

Supporting Statement for QHP Issuers Data Collection for Notices for Plan or Display Errors Special Enrollment Periods (CMS-10595/OMB control number: 0938-1301)

A. Background

The Patient Protection and Affordable Care Act (P.L. 111-148) and Health Care and Education Reconciliation Act of 2010 (P.L.111-152), collectively referred to as the PPACA, established new competitive private health insurance markets called Marketplaces, or Exchanges, which gave millions of Americans and small businesses access to qualified health plans (QHPs), including stand-alone dental plans (SADPs)— private health and dental insurance plans that have been certified as meeting certain standards.

In the final rule, the *Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2017* (CMS-9937-F), we finalized 45 CFR 156.1256, which requires QHP issuers, in the case of a material plan or benefit display error included in 45 CFR 155.420(d)(12), to notify their enrollees of the error and the enrollees' eligibility for a special enrollment period (SEP) within 30 calendar days after the issuer is informed by an Federally facilitated Exchange (FFE) that the error is corrected, if directed to do so by the FFE. This requirement provides notification to QHP enrollees of errors that may have impacted their QHP selection and enrollment and any associated monthly or annual costs, as well as the availability of an SEP under §155.420(d)(12) for the enrollee to select a different QHP, if desired.

The Centers for Medicare and Medicaid Services (CMS) is renewing this information collection request (ICR) in connection with standards regarding Plan or Display Errors and SEPs. The portion of the ICR related to Third Party Payments has been removed, and the title of the package has been changed accordingly. The burden estimate for the ICR included in this package reflects the time and effort for QHP issuers to provide notifications to enrollees on the ICRs regarding Plan or Display Errors and SEPs.

B. Justification

1. Need and Legal Basis

Under §156.1256, a QHP issuer on an FFE must, in the case of a plan or benefit display error included in §155.420(d)(12), notify its enrollees within 30 calendar days after the issuer is informed by the FFE that the error has been corrected, if directed to do so by the FFE. We believe that enrollees should be made aware of any error that may have impacted their QHP selection and enrollment and any associated monthly or annual costs. Therefore, we continue to require issuers to notify their enrollees of any such error, should such error occur, as well as the availability of an SEP, under §155.420(d)(12), for the enrollee to select a different QHP, if desired.

2. Information Users

Under 45 CFR § 155.420(a), the Exchange must provide SEPs under the stated circumstances and, during the SEP, qualified individuals may enroll in QHPs and enrollees may change QHPs. An enrollee may be entitled to an SEP when there is a triggering event, as described in § 155.420(d). This information collection deals with the notices required under § 156.1256 relating to material plan or benefit display errors.

The notifications that the QHP issuers are required to send under this information collection are sent to the QHP issuers' enrollees who may be adversely affected by an error in plan or benefit data displayed during their QHP selection, and the enrollees' eligibility for an SEP. The notifications inform the consumer about his or her health insurance coverage to make choices based on accurate plan data.

3. Use of Information Technology

QHP issuers use their claims data systems to identify enrollees that need to be notified. The notification can be sent to the enrollee electronically or by mail.

4. Duplication of Efforts

This information collection does not duplicate any other Federal effort.

5. Small Businesses

This information collection does not have a significant impact on small businesses.

6. Less Frequent Collection

The burden associated with this information collection consists of QHP issuers in an FFE or State-based Exchanges on the Federal platform (SBE-FP) notifying enrollees about the plan's incorrect plan display. Additionally, accurate plan data are needed to make this information available to the plan's enrollees. We recognize that the notification of the plan display error is a good faith effort as there are certain situations that the issuer cannot anticipate. For these reasons, the regulation requires the notification to be made to affected enrollees within 30 calendar days after the issuer is informed by the FFE that the error entitling affected enrollees to an SEP has been corrected.

7. Special Circumstances

There are no special circumstances.

8. Federal Register/Outside Consultation

A 60-day notice published in the Federal Register on 07/26/2019 (84 FR 36099). No comments were received. A 30-day notice will publish in the Federal Register on September 25, 2019.

No additional outside consultation was sought.

9. Payments/Gifts to Respondents

No payments and/or gifts will be provided to respondents.

10. Confidentiality

To the extent of the applicable law and HHS policies, we will maintain consumer privacy with respect to the information disclosed.

11. Sensitive Questions

There are no sensitive questions included in this information collection effort.

12. Burden Estimates (Hours & Wages)

ICRs Regarding Notices of Plan and Display Errors and Special Enrollment Periods (§ 156.1256)

Section § 156.1256¹ requires that, in the event of a plan or benefit display error, QHP issuers notify their enrollees within 30 calendar days after the issuer is informed by the FFE that the error has been corrected, if directed to do so by the FFE. Such notification must include informing affected enrollees of the plan or benefit display error and of the opportunity to enroll in a new QHP under an SEP at § 155.420(d) (12). This provision applies to all QHPs in the FFEs, as well as all QHPs in the SBE-FPs, which includes 505 issuers. We anticipate that issuers will need to notify multiple enrollees of the same display error, and therefore estimate that one form notice would cover approximately 100 of the enrollees receiving such a notice. For each group of 100 form notices, we estimate that it would take approximately 30 minutes for an issuer's business operations specialist (at an hourly wage rate of \$37.00)² to amend,

¹ *The Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2017 (CMS-9937-F)*

² Employment rates determined by the national estimates for the occupational employment and wages, May 2018 at <https://www.bls.gov/oes/current/oes131199.htm>. At the time of this publication, the 2019 National Occupational Employment and Wage Estimates were not yet available from the Bureau of Labor Statistics. To derive average costs, CMS

used data from the Bureau of Labor Statistics (BLS) <https://www.bls.gov/ooh/>). In this regard, CMS adjusted the employee hourly wage estimates by a factor of 100 percent to account for fringe benefits and overhead costs.

add SEP language provided by the FFE, and send the information. We estimate that approximately 4 percent of enrollees would receive such a notice. Based on approximately 8.4 million current enrollees in FFEs and SBE-FPs in 2019,³ we estimate QHPs in the FFEs and SBE-FPs would send approximately 340,000 total notices (4 percent of the approximately 8.4 million FFE and SBE-FP enrollees), for a total annual hours of 1,700, with a total annual cost of \$125,800.

Table 1: Burden to Issuers

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Costs (Per Respondent)	Total Burden Costs (All Respondents)
Business Operations Specialist	505	\$74	3.37	\$249.11	
Total – Annual			1,700		\$125,800
Total – Three Years			5,100		\$377,400

13. Capital Costs

There are no anticipated capital costs associated with these information collections.

14. Cost to Federal Government

There are no costs to the Federal Government.

15. Changes to Burden

The number of burden hours have been reduced from 3,800 hours to 1,700 hours annually (a total reduction of 2,100 burden hours). These changes are due to the lower number of actual enrollees (8.4 million) compared to the higher number of anticipated enrollees (19 million) in the FFEs and SBE-FPs. The number of respondents

³ https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MarketplaceProducts/2019_Open_Enrollment.html

have increased from 475 to 505, a total increase of 30.

16. Publication/Tabulation Dates

Results of the collection will not be made public.

17. Expiration Date

There are no instruments associated with this data collection.