

**Supporting Statement for Data Collection to Support Eligibility
Determinations for Insurance Affordability Programs and Enrollment
through Health Insurance Marketplaces, Medicaid and
Children’s Health Insurance Program Agencies**

(CMS-10440/OMB control number: 0938-1191)

A. Background

On March 23, 2010, the President signed into law H.R. 3590, the Patient Protection and Affordable Care Act, Public Law 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. 111-152, collectively referred to as “The Affordable Care Act.” The Affordable Care Act expands access to health insurance coverage through the establishment of the Health Insurance Marketplaces, also known as Affordable Insurance Exchanges, improvements to the Medicaid and Children’s Health Insurance (CHIP) programs, and the assurance of coordination between Medicaid, CHIP, and Marketplaces.

Marketplaces established by the Affordable Care Act facilitate the enrollment of qualified individuals into Qualified Health Plans (QHPs). Section 1401 of the Affordable Care Act created a new section 36B of the Internal Revenue Code (the Code), which provides for a premium tax credit which is available on an advanced basis (“Advance Payments of the Premium Tax Credit,” or APTC) to reduce the monthly insurance costs for eligible individuals who enroll in a QHP through a Marketplace. In addition, section 1402 of the Affordable Care Act establishes provisions to reduce cost-sharing obligations, including co-payments and deductibles, of eligible individuals enrolled in a QHP offered through a Marketplace (“Cost-Sharing Reductions,” or CSRs).

The Affordable Care Act also fills current gaps in coverage by creating a minimum Medicaid income eligibility level across the country and by simplifying the current eligibility rules in the Medicaid and CHIP programs. Under the Affordable Care Act, in States that have chosen to expand Medicaid for adults, most individuals under 65 with income below 138 percent of the Federal Poverty Level (FPL) may be eligible for Medicaid since January 2014.

As required under section 1413 of the Affordable Care Act, there is one application through which individuals may apply for Marketplace QHPs with or without APTC and CSRs, Medicaid, and CHIP and receive an eligibility determination.

Office of Management and Budget approval was sought as part of an effort to solicit feedback from interested parties on the electronic and paper applications. This information collection request (ICR) provides details on the proposed collection of information from the public to facilitate providing eligibility for coverage and assistance in enrolling in a QHP or Medicaid and CHIP programs across the Marketplaces. Please note, we provide examples of how this information is collected in an electronic fashion via multiple channels and in a paper-based format.

This request serves as the foundation for supporting a consumer’s ability to apply for and enroll in a Marketplace QHP or Medicaid and CHIP coverage in any Federally-facilitated Marketplace (FFM) or State-based Marketplace (SBM). This request also serves to further the goals of Executive Order 14019¹ to expand access to, and education about, voter registration and election information to enable all eligible Americans to participate in the democratic process. It does so by expanding an existing question in the application that provides consumers interested in voting resources with a link to Vote.gov and by moving the question to another location within the application. Some of the information we collect is voluntary, such as information related to voter registration. But other information is required by provisions within the Affordable Care Act.

Questions or comments concerning the accuracy of the time estimates included in this information collection can be directed to CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850. Questions or concerns regarding the submission of documents can be directed to the Marketplace Call Center at 1-800-318-2596 (TTY: 1-855-889-4325).

B. Justification

1. Need and Legal Basis

Section 1413 of the Affordable Care Act directs the Secretary of Health and Human Services to develop and provide to each State a single, streamlined application form that may be used to apply for coverage through a Marketplace and for APTC/CSR, Medicaid, and CHIP (which we refer to collectively as insurance affordability programs). The application must be structured to maximize an applicant’s ability to complete the form satisfactorily, taking into account the characteristics of individuals who may qualify for the programs by developing materials at appropriate literacy levels and ensuring accessibility. A State may develop and use its own application if approved by the Secretary in accordance with section 1413 and if it meets the standards established by the Secretary.

