Supporting Statement-A

The Medicare Advantage and Prescription Drug Programs: Part C and Part D

Explanation of Benefits

(CMS-10453, OMB 0938-1228)

# Background

The Centers for Medicare & Medicaid Services (CMS) requests renewal of this currently approved information collection, which includes substantive changes such as the addition of the burden associated with the Medicare Prescription Drug Program (Part D) Explanation of Benefits (EOB), which is currently approved through September 30, 2025 under OMB control number 0938-0964 (CMS-10141). The proposed changes to this information collection include other updates to the burden associated with Medicare Advantage (MA) and Part D EOBs, and updates to the Part D EOB to comply with the Part D benefit redesign provisions in section 11201 of the Inflation Reduction Act of 2022, Public L. 117-169 (IRA).

Medicare Advantage organizations (MAOs) and Part D plan sponsors are required to provide their enrollees with a written EOB when benefits are provided under the plan. Under section 1860D4(a)(4) of the Social Security Act (the Act), Part D plan sponsors are required to provide Part D enrollees with a written EOB when Part D benefits are provided, including information about such benefits in relation to the Part D initial coverage limit and annual out-of-pocket threshold. CMS codified Part D EOB requirements at 42 CFR § 423.128(e). Section 1852(k)(2)(C)(i) of the Act requires MAOs that offer a private fee-for-service (PFFS) plan to provide enrollees with a written EOB, including a clear statement about the enrollee’s liability, when payment is sought under the plan. CMS finalized a requirement at 42 CFR § 422.111(b)(12)[[1]](#footnote-3) specifying that all MAOs provide an EOB when Part C benefits are used. Collectively, these requirements help ensure MA and Part D enrollees receive clear, consistent, and timely benefit information.

## Medicare Advantage

In order to provide all Medicare Advantage enrollees with consistent, clear, useful information about their medical claims, CMS established a requirement, in the April 15, 2011 “Medicare Program; Changes to the Medicare Advantage and the Medicare Prescription Drug Benefit Programs for Contract Year 2012 and Other Changes” final rule (76 FR 21432), that MA organizations furnish directly to enrollees, in the manner specified by CMS and in a form easily understandable to such enrollees, a written explanation of benefits, when benefits are provided under Part 422. CMS finalized this policy based on public comments and input received from beneficiaries, advocacy organizations, health plans and industry organizations. The Part C EOB ensures Medicare Advantage enrollees receive clear, timely information about their claims; traditional Medicare beneficiaries receive similar information about their claims through the Medicare Summary Notice (MSN). In order to ensure that enrollees of Medicare Advantage plans receive access to their claims information that is comparable to the information that is accessible to traditional Medicare beneficiaries, it is imperative that CMS continue to require Medicare Advantage plans to provide a Part C EOB through applicable statute, regulation, and via approval of this information collection request (ICR). Ultimately, the Part C EOB provides transparency around claims costs that allow enrollees to confidently make informed decisions about their healthcare options.

The reporting elements for the Part C EOB are codified at § 422.111(k)(2). They include (i) the cumulative amount billed by all providers; (ii) the cumulative total costs approved by the plan; (iii) the cumulative share of total cost paid for by the plan; (iv) the cumulative share of total cost for which the enrollee is liable; (v) the amount an enrollee has incurred toward the MOOP limit; and (vi) the amount an enrollee has incurred toward the deductible, as applicable. MA organizations must disclose to enrollees on either a monthly or quarterly cycle claims information describing benefits used and year-to-date liabilities and accruals toward the enrollee’s Part C deductible and maximum out-of-pocket limit.

