Supporting Statement – Payment Collections Operations Contingency Plan: Enrollment and Payment Data Template (CMS-10515/OMB control number: 0938-1217)

A. Background

The initial approved information collection request proposed to collect enrollment and payment data from Exchange issuers manually via a template. This request proposes to update our collection because of technology enhancements which significantly decreases the cost to collect data manually by 76 percent (from nearly $7.5 million in 2014 to nearly 1.8 million from 2018-2020).

Beginning in 2014, the U.S. Health and Human Services (HHS) used a manual payment process as a means of obtaining enrollment and payment information via an alternative collection tool—the Enrollment and Payment Data template - in order to be able to make payments to issuers on behalf of eligible enrollees. The manual payment process required Health Insurance Exchange issuers to self-report enrollment and payment amount requests on a monthly basis, along with adjustments to prior months' requests, through a manual submission process. Effective as of October 2017, HHS has discontinued making any adjustments to cost sharing reductions to issuers. Due to this change and lack of appropriations from Congress, HHS is modifying the fields in the data collection spreadsheet to remove sections related to cost sharing reductions as long as payments remain suspended.

In January 2016, HHS implemented an automated payment approach, called policy-based payments (PBPs) to determine an issuer's advance payment using enrollment and payment data in the Federally-facilitated Exchange (FFE). As of April 2016, all FFE and State-based Exchange using the Federal Platform (SBE-FP) issuers have fully transitioned to the PBP process. State-based Exchange (SBE) issuers continue to use the manual payment process and will be transitioning to the PBP process in 2018 and 2019. While we anticipate nearly all SBEs to transition to the PBP process by 2019, some issuers may need additional time and resources to transition to the automated PBP process and we expect all issuers to be using the new automated process by the end of 2020. Therefore, we are proposing to renew this data collection only for issuers that have not moved to the new automated process. Since we estimate that only 75 issuers would be required to use this methodology to transmit information via a manual system, this revision would result in an estimated 74 percent overall reduction in burden for issuers.

B. Justification (Need and Legal Basis)

On March 23, 2010, the President signed into law H.R. 3590, the Patient Protection and Affordable Care Act (the PPACA), Public Law 111-148. This law establishes American Health Exchanges (Exchanges) where issuers may sell Qualified Health Plans (QHPs) and where consumers may receive subsidies based on income to purchase affordable health care. The statute requires the Department of Health and Human Services (HHS) to operate Exchanges in States that decline to establish their own. On October 1, 2013, HHS began operating Exchanges on behalf of enrollees in 35 states.

Under sections 1401, 1411, and 1412 of the PPACA and 45 CFR part 155 subpart D, an Exchange makes an advance determination of tax credit eligibility for individuals who enroll in QHP coverage through the Exchange and seek financial assistance. Using information available at the time of enrollment, the Exchange determines whether the individual meets the income and other requirements for advance payments and the amount of the advance payments that can be used to pay premiums. Advance payments are made periodically under section 1412 of the PPACA to the issuer of the QHP in which the individual enrolls. Section 1402 of the PPACA provides for the reduction of cost sharing for certain individuals enrolled in a QHP through an Exchange, and section 1412 of the PPACA provides for the advance payment of these reductions to issuers. The statute directs issuers to reduce cost sharing for essential health benefits for individuals with household incomes between 100 and 400 percent of the Federal poverty level (FPL) who are enrolled in a silver level QHP through an individual market Exchange and are eligible for advance payments of the premium tax credit. Effective October 2017, Congress has not appropriated money for cost sharing reductions and HHS has discontinued making any adjustments to cost sharing reductions to issuers.

Until January 2016, HHS collected data required to meet these statutory requirements via a manual system in which issuers submitted data. HHS now has an automated system that does not require issuer data submission for FFE issuers.

2. Purpose and Use of Information Collection

The data collection will be used by HHS to make payments or collect charges from SBE issuers under the following programs: advance payments of the premium tax credit, advanced cost-sharing reductions, and Exchange user fees. The workbook template was used to make payments in January 2014 and will continue through December 2020, as may be required based on HHS's operational progress.

