medicare Advantage Organization (MAO) to operate as a new SNP in the upcoming calendar year(s). This information will be used by CMS as part of the Medicare Advantage SNP application process.

NCQA and CMS will use information collected in the Renewal Section to review and approve the MOC narrative in order for the SNP to receive a new approval period and operate in the upcoming calendar year(s). Results of the Initial and Renewal MOC review will be made publically available.

NCQA and CMS will use information in the off-cycle submissions to review summary of changes made to approved MOCs by SNPs. It is the responsibility of SNPs to notify CMS of significant changes to their MOC in HPMS. NCQA will conduct a review for CMS to determine if the changes made to a MOC are consistent with the overall approved MOC.

3. Use of Information Technology

SNPs will submit initial and renewal MOCs as well as summaries of any substantive off-cycle MOC changes to CMS through HPMS. This is the platform that CMS uses to coordinate communication and the collection of information from MA organizations. All submissions will occur electronically on the CMS web-based HPMS system.

No signatures are required for these submissions.

4. Duplication of Efforts

This information collection does not duplicate any other effort and the information cannot be obtained from any other source.

5. Small Businesses

The collection of information will have a minimal impact on small businesses because applicants must possess an insurance license and be able to accept substantial financial risk. Generally, state statutory licensure requirements effectively preclude small businesses from being licensed to bear risk needed to serve Medicare enrollees.

6. Less Frequent Collection

Initial and Renewal Collections

Given the importance of the activities covered in the MOC at safeguarding and improving the health of vulnerable Medicare beneficiaries enrolled in SNPs, CMS feels it is appropriate that SNPs be required to submit new MOCs at least every three years. Requiring SNPs to provide MOCs less frequently would mean that CMS would not be requiring SNPs to reconsider their care approaches in light of innovations and changes in the delivery of health services.

The collection period is based on the score that a SNP achieves during the initial review of its MOC. SNPs that achieve a score of 85% or above during the initial review receive a three-year approval. SNPs that achieve a score of 75%-84% during the initial review receive a two-year approval. SNPs that achieve a score of 70%-74% during the initial review receive a one-year approval. SNPs that score less than 70% are given the opportunity to improve their MOCs during a cure process, but must submit a new MOC the next year regardless of the score they receive after the cure process. After the approval period expires, SNPs are required to submit an updated MOC for review for the renewal process.

Off-cycle Submission of Summaries of Model of Care Changes

The consequences of not collecting this information are: 1) SNPs would not be able to change policies or strategies in their MOCs to take advantage of new technology or insight; or 2) CMS would not be aware and NCQA would not have reviewed MOC changes the SNPs are performing.

7. Special Circumstances

No special circumstances apply to this information collection request.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on June 17, 2015 (80 FR 34647). There were no comments on the request to collect off-cycle submission of summaries of Model of Care (MOC) changes.

Initial and Renewal Collection

Based on internal review, we are now adding a proposal for SNPs to submit their initial and renewal MOCs in the new Model of Care Module in the Health Plan Management System (HPMS) rather than into the Medicare Advantage SNP application module. Thus, in addition to the off-cycle submission of summaries of MOC changes section, the new Model of Care Module will include the following sections:

- Initial MOC submission, and
- Renewal MOC submission.

Those sections will no longer be located in the Medicare Advantage SNP Application Module. At the time SNP applications are due, all MAOs wishing to offer a new SNP or renew their SNP, will submit a MOC in the new Model of Care Module for NCQA review and approval and a SNP that makes substantive revisions to its existing approved MOC will submit their off-cycle summary of MOC changes, along with the red-lined MOC, in the new module.

Adding the initial and renewal MOC submissions to the new MOC module will add burden to the information collection request previously submitted for the new module. More specifically, the initial section and the renewal section in the newly created MOC module will add 6 hr per SNP or 2,148 hr total (358 SNPs x 6 hr).

