

THE SUPPORTING STATEMENT

Specific Instructions

A. Justification

1. Circumstances Making the Collection of Information Necessary

Section 401 of the Child Support Performance and Incentives Act of 1998 (CSPIA) Pub.L. 105-200 requires state child support agencies under title IV-D of the Social Security Act (the Act) to enforce the health care coverage provision in a child support order, and to use the National Medical Support Notice (NMSN) as the means of enforcement. The law requires the NMSN to be promulgated by regulations issued jointly by the Departments of Health and Human Service (HHS) and Labor (DOL).

2. Purpose and Use of the Information Collection

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) requires all child support orders under title IV-D of the Act to have a provision for medical support coverage. CSPIA requires enforcement of this provision and use the NMSN as the means of enforcement. State and local child support agencies send the NMSN to employers of employees/obligors to enroll the child or children into the employee/obligor's health plan. The employer retains the severable income withholding portion of the form and withholds from the employee/obligor's income any premium payments that may be required by the plan

3. Use of Improved Information Technology and Burden Reduction

Currently, state IV-D agencies are required to automate information collections. State agencies generate the NMSN after the support order is established and send it to the employer.

4. Efforts to Identify Duplication and Use of Similar Information

Only when the state IV-D agency establishes a child support order and the obligor's employer is known is the NMSN completed and sent to the employer to enforce the medical support provision required in all child support orders under title IV-D of the Act.

5. Impact on Small Businesses or Other Small Entities

The impact on small businesses and other small entities is minimal. The NMSN is easy to understand and short in length. All the necessary information needed to enroll a child in

the employee/obligor's health plan and to withhold premium payments from the employee/obligor's wages is provided.

6. Consequences of Collecting the Information Less Frequently

The use of the NMSN by state IV-D agencies to enforce medical support orders was mandated by CSPIA and cannot be used less frequently because it may negatively impact enforcement of medical support to the recipient/beneficiary.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

Section 466 (a)(19) of the Social Security Act establishes a 20 business day time period, after the date of the NMSN, for the employer to respond to the state IV-D agency that sent the form, if the NMSN cannot be implemented. The same section also requires the employer to forward Part B within 20 business days to the health plan administrator to enroll the children in health insurance if health insurance is available to the employee. Failure to adhere to the 20 business day timeframes violates federal law.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

The information collection notice was published for comment in the Federal Register on, January 20, 2016 (81 FR 3147). The Department specifically requested comments on: (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

OCSE received comments directly from one state, which provided a way to minimize the burden. The comment was that the state believes that an automated process would minimize the burden of the collection of this vital information. The state suggests a similar process as that currently used to generate electronic Income Withholding for Support (IWO) order/notices. Our response is that OCSE does not want to make any costly changes in Part A of the NMSN at this time since we are considering improvements and efficiencies to align the NMSN in the future with the new health care coverage options and policy. We will consider this when we make future changes to the NMSN.

9. Explanation of Any Payment or Gift to Respondents

Not Applicable.

10. Assurance of Confidentiality Provided to Respondents

The state and local child support agencies will follow their state laws and procedures that require assurances of confidentiality.

11. Justification for Sensitive Questions

The state and local child support agencies follow their state laws and procedures regarding collection of sensitive information.

12. Estimates of Annualized Burden Hours and Costs

When a child support order is established and the obligor's employer's name is known, the state or local child support agency will complete the NMSN. The estimated amount of time to prepare the form is 10 minutes.

Instrument 45 CFR 303.32 - (National Medical Support Notice) – Part A	Number of Respondents	Number of Responses Per Respondents Per Year	Average Burden Hours Per Response	Total Burden Hours
States	54	76,499	.17 hours	702,261
Employers	1,207,484	3.42	.17 hours	702,031

The annualized costs to respondents for the hour burdens are based on an average wage rate of \$21.85 per hour for state-level employees submitting data and \$18.12 for employer payroll clerks. (To get the average wage rate we used the Bureau of Labor Statistics (BLS), May 2014, National Industry, Specific Occupational Employment and Wage Estimates of \$21.85 for state child support staff and \$18.12 for employer payroll clerks.)

Reporting	Average Annualized Cost Per Respondent	Total Annualized Cost
States	\$284,156	\$15,344,403
Employers	\$10.53	\$12,720,802

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

There are no estimated costs associated with the annualized reporting and recordkeeping burden.

14. Annualized Cost to the Federal Government

Upon approval of the proposed revisions to the NMSN – Part A, OCSE will post the new version of the NMSN on the internet website for states to download. There are no costs to the federal government.

15. Explanation for Program Changes or Adjustments

OCSE's estimate of the number of NMSNs being sent by state IV-D agencies decreased from 97,775 to 76,499 responses per respondent since the last submission due to the impact of other medical insurance options available under the Affordable Care Act.

The average hourly rate for a state-level employee was \$18/hour in the previous submission and is \$21.85/hours in this submission. Both estimates were based on BLS data at the time.

Previous iterations of the NMSN omitted employers as respondents; however, upon further review it has been determined that the impact on employers should be included in this information collection. This is based on the requirement that employers must respond to NMSNs sent by state IV-D agencies. The above changes account for the burden hour increase of approximately 506,717.5.

16. Plans for Tabulation and Publication and Project Time Schedule

There are no plans to publish results of this information in the immediate future.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

Not applicable.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification statement.

B. Statistical Methods (used for collection of information employing statistical methods)

The information collection requirements outlines in this report do not employ the use of statistical methods.