## Medicare Prescription Drug Benefit Program

Under our authority at section 1860D-4(a)(4) of the Act, CMS codified requirements in the January

28, 2005 “Medicare Program; Medicare Prescription Drug Benefit” final rule (70 FR 4194) at 42 CFR § 423.128(e) for Part D sponsors to furnish EOBs to their enrollees when Part D benefits are provided. Pursuant to the regulation, Part D EOBs must be written in the manner specified by CMS and in a form easily understandable to enrollees. Specifically, 42 CFR § 423.128(e) requires that Part D EOBs include: the drugs for which payment was made and the amount of payment; the cumulative, year-to-date total amount of benefits provided in relation to the annual deductible, initial coverage limit, and the annual out-of-pocket threshold; cumulative, year-to-date incurred costs; any cumulative percentage increase in the negotiated price of a prescription drug claim since the first claim of the year; therapeutic alternatives with lower cost-sharing from the plan’s formulary; and any applicable formulary changes for which Part D plans are required to provide notice as described in 42 CFR § 423.120(b)(5). Section 423.128(e)(7) requires that the EOB be furnished in the month following any month when Part D benefits are provided.

Section 11201 of the IRA makes significant changes to the Part D benefit design which require CMS to make corresponding revisions to the Part D EOB model. Beginning in 2024, the IRA revises section 1860D-2(b)(4)(A)(i)(II) of the Act to eliminate enrollee cost sharing after the enrollee has incurred costs equal to the annual out-of-pocket threshold specified in section 1860D-2(b)(4)(B)(i) of the Act. Beginning in 2025, the IRA eliminates the coverage gap benefit phase, sunsets the Coverage Gap Discount Program, and introduces new manufacturer discounts in the initial and catastrophic coverage phases. These changes will result in a three-phase Part D benefit consisting of an annual deductible phase, initial coverage phase, and catastrophic phase. Finally, section 1860D–2(b)(4)(b)(i)(VII) of the Act resets the annual out-of-pocket threshold at $2,000 for 2025. These changes have been incorporated into the updated Part D EOB model for Contract Year 2025 that is attached to this information collection.

Additionally, the IRA amends the Act by adding section 1860D–2(b)(2)(E) which, beginning January 1, 2025, creates the Medicare Prescription Payment Plan. Under this program, Part D sponsors are required to offer enrollees the option to pay their Part D cost sharing in monthly amounts spread out over the plan year based on the formula described in section 1860D-2(b)(2)(E)(iv) of the Act. On August 21, 2023, CMS released Draft Part 1 Guidance for the Medicare Prescription Payment Plan, which proposes in section 40, that to fulfill monthly billing requirements in section 1860D–2(b)(2)(E)(iii) of the Act, sponsors’ Medicare Prescription Payment Plan billing statements include information about the program, the effective date of the enrollee’s participation in the program, the enrollee’s payment history, amount due for the month being billed, remaining cost-sharing balance, and appeals rights. In comparison, EOBs are not billing statements and are only required following months in which the Part D benefit is used. Under 42 CFR § 423.128(e), the EOB must include the cumulative, year-to-date amount of benefits provided in relation to the Part D benefit phases, including the annual deductible and out-of-pocket threshold. Given these requirements, CMS requests comment on the high-level information related to the Medicare Prescription Payment Plan that has been added to the Part D EOB after consideration of comments received during the 60-day comment period.

We are submitting this collection for approval as a reinstatement of a previously approved collection with changes. Approval for CMS-10453 (OMB control number 0938-1228) expired on April 30, 2017. The Part D EOB model and its related burden are currently accounted for under CMS-10141 (OMB control number 0938-0964), which is approved through September 30, 2025. With this ICR, CMS incorporates the Part D EOB redesign information collection into CMS-10453 in an effort to streamline processes and minimize duplicative administrative work and burden for CMS and other stakeholders.

CMS has also revised the previously approved burden associated with providing EOBs to enrollees when the Part C plan furnishes Medicare-covered items and services or Part C supplemental benefits. Burden has been reduced because once the EOB templates are programmed, the EOBs are populated electronically and automated; therefore, we have revised earlier Part C and Part D hourly burden, and the only hourly burden is for Part D, to account for the changes to the templates that will require programming in 2025.

