1. Background

## SUPPORTING STATEMENT PART A

**State-based Exchange Annual Report Tool (SMART) (CMS-10507/OMB CONTROL NUMBER 0938-1244)**

The Patient Protection and Affordable Care Act (P.L. 111-148) and the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) (together referred to as the ACA) established American Health Benefit Exchanges, beginning January 1, 2014, to provide individuals and small business employees access to health insurance coverage. The ACA and its implementing regulations provide states with flexibility in the design and operation of Exchanges to ensure states are implementing Exchanges that best meet the needs of their consumers. States can choose to establish and operate a State-based Exchange (SBE) or a State-based Exchange using the Federal Platform (SBE-FP).

A State-based Exchange (SBE) is an entity that both facilitates the purchase of Qualified Health Plans (QHPs) by qualified individuals and provides for the establishment of a Small Business Health Options Program (SHOP), consistent with ACA § 1311 (b) and 45 CFR § 155.100.

States electing to operate as an SBE-FP rely on the Federal HealthCare.gov platform to carry out eligibility and enrollment functions, but operate other Exchange functions, including consumer assistance and outreach. For states that do not elect to operate either an SBE or SBE-FP, the Secretary of the U.S. Department of Health and Human Services (HHS) operates a Federally- facilitated Exchange (FFE) in those states.

States electing to operate a State Exchange must submit the State-based Marketplace Annual Reporting Tool (SMART) to CMS. This report includes all reporting requirements for State Exchanges and is used to evaluate compliance with CMS regulations and standards. This report includes attestations of compliance with ACA requirements, attestations of compliance with eligibility and enrollment requirements, performance monitoring data, and the annual financial statement and external financial and programmatic audit report.

1. Justification

# Need and Legal Basis

The ACA § 1313(a)(1) and its implementing regulations requires State Exchanges to keep an accurate accounting of all activities, receipts, and expenditures, and to submit a report annually to CMS concerning such accounting. Instructions governing specific facets of the activities covered by the report are contained both in the ACA and 45 CFR 155.1200 and 155.1210. CMS uses the SMART as the reporting tool to ensure compliance with regulatory requirements.

# Information Users

CMS uses the information collected from the SMART to determine if a state is maintaining a

compliant, operational Exchange. It also provides a mechanism to collect innovative approaches to meeting challenges encountered by states during the preceding year, as well as to provide information to CMS regarding potential changes in priorities and approaches for the upcoming year.

If CMS determines a state to be non-compliant through the review of required documentation, a formal letter will be issued asking states to develop and submit Correct Action Plans (CAP).

CMS may also provide technical assistance to help State Exchanges address potential areas of non-compliance, as needed.

# Use of Information Technology

The SMART data collection tool is available on the CMS State Exchange Resource Virtual Information System (SERVIS) and permits electronic submission of State Exchange responses and upload of documentation.1

# Duplication of Efforts

This information collection does not duplicate any other collection of information. CMS designed the SMART to reduce the data collection to the maximum extent possible. State Exchanges answer most questions by attestations and upload existing documents specified in the program integrity requirements.

# Small Businesses

This collection does not impact small businesses or other small entities.

# Less Frequent Collection

This collection cannot be conducted less frequently. The ACA requires an annual submission of the report.

# Special Circumstances

No special circumstances apply.

# Federal Register/Outside Consultation

A 60-day notice published in the Federal Register on March 25, 2022. No comments were received. A 30-day notice published in the Federal Register on July 20, 2022. No additional outside consultation was sought.

1 Exchanges will complete the SMART on SERVIS at [portal.cms.gov.](https://projects.deloittefed.com/sites/CMS_SHIE_OOMS/Documents_2/3F%20-%20PRA%202021/State-based%20Exchange%20Annual%20Report%20Tool%20%28SMART%29/SMART%202022%20Package/Supporting%20Statement/portal.com.gov) Note, you must be connected to CMS VPN in order to access the portal.

