

Supporting Statement Part A  
Model Medicare Advantage and Medicare Prescription Drug  
Plan Individual Enrollment Request Form  
(CMS-10718, OMB 0938-1378)

**Background**

The purpose of this submission is to comply with the requirements of the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501 et seq.).

This iteration finalizes certain requirements and burden estimates based on our April 23, 2024 (89 FR 30448) final rule (CMS-4201-F3 and CMS-4205-F; RINs 0938-AV24 and 0938-AU96). See section 15 of this Supporting Statement for the net (+/-) changes. See section 12 for the results of the changes. Overall, this iteration increases our burden estimates by 225,906 responses and 3,840 hours.

The recently revised CY 2025 MA and Part D enrollment form is expected to be in use for enrollments received on or after January 1, 2025. CMS announced the release of the approved form on July 2, 2024, to allow plans and third-party vendors at least 6 calendar months to implement systems changes. We are not proposing any changes to that form in this August 2024 iteration and intend to address OMB's terms of clearance on the previous Notice of Action in a future iteration of the form.

**A. Justification**

1. Need and Legal Basis

The general authority for requiring this data collection for MA plan enrollment is section 1851(c) – (2)(A) of the Social Security Act (the Act) and implementing regulations at §§ 422.50 and 422.60.

The general authority for requiring this data collection for PDP enrollment is section 1860D-1(b) (1)(A) of the Act and implementing regulations at §§ 423.30 and 423.32.

Section 4001 of the Balanced Budget Act of 1997 (Public Law 105-33) enacted August 5, 1997, established Part C of the Medicare program, known as the Medicare + Choice program, now referred to as Medicare Advantage (MA). As required by § 422.50(a)(5), an MA eligible individual who meets the eligibility requirements for enrollment into an MA or MA-PD plan may enroll during the enrollment periods specified in § 422.62, by completing an enrollment form with the MA organization or enrolling through other mechanisms that the Centers for Medicare & Medicaid Services (CMS) determines are appropriate.

Section 101 of Title I of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) (Public Law 108-173) enacted December 8, 2003, established Part D of the Medicare program, known as the Voluntary Prescription Drug Benefit Program. As required by § 423.32(a) and (b), a Part D-eligible individual who wishes to enroll in a Medicare prescription

drug plan (PDP) may enroll during the enrollment periods specified in § 423.38, by completing an enrollment form with the PDP, or enrolling through other mechanisms CMS determines are appropriate.

The current collection of information as required by §§ 422.50, 422.60, and 423.32 was originally approved by OMB on July 17, 2020. It incorporated changes to the previous standard (“long”) model enrollment form (used by both MA and PDP sponsors) which yielded a new “shortened” model enrollment form.

The enrollment form is considered a “model” under Medicare regulations at §§ 422.2267 and 423.2267, for purposes of communication and marketing review and approval; therefore, MA and Part D plans are able to modify the language, format, or order of the enrollment form. The model enrollment form includes the minimal amount of information to process the enrollment, located in Section 1 of the MA/PDP enrollment form, and other limited information, in Section 2, that the sponsor is required (i.e. race and ethnicity data, accessible format preference) or chooses (i.e. premium payment information) to provide to the beneficiary. The optional data elements, which aids the MA and Part D plan in processing the enrollment, is developed for efficiency for the plan. Plan sponsors can obtain information at the initial point of contact to help streamline the beneficiary’s enrollment process. The optional questions include information, specific to the plan’s business needs that serves to reduce overall burden and allow for timely processing of an enrollment request. All data elements in Section 2 are optional for the beneficiary to complete. Plan enrollment will not be affected if the beneficiary does not complete this additional information.

## 2. Information Users

MA organizations and Part D sponsors, applicants to MA organizations and Part D sponsors, and CMS will use the information collected to comply with the eligibility and enrollment requirements for Medicare Part C and Part D plans. Approximately 19.8 million enrollments were processed by MA and PDP organizations (11,697,487 MA and MA-PDs and 8,118,410 by stand-alone PDPs) in 2022.

CMS expects MA organizations and Part D sponsors to ensure the enrollment form complies with CMS’ instructions regarding content and format. New and current enrollees that utilize the enrollment form to elect an MA or Part D plan must acknowledge the requirement to: (1) maintain Medicare Part A and B to stay in MA, or Part A or B to stay in Part D; (2) reside in the plan’s service area; (3) make a valid request during a valid election period; (4) follow plan rules; (5) consent to the disclosure and exchange of information between the plan and CMS; and (6) enroll in only one Medicare health plan and that enrollment in the MA or Part D plan automatically disenrolls them from any other Medicare health plan and prescription drug plan.