# A. Justification

## 1. Need and Legal Basis

Sections 1852(k)(2)(C)(i) and 1860D-(4)(a)(4) of the Act give CMS authority to require EOBs in MA and Part D, respectively. Corresponding MA and Part D regulations at 42 CFR §§ 422.111(k) and 423.128(e) further specify the requirements to provide a written EOB directly to enrollees following their use of benefits.

These requirements and the CMS model documents help ensure that MA and Part D enrollees receive consistent and timely information about costs associated with their medical claims. Part C and Part D EOBs allow enrollees to track their out-of-pocket expenses and benefit utilization in relation to their plan’s deductible and out-of-pocket threshold. This customized information positions enrollees to make informed decisions about their healthcare options. It also enables them to make a more practical use of the information found in plans’ Annual Notice of Change and Evidence of Coverage documents, as well as information available through tools such as the Medicare Plan Finder.

## 2. Information Users

MAOs and Part D sponsors use the model documents attached to this information collection to set up the EOB templates in their systems and ensure that EOBs conform with the requirements at 42 CFR §§ 422.111(k) and 423.128(e). MAOs and Part D sponsors populate EOBs to reflect individual enrollee benefits under the plan. CMS issues model EOBs annually through the Health Plan Management System (HPMS) and they are posted at the following locations on cms.gov:

Part C Model Materials page: [https://www.cms.gov/medicare/health-](https://www.cms.gov/medicare/health-plans/managedcaremarketing/marketngmodelsstandarddocumentsandeducationalmaterial)

[plans/managedcaremarketing/marketngmodelsstandarddocumentsandeducationalmaterial](https://www.cms.gov/medicare/health-plans/managedcaremarketing/marketngmodelsstandarddocumentsandeducationalmaterial)

Part D Model Materials page: [https://www.cms.gov/Medicare/Prescription-DrugCoverage/PrescriptionDrugCovContra/Part-D-Model-Materials](https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Part-D-Model-Materials)

The 2025 MA and Part D EOB models are included in this ICR as Appendix A and Appendix B, respectively. The Part D model includes instructions and a sample EOB in Exhibits A through G. Part C EOB models include monthly and quarterly summary EOBs for Health Maintenance Organization (HMO), Medical Savings Account (MSA), Preferred Provider Organization (PPO), and Private Fee-for-Service (PFFS) plans. EOBs provide MA and Part D enrollees with important information to help them manage their health care.

## 3. Use of Information Technology

Where feasible the collection of information included in this ICR involves the use of automated, electronic, mechanical, or other technological collection techniques designed to reduce burden and enhance accuracy. Specifically, 42 CFR § 422.111 requires, to the extent that an MA plan has a website, annual notification through the website of written, hard copy notification sent to the enrollees. Section 423.128(d) requires that a Part D sponsor have mechanisms for providing specific information on a timely basis to current and prospective enrollees upon request, including a website with information about the Part D plan. MA and Part D enrollees have the option to request electronic delivery of EOBs.

## 4. Duplication of Efforts

This information collection does not duplicate any other effort and the information cannot be obtained from any other source.

## 5. Small Businesses

Small businesses that choose to participate in the MA or Part D programs are subject to the same requirements as other businesses, as specified in 42 CFR §§ 422.111(k) and 423.128(e). The requirements do not impose any greater burden on small businesses than on large businesses.

## 6. Less Frequent Collection

MAOs and Part D sponsors, respectively, are required to provide the EOB on a quarterly or monthly basis for any quarter or month when MA or Part D benefits are provided. Consistent with the statutory and regulatory requirements discussed in section 1, the estimated burden in this information collection request represents the least frequent basis necessary to comply with CMS regulations. If MAOs and Part D sponsors provided EOBs on a less frequent basis or not at all, enrollees would not have comprehensive and timely information about their claims and would be less able to accurately track their out-of-pocket expenses and benefit utilization and make informed decisions about their healthcare options.

