

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

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).

Despite the number of revisions made to the template, the burden remains the unchanged. We believe the additional and reduced burden result in no net change.

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. Given the recent publication of the final Medicaid and CHIP Managed Care rule on May 6, 2016, many citations within this template needed to be updated.

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 MCOs and 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. Every submittal must be submitted 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 a new amendment is approved, there is no need to resubmit unless changes are made to the program.

7. Special Circumstances

There are no special circumstances that would require an information collection to be conducted in a manner that requires respondents to:

- Report information to the agency more often than quarterly;
- Prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- Submit more than an original and two copies of any document;
- Retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- Collect data in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
- Use a statistical data classification that has not been reviewed and approved by OMB;
- Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- Submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to

protect the information's confidentiality to the extent permitted by law.

8. Federal Register Notice/Outside Consultation

The 60-day notice published in the Federal Register on January 19, 2017 (82 FR 6559). We did not receive any comments.

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 sensitive questions associated with this collection. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimate (Total Hours & Wages)

Wage Estimates

The following costs are based on the U.S. Bureau of Labor Statistics' May 2016 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm).

Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Fringe Benefit (at 100%) (\$/hr)	Adjusted Hourly Wage (\$/hr)
Business Operations Specialist	13-1000	34.54	34.54	69.08

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

The template has 14 fillable pages. We estimate that it will take no longer than **10 hours** at \$69.08/hr for a state to complete and submit the template to CMS.

The potential number of respondents is 56 (50 states, D.C., and 5 territories); however, currently only 22 States use this authority for managed care enrollment in 36 separate programs. Since the prior reauthorization of the template in 2014, we have averaged 12 state submissions annually. Only **2** of those are usually new program requests, and the remainder are amendments for changes to existing programs.

Once approved, the state (10 states annually = 12 total submissions – 2 new submissions) will only need to resubmit to amend the prior submission. We estimate it would take **5 hours** per state at \$69.08/hr to complete and submit an amendment.

Burden Summary

Requirement	Respondents	Responses (total)	Burden per Response (hours)	Total Annual Burden (hours)	Labor Cost of Reporting (\$/hr)	Total Cost (\$)
New Submissions	2	2	10	20	69.08	1,382
Amended Submissions	10	10	5	50	69.08	3,454
Total	12	12	15	70	69.08	4,836

Information Collection Instruments and Supporting Documents

1932 State Plan Amendment Template

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

Despite the number of revisions made to the document, 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.

Based on more recent data we are adjusting the number of responses from 15/year to 12/year. The result is a burden decrease of -15 hours. As indicated, our per response time estimates are unchanged.

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.