CMS will use this information to: track beneficiary enrollment, including tracking patterns in enrollment by race and ethnicity, sexual orientation, and gender identity over time; to identify, monitor, and develop effective and efficient strategies and incentives to reduce and eliminate health and health care inequities; to validate existing race and ethnicity imputation methods; and

to ensure that clinically appropriate and equitable care (in terms of payment, access and quality) is consistently provided to all Medicare beneficiaries.

### 3. Use of Information Technology

MA organizations and Part D sponsors must have, at a minimum, a paper enrollment form process (approved through the CMS marketing material review process described in the *Medicare Communications and Marketing Guidelines*)<sup>1</sup> available for potential enrollees to elect enrollment in a MA or PDP plan.

Where feasible, the collection of information involves the use of automated, electronic, telephonic, fax, or other technological collection techniques designed to reduce burden and enhance accuracy.

To comply with the Government Paperwork Elimination Act (GPEA), the following information is provided:

Plans may develop and offer electronic enrollment mechanisms made available via an electronic device or through a secure internet website. Plans also have the option of obtaining technical support, (e.g. licensed software) and related services from downstream entities, such as a broker or third-party website, as a means of facilitating and capturing the electronic enrollment request.

CMS holds plans responsible for ensuring that:

- (1) Enrollment policies outlined in the *Medicare Advantage and Part D Enrollment and Disenrollment Guidance* are followed, and
- (2) There is appropriate handling of any sensitive beneficiary information provided as part of the online enrollment.

### 4. Duplication of Similar Information

This information collection does not duplicate any other effort. The collected information cannot be obtained from any other source.

An enrollment request mechanism (i.e. paper, electronic) is required for the plan to identify a beneficiary's expressed interest to join a plan and consequently for the plan to know that an enrollment is requested.

CMS maintains Medicare administrative records for beneficiaries in the Enrollment Database (EDB). The beneficiary Medicare eligibility determination and all originating data associated with the beneficiary are provided to CMS by the Social Security Administration (SSA) and to a lesser extent the Railroad Retirement Board (RRB) and the Office of Personnel Management (OPM). CMS receives information on individuals entitled to social security benefits and automatically enrolled in Medicare Parts A and Parts B, Fee-for-Service (FFS); however,

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<sup>1</sup> <https://www.cms.gov/files/document/medicare-communications-and-marketing-guidelines-3-16-2022.pdf>.

individuals not entitled to these benefits even if they are eligible for Medicare based on age, are not identified and accounted for in CMS systems.

CMS does not currently collect race and ethnicity data upon enrollment into the Medicare program. The limitations in receiving race and ethnicity data from SSA have translated into wide variations in accuracy and validity across different racial and ethnic categories within CMS's data records. CMS utilizes a variety of indirect estimation techniques to improve analyses of race and ethnicity differentials among Medicare beneficiaries which disproportionately misclassifies beneficiaries who are of racial and ethnic minorities.

#### 5. Small Businesses

Some MA organizations and Part D sponsors are small businesses so they may be affected. They will have to comply with all the collection of information requirements described in this supporting statement.

#### 6. Less Frequent Collection

This collection does not set out any daily, weekly, monthly, or annual requirements; rather this information is collected as needed (upon plan enrollment) to support the administration of the Medicare Part C and Part D plan enrollment process.

#### 7. Special Circumstances

There are no special circumstances that would require this 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*

Serving as the 60-day notice our proposed rule (CMS-4201-P; RIN 0938-AU96) filed for public inspection on December 14, 2022, and published on December 27, 2022 (87 FR 79452). While comments were received, none pertained to this collection of information request.

Our final rule (CMS-4201-F3 and CMS-4205-F; RINs 0938-AV24 and 0938-AU96) published in the Federal Register on April 23, 2024 (89 FR 30448).

## *Outside Consultation*

From 2022 to 2024, CMS consulted with our contractor, NORC at the University of Chicago, to design and conduct the cognitive interviews for the approved information collection in CMS-10816, OMB 0938-1440. The results of the cognitive interviews were used to inform potential changes to the race and ethnicity questions on the model enrollment form.