Off-cycle Submission of Summaries of Model of Care Changes

CMS notified Medicare Advantage Organizations that offer SNPs about guidance for off-cycle submissions of summaries of MOC changes in the annual *Announcement of Medicare Capitation Rates and Medicare Advantage and Part D Payment Policies and Final Call letter for CY 2015 and CY 2016.* CMS received very few comments. Commenters were in agreement with the process described in the Call Letter.

9. Payments/Gifts to Respondents

    This data collection will not include respondent incentive payments or gifts.

10. Confidentiality

    Consistent with federal government and CMS policies, CMS will protect the confidentiality of the requested proprietary information. Specifically, only information within a submitted MOC summary (or attachments thereto) that constitutes a trade secret, privileged or confidential information, (as such terms are interpreted under the Freedom of Information Act (FOIA) and applicable case law), and is clearly labeled as such by the SNP, and which includes an explanation of how it meets one of the expectations specified n 45 CFR Part 5, will be protected from release by CMS under 5 U.S.C. §552(b)(4). Information not labeled as trade secret, privileged, or confidential or not including an explanation of why it meets one or more of the FOIA exceptions in 45 CFR Part 5 will not be withheld from release under 5 U.S. C. § 552(b)(4).

11. Sensitive Questions

    There are no questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimates (Hours & Wages)

    Wage Estimates

    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 (www.bls.gov/oes/current/oes_nat.htm). We selected the position of registered nurse because the SNP nurse usually develops and submits the MOC. CMS typically interacts with the health plan quality registered nurse in matters related to the Model of Care after it is

submitted to CMS. 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.

National Occupational Mean Hourly Wage and Adjusted Hourly Wage

Occupation Title	Occupation Code	Mean Hourly Wage ($/hr.)	Fringe Benefit ($/hr.)	Adjusted Hourly Wage ($/hr.)
Registered nurse	29-1141	33.55	33.55	67.10

*Under the Insurance Carrier industry.

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 Estimates

Initial and Renewal Collection

The MAO/SNP will access HPMS via the internet at https://hpms.cms.gov, and follow the appropriate instructions in HPMS. The MAO/SNP will click on the MOC module in HPMS and download the SNP MOC Matrix document (**see Attachment A, Model of Care Matrix Upload Document for Initial Application and Renewal**). The MAO/SNP will complete the document, and then upload their MOC matrix document with the MOC narrative. The SNP MOC Matrix upload document outlines the CMS SNP MOC standards and elements that must be addressed in the MOC narrative. The document also serves as a table of contents for MOC narrative. Training to use the new Model of Care module will be minimal, and at no cost to the SNPs.

Using HPMS data, we estimate that approximately 313 SNPs will be submitting MOCs annually. For each SNP submitting a MOC, we assume 6 hrs of work by SNP personnel at a cost of $402.60 (6 hr x $67.10/hr). In aggregate we estimate 1,878 hr (313 SNPs x 6 hr) at a cost of $126,013.80 (1,878 hr x $67.10/hr).

Off-cycle Submission of Summaries of Model of Care Changes

SNPs must submit a summary of their MOC changes in HPMS when significant changes to their MOCs occur during the standard 1, 2 or 3 year approval period. This program change allows SNPs to make off-cycle revisions to their MOCs. It is important to note that off-cycle

MOC changes are at the discretion of SNPs. It is the responsibility of SNPs to notify CMS of significant changes to their MOC. NCQA will conduct a review for CMS to determine if the changes made to a MOC are consistent with the overall approved MOC.

The MAO/SNP will access HPMS via the internet at https://hpms.cms.gov, and follow the appropriate instructions in HPMS. The SNP will click on the MOC module in HPMS, download the SNP MOC Off-cycle Submission Matrix document (**see Attachment B, Revised Model of Care Matrix Upload Document**) and complete the document. The SNP will then upload their MOC Off-cycle Submission Matrix document with a summary of changes, and a redlined version of the revised MOC. Training to use the new Model of Care Off-cycle Submission module will be minimal and at no cost to the SNPs.