45 CFR §155.405(a) provides more detail about the application that must be used by Marketplaces to determine eligibility and to collect information necessary for enrollment. Eligibility standards for the Marketplace are set forth in 45 CFR §155.305. The information will be required of each applicant upon initial application, with some subsequent information collections for the purposes of confirming accuracy of previous submissions and for changes in an applicant’s circumstances. 42 CFR §435.907 and §457.330 establish the standards for state Medicaid and CHIP agencies related to the use of the application. CMS has designed a dynamic electronic application that will tailor the amount of data required from an applicant based on the

¹ Executive Order on Promoting Access to Voting, March 7, 2021.
<https://www.whitehouse.gov/briefing-room/presidential-actions/2021/03/07/executive-order-on-promoting-access-to-voting/>

applicant's circumstances and responses to particular questions in the FFM (please note SBM implementations may vary but the essence of the data collection must adhere to the same parameters). The paper version of the application will not be tailored in the same way but will require only the data necessary to determine eligibility.

The Affordable Care Act directs that Marketplaces permit individuals to apply for coverage during annual open enrollment. Individuals may apply outside of the open enrollment periods, and enroll in coverage right away if they qualify for a special enrollment period (outlined in 45 CFR §155.420(d)). Medicaid and CHIP do not have specified open enrollment periods. The application will be available at all times during the year.

Individuals will be able to apply electronically, through the mail, over the phone through a call center, or in person, per 45 CFR §155.405(c)(2), as well as through other available electronic means as noted in 42 CFR §435.907(a) and §457.330. The application may be submitted to a Marketplace, Medicaid or CHIP agency. Electronic applications may also be submitted to the Marketplace via approved a Qualified Health Plan Issuer, Agent/Broker or other HHS-approved channels through direct enrollment as noted in 45 CFR §156.1230(a)(1), 45 CFR §155.220(c)(3) and §155.220(c)(4).

We have included four attachments of application materials to illustrate the process applicants will use to apply for health coverage in a qualified health plan through a Marketplace and for insurance affordability programs.

- Attachment A: List of Items in the Electronic Application to Support Eligibility Determinations for Enrollment through the Marketplace with or without financial help (APTC, CSRs, or Medicaid and CHIP) – a list of all potential questions that could be asked on the electronic application. No applicant will ever be required to answer this exhaustive list of questions; the vast majority of applicants will be asked less than one- third of these questions.
- Attachment B: Application for Health Coverage & Help Paying Costs (Short Form) – this paper application can be used by some single adults to receive an eligibility determination for enrollment through the Marketplace with or without financial help, or for Medicaid or CHIP. This application can be used by single adults who do not have any dependent children and are not claimed as a dependent on someone else's tax return; are not American Indian/Alaska Native; are not offered coverage through a job; were not in the foster care system (and under age 26); and do not deduct certain expenses from income. Otherwise, individuals should apply electronically or use Attachment C. The short form is also accompanied by Appendix C "Help with Completing this Application" (collects information about certified individuals who complete the application on behalf of someone else and if the applicant wants to establish an authorized representative regarding their application); and Appendix D "Questions about life changes" (collects information about certain life change events to

determine eligibility to enroll in the Marketplace outside of the annual Open Enrollment Period).

- Attachment C: Application for Health Coverage & Help Paying Costs – this paper application supports eligibility determinations for enrollment through the Marketplace or for Medicaid or CHIP. The application can be used to determine eligibility for an individual or family applying for enrollment through the Marketplace with or without financial help or Medicaid, and CHIP. The Application for Health Coverage & Help Paying for Costs is also accompanied by 1) Appendix A “Health Coverage from Jobs” (collects information about the employer and which individuals in the household are offered health coverage through that employer to inform eligibility determinations for Marketplace coverage financial help through the Marketplace); 2) Appendix B “American Indian or Alaska Native (AI/AN) Household Members” (collects information about American Indian or Alaska Native household members to determine if they may qualify for specific cost saving programs); 3) Appendix C “Help with Completing this Application”; and 4) Appendix D “Questions about life changes”.
- Attachment D: Application for Health Coverage – this paper application supports eligibility determinations for enrollment through the Marketplace for applicants who do not wish to be considered for insurance affordability programs. The application can be used to determine eligibility for an individual or family applying to directly purchase Qualified Health Plan coverage through the Marketplace. This form is less burdensome for consumers who do not wish to be considered for insurance affordability program eligibility. The application for health coverage is also accompanied by Appendix C “Help with Completing this Application” and Appendix D “Questions about life changes.”

