Supporting Statement-A

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

Medicare Prescription Payment Plan Model Documents

(CMS-10882; OMB 0938-New)

# Background

The Centers for Medicare & Medicaid Services (CMS) requests the approval of new information collection for the Medicare Prescription Drug Program (Part D) through a package of model documents, developed to meet the requirements of Section 11202 of the Inflation Reduction Act of 2022, Public L. 117-169 (IRA), which established the Maximum Monthly Cap on Cost- Sharing Payments Program. The program has been named the Medicare Prescription Payment Plan.

Specifically, the IRA amended the Act by adding section 1860D–2(b)(2)(E) which, beginning January 1, 2025, establishes the Medicare Prescription Payment Plan program. Under this program, MA Organizations offering Part D coverage and 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.

There are several education and outreach requirements for plan sponsors related to implementation of this program. The proposed documents in this information collection are designed to assist Part D plan sponsors and MA organizations in complying with Sections 1860D-2(b)(2)(E)(v)(II) – (IV) of the Social Security Act (the Act), which set forth the education and outreach responsibilities for Part D sponsors and MA organizations for this program. These model documents include:

* Likely to Benefit Notice (“Exhibit 1 – Consider Managing Your Monthly Drug Costs with the Medicare Prescription Payment Plan,” “Exhibit 1.2 – Consider Managing Your Monthly Drug Costs with the Medicare Prescription Payment Plan – Spanish Translation,” and “Exhibit 1.3 – Instructions” in Appendix A)
* Election Request Form (“Exhibit 2 – Medicare Prescription Payment Plan Participation Request Form” in Appendix A)
* Notice of Election Approval (“Exhibit 3 – Part D Sponsor Notice to Acknowledge Acceptance of Election to the Medicare Prescription Payment Plan” in Appendix A)
* Notice of Failure to Pay (“Exhibit 4 – Part D Sponsor Notice for Failure to Make Payments under Medicare Prescription Payment Plan” in Appendix A)
* Notice of Involuntary Termination (“Exhibit 5 – Part D Sponsor Notice for Failure to Make Payments under Medicare Prescription Payment Plan – Notification of Termination of Participation in the Medicare Prescription Payment Plan” in Appendix A)
* Notice of Voluntary Termination (“Exhibit 6 – Part D Sponsor Notice of Voluntary Removal from the Medicare Prescription Payment Plan” in Appendix A)

# Statutory Requirements Related to Plan Sponsor and MA Organization Education & Outreach

As described in Sections 1860D-2(b)(2)(E)(v)(II) and 1860D-2(b)(2)(E)(v)(III) of the Act, a Part D enrollee may elect into the program prior to the beginning of the plan year or during any month of the plan year. Part D plan sponsors are required to notify prospective Part D enrollees of the option to elect into the program prior to the plan year and have in place a mechanism during the plan year to notify Part D enrollees of the program when the Part D sponsor determines a Part D enrollee is likely to benefit from the program. CMS has developed the Likely to Benefit Notice and Election Request Form to provide a Part D enrollee with a description of the program, why an individual may be likely to benefit from electing into the program, and details on how to receive more information and opt into the program. The Notice of Election Approval confirms that an enrollee is an active participant in the program and informs the participant what to expect in terms of payments at the pharmacy, payment schedule, payment amounts each month to the plan, and issues related to non-payment.

Section 1860D-2(b)(2)(E)(v)(IV) of the Act describes how Part D sponsors are expected to communicate with enrollees who have failed to pay monthly amounts owed. CMS has developed the Notice of Failure to Pay to provide plans with standardized language to notify a program participant that a monthly payment has not been received, instructs the participant how they can pay their overdue amount during a grace period, and clarifies that if payment is not received, the participant’s election in the program will be terminated. Should the Part D enrollee fail to pay during the grace period, the Notice of Involuntary Termination confirms the person’s removal from the program and states that the person still owes the overdue amount to the Part D sponsor. Finally, the Notice of Voluntary Termination is a standard notice plans can use to communicate with participants about voluntary termination of participation in the program.

Using program instruction authority, CMS will provide more explicit instruction and requirements around the procedures related to education and outreach. On February 29, 2024, CMS released Final Part One Guidance for the Medicare Prescription Payment Plan. Section 60 of the Final Part One Guidance describes how Part D plans must provide general and targeted (identified as likely to benefit) outreach for Part D enrollees to inform them of the program and how to elect into it. Section 70 details how plans must allow any Part D enrollee to elect into the program. Section 80 states that plans must have a process for termination of a participant for failure to pay their monthly billed amount, and a process to allow a participant to opt out of the program at any point during the plan year. In the Draft Part Two Guidance, released February 15, 2024, Section 30 outlines outreach, education, and communications requirements for Part D sponsors and provides instructions on using the CMS-provided model materials in this ICR package.