3. Use of Improved Information Technology and Burden Reduction

As stated above, HHS has introduced an automated system for most issuers. For the remaining issuers, all information collected in the Enrollment and Payment Data template will be submitted electronically via an electronic file transfer. HHS staff will analyze the data electronically and communicate with issuers and State-based Exchanges, if necessary, by email and telephone. A financial authority contact of the issuer will submit a form electronically to HHS certifying that the information provided as of the submission date is complete and accurate to the best of his or her knowledge.

4. Efforts to Identify Duplication and Use of Similar Information

This is a new program created under the PPACA and the information to be collected has never been collected before by the federal government.

5. Impact on Small Businesses or Other Small Entities

No impact on small businesses.

6. Consequences of Collecting the Information Less Frequently

HHS makes payments and collects charges under these programs monthly. If HHS does not collect this information on a monthly basis, HHS will be unable to calculate monthly payment or charge for issuers providing health insurance to enrollees in Exchange QHPs.

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

No special circumstances.

8. Federal Register Notice/Outside Consultation

A 30-day Federal Register Notice published November 28, 2017 (82 FR 56243). No comments were received during the 60-day comment period.

9. Explanation of any Payment/Gift to Respondents

Respondents will not receive any payments or gifts as a condition of complying with this information collection request.

10. Assurance of Confidentiality Provided to Respondents

No personal information is being collected. While the enrollment and payment processing systems would have collected enrollee-level information, this contingency process collects information aggregated by QHP issuer. All information will be kept private to the extent allowed by applicable laws/regulations.

11. Justification for Sensitive Questions

No sensitive information will be collected

12. Estimates of Annualized Burden Hours (Total Hours &Wages)

Salaries for the positions cited in the labor category of the burden charts were taken from the May 2016 National Occupational Employment and Wage Estimate from the Bureau of Labor Statistics (BLS) (https://www.bls.gov/oes/current/oes_nat.htm#00-0000). Wage rates include a 100% increase to account for fringe benefits.

SBE issuers that use the manual payment process will continue to report data via the same Enrollment and Payment Data template. Because the template has already been built, we are removing estimates of the burden associated with developing it. Additionally, effective October 2017, because of the discontinuation of cost sharing reductions, the cost sharing field in the dataset is no longer required to be submitted and may be

left blank. As HHS works with SBE issuers to transition to the automated PBP process, we anticipate that it will take SBE issuers two years (2018-2019) to test and automate their systems. We estimate this data collection will take 11 hours each month (by a payment operations research analyst at an hourly wage of $81.10) to enter current data for each month during which the contingency payment process is in place and submit this data to HHS. Although we recognize that some SBE QHP issuers that do not expect to receive payments and are not required to pay user fees, we broadly estimate that 75 SBE QHP issuers will submit the Enrollment and Payment Data template. We assume that the Enrollment and Payment Data template will be used for twelve months, resulting in a burden of 132 hours and $10,705.20 per SBE QHP issuer, or an aggregate of 9,900 hours and $802,890 for all SBE QHP issuers each year.

Along with the Enrollment and Payment Data template, a financial authority contact of the issuer (i.e., CEO, CFO, or other authorized designee) submits a form electronically to HHS certifying that the information provided as of the submission date is complete and accurate to the best of his or her knowledge and will be the primary basis for the calculation of the payment amount. The financial authority contact indicates the HIOS issuer IDs for which the certification applies. We estimate that it will take a CEO or other designee approximately 10 minutes (at an hourly wage rate of approximately $186.88) to complete this certification for each month that data is submitted through the template. While a financial authority contact may complete one certification that applies to multiple HIOS issuer IDs, we believe that most financial authority contacts will complete one form (within the workbook) that covers only one HIOS issuer ID, such that approximately 75 certification forms will be submitted for 75 SBE QHP issuers for each month that data is submitted through the template. Therefore, we estimate an aggregate burden of 12.75 hours and $2,382.72 each month as a result of this payment data certification requirement. We estimate an overall annual burden of 153 hours and $28,592.64 for all QHP issuers as a result of this requirement.