2. Information Users

Information collected by the Marketplace, or State Medicaid/CHIP agency will be used to determine eligibility for coverage through the Marketplace and insurance affordability programs (i.e., Medicaid, CHIP, and APTC), and assist consumers in enrolling in a QHP if eligible. Applicants include anyone who may be eligible for coverage through any of these programs.

The Marketplace verifies the information provided on the application, communicates with the applicant or the authorized representative and subsequently provides the information to the health plan selected by the applicant so that it can enroll the individual or family in a QHP. The Marketplace also uses the information provided in support of its ongoing operations, including activities such as verifying continued eligibility for all programs, processing appeals, reporting on and managing the insurance affordability programs for eligible individuals, performing oversight and quality control activities, combatting fraud, and responding to any concerns about the security or confidentiality of the information. Applicants can find more information about how the Marketplace uses the information they provide on the application in the Privacy

Act Statement for individuals and families at <https://www.healthcare.gov/individual-privacy-act-statement/>.

The application question related to interest in voter registration information is optional. Consumer responses of “Yes”, “No”, or “Prefer not to answer” will be recorded and retained as a part of the eligibility application record, or a “null” will be recorded and retained if the question is skipped. Responses of “No”, “Prefer not to answer”, or “null” for skipped will not prompt any further action. Only consumers that answer “Yes” will receive a follow up message in the application process with the link for Vote.gov for voter registration resources. There will be no additional targeted follow up (i.e., emails, calls, texts, letters) or use of the data based on responses will be conducted. For the Federal Marketplace platform, general educational resources are provided online and through email to consumers about how to access voter registration resources on Vote.gov, however these are not based on data collection. Website information is available to all visitors and email information is sent to all newly enrolled Marketplace consumers. The data collected may be analyzed in an aggregated and non-personally identifiable way to assess application experiences for internal use in future improvements.

3. Use of Information Technology

Technology enables the electronic application process to offer a number of advantages over a paper application process. The electronic application will feature a dynamic or “smart” process that poses questions to the applicant based on the responses to previous questions and available verification of information. This ensures that only relevant questions are asked and any non-relevant questions are not displayed. The paper application does not offer the same flexibility in customizing the sequence or number of questions. The electronic application will also be able to catch inadvertent errors in real time, as well as immediately verify information in many cases. The electronic process will be designed to allow individuals to save information through a unique user account, obtain access to immediate help resources, and more quickly enroll in coverage. As compared to applying via paper, the electronic application will allow applicants to complete the process more efficiently and receive an eligibility determination more quickly. Therefore, the electronic application will reduce the burden of applying for coverage.

4. Duplication of Effort

This information collection does not duplicate any other effort, and we will make every effort to obtain such information from existing sources.

5. Small Businesses

Small businesses are not affected by this data collection.

6. Consequences of Less Frequent Collection

The Affordable Care Act directs that Marketplaces permit individuals to apply for coverage

during annual open enrollment periods and during special enrollment periods, when applicable. Additionally, individuals may apply for Medicaid and CHIP at any time throughout the year. If information was collected less frequently or not at all, individuals would not be able to gain coverage under Affordable Care Act reforms and the program would be unable to operate.

7. Special Circumstances

An individual who is enrolled in a QHP through a Marketplace is required to report changes that impact eligibility to the Marketplace within 30 days of such a change per 45 CFR §155.330(b). Individuals are required to report changes in residency, incarceration, household makeup, income, and citizenship or lawful presence. The Marketplace may conduct a redetermination for eligibility to be enrolled in a QHP and other coverage based on the reported change.