## 7. Special Circumstances

There are no special circumstances that would require an information collection to be conducted in a manner that requires respondents to:

* Report information to the agency more often than quarterly;
* Prepare a written response to a collection of information in fewer than 30 days after receipt of it;
* Submit more than an original and two copies of any document;
* Retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
* Collect data in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
* Use a statistical data classification that has not been reviewed and approved by OMB;
* Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
* Submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

***8. Federal Register/Outside Consultation***

*Federal Register*

A 60-day notice was published in the Federal Register on June 6, 2023 (88 FR 37066) for the public to submit written comment on this information collection. We received 11 public comment submissions during the 60-day comment period. After consideration of the comments received, CMS made several minor revisions to the Part D EOB models included with this posting, and described in the crosswalk of changes. A summary of the comments received and CMS’ responses can be found in the *Response to Public Comments Received* document included with this posting.

*Outside Consultation*

MA and Part D model EOB documents are attached to this ICR as Appendix A and Appendix B, respectively. In addition to soliciting comment during rulemaking for the regulatory requirements discussed above, CMS has conducted extensive stakeholder engagement to gather ideas and feedback on EOB content, layout, and delivery. We have received input from plans, trade associations, advocacy groups, enrollees, and other interested parties, and have used that input to develop and revise the models over time. Specifically, we tested the Part C EOB models through a pilot program with an MAO. In 2021, CMS conducted extensive beneficiary testing of the Part D EOB and made significant revisions to the form and content based on this testing and feedback from other stakeholders regarding the new format.

***9. Payments/Gifts to Respondents***

There are no payments/gifts to respondents*.*

### ***10. Confidentiality***

CMS is not collecting any sensitive, confidential, or privileged information, nor will protected health information of MA and Part D enrollees maintained in plan records become part of a federal system of records; therefore, a System of Records Notice (SORN) is not required. MAOs and Part D sponsors are required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any other applicable laws and regulations to protect enrollee information. As such, this information collection does not require a Privacy Act Statement. Data will be kept private to the extent of the law.

### ***11. Sensitive Questions***

There are no sensitive questions associated with this collection. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

***12. Collection of Information Requirements and Annual Burden Estimates***

## Wages

To derive average costs, we are using data from the U.S. Bureau of Labor Statistics’ May 2022

National Occupational Employment and Wage Estimates

[(http://www.bls.gov/oes/current/oes\_nat.htm)](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 for a business operations specialist.

## Table 1 Hourly Wage Estimates

| **Occupation Title**  | **Occupation Code**  | **Mean Hourly Wage ($/hr)**  | **Fringe Benefits** **and Overhead** **($/hr)**  | **Adjusted** **Hourly** **Wage** **($/hr)**  |
| --- | --- | --- | --- | --- |
| Business Operations Specialist, Direct Health and Medical Insurance Carriers  | 13-1000  | $40.04 | $40.04 | 80.08  |

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.

## § 422.111(k): Furnishing Part C EOBs to Medicare Advantage Enrollees

### Information Collection Requirements and Burden Estimates

#### Annual Burden (Mailings)

We are including an annual burden associated with the cost of providing EOBs to enrollees when the Part C plan furnishes Medicare-covered items and services or Part C supplemental benefits. As of February 2023, there were 31,240,179 Part C enrollees. We estimate that approximately one-third (33.3 percent) of enrollees, or about 10,402,979 enrollees, will opt to receive their EOBs electronically rather than via hard-copy mailings. Because electronic preparation and delivery is automated, we do not estimate any cost or hourly burden for preparation and delivery of electronic EOBs. We estimate the remaining 20,837,200 Part C enrollees will receive hard-copy EOBs. Based on internal CMS data, we estimate that at least 87 percent[[2]](#footnote-4) of these enrollees, or 18,128,364 enrollees, will generate claims related to doctor visits through the use of their MA plans (i.e. require delivery of a Part C EOB) in a given year.