# Payments/Gifts to Respondents

There will be no payments or gifts to respondents.

# Confidentiality

To the extent of the applicable law and CMS policies, we will maintain respondent privacy with respect to the information collected.

# Sensitive Questions

The data collection does not incorporate any questions that would be considered sensitive in nature.

# Burden Estimates (Hours & Wages)

States electing to operate a State Exchange are required to submit the SMART annually. There are currently 21 State Exchanges required to complete and submit the SMART. Three states operate an SBE-FP model and are not subject to the eligibility and enrollment requirements. As a result, burden was estimated based on the two State Exchange models (18 SBEs and 3 SBE-FPs) to account for this difference.

To derive average costs, CMS used data from the U.S. Bureau of Labor Statistics May 2020 National Occupational Employment and Wage Estimates for all salary estimates.2 The following table presents the mean hourly wage, the cost of fringe benefits (calculated at 100 percent of salary), and the adjusted hourly wage. The table below displays six roles: Agency Head (occupation code 11-3021) at a mean hourly wage of $77.76, fringe benefits and overhead of

$77.76, and an adjusted hourly wage of $155.52; Senior Systems Manager (occupation code 11- 3021) at a mean hourly wage of $77.76, fringe benefits and overhead of $77.76, and an adjusted hourly wage of $155.52; Management Analysts (occupation code 13-1111) at a mean hourly wage of $46.91, fringe benefits and overhead of $46.91, and an adjusted hourly wage of $93.82; Administrative Assistant (occupation code 43-6010) at a mean hourly wage of $24.34, fringe benefits and overhead of $24.34, and an adjusted hourly wage of $48.68; Computer Programmer (occupation code 43-6010) at a mean hourly wage of $45.98, fringe benefits and overhead of

$$45.98, and an adjusted hourly wage of $91.96; and Network Administrator (occupation code 15-1244) at a mean hourly wage of $43.01, fringe benefits and overhead of $43.01, and an adjusted hourly wage of $86.02.

2 CMS updates average costs through the U.S. Bureau of Labor Statistics May 2020 National Occupational Employment and Wage Estimates website:  [https://www.bls.gov/oes/current/oes\_nat.htm.](https://www.bls.gov/oes/current/oes_nat.htm)

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| --- | --- | --- | --- | --- |
| **Occupation Title** | **Occupation Code** | **Mean Hourly Wage ($/hr)** | **Fringe Benefits and Overhead****($/hr)** | **Adjusted Hourly Wage ($/hr)** |
| **Agency Head** | 11-3021 | $77.76 | $77.76 | $155.52 |
| **Senior Systems Manager** | 11-3021 | $77.76 | $77.76 | $155.52 |
| **Management Analysts** | 13-1111 | $46.91 | $46.91 | $93.82 |
| **Administrative Assistant** | 43-6010 | $24.34 | $24.34 | $48.68 |
| **Computer Programmer** | 15-1251 | $45.98 | $45.98 | $91.96 |
| **Network Administrator** | 15-1244 | $43.01 | $43.01 | $86.02 |

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, we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

## Annualized Hours and Costs Tables

The following sections outline the requirements associated with each SMART section, as well as the hours and costs required to complete each section.

## Eligibility and Enrollment

All State Exchanges, with the exception of SBE-FPs, are required to report on eligibility and enrollment activities (including verifications and inconsistencies), as well as maintain current and updated versions of the required policies and procedures related to redeterminations and reconciliation with issuers. State Exchanges who manage their own eligibility and enrollment platforms are required to attest to the annual eligibility redeterminations requirement and provide a redeterminations plan demonstrating how they will renew their existing enrollee population for the upcoming open enrollment period. Currently, State Exchanges are submitting these plans in varying formats. CMS is making a change to require that these plans be submitted through a standard CMS template, to ensure that all State Exchanges are submitting streamlined, consistent data and to reduce necessary follow-up requests. This template provides consistent and clear direction on required information to reduce state burden and ensures there are no duplications of efforts. An additional hour has been calculated in the burden estimate below for each State Exchange to account for this slight template modification.