The SOGI questions were developed by a cross-CMS workgroup that brought in representatives from a variety of CMS offices, including the CMS Office of Minority Health (OMH), the Center for Medicaid and CHIP Services (CMCS), the Office of Communications (OC), the Office of Program Operations & Local Engagement (OPOLE), and the Office of Hearings and Inquiries (OHI). The final product is based largely on the data collection model proposed by the National Academies of Sciences, Engineering, and Medicine in a report commissioned by the National Institutes of Health (NIH). Throughout this process, the workgroup consulted experts in SOGI data collection and LGBTQI+ issues at the NIH, the Office of the National Coordinator for Health Information Technology (ONC), the White House Gender Policy Council, the Domestic Policy Council, the HHS LGBTQI+ Coordinating Committee Research and Data Subcommittee, and the CMS Pride Employee Resource Group.

## 9. Payments/Gifts to Respondents

This enrollment form requests information to determine eligibility for, and enroll a beneficiary into a MA, MA-PD or PDP plan. There are no payments/gifts to respondents.

Requirements for plans offering nominal gifts to beneficiaries for marketing purposes, provided the gift is given regardless of whether they enroll, and without discrimination, are outlined in the *Medicare Communications and Marketing Guidelines*. HHS Office of Inspector General's (OIG) current interpretation of "nominal value" is no more than \$15 per item or \$75 in the aggregate, per person, per year.

## 10. Confidentiality

The information collected from Medicare beneficiaries and contained in medical records, and other health and enrollment information, is disclosed as specified in the System of Records Notice (SORN) "Medicare Advantage Prescription Drug (MARx)", System No. 09-70-0588 (February 14, 2018; 83 FR 6591).

Sections 1851 and 1860D-1 of the Act and §§ 422.50, 422.60, 423.30, and 423.32 authorize the collection of this information including all Federal and State laws regarding confidentiality and disclosure.

11. Sensitive Questions

The collection solicits several demographic data questions on a voluntary basis, such as race, ethnicity, sexual orientation, and gender identity information, to understand the diverse populations served within the plans’ service area. The collection informs enrollees that a response to these questions is optional, and health and prescription drug coverage would not be denied or affected if the individual responds or declines to respond.

CMS recognizes the need to embark on an educational campaign and activities with independent agents and brokers to assure Medicare beneficiaries understand: (1) the impetus for the voluntary collection of race, ethnicity, sexual orientation, and gender identity information as part of the enrollment process, and (2) that a response or lack thereof, does not impact coverage or the cost of coverage.

12. Requirements and Associated Burden Estimates

*Wage Estimates*

To derive average costs, we used data from the U.S. Bureau of Labor Statistics’ (BLS’) May 2023 National Occupational Employment and Wage Estimates for all salary estimates ([https://www.bls.gov/oes/2023/may/oes\\_nat.htm](https://www.bls.gov/oes/2023/may/oes_nat.htm)). In this regard, the following table presents BLS’ mean hourly wage, our estimated cost of fringe benefits and other indirect costs (calculated at 100 percent of salary), and our adjusted hourly wage.

Occupation Title	Occupation Code	Mean Salary (\$/hr)	Fringe Benefits and Other Indirect Costs (\$/hr)	Adjusted Wage (\$/hr)
All Occupations	00-0000	31.48	n/a	n/a
Business operation specialists	13-1000	42.33	42.33	84.66
Office and Administrative Support Workers, All Other	43-9199	22.41	22.41	44.82

Private Sector Wages: 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

other indirect cost 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.

Wages for Individuals: To derive average costs for individuals, we used data from the May 2023 National Occupational Employment and Wage Estimates for our salary estimate. We believe that the burden will be addressed under All Occupations (occupation code 00-0000) at \$31.48/hr since the group of individual respondents varies widely from working and nonworking individuals and by respondent age, location, years of employment, and educational attainment, etc.

Unlike our private sector adjustment to the respondent's hourly wage, we are not adjusting this figure for fringe benefits and other indirect costs since the individuals' activities would occur outside the scope of their employment.

#### *Information Collection Requirements and Associated Burden Estimates*

### **SUBPART B – ELIGIBILITY, ELECTION AND ENROLLMENT**

#### **Eligibility to elect an MA plan (§ 422.50)**

##### Beneficiary Burden

To elect an MA plan an individual must complete and sign an election form or complete another CMS-approved election method offered by the MA organization and provide information required for enrollment.

The burden associated with this requirement is captured below in § 422.60.

#### **Election process (§ 422.60)**

##### Beneficiary Burden

The election form or another CMS-approved election method offered by the MA organization must be completed by the MA eligible individual (or the individual who will soon become entitled to Medicare benefits) and include authorization for disclosure and exchange of necessary information between CMS and the MA organization. Individuals (i.e., authorized representatives) who assist beneficiaries in completing the enrollment form must sign the form and indicate their relationship to the beneficiary.