If an individual is responding by mail to a request for follow up regarding an application, for example, the individual may need to respond in fewer than 30 days if the open enrollment period will end in less than 30 days, or if it is the policy of the Medicaid or CHIP agency.

8. Federal Register/Outside Consultation

The 60-day notice was published in the Federal Register on March 7, 2024 (89 FR 16580). A response to the comments received is included in the supplemental files for this information collection request. The 30-day notice published on July 15, 2024 (89 FR 57417).

9. Payments/Gifts to Respondents

There are no payments or gifts to respondents.

10. Confidentiality

All information collected will be held private in accordance with regulations at 45 CFR 155.260, Privacy and Security of Personally Identifiable Information. Pursuant to this regulation, Marketplaces may only use or disclose personally identifiable information to the extent that such information is necessary to carry out their statutory and regulatory mandated functions.

11. Sensitive Questions

Per statute, a Social Security number and information about citizenship or immigration status are needed to help verify eligibility for coverage. The items in this collection are included in the SORN (09-70-0560) published in the Federal Register on February 6, 2013.

12. Estimates of Annualized Burden Hours

The Congressional Budget Office (CBO) estimates that approximately 22.8 million people will enroll in coverage through the Marketplaces and insurance affordability programs per year for Benefit Years 2024 to 2026.² Based on 2024 Open Enrollment data, CMS expects to receive a

² CBO: Baseline Projections, July 2024. <https://www.cbo.gov/system/files/2024-07/60523-2024-07-premium-tax->

total of 11,327,040 new or revised applications, resulting in an annual total of 4,992,959 consumer burden hours, since a single completed application can include multiple individual applicants from the same household and many consumers also automatically reenroll.

Burden for Electronic Application

CMS estimates that the electronic application process will vary depending on each applicant's circumstances, their experience with health insurance applications and electronic capabilities. The goal is to solicit sufficient information so that in most cases no further inquiry will be needed. In addition, electronic channels will administer an identification proofing process prior to the electronic eligibility application information. Based on the information an individual provides, the identification proofing system will generate a series of challenge questions or may request additional identifying information about the person to assist in identity verification, such as a previous address where an individual has lived or official identity document information. The system will have a large bank of questions it will randomly generate based on information from external databases. To protect the security and integrity of the system, we cannot provide the list of questions generated or specific identifying information requested. Additional burden from the identification proofing process is negligible in the context of the electronic application questions. Please refer to Attachment A for the placement of and more detail about the identification proofing process. Based on market research and testing, we estimate that on average it will take approximately 30 minutes to complete an application for insurance affordability programs. It will take an estimated 15 minutes to complete an application without consideration for insurance affordability programs.

CMS estimates that approximately 10,760,688 new or revised electronic applications will be submitted for Marketplace and insurance affordability programs each year from 2024 through 2026 for a total number of 4,672,404 yearly burden hours.

Burden for Paper Application

Based on market research and testing, we estimate that the paper application process will take an average of 45 minutes to complete for those applying for insurance affordability programs; 15 minutes for those applying for insurance affordability programs using the short form; and 20 minutes for those applying without consideration for insurance affordability programs.

CMS further estimates that approximately 566,351 new paper applications will be submitted for Marketplace insurance affordability programs for the next three years. One third of respondents will complete the short form and two-thirds will complete the longer form, resulting in 320,555 total burden hours a year from 2024-2026.

[credit.pdf](#). We are choosing to maintain the 2025 estimate of 22.8M for the 3-year time period because of the uncertainties around the continuance of the Inflation Reduction Act's enhanced subsidies and its potential impact on enrollment.

Application Processing Burden

Marketplaces and State Medicaid/CHIP Agencies will need to process applications and verify eligibility based on the information submitted from individuals. Based on market research and testing, we estimate the burden to be 10 minutes for electronic applications and 30 minutes for paper applications at a rate of \$48.34 per hour.³ The table below shows the estimated processing costs associated with this program. To derive wage estimates, we used data from the Bureau of Labor Statistics (BLS), May 2023 Bureau of Labor Statistics, Occupational Employment Statistics, National Occupational Employment and Wage Estimates at <https://www.bls.gov/oes/> to derive median labor costs (including a 100 percent increase for fringe benefits and overhead) for estimating the burden associated with the ICR. Wage rates below present the median hourly wage, the cost of fringe benefits and overhead, and the adjusted hourly wage.