CMS is submitting this package for the approval of new model notices that support Part D sponsors and MA organizations in fulfilling the requirements defined in the Act and further described in the Final Part 1 and Draft Part 2 guidance. The six model notices and their related burden are accounted for in this ICR package. By providing these model notices, CMS is providing standardized messaging for all Part D beneficiaries and reducing administrative burden on Part D sponsors and MA organizations. For all materials provided to Part D enrollees, whether newly created or updated for the program, Part D sponsors should also reference existing Part D regulations at 42 CFR § 423.2260, which define standards for Part D required materials, content, and delivery requirements outlined in the Medicare Communications and Marketing Guidelines (MCMG). Sponsors should also reference the Medicare Prescription Drug Benefit Manual and Health Plan Management System (HPMS) memoranda to ensure compliance with other Part D communications requirements. In addition, as required by § 423.2267, materials must be provided in an accessible format upon receiving a request for the materials or otherwise learning of the Part D enrollee’s primary language and/or need for an accessible format. For markets with a significant non-English speaking population, the requirements finalized in the CY 2024 MA and Part D Final Rule (CMS-4201-F) apply to all required materials, including standardized and model materials, Part D sponsors use, tailor, or develop for the Medicare Prescription Payment Plan. These requirements stipulate that Part D sponsors must provide translated materials to Part D enrollees on a standing basis in any non-English language that is the primary language of at least 5 percent of the individuals in a plan benefit package (PBP) service area.

# A. Justification

## 1. Need and Legal Basis

Sections 1860D-2(b)(2)(E)(v)(II) – (IV) of the Act state the requirements for Part D sponsors and MA organizations in implementing the program, which include the processes for outreach to enrollees identified as likely to benefit, election, and termination. Subsection II states that any Part D enrollee may elect into the program prior to (aa) or during (bb) the plan year. Subsection III details that PDP sponsors and MA organizations must have a mechanism in place to inform enrollees that they are likely to benefit from electing into the program at the point of sale (POS). Subsection IV(aa) states that plans must terminate a beneficiary’s participation in the program when the beneficiary fails to pay the amounts owed under this program.

CMS has developed the six model notices in the attached package in order to provide standardized and consistent language for potential and active program participants, regardless of which Part D plan they may be enrolled in. CMS will require Part D plans to disseminate these notices, as appropriate, to Part D enrollees to fulfill the requirements of the Sections 1860D-2(b)(2)(E)(v)(II) – (IV) of the Act.

* The Likely to Benefit Notice provides enrollees who have been identified by the plan as likely to benefit from Medicare Prescription Payment Plan with information regarding the purpose of the program, the reason they are receiving the notice, how the program may benefit them, and scenarios that may make the program less beneficial for them. It also instructs them on how to learn more about the program and elect to participate.

Additionally, the notice includes a description of other potentially more beneficial financial assistance programs, such as Extra Help.

* The Election Request Form allows an enrollee to notify the Plan sponsor that they would like to opt into the program. The document also reminds enrollees of other potentially more beneficial financial assistance programs, such as Extra Help. Paper election requests can either be filled out electronically and printed or filled out by hand by an enrollee or their representative. There will be an option for either wet electronic signature.
* The Notice of Election Approval provides official plan documentation to an enrollee that the election request has been approved and participation is effective. It also provides information on the billing process, payments for prescriptions, and the process for opting out of the program.
* The Notice of Failure to Pay notifies a participant that a payment for a monthly billed amount has not been received. The notice instructs the participant how to submit their payment during the grace period, clarifies that if payment is not received, the participant will be terminated from the Program; and explains the availability of payment assistance programs (e.g., Extra Help) that can lower costs.
* The Notice of Involuntary Termination notifies an individual that they have been removed from the program due to their failure to pay their monthly billed amount within the allotted grace period. The notice also informs participants what they still owe, how to pay their balance, and provides details about other programs that can help lower costs, like Extra Help.
* The Notice of Voluntary Termination provides official plan documentation that a program participant has chosen to terminate their participation in the program. The notice alerts an individual that they are still responsible for any outstanding balance, describes the process for rejoining the program in the future, and details other programs, like Extra Help, that can assist with affordability.