An MA organization must send EOBs to enrollees on either a monthly or quarterly cycle, and the decision to send on either cycle is left to the discretion of the MA organization. The EOB displays information about enrollee utilization and service costs during the applicable time period. Medicare Advantage model EOBs include instructions for MA organizations. The current Part C EOB templates are:

* HMO monthly EOB
* HMO quarterly summary EOB
* MSA monthly EOB
* MSA quarterly summary EOB
* PPO monthly EOB
* PPO quarterly summary EOB
* PFFS monthly EOB
* PFFS quarterly summary EOB

CMS does not track whether an MA organization sends EOBs on the monthly or quarterly cycle. Therefore, to ensure we do not underestimate the total cost of sending Part C EOBs, we are calculating the cost of sending EOBs using the monthly cycle.

Though not all enrollees will have claims activity to document every month, we estimate, on average, that a Part C EOB would be received 6 months of a given year since EOBs are provided only when claims activity transpires. Our estimates result in a total of **108,770,184** (18,128,364 x 6) hard-copy Part C EOBs annually.

We assume the following costs for include paper, toner, and postage (envelope weight is normally considered negligible when citing these rates and is not included) for hard-copy mailings:

* *Paper:* $3.50 for a ream of 500 sheets. The cost for one page is $0.007 ($3.50/500 sheets).
* *Toner:* $70 for 10,000 pages. The toner cost per page is $0.007 ($70/10,000 pages).
* *Postage:* We estimate that a sheet of paper weighs 0.16 ounces, and that 1 mailing would consist of 8 pages (1.28 ounces) on average. The cost of first-class metered mail with a weight of 1.28 ounces is $0.87.

We estimate the aggregate cost per mailing is $1.04 ([$0.007 for paper × 8 pages] + [$0.007 for toner × 16 pages] + $0.87 for postage). We assume 8 pages on average will be needed for each EOB, based on the cover page, number of charts, and resource information. Part C EOBs are assumed to be double-sided to save on printing costs, yielding 8 pages of double-sided print, generally weighing about 1.28 ounces. Because preparing and generating a hard-copy EOB is automated once the template is loaded, we do not estimate associated labor costs. Thus, we estimate a total annual mailing cost to sponsors of $113,120,991 (108,770,184 EOBs x $1.04).

#### Annual Burden (Hourly)

We assume that preparing and generating electronic and hard-copy EOBs to MA enrollees is based on a template and automated. For this reason, and because there are no revisions to MA model EOBs in this ICR, we estimate there will be no annual hourly burden associated with this information collection.

## § 423.128(e): Furnishing EOBs to Part D Enrollees

### Information Collection Requirements and Burden Estimates

The burden associated with this requirement is the time and effort necessary for sponsors to program the revised EOB template into their systems (one-time burden) and ongoing annual costs associated with furnishing EOBs to enrollees when Part D benefits are provided.

#### One-Time Burden

We are including a one-time burden associated with programming the updated EOB into plan systems. Based on a January 2023 HPMS extract, there are 1065 Part D plan contracts, and we estimate it will take each contract 10 hours for a business operations specialist to program the model template into plan systems. The total estimated one-time burden is **10,065 hours** (1065 x 10 hrs) with an estimated one-time cost of **$852,852** ($80.08/hr x 10,650 hrs) to program the revised model. Annualized over the 3-year approval period, the one-time costs are **$284,284** per year ($852,852 / 3).