Table 1: Application Processing Costs

Application Type	Number of Respondents	Burden per Response (in minutes)	Total Annual Burden (hours)	Median Labor Costs (per hour)	Total Cost
Electronic Application	10,760,688	10	1,829,317	\$48.34	\$88,429,182
Paper Application	566,352	30	283,176	\$48.34	\$13,688,728
Total	11,327,040		2,112,493		\$102,117,910

12A. Estimated Annualized Burden Hours

To derive consumer wage estimates, we used data from the Bureau of Labor Statistics (BLS), May 2023 Bureau of Labor Statistics, Occupational Employment Statistics, National Occupational Employment and Wage Estimates at <https://www.bls.gov/oes/> to derive a median labor cost of \$46.22⁴ (including a 100 percent increase for fringe benefits and overhead) for estimating the burden associated with the ICR. Wage rates below present the median hourly wage, the cost of fringe benefits and overhead, and the adjusted hourly wage.

Table 2: Estimated Burden Table

³ Eligibility Interviewers, Government Programs: <https://www.bls.gov/oes/current/oes434061.htm>

⁴ All Occupations, https://www.bls.gov/oes/current/oes_nat.htm#00-0000

Application Type	Type of Application	Number of Respondents	Burden per Respondent (in minutes)	Total Annual Burden (hours)	Total Cost
Electronic Application	Applying for insurance affordability programs	7,928,929	30	3,964,464	\$183,237,527
Electronic Application	Not applying for insurance affordability programs	2,831,760	15	707,940	\$32,720,987
Paper Application	Applying for insurance affordability programs	339,811	45	254,858	\$11,779,555
Paper Application	Applying for insurance affordability programs (Short Form)	113,270	15	28,318	\$1,308,839
Paper Application	Not applying for insurance affordability programs	113,270	20	37,379	\$1,727,668
Total		11,327,040		4,992,959	\$230,774,576

13. Capital Costs

There are no additional capital costs resulting from this revision.

14. Cost to Federal Government

The collection's burden to the Federal government includes maintaining the application and implementation of the data. The overall cost is estimated to be \$313,565. This estimate projects software development costs at \$94.04 an hour⁵ (occupation no. 15-1251) and includes approximately 13 weeks of development.

Table 3: Cost to Federal Government to Maintain Application

Data Collection and Development Task	Number of Developer Hours (a)	Median Labor Cost Per Hour (b)	Cost of Development (c) (a) x (b)
Application Development	2,080	\$94.04	\$195,603
1 GS-13 FTE (as Contracting Officer's Representative (COR))			\$117,962
Total			\$313,565

An additional burden to the Federal government is the work of one full time GS-13 employee to serve as the COR for an application contract. The current (2024) salary of a 13 Grade/Step 1 employee in the Washington, D.C. area is \$117,962.

15. Changes to Burden

There is a total burden hour increase of +4,759,453 hours (from 2,345,999 hours to 7,105,452 hours). The burden increase is due to the increase in the number of expected new applications, and also the number of expected revised applications that we are now including in this submission (application count increased from 5,031,000 to 11,327,040).

16. Publication/Tabulation Dates

Only aggregated, non-identifiable data that is collected through this mechanism is published periodically in reports and public use files⁶. The results of this data collection will not publish any individually identifiable data collected.

⁵ Computer Programmers, <https://www.bls.gov/oes/current/oes151251.htm>

⁶ Example of aggregated data release, public use files: <https://www.cms.gov/data-research/statistics-trends-and-reports/marketplace-products/2023-marketplace-open-enrollment-period-public-use-files>

17. Expiration Date

The expiration date and OMB control number have been placed on the first page (top right corner) of each instrument. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.