There are approximately 11,697,487 enrollments processed by MA and MA-PDs in 2022. Based on the information requested for completion by the applicant on the enrollment form, we estimate it takes an enrollee 20 minutes (0.333 hr) to complete.

For individuals to complete/submit the enrollment form, we estimate an annual aggregate burden of **3,895,263 hours** (11,697,487 x 0.333 hr) at a cost of **\$122,622,885** (3,895,263 hr x \$31.48/hr).

### Plan Burden

Additional burden associated with this requirement are 1) the time and effort for the MA plan to determine eligibility for enrollment, 2) submit the enrollment to CMS, 3) generate and submit the enrollment decision to the beneficiary and 4) retain the enrollment request. The time and cost burdens for these actions are outlined below.

(1) We estimate it would take approximately 5 minutes (0.083 hr) at \$84.66/hr for a business operations specialist to determine an enrollee's eligibility and effectuate changes for enrollment. The burden for all organizations is estimated at **970,891 hours** (11,697,487 beneficiaries x 0.083 hr) at a cost of **\$82,195,668** (970,891 hr x \$84.66/hr) or \$111,075 per organization (\$82,195,668/740 MA/MA-PDs).

(2) The MA organization must submit each enrollment transaction to CMS promptly. We estimate it would take the plan 1 minute (0.017 hr) per enrollment processed. The burden associated with electronic submission of enrollment information to CMS is estimated at **198,857 hours** (11,697,487 notices x 0.017 hr) at a cost of **\$16,835,257** (198,857 hr x \$84.66/hr business operations specialist) or \$22,750 per organization (\$16,835,257 / 740 MA/MA-PD contracts).

(3) Once the enrollment change is completed, CMS estimates it would take 1 minute (0.017 hr) at \$84.66/hr for a business operations specialist to electronically generate and submit a notice to convey acceptance or denial of the enrollment request for each of the 11,697,487 beneficiaries. The burden associated with each organization providing the beneficiary prompt written notice, performed by an automated system, is estimated at 1 minute (0.017 hr) per application processed. The annual total burden is estimated at **198,857 hours** (11,697,487 notices x 0.017 hr) resulting in an annual cost of **\$16,835,257** (198,857 hr x \$84.66/hr).

(4) Additionally, per § 422.60(c)(2), MA organizations must file and retain MA plan election forms, as well as records of MA enrollment requests made by any other enrollment request mechanism, for the period specified in CMS instructions.

The burden associated with this requirement is the time required for each organization to perform record keeping on each new application filed. It is estimated that it will take each organization 5 minutes (0.083 hr) times 11,697,487, the number of enrollments processed by MA/MA-PDs in 2022, resulting in an annual burden of **970,891 hours** (11,697,487 x 0.083 hr) at a cost of **\$43,515,353** (970,891 hr x \$44.82/hr for an administrative and support worker).

The total burden to MA and MA-PD plans of § 422.60 is **2,339,496 hours** (970,891 hr + 198,857 hr + 198,857 hr + 970,891 hr) at a cost of \$159,381,536 (\$82,195,668 + \$16,835,257 + \$16,835,257 + \$43,515,353).

### **Required Notice for Reinstatements Based on Beneficiary Cancellation of New Enrollment (§§ 422.60 and 423.32)**

#### Plan Burden



To estimate the number of reinstatement notices required due to an individual's cancellation of enrollment in a new plan, we determined the number of annual reinstatements based on the cancellations of enrollment in a new plan. In 2021, there were 5,686,989 disenrollments from MA and MA-PD plans due to enrollments in another plan and 4,292,426 disenrollments from PDP plans due to enrollments in another plan. Further, between 2017 and 2021, there were an average of 193,183 cancelled enrollments per year in a new MA plan (including MA-PD plans). Between 2017 and 2021, there were an average of 32,723 cancelled enrollments per year in a new PDP plan. Each cancelled enrollment in a new plan results in a reinstatement notice sent to the beneficiary. Thus, we estimate 225,906 (193,183 + 32,723) cancelled enrollments and reinstatements annually.

We estimate that it would take 1 minute (0.017 hr) at \$84.66/hr for a MA or PDP plan's business operations specialist to assemble and disseminate the notice for each reinstatement. In aggregate, we estimate an annual burden of **3,840 hours** (225,906 reinstatements x 0.017 hr) at a cost of **\$325,094** (3,840 hr x \$84.66/hr).