#### Annual Burden (Mailings)

We are including an annual burden associated with the cost of providing EOBs to enrollees when the Part D benefit is used. As of January 2023, there were 50,657,397 Part D enrollees. We estimate that approximately one-third (33.3 percent) of enrollees, or 16,885,799 enrollees, will opt to receive their EOBs electronically rather than via hard-copy mailings. Because electronic preparation and delivery is automated, we do not estimate any cost to provide electronic EOBs. We estimate the remaining 33,771,598 Part D enrollees will receive hard-copy EOBs. Based on an internal analysis of Prescription Drug Event (PDE) data, we estimate that 92 percent of these enrollees, or 31,069,870 enrollees, will use the Part D benefit in a given year. Of those, not all will use the Part D benefit every month, (e.g., an increasing percentage of prescriptions in Part D are filled at 90-day intervals; other Part D enrollees who use the benefit only receive one-time fills, etc.), and will receive, on average, an EOB for 9 months of a given year, because EOBs are not provided following months in which the benefit is not used. These estimates result in a total of **279,628,830** (31,069,870 x 9) hard-copy Part D EOBs annually.

We assume the following costs for include paper, toner, and postage (envelope weight is normally considered negligible when citing these rates and is not included) for hard-copy mailings:

* *Paper:* $3.50 for a ream of 500 sheets. The cost for one page is $0.007 ($3.50/500 sheets).
* *Toner:* $70 for 10,000 pages. The toner cost per page is $0.007 ($70/10,000 pages).
* *Postage:* The cost of first-class metered mail is $0.63 per letter up to 1 ounce.

We estimate that a sheet of paper weighs 0.16 ounces, and do not anticipate additional postage for mailings in excess of 1 ounce.

We estimate the aggregate cost per mailing is $0.69 ([$0.007 for paper × 3 pages] + [$0.007 for toner × 6 pages] + $0.63 for postage). We assume 6 pages on average will be needed for each EOB, based on the 4 charts included in the model Part D EOB, its cover page, and its resource page. Part D EOBs are assumed to be printed double sided to save on printing costs, yielding 3 pages of double-sided print, generally weighing less than 1 ounce. Because preparing and generating a hardcopy EOB is automated once the template is loaded, we do not estimate associated labor costs. Thus, we estimate a total annual mailing cost to sponsors of $192,943,893 (279,628,830 EOBs x $0.69).

#### Annual Burden (Hourly)

We assume that preparing and generating electronic and hard-copy EOBs to Part D enrollees is based on a template and automated. Labor costs associated with programming the updated Part D EOB into plan systems is accounted for as a separate one-time burden. We estimate there will be no annual hourly burden associated with preparing EOBs from the updated template.

## Table 2 Burden Summary for Part D Sponsors (§ 423.128(e))

| **Regulation Section(s) under Title** **42 of the CFR**  | **Respondents**   | **Responses** **(per** **Respondent)**  | **Total** **Responses**   | **Hours per Respondent**   | **Total Hours**   | **Labor** **Cost** **($/hr)**   | **Total Annual** **Cost ($)**   |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Part D EOB programming****423.128(e)** **(Annualized)**  | 1065  | 1  | 1065  | 10  | 10,650  | 80.08  | 284,284  |
| **Part D EOB mailings\* 423.128(e)**  | 1065  | NA  | 279,628,830  | NA  | NA  | NA  | 192,943,893  |
| **TOTAL**  | **1065**   | **Varies**   | **Varies**   | **Varies**  | **Varies**  | **71.14**  | **193,228,177**  |

\*Non-labor burden

### *Information Collection/Reporting Instruments and Instruction/Guidance Documents*

The Part D EOB, attached as Appendix B, consists of a model EOB template with instructions, and Exhibits A through G which provide sample EOBs for various scenarios. The model document has been revised to reflect changes to the Part D benefit design from the IRA.

#### **13. Capital Costs**

There are no capital costs associated with this information collection because the MA and Part D EOB requirements have been in place for many years.

***14. Cost to Federal Government***

CMS updates model EOBs annually, as needed, to incorporate any necessary changes resulting from changes to MA or Part D benefits or other program changes. CMS issues the model EOBs annually. The cost to the federal government associated with this ICR is the annual cost to make any updates and issue the models. There are no one-time costs to the federal government associated with this collection, and it does not require the federal government to create a form or review the submitted information.