The burden associated with the eligibility and enrollment requirement includes a health policy analyst (13-111) taking 4 hours (at $93.82 an hour) to support the writing, a senior-level manager (11-3021) taking 8 hours (at $155.52 an hour) to conduct most of the writing, and a senior-level manager (11-3021) taking 3 hours (at $155.52 an hour) to oversee and approve the updates to the policies and procedures. We estimate this requirement will take 15 total hours at a cost of

$2,086.00 for each SBE. Therefore, for the 18 SBEs, we estimate an aggregate burden of 270 hours, at a cost of $37,548.00.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responsesper Respondent | Average BurdenHours | Wage per Hour (incl 100%benefits fringe) | Burden Costs |
| **Senior-level Manager****(11-3021)** | 18 | 1 | 3 | $155.52 | **$8,398.08** |
| **Senior-level Manager****(11-3021)** | 18 | 1 | 8 | $155.52 | **$22,394.88** |
| **Health Policy Analyst****(13-111)** | 18 | 1 | 4 | $93.82 | **$6,755.04** |
| Total |  |  | **15** |  | $**37,548.00** |

## Financial and Programmatic Audit

All State Exchanges are required to keep accurate accounting of Exchange receipts and expenditures and prepare and submit a financial statement, according to generally accepted accounting principles (GAAP), as well as conduct and submit an independent external financial and programmatic audit.

* + 1. Accurate accounting of Exchange receipts and expenditures

45 CFR § 155.1200(a)(1) through (3) requires State Exchanges to follow GAAP and to monitor and report to CMS all Exchange-related activities. This includes keeping an accurate accounting of all Exchange receipts and expenditures. State Exchanges electronically maintain the information as a result of normal business practices; therefore, the burden does not include the time and effort needed to maintain the Exchange-related activity information.

The burden associated with this requirement includes a computer programmer (15-1251) taking 8 hours (at $91.96 an hour) to modify the system to maintain and monitor the information required under 45 CFR §§155.1200(a) (1) through (3), an analyst (13-111) taking 8 hours (at $93.82 an hour) to pull the necessary data under § 155.1200(a) (1) through (3) in the State Exchange accounting system, and a senior manager (11-021) taking 2 hours (at $155.52 an hour) to oversee the development and transmission of the reported data. We estimate this requirement will take 18 total hours at a cost of $1,797.28 for each State Exchange. Therefore, for the 21 State Exchanges, we estimate an aggregate burden of 378 hours at a cost of $37,742.88.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100%benefits fringe) | Burden Costs |
| **Computer Programmer****(15-1251)** | 21 | 1 | 8 | $91.96 | **$15,449.28** |
| **Analyst (13-111)** | 21 | 1 | 8 | $93.82 | **$15,761.76** |

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100%benefits fringe) | Burden Costs |
| **Senior Manager****(11-021)** | 21 | 1 | 2 | $155.52 | **$6,531.84** |
| Total |  |  | 18 |  | $**37,742.88** |

* + 1. Development and submission of financial statement

45 CFR § 155.1200(b)(1) requires SBEs prepare and submit to CMS, and publicly post a financial statement annually, in accordance with GAAP. The burden associated with this reporting requirement is the time and effort needed to develop and submit the financial statement to CMS. SBEs will electronically submit the information.

