Application to Use Burden/Hours from Generic PRA Clearance:
Medicaid and CHIP State Plan, Waiver, and Program Submissions
(CMS-10398, OMB 0938-1148)

Information Collection #13 Medicaid Accountability – Nursing Facility, Outpatient Hospital and Inpatient Hospital Upper Payment Limits

November 2017

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

GenIC #13 was first approved by OMB on March 13, 2013, and was extended without change on December 24, 2014.

The subsequent November 2016 iteration revised our currently approved information collection requirements by adding three (3) standard templates. The templates are needed since current guidance and instructions simply told states to submit the UPL demonstrations by choosing a certain methodology. The number of data elements was not delineated such that states submitted a plethora of data that included the UPL demonstrations, but usually contained a vast amount of extraneous data that was not used in the calculation of the UPL.

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. States and the Centers for Medicare & Medicaid Services (CMS) share responsibility for operating Medicaid programs consistent with title XIX of the Social Security Act and its implementing regulations. Together, the federal and State governments share accountability for the integrity of the total investment of dollars in the Medicaid program and the extent to which that investment produces value for beneficiaries and taxpayers

B. Description of Information Collection

Starting in 2013, we required states to submit annual upper payment limit (UPL) demonstrations on an annual basis. Previously this information was collected or updated only when a state was proposing an amendment to a reimbursement methodology in its Medicaid state plan. Specifically, in 2013, we required that states submit UPL demonstrations for inpatient hospital services, outpatient hospital services, and nursing facilities. In 2014, states were then required to submit annual UPL demonstrations for the services listed above as well as clinics, physician services (for states that reimburse targeted physician supplemental payments), Intermediate care facilities for individuals with intellectual disabilities (ICF/IID), psychiatric residential treatment facilities (PRTFs) and institutes for mental disease (IMDs). These annual demonstrations included provider specific data reporting on all payments made to the providers, including supplemental payments.

Through this process, States were also asked as part of the submission to identify the source of the non-federal share of funding for the payments described in the UPL. This is consistent with the overall requirements to identify sources of non-federal funding set forth in section 1903(d)(1) of the Social Security Act. Such information will allow CMS and the State to have a better

understanding of the variables surrounding rate levels, supplemental payments, and total providers participating in the programs and the funding supporting each of the payments described in the UPL demonstration.

We have developed templates in conjunction with the States and a CMS contractor for use with each of the 3 services of the UPL demonstration within this package- Nursing Facility, Outpatient Hospital, and Inpatient Hospital. These templates will help standardize the data collection and allow the States to quickly transfer data from their existing UPL demonstration reporting tools into the new UPL demonstration templates for reporting to CMS. These templates will allow the States to report the UPL demonstrations more efficiently. These templates will use embedded formulas to help complete required areas of the UPL demonstrations, saving States time and effort in their reporting. Standardizing the templates will also help us to review the annual UPL demonstrations, by being able to look at one template format, instead of up to 56 different templates in each UPL demonstration type. Instructions on the use of the templates are attached to each template, along with a data dictionary. Further, States will be trained to use these templates by us and the contractor.

C. Deviations from Generic Request

No deviations are requested.

D. Burden Hour Deduction

The total approved burden ceiling of the generic ICR is 154,104 hours, and CMS previously requested to use 116,362 hours, leaving our burden ceiling at 37,742 hours.

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 (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 (calculated at 100 percent of salary), and the adjusted hourly wage.

Occupation Title	**Occupation Code**	**Mean Hourly Wage**	**Fringe Benefit**	**Adjusted Hourly Wage**
Data Entry Keyers	43-9021	$15.21/hr	$15.21/hr	$30.42/hr
General and Operations Managers	11-1021	$58.70/hr	$58.70/hr	$117.40/hr
Social Science Research Assistants	19-4061	$22.51/hr	$22.51/hr	$45.02/hr

As indicated, 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

CMS estimates that each State will complete the collection of data and submission to CMS within 40 hours. There is a potential universe of 56 respondents submitting one response. So the total burden deducted from the total for this request is 2,240 hours (1 response x 40 hours x 56 respondents).

CMS expects that there will be three separate steps for a state to complete one response. We expect that a Data Entry Keyers (43-9021) would need 30 hours to complete the report at an adjusted wage of $30.42/hr for a total cost of $912.60 per response. A Social Science Research Assistant (19-4061) would need 9 hours to complete the report at an adjusted wage of $45.02/hr for a total cost of $405.18 per response. It will take an hour for a General and Operations Manager (11-1021) to complete the report at an adjusted wage of $117.40/hr for a total cost of $117.40 per response.

Thus the cost for a respondent to complete one response is estimated at $1,435.18. In aggregate, we estimate a total cost of $80,370.08.

The aforementioned burden is currently approved by OMB under this package's control number and is restated without change.

The currently approved 40 hour per response estimate it is in aggregate for all services. All of the UPL demonstrations should be a data dump from the states' accounting IT system into the template format.

The templates will help standardize the data collection and allow the states to quickly transfer data from their existing UPL demonstration reporting tools into the new UPL demonstration templates for reporting to CMS. The templates will allow the states to report the UPL demonstrations more efficiently. They will also use embedded formulas to help complete required areas of the UPL demonstrations, saving states time and effort in their reporting.

Standardizing the templates will also help us review the annual UPL demonstrations, by being able to look at one template format, instead of up to 56 different templates in each UPL demonstration type. Instructions on the use of the templates are attached to each template, along with a data dictionary.

Information Collection Instruments, Instructions, and Guidance Documents

The following documents are currently approved by OMB under this package's control number and are attached without change.

Attachment A – Nursing Facility Narrative Instructions
Attachment B – Nursing Facility UPL Guidance

Attachment C – Outpatient Hospital Narrative Instructions
Attachment D – Outpatient Hospital UPL Guidance
Attachment E – Inpatient Hospital Narrative Instructions
Attachment F – Inpatient Hospital UPL Guidance
Attachment G – Nursing Facility Standard Template
Attachment H – Outpatient Hospital Standard Template
Attachment I – Inpatient Hospital Standard Template

E. Timeline

N/A