To generate the salary estimates in the table below, we used the General Schedule (GS) Locality Pay Tables published by the Office of Personnel Management (OPM) for the Washington-Baltimore-Arlington locality.[[3]](#footnote-5) We adjusted the hourly wage of $53.67 per hour for a GS-13 (step 1) by a factor of 100% to account for fringe benefits, for an adjusted hourly wage of $107.34 per hour.

We estimate that a GS-13 (step 1) employee will spend approximately 10 hours annually to update and issue the model documents. At the adjusted hourly wage of $107.34/hr, the total annual cost for this task is $1,073. This estimate is reflected in the table below.

## Table 3 Annual Cost to Federal Government

|  |  |
| --- | --- |
| **Category** | **Cost** |
| 1 GS-13 (step 1): $107.34 x 10 hrs | $1,073 |

 **15. Changes to Collection of Information Requirements, Burden, and Collection of Information Instruments**

We moved the Part D EOB model and its related burden from CMS-10141 (OMB control number

0938-0964) into this ICR in an effort to streamline processes and minimize burden for CMS, plans, and other interested parties. Changes in the mean hourly wage, fringe benefits, and adjusted hourly wage are calculated using current Bureau of Labor Statistics Occupational Title, Occupational Code and Mean Hourly Wage data. We updated the number of MAO and Part D enrollees and contracts for accuracy. Based on internal CMS data, we accounted for the average number of enrollees who do not use Part D benefits during a coverage year. We included in this package an estimate of the number of EOBs a Part D enrollee will receive during a coverage year. We also estimated the number of enrollees who will request to receive electronic EOBs. We had not accounted for electronic delivery or enrollees who do not utilize their Part D benefit in a given month or year in previous ICRs. The burden estimates in this renewal package are also updated to reflect IRA-driven modifications to Part D EOB models.

We made minor revisions to the Part D EOB based on comments received on the 60-day posting. Specifically, we included high-level information regarding the Medicare Prescription Payment Plan. We clarified instructions regarding formatting, variable text, lower cost alternative drugs, benefit stages, and deductibles. We revised definitions to reflect statutory changes and for accuracy and clarity.

We revised the burden associated with programming Part C and Part D EOBs, and, for Part D, this is a one-time burden to implement the redesign, corrections, and IRA-related changes. We removed the annual hourly burden associated with preparing individual EOBs because after changes to the EOBs are programmed, the production is automated. Thus, the previously approved annualized hourly burden estimate for preparing Part C EOBs (97,760 hours x $34.92 = $3,413,779) has been removed, because there are no changes to the Part C EOB templates and we assume the production is automated once EOB templates are programmed.

With respect to mailing costs for hard copy EOBs, we are using first class metered mail because these notifications contain confidential and personalized information and therefore a bulk mailing cannot be used. We updated costs of paper, toner, and postage based on current data.

#### **16. Publication/Tabulation Dates**

The MA and Part D EOB models are announced through HPMS and published on cms.gov. Results of this information collection will not be published for statistical use or analysis.

#### **17. Expiration Date**

The MA and Part D EOBs are model notices. While is not required that the expiration date of this ICR is displayed on the EOB, CMS does not object to it being included.

***18. Certification Statement***

There are no exceptions to the certification statement*.*

# B. Collection of Information Employing Statistical Methods

There are no statistical methods, surveys, or questionnaires associated with this collection.

1. The MA EOB requirements were initially codified at 42 CFR § 422.111(b)(12). In the “CY 2022 Policy and

Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, Medicaid

Program, Medicare Cost Plan Program, and Programs of All-Inclusive Care for the Elderly” final rule (86 FR 5864), published on January 19, 2021, § 422.111(b)(12) was removed and the EOB requirements were added to new § 422.111(k). [↑](#footnote-ref-3)
2. See https://data.cms.gov/infographic/medicare-beneficiaries-at-a-glance. [↑](#footnote-ref-4)
3. <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2023/DCB_h.pdf> [↑](#footnote-ref-5)