We assume that approximately 63 SNPs may submit an off-cycle summary of MOC changes per year, based on our estimate that 313 SNPs submit MOCs each year. The 63 SNPs estimate is based on assuming that approximately 20 percent of the SNPs approved in any given year may make an off-cycle revision. We believe 20 percent may be high but expect that in the beginning, SNPs may submit revisions that are not required (e.g., minor revisions). We also expect the number to vary from year to year so that in some years fewer than 10 percent will submit revisions while in other years, because many SNPs are operated by large parent organizations and any change at the corporate level could result in many SNPs making the same MOC revisions.

For each SNP submitting an off-cycle summary of MOC changes, we assume 4 hr of work by SNP personnel at a cost of $268.40 (4 hr x $ 67.10/hr). This translates to 252 hr for the 63 SNPs that we estimate may submit an off-cycle summary in a given year. In aggregate we estimate 252 hr (63 SNPs x 4 hr) at a cost of $16,909.20 (252 hr x $ 67.10/hr).

Burden Summary

Information Collection	Respondents	Responses (per Respondent)	Total Responses	Burden per Response (hours)	Total Annual Burden (hours)	Labor Cost of Reporting ($/hr)	Total Cost ($)
Annual MOC submissions	313	1	313	6	1,878	67.10	126,013.80
Off-cycle Submission of Summaries (MOC Changes)	63	1	63	4	252	67.10	16,909.20
Total	376	--	376	--	2,130	--	142,923

13. Capital Cost (Maintenance of Capital Costs)

We do not anticipate additional capital costs.   CMS requirements do not require the acquisition of new systems or the development of new technology to complete the application.

System requirements for submitting HPMS applicant information are minimal and should already

be met by MAOs as they already use HPMS. MAOs will need the following access to HPMS: (1) Internet or Medicare Data Communications Network (MDCN) connectivity, (2) use of Microsoft Internet Explorer web browser (version 5.1 or higher) with 128-bits encryption and (3) a CMS-issued user ID and password with access rights to HPMS for each user within the MAO's organization who will require such access. CMS anticipates that all qualified applicants meet these system requirements and will not incur additional capital costs.

14. Cost to Federal Government

The annualized cost to the Federal government for NCQA to review the MOC summary for initial and renewal submissions is included in a contract with CMS. Further, the annual cost to the Federal government to maintain the HPMS is included in a separate contract between Fu Associates and CMS.

NCQA's salary information listed below derives from the business proposal under the CMS contract with NCQA to train the SNP staff and review the MOC. Fu Associates salary information listed below derives from the business proposal under the CMS contract to maintain the MOC module in HPMS.

Initial and Renewal submissions

NCQA, under a contract with CMS, trains the health plan on how to develop the MOC for the information collection using CMS guidelines, complete the CMS MOC matrix upload document, upload the MOC narrative, and submit the documents into HPMS. The collection will be entered into HPMS, an existing agency platform which is developed and maintained by Fu Associates, under a separate contract with CMS.

Train Health Plans and Review MOC	4 hr x $176.75/hr* x 358	$253,106.00
Develop and maintain module	5 hr x $160.00/hr* x 100	$80,000.00

*includes fringe, indirect rates

Off-cycle Submission of Summaries of Model of Care Changes

The annualized cost to the Federal government for the MOC summary review is included in a contract with CMS and NCQA for the MOC review. The collection will be entered into HPMS, an existing agency platform which is developed and maintained by Fu Associates, under a separate contract with CMS.

Review MOC Summary	4 hr x $176.75/hr* x 63	$44,415.00
Develop and maintain module	5 hr x $160.00/hr* x 63	$50, 400.00

*includes fringe, indirect rates

Total

The total cost is $427,921.

15. Changes to Burden

Not applicable since this is a new collection.

16. Publication/Tabulation Dates

This information is not published.

17. Expiration Date

OMB's assigned expiration date will be displayed within the PRA Disclosure Statement in the Model of Care Matrix Upload Document for Initial Application and Renewal and in the Revised Model of Care Matrix Upload Document.

18. Certification Statement

There are no exceptions to the certification statement identified in item 19 of OMB Form 83-1 associated with this data collection effort.