

THE SUPPORTING STATEMENT

A. Justification

1. Circumstances Making the Collection of Information Necessary

This information collection is necessary to fulfill requirements of 45 CFR Part 95, Subpart F, State Systems Advance Planning Document (APD) Process, which governs the process by which states may obtain approval from the U.S. Department of Health and Human Services (HHS) for federal financial participation (FFP) in the costs of acquiring automated data processing (ADP) equipment and services.

2. Purpose and Use of the Information Collection

The purpose of this information collection is to assist HHS in determining if a state is eligible for FFP to acquire ADP system equipment and services. To do so, states must submit a proposal to HHS demonstrating sound project planning and management, and provide evidence that it is necessary for the efficient and effective administration of HHS public assistance programs.

3. Use of Improved Information Technology and Burden Reduction

HHS allows APD documents to be transmitted by e-mail, and large files may be submitted by CD-ROM or DVD media.

4. Efforts to Identify Duplication and Use of Similar Information

There is no duplication or use of similar information because the ADP information collection is unique to HHS grant-in-aid programs.

5. Impact on Small Businesses or Other Small Entities

There is no impact on small businesses or other small entities.

6. Consequences of Collecting the Information Less Frequently

HHS requires annual updates for the APD. This not only reduces burdens to the states, but it also permits states to allocate funds in their budgets for the state share of information technology (IT) expenditures. For those states with multi-year IT authority, the federal program offices have discretionary authority to approve federal funding for a longer period of time.

The consequences of not submitting the documentation for a system certification review will result in more time being spent on-site during review process and additional state staff would have to be available during the on-site review to respond to questions.

The consequence of not submitting the documentation for a waiver of the requirement for a single state statewide system or Alternative Systems Configuration is that the waiver could not be reviewed or approved. Kentucky, the only remaining state with a waiver for an Alternative System Configuration, is required to summarize the waiver status in each Annual APD submission, in order to keep the waiver valid.

The consequences of not submitting the documentation for an Independent Verification and Validation (IV&V) review is potential disapproval of the state APD, resulting in the suspension of funding for its statewide CSE system.

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

Not applicable.

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

The 60 day FR notice was vol. 81, page 89108, and published 12/16/2016. No comments were received.

9. Explanation of Any Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality Provided to Respondents

Confidential information is not collected.

11. Justification for Sensitive Questions

Sensitive questions are not asked.

12. Estimates of Annualized Burden Hours and Costs

Table 12.1

Instrument	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Total Burden Hours
RFP and Contract	54	1.5	4	324
Emergency Funding Request	5	.1	2	1
Biennial Reports	54	1	1.50	81
Advance Planning Document	34	1.2	120	4,896
Operational Advance Planning Document	20	1	30	600
Independent Verification and Validation (ongoing)	3	4	10	120
Independent Verification and Validation (semiannually)	1	2	16	32
Independent Verification and Validation (quarterly)	1	4	30	120
System Certification	1	1	240	240

Total Annual Burden Hours:

6414

12.2. Respondents Cost for Hour Burden

The annualized cost to State respondents is based on the average wage rate of \$36.95 per hour. Cost per response is estimated to be \$0.0915(\$41.50/453.50 hours), which translates in to an average annualized cost per respondent of \$253,731 (\$41.50 x 6,114).

The average annualized cost per respondent is \$1,466,653.179(\$253,731/173).

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

There are no additional direct costs to respondents.

14. Annualized Cost to the Federal Government

The estimated annual cost to the federal government is \$2,529,009. The cost is based on the approximate annual salaries of twenty-one GS-14 full time equivalent federal employees (14.0 which are CMS) required to oversee the ADP program, calculated as follows \$120,429 (average GS-14, step 5 salary) x 21 federal employees.

15. Explanation for Program Changes or Adjustments

There was no change in respondents or burden since the prior approval. There are no program changes.

16. Plans for Tabulation and Publication and Project Time Schedule

Not applicable.

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)