

Supporting Statement for Paperwork Reduction Act  
State Medicaid Health Information Technology Plan, Planning Advance  
Planning Document, and Implementation Advance Planning Document  
For Implementation of Section 4201 of the Recovery Act  
CMS-10292, OMB 0938-1088

**Background**

The American Recovery and Reinvestment Act of 2009 (the Recovery Act), Pub. L. 111-5 and regulations at 42 Code of Federal Regulations (CFR) Part 495, Subpart D. Division B, Title IV, Subtitles A and B of the Recovery Act established the Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs, as one component of the Health Information Technology for Economic and Clinical Health (HITECH) Act. HITECH, as well as the CMS final regulation, governs incentive payments to eligible professionals (EPs) and eligible hospitals to promote the adoption and meaningful use of certified EHR technology.

The Recovery Act provides 100 percent Federal financial participation (FFP) to States for incentive payments to eligible Medicaid providers to adopt, implement, upgrade, and meaningfully use certified EHR technology through 2021, and 90 percent FFP for State administrative expenses related to the program. These administrative matching funds must be for activities that are proper and efficient (as defined by OMB Circular A-87) for the administration of the Medicaid EHR Incentive Program.

As described in CMS regulations at 42 CFR 495, Subpart D, States must submit to CMS a State Medicaid Health IT Plan (SMHP) outlining various aspects of how they will operate their Medicaid EHR Incentive Program. Further, for States to receive the FFP described above for the incentive payments as well as expenditures relating to their Medicaid EHR Incentive Program, they are required to submit for approval Advance Planning Documents that include specific information to support the state's funding request.

This 2017 iteration requests OMB approval as an extension without change. There are no burden changes or adjustments. There are no program changes.

**A. Justification**

1. Need and Legal Basis

In order to assess the appropriateness of States' requests for the administrative FFP for expenditures relating to their Medicaid EHR Incentive Program, including health information exchange, CMS must have sufficient information and documentation. The CMS Medicare and Medicaid EHR Incentive Programs final rule, §495.336 and §495.338 and the initial ICR for CMS-

10292 include information required from States for Advanced Planning Documents (APDs) for both planning and implementation funding under HITECH. The requirements for the SMHP submission are outlined in §495.332 of the final rule.

CMS would like to continue the use of the SMHP, PAPD, and IAPD templates to reduce the burden on States by clearly indicating the information required for a successful submission, and thus requests this extension.

2. Information Users

In order to assess the appropriateness of States' requests for the administrative FFP for expenditures relating to their Medicaid EHR Incentive Program, including health information exchange, CMS staff will review the submitted information and documentation in order to make an approval determination for the APD.

3. Improved Information Technology

The forms will be available in electronic format. We expect every submission to be forwarded to our agency using the electronic format. The document is completed in a user friendly format. CMS is working with other components that use the APD process (such as for MMIS or Eligibility systems) to develop requirements for a portal solution for States to submit APDs and APD reports. This electronic portal solution is under development.

4. Duplication of Similar Information

There is no duplication of effort on information associated with this collection.

5. Small Businesses

This collection does not impact small businesses.

6. Less Frequent Collection

States are only required to provide this information if they are specifically seeking FFP for efforts related to the Medicaid EHR Incentive Program, including health information exchange. States that are not seeking FFP for this purpose do not need to submit this additional APD documentation. With the exception of the annual update, once any documents are approved, there is no need to resubmit additional documents, unless the State initiates a change. This process is a longstanding process to implement States Medicaid IT systems and has been used for years. States must submit annual SMHP updates under the final rule.

7. Special Circumstances

There are no special circumstances or impediments. The SMHP and APD templates will be available in electronic format and will be posted on the CMS Internet website.

8. Federal Register Notice/Outside Consultation

The 60-day notice published in the Federal Register on June 26, 2017 (82 FR 28852). No comments were received.

9. Payment/Gift To Respondent

There are no payments of gifts associated with this collection.

10. Confidentiality

There is no personal identifying information collected in the documents. All the information is available to the public.

11. Sensitive Questions

There are no questions of a sensitive nature associated with these forms.

12. Burden Estimate (Total Hours and Wages)

*Wage Estimates*

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' May 2016 National Occupational Employment and Wage Estimates for all salary estimates ([www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm)). In this regard, the following table presents the mean hourly wage, the cost of fringe benefits and overhead, and the adjusted hourly wage.

Estimated Hourly Wages

Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Fringe Benefits and Overhead (\$/hr)	Adjusted Hourly Wage (\$/hr)
Business Operations Specialist	13-1000	34.54	34.54	69.08

Except where noted, 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.

### *Requirements and Associated Burden Estimates*

We estimate that it will take no more than 16 hours at \$69.08/hr for a State to complete and submit the completed IAPD template and supporting documentation to CMS, assuming the State chooses to submit all the documents and/or all the documents at once. Updates to the PAPD and IAPD are only necessary if status updates occur. An annual update is requested but should take States less time to complete. The potential number of respondents is 56 (50 States, D.C., and 5 territories); we estimate that most States, if not all, will submit annually. Once approved, the State will not need to resubmit unless there is a need for revisions. If all States complete and submit the templates the total annual burden would be 896 hours (16 hr x 56 respondents) at a cost of \$61,895.68 (896 hr x \$69.08/hr) or \$1,105.28 per state (\$61,895.68/56 respondents).

### *Information Collection Instruments and Instruction Guidance Documents*

- Implementation Advanced Planning Document (IAPD) Template
- Model Checklist
- State Medicaid HIT Plan (SMHP) Overview

13. Capital Costs (Maintenance of Capital Costs)

There are no capital costs.

14. Cost to the Federal Government

CMS estimates that the review of the IAPD and supporting documentation will be approximately 6 hours assuming all of the documents are submitted simultaneously. CMS further estimates that one GS-13 Step 1 in the Baltimore area, where CMS Central Office is located, at an hourly rate of \$45.42 ([http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB\\_h.pdf](http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB_h.pdf)) will be responsible for review and approval of these documents. As such, the cost to the Federal Government could be \$15,261.12 (\$45.42 x 6 hours x 56) States potentially submitting materials).

15. Program or Burden Changes

There are no burden changes or adjustments. There are no program changes.

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.