## **SUBPART B – ELIGIBILITY AND ENROLLMENT**

### **Enrollment process (§ 423.32)**

#### Beneficiary Burden

To elect a Prescription Drug Plan (PDP), an individual must complete and sign an election form or complete another CMS-approved election method offered by the Part D sponsor and provide information required for enrollment.

The election form or another CMS-approved election method offered by the stand-alone PDP sponsor must be completed by the Part D eligible individual (or the individual who will soon become entitled to Medicare drug benefits) and include authorization for disclosure and exchange of necessary information between CMS and the PDP sponsor. Individuals (i.e. authorized representative) who assist beneficiaries in completing the enrollment form must sign the form and indicate their relationship to the beneficiary.

There are approximately 8,118,410 enrollments processed by stand-alone PDPs in 2022. Based on the information requested for completion by the applicant on the enrollment form, we estimate it takes an enrollee 0.333 hour(s) to complete.

The first burden associated with this requirement is the time and effort necessary for an individual to complete/submit the enrollment request.

We estimate an annual burden of **2,703,431 hours** (8,118,410 x 0.333 hr), with a consequent burden/cost of **\$85,103,993** (2,703,431 hr x \$31.48/hr) or \$10.48 per beneficiary (\$85,103,993 / 8,118,410 enrollments).

#### Plan Burden

Additional burden associated with this requirement are 1) the time and effort for the Part D plan to determine eligibility for enrollment, 2) submit the enrollment to CMS, 3) generate and submit the enrollment decision to the beneficiary and 4) retain the enrollment request. The time and cost burdens for these actions are outlined below.

(1) We estimate it would take approximately 5 minutes (0.083 hr) at \$84.66/hr for a business operations specialist to determine an enrollee's eligibility and effectuate changes for enrollment. The burden for all organizations is estimated at **673,828 hours** (8,118,410 beneficiaries x 0.083 hr) at a cost of **\$57,046,281** (673,828 hr x \$84.66/hr) or \$905,497 per organization (\$57,046,281 /63 PDPs).

(2) As noted in § 423.32(c), the Part D sponsor must submit each enrollment transaction to CMS promptly. We estimate it would take the plan 1 minute per enrollment processed. The burden associated with electronic submission of enrollment information to CMS is estimated at **138,013 hours** (8,118,410 notices x 0.017 hr) at a cost of **\$11,684,178** (138,013 hr x \$84.66/hr business operations specialist) or \$185,463 per organization (\$11,684,178 / 63 Part D contracts).

(3) Once the enrollment change is completed, CMS estimates it would take 1 minute (0.017 hr) at \$84.66/hr for a business operations specialist to electronically generate and submit a notice to convey acceptance or denial of the enrollment request for each of the 8,118,410 beneficiaries. The burden associated with each sponsor providing the beneficiary prompt written notice, performed by an automated system, is estimated at 1 minute (0.017 hr) per application processed. The annual total burden is estimated at **138,013 hours** (8,118,410 x 0.017 hr) at a cost of **\$11,684,178** (138,013 hours x \$84.66/hr).

(4) Additionally, PDP sponsors must file and retain Part D plan election forms, as well as records of PDP enrollment requests made by any other enrollment request mechanism, for the period specified in CMS instructions.

The burden associated with this requirement is the time required for each organization to perform record keeping on each new application filed. It is estimated that it will take each organization 5 minutes (0.083 hr) times 8,118,410, the number of enrollments processed by standalone PDPs in 2022, resulting in an annual burden of **673,828 hours** 8,118,410 x 0.083 hr, and **\$30,200,972** (673,828 hr x \$44.82/hr for an administrative and support worker).

The total burden to stand-alone Part D plan sponsors of § 432.32 is **1,623,682 hours** (673,828 hr + 138,013 hr + 138,013 hr + 673,828 hr) at a cost of **\$110,615,609** (\$57,046,281 + \$11,684,178 + \$11,684,178 + \$30,200,972).

As established by §§ 422.50 and 422.60, individuals who meet the eligibility criteria may enroll in an MA plan. Similarly, §§ 423.30 and 423.32 affords individuals eligible for Part D with the opportunity to enroll in a PDP. Requests for enrollment must comply with CMS instructions and be approved by CMS. CMS permits multiple ways in which a beneficiary can submit an enrollment request to the MA or Part D organization of his or her choice, such as paper, telephonic and electronic. In all instances, the MA and Part D organization is required to determine eligibility for enrollment based on the required collection of information.

