

National Medical Support Notice - Part A

**OMB Information Collection Request
0970 - 0222**

Supporting Statement Part A - Justification

September 2022

Submitted By:
Office of Child Support Enforcement
Administration for Children and Families
U.S. Department of Health and Human Services

1. Circumstances Making the Collection of Information Necessary

The Office of Child Support Enforcement (OCSE) developed the National Medical Support Notice (NMSN) Part A as a standard, required form for child support enforcement agencies to use to ensure dependent children are enrolled in available employer-sponsored medical coverage, if required by a support order.

The information collected complies with section 401 of the Child Support Performance and Incentives Act of 1998 (CSPIA), which requires state child support agencies, under title IV-D of the Social Security Act, (the Act), to enforce health care coverage provided in a child support order and section 609 of the Employee Retirement Income Security Act of 1974 (ERISA), which deems the NMSN the enforcement mechanism for the medical support requirement. The laws require the NMSN to be promulgated by regulations issued jointly by the Departments of Health and Human Services (HHS) and Labor (DOL).

The collection activities associated with the NMSN are further authorized by (1) 42 U.S.C. § 666, which requires all child support orders to include a provision for medical support and where appropriate, enforced through the use of the National Medical Support Notice; (2) 29 U.S.C. § 1169, which provides for medical coverage pursuant to a qualified medical support order.

This request includes revisions to the currently approved NMSN Part A - see A.15 for an explanation of changes. We are also requesting to extend approval of the currently approved NMSN Part A for one additional year to allow states to program their systems to accommodate the proposed changes to Part A and instructions. Once the system is programmed, states will then be required to use the revised version of the NMSN Part A.

2. Purpose and Use of the Information Collection

Child support enforcement agencies (states) send the NMSN Part A and Part B to employers for all child support cases receiving IV-D services in which a parent has been ordered to provide medical support or health care coverage.

State and local child support agencies (states) program their systems to generate Parts A and B and send them to employers to enroll children in employees' health plans. Employers respond to the IV-D agency as to whether insurance is available and when appropriate, forward Part B to their medical/health plan administrators to enroll the children in health plans. Employers withhold from the employee's income any premium payments that may be required by the plan.

OCSE does not receive nor use the information collected on the NMSN Part A since it does not administer child support cases.

3. Use of Improved Information Technology and Burden Reduction

State IV-D agencies automate this information collection. The burden on states to provide

NMSN information is minimal because states have existing systems that allow them to electronically generate and send a NMSN to an employer after the support order is established. Employers and states may opt to use the OCSE e-NMSN, which is an automated process.

4. Efforts to Identify Duplication and Use of Similar Information

Prior to the NMSN, states issued their own medical support forms. The mandatory NMSN form replaced all previous state-issued forms; it prevents duplication and reduces confusion for employers and medical plan administrators.

5. Impact on Small Businesses or Other Small Entities

The impact on small businesses and other small entities is minimal. The NMSN is easy to understand and contains all the information needed to enroll a child in the employee's health plan and to withhold premium payments from the employee's wages.

6. Consequences of Collecting the Information Less Frequently

Because use of the NMSN by states to enforce medical support orders is mandated by CSPIA and because the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) requires all child support orders under title IV-D of the Act to have a provision for medical support coverage, health care coverage using the NMSN must be implemented according to the terms of the support order. Collecting NMSN information cannot be done less frequently, as doing so will adversely affect availability of health insurance coverage for children and, when needed, delay enforcement of medical support for them.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

Section 466 (a)(19) of the Act requires the employer to respond to the state IV-D agency that sent the form within 20 business days of the date of the NMSN. The employer indicates the date Part B was sent to the plan administrator or explains why the NMSN cannot be implemented. The employer must also forward Part B to the health plan administrator within 20 business days to enroll children in health insurance if health insurance is available to the employee. Failure to adhere to the 20-business day requirement violates the Act.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), OCSE published a notice in the Federal Register at 87 FR 26762 on May 5, 2022. The notice announced OCSE's intention to seek OMB approval of the revised collection of information and provided 60 days for the public to submit written comments about this information collection activity. OCSE received comments from 7 respondents. OCSE reviewed the comments and updated NMSN Part A, the accompanying NMSN Part A instructions, and the Sample NMSN Part A. Attachment A includes all comments and OCSE

responses.

9. Explanation of Any Payment or Gift to Respondents

No payments or gifts are made to respondents.

10. Assurance of Confidentiality Provided to Respondents

OCSE is responsible for managing the information collection of the NMSN Part A; however, OCSE does not collect information. Instead, state and local child support agencies populate the forms from their client data files and follow their state laws and procedures requiring assurances of confidentiality. Each state must have in effect safeguards designed to protect privacy rights. 42 U.S.C. § 654(26).

For employers and states that opt to utilize OCSE's e-NMSN enrollment process, existing security measures safeguard the files and information. Confidential information used in the e-NMSN enrollment process, which is part of the Child Support Portal, is addressed in the Child Support Portal Information Collection approved by OMB (OMB # 0970-0370; expiration date: February 28, 2025).