## 2. Information Users

As directed under Section 1860D–2(b)(2)(E)(v)(III) of the Act, Part D Sponsors and MA organizations are responsible for managing enrollees who elect to participate in the program through outreach, election, and termination. CMS will issue the model notices that plans may use to satisfy these requirements via the Health Plan Management System (HPMS) and they will be posted on cms.gov:

Part D Model Materials page: [https://www.cms.gov/medicare/coverage/prescription-drug- coverage-contracting/part-d-model-materials](https://www.cms.gov/medicare/coverage/prescription-drug-coverage-contracting/part-d-model-materials)

Appendix A includes each of the 6 model notices with instructions.

## 3. Use of Information Technology

Where detailed as appropriate in the issued CMS guidance, information included in this PRA package involves the use of mail, electronic, and telephonic techniques that are designed to reduce burden and enhance accuracy of the information. The Act requires that Part D sponsors and MA organizations have processes to inform enrollees of the program, assist them in their election as well as in their termination from the program.

## 4. Duplication 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 are subject to the same requirements as other businesses as specified in Section 1860D–2(b)(2)(E)(v)(III) of the Act. The requirements do not impose any greater burden on small businesses than on large businesses.

## 6. Less Frequent Collection

CMS is requiring Part D sponsors to collect this information prior to and during the plan year to meet statutory requirements as described in the Act. Less frequent collection will result in a lower number of enrollees being informed of the program and a decrease in the number of enrollees who would potentially benefit from the program and receive assistance in managing their prescription drug costs.

## 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*

The 60-day Federal Register notice published in the Federal Register (89 FR 14847) on February 29, 2024.

CMS received a total of 30 comments from plan sponsors, pharmaceutical manufacturers and their associations, and patient advocacy groups. In response to comments, CMS has revised the Exhibits in Appendix A to increase readability and plain language. CMS has also added instructions to each model notice, explaining the purpose of the notice and specifying which elements may be tailored by plan sponsors.

The 30-day Federal Register notice published in the Federal Register (89 FR) on May 28, 2024.

CMS received a total of 14 comments from plan sponsors, pharmaceutical manufacturers and their associations, and patient advocacy groups. In response to comments, CMS updated the instructions for Exhibits 2-6 to clarify that these model materials and their content serve as an example of how to convey information on the Medicare Prescription Payment Plan to Part D enrollees and program participants. CMS also updated the instructions in Exhibit 2 to clarify that Part D sponsors may add a field to collect plan-specific beneficiary identification numbers, and made edits to Exhibits 1-6 to improve clarity, readability, and plain language.

## *Outside Consultation*

In addition to soliciting comment on the regulatory requirements discussed above through the draft Part Two Guidance, CMS performed multiple rounds of research with a representative sample of Medicare Part D enrollees to evaluate CMS-developed Medicare Prescription Payment Plan materials. The updated model materials in this ICR package include revisions made in response to feedback raised by research participants.

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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.

### 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

## *Wage Estimates*

To derive average costs, we are using data from the U.S. Bureau of Labor Statistics’ May 2023

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**  | **Median** **Hourly Wage** **($/hr)**  | **Fringe benefits and Overhead** **($/hr)**  | **Adjusted** **Hourly** **Wage** **($/hr)**  |
| Business Operations Specialist, Direct Health and Medical Insurance Carriers  | 13-1000  | $37.74  | $37.74  | $75.48  |

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.

To estimate the labor costs associated with providing beneficiaries and prospective beneficiaries model notices regarding the Medicare Prescription Payment Plan program, we note that all Part D plans and MA organizations must provide education and outreach materials to enrollees likely to benefit, to new enrollees to the Part D plan, and to enrollees participating in the Medicare Prescription Payment Plan program.

Information Collection Requirements and Burden Estimates

## ***Furnishing Medicare Prescription Payment Plan Model Notices to Part D Enrollees***

The burden associated with this requirement is the time and effort necessary for sponsors to program the model notice templates into their systems (one-time burden) and ongoing annual costs associated with furnishing the appropriate materials to enrollees likely to benefit, to new enrollees to the Part D plan, and to enrollees participating in the Medicare Prescription Payment Plan program.

*One-Time Burden*

We are including a one-time burden associated with programming the model notices 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 60 hours for a business operations specialist to program the 6 model notices into plan systems. The total estimated one-time burden is **63,900 hours** (1065 x 60 hrs) with an estimated one-time cost of **$4,823,172** ($75.48/hr x 63,900 hrs) to program the model notices. Annualized over the 3-year approval period, the one-time costs are **$1,607,724** per year ($4,823,172 / 3).