While each organization develops their own enrollment collection (or “form”), sub-regulatory guidance in the *Medicare Advantage and Part D Enrollment and Disenrollment Guidance* outlines the items required to be collected for each enrollment request. These items are required to determine if the beneficiary is eligible for plan enrollment per statutory and regulatory requirements, and to submit the enrollment transaction to CMS. The enrollment request may also include optional items, which aid the MA and Part D organization to efficiently process the request and set up beneficiary preferences for services.

Previously, the model enrollment form was not an OMB-approved form; however, the data elements required to be collected for the enrollment request to be considered valid were approved under OMB control number 0938-0753 (CMS-R-267) and 0938-0964 (CMS-10141). The previously approved model enrollment “form” limits data collection to what is lawfully required to process the enrollment and other limited information that the sponsor is required or chooses to provide to the beneficiary.<sup>2</sup>

The model form consists of the following parts: (1) cover page with instructions, (2) model enrollment request form which is divided into sections. Section 1 includes data elements required to process the beneficiary’s enrollment. Section 2 includes data elements that CMS requires the plan to include on the application, even if those data elements are voluntary for a beneficiary to fill out. Plan enrollment will not be affected if the beneficiary completes or does not complete this additional information, and, (3) optional sponsor addendum which is not required to be completed by the beneficiary. This optional addendum can include items such as premium payment option or beneficiary’s choice of primary care physician including beneficiary language or accessible format preference. Please see model enrollment form attached.

## **SUBPART V – MEDICARE ADVANTAGE COMMUNICATION REQUIREMENTS**

### **Required Materials and Content (§ 422.2267)**

To customize and produce the enrollment forms will require two teams: one team for requirements and another team for implementation.

The team to produce requirements will consist of a chief executive, a marketing manager, a web developer, and a compliance officer. The chief executive is needed to explain plan goals. The marketing manager is needed to explain what sells best. Similarly, the web developer is needed to explain how people use websites and what works well. Finally, the compliance officer will assure that all needed elements are present. The requirements team has an hourly wage of \$577.94/hr as shown in Table 2a.

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<sup>2</sup> Requests for enrollment must comply with all requirements outlined in §§ 422.2262 & 423.2262 and be approved by CMS.

<b>Table 2a: Requirements Team</b>				
Occupation Title	Occupation Code	Mean Salary (\$/hr)	Fringe Benefits and Other Indirect Costs (\$/hr)	Adjusted Hourly Wage (\$/hr)
Chief Executives	11-1011	124.47	124.47	248.94
Compliance Officers	13-1041	38.55	38.55	77.10
Marketing Managers	11-2021	80.00	80.00	160.00
Web Developers	15-1254	45.95	45.95	91.90
Total				577.94

We estimate that each of the 740 MA/MA-PD contracts will spend 4 hours for the development. Therefore, the 740 plans will spend **2,960 hours** (740 contracts \* 4 hr) at a cost of **\$1,710,702** (2,960 hr \* \$577.94/hr) or \$2,312 (\$1,710,702/740) per contract.

To implement the requirements will require a team of two professionals: a computer programmer and a computer systems analyst. The systems analyst is needed because multiple systems are being used (both enrollment systems and web systems) and the software programmer is needed to write the code. The hourly wage for the implementation team is \$210.14/hr. This is presented in Table 2b.

<b>Table 2b: Implementation Team</b>				
Occupation Title	Occupation Code	Mean Salary (\$/hr)	Fringe Benefits and Other Indirect Costs (\$/hr)	Adjusted Hourly Wage (\$/hr)
Computer Programmer	15-1251	51.80	51.80	103.60
Computer Systems analyst	15-1211	53.27	53.27	106.54
Total				210.14

We estimate that each of the 740 contracts will spend 2 hours for the software implementation. Therefore, all 740 contracts will spend a total of **1,480 hours** (740 contracts \* 2 hr) at a cost of **\$311,007** (1,480 hr \* \$210.14/hr) or \$420 (\$311,007 /740) per contract).

The total burden for 740 contracts is **4,440 hours** (2,960 hr for requirements + 1,480 hr for implementation) at a cost of **\$2,021,710** (\$1,710,702 for requirements + \$311,007 for implementation).

**SUBPART V – PART D COMMUNICATION REQUIREMENTS  
REQUIRED MATERIALS AND CONTENT (§ 423.2267)**

To customize and produce the enrollment forms will require two teams: one team for requirements and another team for implementation.