The burden associated with this requirement includes a computer programmer (15-1251) taking 40 hours (at $91.96 an hour) to design the financial statement report, an analyst (13-111) taking 8 hours (at $93.82 an hour) pulling the necessary data and inputting it into the Financial Statement report, and a senior manager (11-021) taking 2 hours (at $155.52 an hour) overseeing the development and transmission of the reported data. We estimate a burden of 50 total hours for each SBE at a cost of $4,740. Therefore, the aggregate burden for the 21 SBEs is 1,050 hours at a cost of $99,540.00.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **Computer Programmer****(15-1251)** | 21 | 1 | 40 | $91.96 | **$77,246.40** |
| **Analyst (13-111)** | 21 | 1 | 8 | $93.82 | **$15,761.76** |
| **Senior Manager****(11-021)** | 21 | 1 | 2 | $155.52 | **$6,531.84** |
| Total |  |  | 50 |  | $**99,540.00** |

* + 1. Post results of financial audit to Exchange website

45 CFR § 155.1200(b)(4) requires SBEs to make public a summary of the results of the External Financial Audit.

The burden associated with this requirement is the time and effort for a computer programmer (15-1251) taking 1 hour (at $91.96 an hour) to design the summary and for an analyst (13-111) to take 1 hour (at $93.82 an hour) to pull data into the summary and prepare for public display.

For this requirement we estimate a burden of 2 hours for each SBE at a cost of $185.78. Therefore, the aggregate burden for the 21 SBEs is estimated at 42 hours at a cost of $3,901.38.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100%benefits fringe) | Burden Costs |
| **Computer Programmer****(15-1251)** | 21 | 1 | 1 | $91.96 | **$1,931.16** |
| **Analyst (13-111)** | 21 | 1 | 1 | $93.82 | **$1,970.22** |
| **Total** |  |  | **2** |  | **$3,901.38** |

* + 1. Compile data and prepare summary of Financial and Programmatic Audit report(s) and submit to CMS.

45 CFR § 155.1200(c) (1) through (3) directs SBEs to engage an independent audit/review organization to perform an independent external financial and programmatic audit.SBEs provide the results of the audit and identify any material weakness or significant deficiency and intended corrective action in a public summary.

The burden associated with this third-party disclosure requirement includes the burden for an analyst level employee (13-1111) taking 3 hours (at $93.82 an hour) to pull data into a report, the time and effort necessary for a health policy analyst (13-1111) taking 2 hours (at $93.82 an hour) to prepare the report of the audit results, and the time for senior management (11-3021) taking 1 hour (at $155.52 an hour) to review and submit to CMS. We estimate a burden of 6 hours at a cost of $624.62 for each SBE. Therefore, the aggregate burden for the 21 SBEs is 126 hours at a cost of $13,117.02.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **Analyst (13-1111)** | 21 | 1 | 3 | $93.82 | **$5,910.66** |
| **Health Policy****Analyst (13-1111)** | 21 | 1 | 2 | $93.82 | **$3,940.44** |
| **Senior Manager (11-3021)** | 21 | 1 | 1 | $155.52 | **$3,265.92** |
| Total |  |  | 6 |  | $**13,117.02** |

## Program Integrity

All State Exchanges are required to attest to several program integrity requirements, including maintenance of records and development and maintenance of policies and procedures related to oversight and monitoring, fraud, waste, and abuse, and non-discrimination.

1. Maintenance of Records

As stated in 45 CFR §155.1210(a), State Exchanges and their contractors, subcontractors, and agents, must maintain for 10 years, books, records, documents, and other evidence of accounting procedures and practices. Section 155.1210(b) specifies that the records include information concerning management and operation of the State Exchange’s financial and other record keeping systems. The records must also include financial statements, including cash flow statements, and accounts receivable, and matters pertaining to the costs of operation.

The burden associated with this record keeping requirement includes the time and effort necessary for a network administrator (15-1244) taking 16 hours (at $86.02 an hour) to modify the state systems to maintain the information required under §155.1210(b), for a health policy analyst (13-111) taking 8 hours (at $93.82 an hour) to enter the data under §155.1210(b) into the State Exchange record retention system, and for senior management (11-3021) taking 2 hours (at $155.52 an hour) to oversee record collection and retention. We estimate that it will take 26 hours at a cost of $2,437.92 for each State Exchange. Therefore, the aggregate burden for the 21 State Exchanges is 546 hours at a cost of $51,196.32.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100%benefits fringe) | Burden Costs |
| **Network Administrator****(15-1244)** | 21 | 1 | 16 | $86.02 | **$28,907.72** |
| **Health Policy Analyst****(13-111)** | 21 | 1 | 8 | $93.82 | **$15,761.76** |
| **Senior Manager (11-3021)** | 21 | 1 | 2 | $155.52 | **$6,531.84** |
| Total |  |  | 26 |  | $**51,201.32** |