### Annual Burden (Mailings)

We are including an annual burden associated with the cost of providing Medicare Prescription

Payment Plan model notices to enrollees for CY 2025. As of January 2023, there were 50,657,397 Part D enrollees. We estimate that approximately 3,200,000 enrollees will elect to participate in the Medicare Prescription Payment Plan program. This estimate is predicated on internal CMS data analysis regarding the number of enrollees who may be

identified as likely to benefit from participating in the program, new enrollees to the Part D plan, and enrollees that elect to participate in the program. Our analysis also takes into account the number of enrollees who may receive one or more notices from their Part D plan regarding the program.

We estimate that plans will furnish a total of 16,080,000 notices regarding the program. This estimate includes both electronic and 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 model notices. Instead, these costs are included in our one-time estimate discussed above.

We estimate that a total of **10,725,360** hard-copy Medicare Prescription Payment Plan notices will be mailed annually. A description of each model notice and a detailed breakdown of our estimation for each is provided below:

1. “Likely to Benefit Notice” for targeted outreach by Part D sponsors to enrollees and prospective beneficiaries that are likely to benefit both prior to and during the plan year.
	1. Based on analysis of CY 2021, PDE data, we estimate that 3,200,000 enrollees are likely to benefit from this program in CY 2025. Specifically, we estimate that approximately one-third (33.3 percent), or 1,065,600 enrollees will opt to receive this notice electronically rather than via hard copy mailings. Therefore, we estimate that 2,134,400 (out of 3,200,000) enrollees that are likely to benefit will receive a hard copy of this notice.

1. “Election Request Form” to allow existing and new enrollees to indicate their interest in participating in the program.
	1. We estimate that 8,560,000 enrollees will receive this notice in CY 2025. This estimate includes the 3,200,000 (existing enrollees identified by the plan and at the Point-of-Sale) that are likely to benefit from participating in the program because plans have the option to include this notice as part of the Likely to Benefit notice dissemination; an additional 2,200,000 enrollees that are newly enrolled in a plan; and an additional 3,160,000 enrollees that are newly enrolled in plan because they have switched plans during the Annual Enrollment Period (AEP) or Open Enrollment Period (OEP). We estimate that approximately one- third (33%), or 2,850,480 of the 8,560,000 enrollees will opt to receive this notice electronically rather than via hard copy mailings. Therefore, we estimate that 5,709,520 (out of 8,560,000) enrollees will receive a hard copy of this notice.
2. “Notice of Election Approval” for enrollees that have been approved by their plan to participate in the program.
	1. We estimate that 3,200,000 enrollees will receive this notice in CY 2025. Specifically, we estimate that approximately one-third (33%), or 1,065,600 enrollees will opt to receive this notice electronically rather than via hard copy mailings. Therefore, we estimate that 2,134,400 (out of 3,200,000) enrollees will receive a hard copy of this notice.
3. “Notice of Failure to Pay” notifies participant that payment of their monthly billed amount has not been received.
	1. We estimate that 640,000 (20%) of participants in the program in CY 2025 will receive this notice because their monthly payment is not received timely. Specifically, we estimate that approximately one-third (33%), or 213,120 enrollees will opt to receive this notice electronically rather than via hard copy mailings. Therefore, we estimate that 426,880 enrollees will receive a hard copy of this notice.

1. “Notice of Involuntary Termination” for enrollees that fail to pay their monthly billed amount as required under the program after the conclusion of the required grace period.
	1. We estimate that 320,000 or half (50%) of the participants that receive the “Initial Notice of Failure to Pay” will be terminated from the program for failure to make their monthly payment following the grace period in CY 2025 and will therefore receive this notice. Specifically, we estimate that approximately one- third (33%), or 106,560 enrollees will opt to receive this notice electronically rather than via hard copy mailings. Therefore, we estimate that 213,440 enrollees will receive a hard-copy of this notice.

1. “Notice of Voluntary Termination” for enrollees that choose to terminate their participation in the program.
	1. We estimate that 160,000 enrollees will voluntarily terminate their participation in the program in CY 2025. Specifically, we estimate that approximately one-third (33%), or 53,280 enrollees will opt to receive this notice electronically rather than via hard copy mailings. Therefore, we estimate that 106,720 enrollees will receive a hard-copy of this notice.

We assume the following costs 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 $0.66 ([$0.007 for paper × 2 pages] + [$0.007 for toner × 2 pages] + $0.63 for postage). We assume 3 pages on average will be needed for each model notice, based on the content included in the model notices. Model notices are assumed to be printed double sided to save on printing costs, yielding 2 pages of double-sided print, generally weighing less than 1 ounce. Because preparing and generating a hard-copy model 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 $7,078,738 (**10,725,360** model notices x $0.66).