11. Justification for Sensitive Questions

The NMSN requires specific information, including names, birth dates, addresses, and SSNs of parents and children, to ensure medical coverage is provided by and for the correct individuals. When populating the forms, state and local child support agencies must adhere to their laws and procedures regarding collection and protection of sensitive information. Each state must have in effect safeguards designed to protect privacy rights. 42 U.S.C. § 654(26).

Sensitive information used in the e-NMSN enrollment process, which is part of the Child Support Portal, is addressed in the Child Support Portal Information Collection approved by OMB (OMB # 0970-0370; expiration date: February 28, 2025).

12. Estimates of Annualized Burden Hours and Costs

Annual Burden Hours Estimates

The burden hour estimates for the NMSN Part A are based on the estimated number of notices issued annually by state child support enforcement agencies to employers, and the associated amount of time required to populate those notices by the states and employers. The inputs for these estimates were derived from a combination of OCSE Annual Report data, U.S. Census Bureau employment data, and general survey data. Table 1 below shows burden hour estimates for respondents. We have broken out the table to show the estimated burden associated with the currently approved NMSN Part A and the estimated burden for when states begin to use the updated NMSN Part A and the State Medical Support Contacts and Program Requirement Matrix.

Annual Burden Cost Estimates

For completion of the NMSN Part A over the next three years, OCSE calculated state respondent’s costs using the Bureau of Labor Statistics (BLS) wage data from May 2021 and used the job code for Child, Family, and School Social Worker [21-1021] which is \$26.39 per hour. To account for fringe benefits and overhead, OCSE multiplied the hourly rate by two, which is \$52.78. OCSE calculated employer respondent’s costs using the Bureau of Labor Statistics (BLS) job code for Payroll and Timekeeping Clerks [43-3051] which is \$23.83 per hour. To account for fringe benefits and overhead, OCSE multiplied the hourly rate by two, which is \$47.66.

Table 1. Estimates of Annualized Burden Hours and Costs

Information Collection Title	Total Number of Respondents	Annual Number of Responses Per Respondent	Average Burden Hours Per Response	Annual Burden Hours	Average Hourly Wage	Total Annual Cost
2019 Form – Estimated Burden for Use Through 2023						
National Medical Support Notice – Part A – Notice to Withhold for Health Care Coverage- <i>States</i>	54	90,194	.17	827,981	\$52.78	\$43,700,837
National Medical Support Notice – Part A – Notice to Withhold for Health Care Coverage- <i>Employers</i>	1,310,727	3.72	.17	828,904	\$47.66	\$39,505,564
Estimated Annual Burden 2022-2023:				1,656,885		\$83,206,401
Revised Form – Estimated Burden for Implementation in 2023						
National Medical Support Notice – Part A – Notice to Withhold for Health Care Coverage - <i>States</i>	54	90,194	.17	827,981	\$52.78	\$43,700,837
National Medical Support Notice – Part A – Notice to Withhold for Health Care Coverage - <i>Employers</i>	1,310,727	3.72	.17	828,904	\$47.66	\$39,505,565
State Medical Support Contacts and Program Requirement Matrix - <i>States</i>	54	1	1	54	\$52.78	\$2,850
Estimated Annual Burden Beginning 2023:				1,656,939*		\$83,209,252

*Since this will be the annual burden for the majority of this approval period, and ROCIS can only show one annual burden estimate, this is the annual burden estimate in ROCIS.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

There are no other costs to respondents associated with the annual reporting and record keeping burden.

14. Annualized Cost to the federal government

Upon approval of the proposed revisions to the NMSN - Part A, OCSE will post the new version of the NMSN on the internet website for states to download. There are no costs to the federal government associated with text changes to the paper NMSN; however, the annual cost to the federal government for e-NMSN is estimated at \$183,727. This includes the system enhancements and technical assistance contracting costs, telecommunications, security, data quality, and software and hardware costs incurred by OCSE in association with the e-NMSN.

15. Explanation for Program Changes or Adjustments

OCSE made minor revisions to the NMSN Part A to simplify the form. OCSE also split the form instructions into a separate document, created a Sample NMSN Part A, and added questions to the “State Medical Support Contacts and Program Requirements” Matrix. The Matrix questions will ensure employers have clear and specific information necessary to comply with individual state's requirements. The revisions and new documents constitute a program change.

As a result of the 7 comments received during the 60-day comment period, OCSE updated the NMSN Part A, the accompanying instructions, and the Sample NMSN Part A. See no. 8, above and Attachment A for additional information.

Finally, since the previous approval, OCSE adjusted the state burden estimate from 89,634 to 90,194, to account for an increase in the number of NMSN forms submitted by state IV-D agencies and also reflects an estimate for each state to annually update the State Medical Support Contacts and Program Requirement Matrix; OCSE adjusted the employer burden estimate based on the number of employers submitting NMSN forms from 1,275,624 (in 2016) to 1,310,727 (in 2018) reflecting the most recent census data available.

16. Plans for Tabulation and Publication and Project Time Schedule

There are no plans to publish results of this information.

17. Reason(s) Display of OMB Expiration Date Is Inappropriate

OMB expiration date will be displayed.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification statement.