1. Develop and maintain the required policies and procedures related to program integrity

State Exchanges are required to develop and maintain current and updated versions of the required policies and procedures related to program integrity (e.g., the oversight and monitoring plan, fraud, waste, and abuse, and non- discrimination).

The burden associated with this requirement includes an analyst (13-1111) (at $93.82 an hour)

and a health policy analyst (13-1111) (at $93.82 an hour) each taking 4 hours to support the writing, a senior-level manager (11-3021) taking 8 hours (at $155.52 an hour) to conduct most of the writing, and a senior-level manager (11-3021) taking 2 hours (at $155.52 an hour) to oversee and approve the updates to the policies and procedures. We estimate this requirement will take 18 total hours at a cost of $2,305.76 for each State Exchange. Therefore, for the 21 State Exchanges we estimate an aggregate burden of 378 hours at a cost of $48,420.96.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100%benefits fringe) | BurdenCosts |
| **Senior-level Manager****(11-3021)** | 21 | 1 | 2 | $155.52 | **$6,531.84** |
| **Senior-level Manager****(11-3021)** | 21 | 1 | 8 | $155.52 | **$26,127.36** |
| **Health Policy****Analyst (13-1111)** | 21 | 1 | 4 | $93.82 | **$7,880.88** |
| **Analyst (13-1111)** | 21 | 1 | 4 | $93.82 | **$7,880.88** |
| Total |  |  | 18 |  | $**48,420.96** |

1. Compile and post financial information to Exchange website

45 CFR § 155.205(b)(2) requires State Exchanges to publish on its website average licensing costs, regulatory fees, administrative costs, and any other additional fees required, along with any monies lost to fraud, waste, and abuse.

The burden associated with this requirement is the time and effort for a computer programmer (15-1251) taking 1 hour (at $91.96 an hour) to design the summary and for an analyst (13-1111) to take 1 hour (at $93.82 an hour) to pull data into the summary and prepare for public display. For this requirement we estimate a burden of 2 hours for the State Exchange at a cost of $185.78 each. Therefore, the aggregate burden for the 21 State Exchanges, is estimated at 42 hours at a cost of $3,901.38.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **Computer Programmer****(15-1251)** | 21 | 1 | 1 | $91.96 | **$1,931.16** |
| **Analyst (13-1111)** | 21 | 1 | 1 | $93.82 | **$1,970.22** |

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **Total** |  |  | **2** |  | **$3,901.38** |

## Prepare and Submit SMART

All State Exchanges must submit or attest to the submission of all SMART requirements by completing and submitting the SMART Tool itself.

The burden associated with this requirement is the time and effort for an agency head (11- 3021) taking 2 hours (at $155.52 an hour) to approve the report, a senior-level manager (11- 3021) taking 9 hours (at $155.52 an hour) to oversee the report, a senior-level manager (11- 3021) taking 17 hours (at $155.52 an hour) to conduct most writing, a mid-level policy analyst (13-1111) taking 25 hours (at $93.82 an hour), a mid-level financial analyst (13-1111) taking 14 hours (at $93.82 an hour), and an administrative assistant (43-6014) taking 2 hours (at