The team to produce requirements will consist of a chief executive, a marketing manager, a web developer and a compliance officer. The chief executive is needed to explain plan goals. The marketing manager is needed to explain what sells best. Similarly, the web developer is needed to explain how people use websites and what works well. Finally, the compliance officer will assure that all needed elements are present. This requirements team has an hourly wage of \$577.94/hr as shown in Table 2a.

We estimate that each of the 63 PDP contracts will spend 4 hours for the development. Therefore, the 63 plans will spend **252 hours** (63 contracts \* 4 hr) at a cost of **\$145,641** (252 hr \* \$577.94).

To implement the requirements will require a team of two professionals: a computer programmer and a computer systems analyst. The systems analyst is needed because multiple systems are being used both enrollment systems and web systems and the software programmer is needed to write the code. The hourly wage for the implementation team is \$210.14/hr. This is presented in Table 2b.

We estimate that each of the 63 PDP contracts will spend 2 hours for the software implementation. Therefore, all 63 PDP contracts will spend a total of **126 hours** (63 contracts \* 2 hr) at a cost of **\$26,478** (126 hr \* \$210.14/hr).

The total burden for 63 contracts is **378 hours** (252 hr for requirements + 126 hr for implementation) at a cost of **\$172,119** (\$145,641 for requirements + \$26,478 for implementation).

*Burden Summary*

Regulation Section(s) in Title 42 of the CFR	Respondents	Total Responses	Time per Response (hr)	Total Annual Time (hr)	Labor Rate (\$/hr)	Total Cost (\$)
Election process: Beneficiaries (§ 422.60)	11,697,487 Beneficiaries	11,697,487	0.333	3,895,263	31.48	122,622,885

Election process: Plans (§ 422.60)	740 MA organizations	11,697,487	Varies	2,339,496	84.66	159,381,536
Required Materials and Content (§ 422.2267)	740 MA organizations	740	Varies	4,440	Varies	2,021,710
Required Notice for Reinstatements Based on Beneficiary Cancellation of New Enrollment (§§ 422.60 and 423.32)  CMS-4201-F3 Burden (see section 15, below)	740 MA organizations and 63 Part D sponsors	225,906	0.017	3,840	84.66	325,094
Enrollment process: Beneficiaries (§ 423.32)	8,118,410 Beneficiaries	8,118,410	0.333	2,703,431	31.48	85,103,993
Enrollment process: Plans (§ 423.32)	63 Part D sponsors	8,118,410	Varies	1,623,682	Varies	110,615,609
§ 423.2267 (Part D Communication Requirements Required Materials and Content)	63 Part D sponsors	63	Varies	378	Varies	172,119
<b>Total</b>	<b>19,816,700 (11,697,487 +</b>	<b>39,858,503</b>	<b>Varies</b>	<b>10,570,530</b>	<b>Varies</b>	<b>480,242,946</b>

	740 + 8,118,410 + 63)					
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*Collection of Information Instruments and Instruction/Guidance Documents*

- Model Individual Enrollment Request Form to Enroll in a Medicare Advantage Plan (Part C) or Medicare Prescription Drug Plan (Part D)

We are not proposing any changes to the active form in this August 2024 iteration. The form is associated with:

- ROCIS IC: Election Process (Beneficiaries),
- ROCIS IC: Eligibility and Enrollment (Beneficiaries),
- ROCIS IC: Election Process (MA Organizations), and
- ROCIS IC: Eligibility and Enrollment (Part D Sponsors).

13. Capital Costs

Potential implementation costs are discussed in Section 12 which includes the costs of producing software. No additional capital or IT equipment costs will result from this collection since the software upgrades are sufficient to accomplish the task. MA organizations’ and Part D sponsors’ IT systems are fully operational/equipped to accept plan enrollments and determine an individual’s eligibility per statutory and regulatory requirements.

14. Cost to Federal Government

MA organizations and Part D sponsors are responsible for receiving the enrollment form, determining eligibility, making a determination if the enrollment is accepted, denied or incomplete and finally communicating the decision to the beneficiary within specified timeframes. CMS systems provide automated responses to plan submitted transactions on a transaction reply report, which includes no additional burden or cost to change or shorten the enrollment form. There is no change to the process CMS uses for plans to submit the enrollment.