By 2020, we anticipate most SBE issuers to have transitioned to the automated PBP process, but broadly estimate that 10 issuers will continue to use the manual payment process to report enrollment and payment information. We estimate it will take 11 hours each month (by a payment operations research analyst at an hourly wage of $81.10 which accounts for 100% fringe benefits) to enter current data for each month during which the contingency payment process is in place and submit this data to HHS. We assume that the Enrollment and Payment Data template will be used for 12 months (in 2020), resulting in a burden of 132 hours and $10,705.20 per SBE QHP issuer, or an aggregate of 1,320 hours and $107,052 for all SBE QHP issuers. Additionally, a financial authority contact of the issuer (i.e., CEO, CFO, or other authorized designee) submits a form electronically to HHS certifying the accuracy and completeness of the information submitted. We estimate that it will take a CEO or other designee approximately 10 minutes (at an hourly wage rate of approximately $186.88 which accounts for 100% fringe benefits) to complete this certification for each month that data is submitted through the template. We believe that most financial authority contacts will complete one form (within the workbook) that covers only one HIOS issuer ID, such that approximately 10 certification forms will be submitted for 10 SBE QHP issuers for each month that data is submitted through the template. Therefore, we estimate an aggregate burden of 1.7 hours and $317.70 each month as a result of this payment data certification requirement. We estimate an overall 12 month burden (in 2020) of approximately 20.4 hours and $3,812.35 for all QHP issuers as a result of this requirement.

We estimate an overall aggregate burden over the three year period (from 2018-2020) of 21,446 hours and $**1,773,829.63**for all SBE QHP issuers as a result of this requirement.

12A. Estimated Annualized Burden Hours

Microsoft Excel based Template	Type of Respondent	Number of Respondents	Number of Responses per Respondent	Average Burden hours per Response	Total Burden Hours
Monthly data reports(2018-2020)	SBE QHP issuer	75	12	11	9,900
Monthly Data Submission Accuracy Certification Form (2018-2020)	SBE QHP issuer	75	24	0.17	153
Total					**10,953**

12B. Cost Estimate for All Respondents Completing the Template

Type of respondent	Number of Respondents	Number of Responses per Respondent	Average Burden Hours	Wage per Hour (including 100% fringe benefits)	Total Labor Costs
Payment Operations Specialist (2018)	75	12	11	$81.10	$802,890

Chief Executive or Designated Financial Authority Contact (2018)	75	12	0.17	$186.8 8	$28,592.64
Payment Operations Specialist (2019)	75	12	11	$81.10	$802,890
Chief Executive or Designated Financial Authority Contact (2019)	75	12	0.17	$186.88	$28,592.64
Payment Operations Specialist (2020)	10	12	11	$81.10	$107,052
Chief Executive or Designated Financial Authority Contact (2020)	10	12	0.17	$186.88	$3,812.35
Total					**$1,773,829.63**

13. Estimates of other Total Annual Cost Burden to Respondents or Record Keepers / Capital Costs

There are no additional recordkeeping or capital costs.

14. Annualized Cost to Federal Government

The calculations for CCIIO employees' hourly salary was obtained from the OPM website, with an additional 100% to account for fringe benefits.

Task	Estimated Cost
Data Processing, Managerial Review, and Oversight	
2 GS-12: 2 x $78.14 x 20 hours	$3,125.60
1 GS-15:1 x x 4 hours $129.18	$516.72
Total Costs to Government	**$3,642.32**

15. Explanation for Program Changes or Adjustments

The burden hours have decreased by -84,320 hours (94,373 hours to 10,053 hours). In January 2016, HHS implemented an automated payment approach, called policy-based payments (PBPs) to determine an issuer's advance payment using enrollment and payment data in the Federally- FFE. As of April 2016, all FFE and SBE-FP issuers have fully transitioned to the PBP process. SBE issuers continue to use the manual payment process and will be transitioning to the PBP process in 2018 and 2019. In 2014, we estimated 575 issuers would be required to use a manual methodology to transmit enrollment and payment data, but since we have fully transitioned all FFE and SBE-FP issuers to the automated payment approach (PBPs), we now estimate that only 75 issuers would be required to use the manual methodology to transmit information via a manual system. Additionally, issuers will not be required to establish new systems to complete their enrollment and payment forms because their systems have already been established and the forms are not changing. Finally, effective October 2017, because of the discontinuation of cost sharing reductions, the cost sharing field in the dataset is no longer required to be submitted and may be left blank.

16. Publication/Tabulation Dates

The data collected will not be made public.

17. Expiration Date

The expiration date will be displayed on the first page (top right-hand corner) of each instrument. There are no changes to the data instruments.