$93.82 an hour). For this requirement we estimate a burden of 69 hours for the State Exchange at a cost of $8,091.26. Therefore, the aggregate burden for the 21 State Exchanges, is estimated at 1,449 hours at a cost of $169,916.46.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **Agency head to approve report****(11-3021)** | 21 | 1 | 2 | $155.52 | **$6,531.84** |
| **Senior-level manager to oversee report****(11-3021)** | 21 | 1 | 9 | $155.52 | **$29,393.28** |
| **Senior-level manager to conduct most writing****(11-3021)** | 21 | 1 | 17 | $155.52 | **$55,520.64** |
| **Mid-level policy analyst to support writing****(13-1111)** | 21 | 1 | 25 | $93.82 | **$49,255.50** |
| **Mid-level financial analystto support****writing (13-1111)** | 21 | 1 | 14 | $93.82 | **$27,583.08** |

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **Administrative****assistant (43-6014)** | 21 | 1 | 2 | $38.86 | **$1,632.12** |
| Total |  |  | 69 |  | $**169,916.46** |

## Estimated Annualized Burden Table

The calculation of the overall costs includes the best estimates for of SMART submissions. CMS estimates that there are 21 respondents (18 SBEs and 3 SBE-FPs) in the upcoming three years covered by this the Information Collection Request (ICR).

CMS estimates it will take an SBE 206 hours to complete and submit a SMART each year. CMS estimates it will take an SBE-FP 191 hours to complete and submit a SMART each year.

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| --- | --- | --- | --- | --- | --- |
| Forms | Type of Respondent | Number of Respondents | Number of Responses per Respondent | Estimated Burden Hours per Response | Annual Estimated Burden Hours |
| **Annual Regulatory Report** | State Exchange (SBE) | 18 | 1 | 206 | **3,708** |
| **Annual Regulatory Report** | State Exchange (SBE-FP) | 3 | 1 | 191 | **573** |
| **Total** |  |  |  |  | **4,281** |

# Capital Costs

There are no capital costs associated with this collection.

# Cost to Federal Government

Total cost to the Federal government across the three years of the ICR is $64,449.12. It requires the combined labor of Federal employees at GS-12, GS-13, GS-14, and GS-15 in the Washington DC locality to complete a review and assessment of the SMART submissions.

Based on the most current General Schedule pay schedule,3 a GS-12, Step 1 earns a basic rate of

3 Source: OPM Salary and Wages Table effective January 2020. [Pay & Leave : Salaries & Wages - OPM.gov](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/DCB.aspx)

$41.78 hourly, a GS-13, Step 1 earns a basic rate of $49.68 hourly, a GS-14, Step 1 earns a basic rate of $58.74 hourly and a GS-15, Step 1 earns a basic rate of $69.06 hourly. CMS then multiplied hourly rates by a standard government benefits multiplication factor of two.

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| --- | --- | --- | --- | --- | --- |
| Type of Respondent | Number of Respondents | Responses per Respondent | Average BurdenHours | Wage per Hour (incl 100% benefits fringe) | Burden Costs |
| **GS-12****track SMART submissions** | 1 | 1 | 120 | $83.56 | **$10,027.20** |
| **GS-13****review SMART submissions** | 1 | 1 | 336 | $99.36 | **$33,384.96** |
| **GS-14****review SMART submissions** | 1 | 1 | 105 | $117.48 | **$12,335.40** |
| **GS-15****Managerial Review and Oversight** | 1 | 1 | 63 | $138.12 | **$8,701.56** |
| **Total** |  |  | **624** |  | **$64,449.12** |

# Changes to Burden

The overall burden hours for this approval increased because the number of SBEs/SPE-FPs increased from 17 to 21, and an additional hour of burden has been included in the new calculation to account for additional burden based on the new required Redeterminations Plan Template for SBEs. The Office of Management and Budget (OMB) previously approved this information collection in June 2019, with a total of 3,415 burden hours for 17 SBEs/SBE-FPs. CMS estimates the burden for this approval to be 4,281 hours for 21 SBEs/SBE-FPs.

