Generic Supporting Statement

Clearance for Medicaid and CHIP State Plan, Waiver, and Program Submissions
(CMS-10398, OMB 0938-1148)

Generic Information Collection #63 (Transfer)
1932(a) State Plan Amendment Template

Center for Medicaid and CHIP Services (CMCS)
Centers for Medicare & Medicaid Services (CMS)

Note: This information collection request is currently approved under OMB control number 0938-0933 (CMS-10120). In this 2020 iteration, we propose to transfer the information collection under our generic collection's control number OMB 0938-1148 (CMS-10398). We belive the preprint meets the generic requirements and note that, as far as we can tell, historically (since its inception in 2004), the preprint has not received any public comment.

We are not proposing any changes to the preprint other than revising the PRA Disclosure Statement and the OMB control number. Similiarly, we are not proposing any changes to our burden estimates other than revising our cost estimates based on more recent BLS wage figures.

A. Background

The Centers for Medicare & Medicaid Services (CMS) work in partnership with States to implement Medicaid and the Children's Health Insurance Program (CHIP). Together these programs provide health coverage to millions of Americans. Medicaid and CHIP are based in Federal statute, associated regulations and policy guidance, and the approved State plan documents that serve as a contract between CMS and States about how Medicaid and CHIP will be operated in that State. CMS works collaboratively with States in the ongoing management of programs and policies, and CMS continues to develop implementing guidance and templates for States to use to elect new options available as a result of the Affordable Care Act or to comply with new statutory provisions. CMS also continues to work with States through other methods to further the goals of health reform, including program waivers and demonstrations, and other technical assistance initiatives.

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).

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.

B. Description of Information Collection

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.

C. Deviations from Generic Request

No deviations are requested or expected.

D. Burden Hour Deduction

Wage Estimates

The following costs are based on the U.S. Bureau of Labor Statistics' May 2019 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm). The following table presents the mean hourly wage, the cost of fringe benefits and overhead (calculated at 100 percent of salary), and the adjusted hourly wage.

Occupation Title	Occupation Code	Mean Hourly Wage ($/hr)	Fringe Benefits and Overhead ($/hr)	Adjusted Hourly Wage ($/hr)
Business Operations Specialist	13-1000	36.31	36.31	72.62

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, 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 $72.62/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 $72.62/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	72.62	1,452
Amended Submissions	10	10	5	50	72.62	3,631
Total	12	12	15	70	72.62	5,083

Information Collection Instruments and Supporting Documents

1932(a) State Plan Amendment Template

E. Timeline

Not applicable.