### Annual Burden (Hourly)

As noted above, we assume that preparing and generating electronic and hard-copy Medicare Prescription Payment Plan model notices to Part D enrollees is based on a template and automated. For this reason, we estimate there will be no annual hourly burden associated with this information collection.

***Table 2 Burden Summary for Part D Sponsors***

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **MPPP Model** **Notices (6)**  | **Respondents**  | **Responses** **(per** **Respondent)**  | **Total** **Responses**  | **Hours per** **Respondent**  | **Total** **Hours**  | **Labor** **Cost** **($/hr)**  | **Total** **Annual Cost** **($)**  |
| **MPPP Model** **Notices** **Programming** **(One-Time** **Burden)**  | 1,065  | 1  | 1,065  | 60  | 63,900  | $75.48  | $4,823,172 |
| **MPPP Model** **Notices** **Mailings** **(Annual** **Burden)**  | 1,065  | N/A  | 10,725,360  | N/A  | N/A  | N/A  | $7,078,738  |
| **TOTAL** **BURDEN (3** **Years)**  | **1,065**  | **N/A**  | **1065 (mailings not included)**  | **60** | **63,900**  | **$75.48**  | **$26,059,386**  |
| **TOTAL** **BURDEN** **(Annualized)**  | **1,065**  | **1**  | **1065**  | **20**  | **21,300**  | **$75.48**  | **$8,686,462**  |

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

Exhibits 1-6 in Appendix A include each of the 6 model notices with instructions.

13. Capital Costs

There is no capital cost associated with these activities.

#### 14. Cost to Federal Government

The federal government cost estimate is based on the efforts expended by CMS staff with the following assumptions to develop, publish, and annually update the Medicare Prescription Payment Plan model notices.

To generate salary estimates for the table below, CMS used the 2023 General Schedule

(GS) Locality Pay Tables published by the Office of Personnel Management (OPM) for the Washington-Baltimore-Arlington locality. We adjusted the hourly wage of $53.67/hr for a GS-13

(step 1) by a factor of 100% to account for fringe benefits, for an adjusted hourly wage of $107.34/hr.

### One Time Costs

Developing and publishing the Medicare Prescription Payment Plan model notices requires one- time costs to create the documents, put the documents through consumer testing, and publish the edited documents through HPMS and cms.gov. These efforts will be undertaken by CMS employees and contractors.

Based on information provided by CMS contractors, the cost of developing and publishing the model notices is estimated to be $510,734. This task will be overseen by three CMS employees. We estimate that three GS-13 employees will spend approximately 100 hours to oversee this task, at an adjusted hourly wage of $107.34/hr, for a total of cost $10,734. The task of consumer testing will be undertaken by a contractor. We estimate the cost of this contractor to be $500,000. These estimates are reflected in Table 3. Annualized over the 3-year approval period, the one- time costs are $170,245 per year ($510,734 / 3).

# TABLE 3: One-time Cost to Government

|  |  |
| --- | --- |
| **Task**  | **Cost**  |
| Developing materials  |   |
| Consumer Testing  | $500,000  |
| GS-13 (step 1): 3 FTE x $107.34/hr x 100 hrs  | $10,734  |
|   |   |
| **Total One-Time Cost to Federal Government**  | **$510,734**  |
| **Total Annualized One-Time Cost to Federal Government**  | **$170,245**  |

## *Annual Costs*

We estimate the annual costs to the government for updating and publishing the Medicare Prescription Payment Plan model notices. These tasks will be overseen by CMS employees. We estimate that three GS-13 employees will spend approximately 25 hours to oversee the these tasks, at an adjusted hourly wage of $107.34/hr, for a total cost of $2,684 for each task. These estimates are reflected in Table 4.

# TABLE 4: Annual Cost to Government

|  |  |
| --- | --- |
| **Task**  | **Cost**  |
| Updating materials  |   |
| GS-13 (step 1): 2 FTE x $107.34/hr x 25 hrs  | $2,684  |
|   |   |
| **Total One-Time Cost to Federal Government**  | **$2,684**  |
| **Total Annualized One-Time Cost to Federal Government**  | **$895**  |

## 15. Changes to Requirements and Burden

There are no changes given this is the first PRA package for Medicare Prescription Payment Plan model notices.

## 16. Publication/Tabulation Dates

The Medicare Prescription Payment Plan model notices will be 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

While it is not required that the expiration date of this ICR is displayed on model notices, CMS does not object to it being included.

## 18. Certification Statement

CMS has no exceptions to Item 19, “Certification for Paperwork Reduction Act Submissions” of OMB Form 83-I.

# B. Collection of Information Employing Statistical Methods

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