In addition to the aforementioned changes to the burden estimates, CCIIO has included Table 1 to summarize the proposed non-substantive and substantive changes to SMART including:

1) **Eligibility and Enrollment:** The SMART includes revisions to the following eligibility and enrollment attestations: Citizenship & Lawful Presence, American Indian/Alaska Native, Incarceration Status, Employer-sponsored Coverage, Household Income & Size, Periodic Data Matching, Periodic Data Matching, and Annual Eligibility Redeterminations. The SMART also includes the addition of a Special Enrollment Periods attestation. Additionally, the SMART requires that SBEs provide to CMS their annual redeterminations plans. The SBEs have been submitting these plans in varying formats. The SMART will now require that SBE use the CMS template to comply with the Annual Eligibility Redeterminations requirement.

2) **Financial and Programmatic Audit:** The SMART includes revisions to streamline the order of the financial audit and programmatic audit attestations and minor editorial corrections.

3) **Program Integrity:** The SMART includes three new attestations to capture Navigator Program & Standards, CMS Annual Budget, and Certification of Qualified Health Plans requirements.

**Table 1: Summary SMART Requirements**

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| --- | --- | --- |
| **SMART SECTION** | **REQUIREMENT** | **PROPOSED CHANGE** |
| **Eligibility and Enrollment**  | State-based Exchanges (SBEs) are required to report on regulatory compliance on an annual basis. SBEs attest to eligibility and enrollment policy and operational requirements. This section focuses on eligibility verifications, inconsistencies, eligibility redeterminations, and reporting requirements.  | • Added guidance noting that SBEs must respond to this section and clarified the reporting period. • Revised the “Citizenship and Lawful Presence” attestation by adding separate attestations for steps 1, 2, and 3. • Revised the “Standards and Process for American Indian/Alaska Natives” attestation; added boxes to identify the verification source. • Revised the “Incarceration Status” attestation; added boxes to identify the verification source. • Revised the “Household Income and Size” attestation to capture SBE processes to verify income when the Modified Adjusted Gross Income (MAGI) data is not available through the Federal Data Services Hub (FDSH). • Revised the “Employer-sponsored Plan” attestation to capture risk-based approaches to verify employer-sponsored coverage. • Revised the “Periodic Data Matching” attestation with minor editorial corrections. • Removed list of components from the “Annual Eligibility Redeterminations and Verification” attestation. Added requirement to use the CMS Annual Redeterminations Plan template to comply with the annual redeterminations plan submission. • Added “Special Enrollment Periods” attestation to capture SBE processes. • Added text boxes throughout the section to allow SBEs to further explain partial or non-compliance.  |
| **Financial and Programmatic Audit**  | Audit requirements were developed to ensure SBE and SBE-FPs accountability in all financial and programmatic activities, including accurate accounting of all activities, receipts, and expenditures; and compliance with the following 45 CFR § 155 Subparts: Subpart C (General Functions of an Exchange, Subpart D (Exchange Functions in the Individual Market: Eligibility Determinations for Exchange Participation and Insurance Affordability Programs), Subpart E (Exchange Functions in the Individual Market: Enrollment in Qualified Health Plans) and Subpart K (Exchange Functions: Certification of Qualified Health Plans).  | • Revised the attestations to streamline and provider further clarity on the financial and programmatic audit requirement. • Revised the “Material Weakness” attestation into two distinct attestations: Programmatic and Financial. • Added text box to collect anticipated date by which the independent external audit results will be made available to the public if not provided at the time the SMART submission. • Made minor editorial corrections.  |
| **Program Integrity** | Program Integrity requirements were developed to ensure proper oversight of the SBEs, including policies and procedures related to oversight and monitoring, consumer assistance, and identifying and addressing incidences of fraud, waste, and abuse.  | • Revised the “Financial Information” attestation to add clarity on the requirement. • Added “Navigator Program and Standards” attestation. • Added “Certification of Qualified Health Plans” attestation. • Added “CMS Annual Budget Template” attestation.  |

# Publication/Tabulation Dates

The results of this collection will not be published.

# Expiration Date

The OMB control number and expiration date will display on the first page (top right-hand corner) of each instrument.