CMS staff are responsible for drafting, reviewing, and producing the MA and Part D model enrollment form. We estimate it takes 2 hours each for two CMS staff members to produce the enrollment form for a total of 4 hours (2 hr \* 2). To derive average costs, we used data from OPM’s 2024 base salary for the Baltimore/Washington, D.C. region at the GS-13, step 1 level ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/pdf/DCB\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/pdf/DCB_h.pdf)). In this regard, the following table presents the hourly wage, the cost of fringe benefits and other indirect costs (calculated at 100 percent of salary), and the adjusted hourly wage.

Grade (Step)	Hourly Wage (\$/hr)	Fringe Benefits and Other Indirect Costs	Adjusted Hourly Wage (\$/hr)
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		(\$/hr)	
GS-13 (step 1)	56.52	56.52	113.04

Annualized Cost to Federal Government

CMS Staff	(4) hours x \$113.04/hr	\$452
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The estimated annual cost to the Federal Government associated with drafting, reviewing, and producing the MA and Part D model enrollment form is \$452.

15. Program/Burden Changes

Our April 23, 2024 (89 FR 30448) final rule (CMS-4201-F3 and CMS-4205-F; RINs 0938-AV24 and 0938-AU96) finalized the following changes:

CMS's sub-regulatory guidance currently provides that MA and PDP plans send notification of enrollment reinstatement based on the cancellation of enrollment in a new plan. Our change will not add to existing reinstatement processes; therefore, no additional burden is anticipated. However, because a burden estimate for these enrollment reinstatement notifications has not previously been submitted to OMB, we are correcting that oversight by requesting OMB's review and approval.

We codified CMS's current policy that plans notify an individual when the individual's enrollment is reinstated due to the individual's cancellation of enrollment in a different plan. The MA or PDP plan from which the individual was disenrolled will be required to send the notification of the enrollment reinstatement within 10 days of receipt of Daily Transaction Reply Report (DTRR) confirmation of the individual's reinstatement. The reinstatement notice will include confirmation of the individual's enrollment in the previous plan with no break in coverage, plan-specific information as needed, and plan contact information.

To estimate the number of reinstatement notices required due to an individual's cancellation of enrollment in a new plan, we determined the number of annual reinstatements based on the cancellations of enrollment in a new plan. In 2021, there were 5,686,989 disenrollments from MA and MA-PD plans due to enrollments in another plan and 4,292,426 disenrollments from PDP plans due to enrollments in another plan. Further, between 2017 and 2021, there was an average of 193,183 cancelled enrollments per year in a new MA plan (including MA-PD plans). Between 2017 and 2021, there was an average of 32,723 cancelled enrollments per year in a new PDP plan. Each cancelled enrollment in a new plan results in a reinstatement notice sent to the beneficiary. Thus, we estimate 225,906 (193,183 + 32,723) reinstatements annually.

We estimate that it will take 1 minute (0.017 hr) at \$84.66/hr for a MA or PDP plan's business operations specialist to assemble and disseminate the notice for each reinstatement. In aggregate, we estimate an annual burden of 3,840 hours (225,906 reinstatements \* 0.017 hr) at a cost of \$325,094 (3,840 hr x \$84.66/hr).



Regulation Section	Item	Respondent	Total Number of Responses	Time per Response (hr)	Total Time (hr)	Hourly Labor Cost (\$/hr)	Total Cost (\$)
§§ 422.60 and 423.32	Reinstatement notices	MA Organizations and Part D Sponsors	225,906	0.017	3,840	84.66	325,094

The previously approved supporting statement contained 39,632,597 responses and 10,566,690 hours. We are revising this estimate to 39,858,503 responses and 10,570,530 hours since the total number of responses increased by 225,906 and the time increased by 3,840 hours.

The net change in burden reflects revisions to the burden estimate for §§ 422.60(h) and 423.32(h) (Required Notice for Reinstatements Based on Beneficiary Cancellation of New Enrollment).

Burden Reconciliation	Total Responses	Total Annual Time (hr)
CMS-4201-F3 and CMS-4205 §§ 422.60 and 423.32 (Required Notice for Reinstatements Based on Beneficiary Cancellation of New Enrollment)	225,906	3,840
Active Burden	39,632,597	10,566,690
<b>TOTAL</b>	<b>39,858,503</b>	<b>10,570,530</b>

#### 16. Publication/Tabulation

Currently, there are no plans to publish or tabulate the information collected.

#### 17. Expiration Date \_

CMS will display the expiration date on the model enrollment form.

#### 18. Certification Statement

There are no exceptions to the certification statement.

### **B. Collection of Information Employing Statistical Methods**

This collection does not employ statistical methods.