

Supporting Statement – Part A
Methods for Assuring Access to Covered Medicaid Services
Under 42 CFR 447.203 and 447.204
CMS 10391, OMB 0938-1134

Background

On November 2, 2015, CMS published the CMS-2328-FC final rule (80 FR 67576), which requires a transparent, data driven process for states to follow to demonstrate that Medicaid beneficiaries have access to services covered under the Medicaid State plan to the extent that services are available to the general population in a geographic area. This requirement is described under section 1902(a)(30)(A) of the Social Security Act whereby the final rule provides guidance to states on processes to meet the requirement.

That rule established regulations at 42 CFR § 447.203(b) that required states to develop an access monitoring review plan (AMRP) that is updated at least every three years for: primary care services, physician specialist services, behavioral health services, pre- and post-natal obstetric services (including labor and delivery), and home health services. When states reduced rates for other Medicaid services, they added those services to the AMRP and monitored the effects of the rate reductions for 3 years. If access issues were detected, a state submitted a corrective action plan to CMS within 90 days and worked to address the issues within 12 months. The regulations also contained requirements around obtaining beneficiary and provider feedback, and procedures for proposing rate reductions.

States questioned whether the AMRP process was the most effective or accurate reflection of access to care in a State's Medicaid program. After multiple attempts to revise these requirements, we finalized a replacement process in the Ensuring Access to Medicaid Services Final Rule (CMS-2442-F, RIN 0938-AU68). The discussion of those changes and their impacts are included in this revision. With these provisions, we aim to balance State administrative burden with CMS's obligation to ensure appropriate oversight of State compliance with section 1902(a)(30)(A) of the Act, and in section 15 we note that these changes result in a burden decrease overall on States. CMS estimates that the total burden associated with all information collections in this PRA package is 15,305 hours and \$856,717 in labor costs for States, with 3,498 hours and \$230,126 in labor costs associated with one-time requirements and 11,807 hours and \$626,591 associated with annual requirements.

A. Justification

1. Need and Legal Basis

Previous and updated regulations at §§ 447.203 and 447.204 implement section 1902(a)(30)(A) of the Act, which requires that states: “assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area.” The regulations describe

processes to be used by states and CMS to demonstrate compliance with 1902(a)(30)(A) and provide better information for CMS to make informed state plan amendment (SPA) approval decisions when states propose to reduce provider payments or otherwise restructure payments in ways that may harm access to care.

2. Information Users

The information is used by states to document that access to care is in compliance with section 1902(a)(30)(A) of the Act, to identify issues with access within a state's Medicaid program, and to inform any necessary programmatic changes to address issues with access to care. CMS will use the information to monitor ongoing compliance with section 1902(a)(30)(A), and to make informed approval decisions on State plan amendments that propose to make Medicaid rate reductions or restructure payment rates. Beneficiaries, providers, and other affected stakeholders may use the information to raise access issues to state Medicaid agencies and work with agencies to address those issues.

3. Use of Information Technology

CMS anticipates that states will primarily use information technology to gather and analyze the data collected through these requirements. States will likely rely upon the state Medicaid Management Information Systems and other state databases and systems to gather much of the data used to review payment rates and may use statistical and other analytical software to analyze the information. The use of information technology should reduce the burden associated with this collection by 30%.

4. Duplication of Efforts

CMS has reviewed the universe of information currently available, and these collection efforts are not currently conducted.

5. Small Businesses

CMS has determined that this information collection request does not have an impact on small businesses. Rather, the impact is on state governments.

6. Less Frequent Collection

If the information collection is not conducted, states and CMS may have insufficient information to determine if Medicaid rates are sufficient to provide access to care as described under the Act. In addition, States have some discretion to undertake rate actions at a cadence they prefer, and therefore the requirements that include deadlines related to when a State undertakes an action are more within the States' control.

7. Special Circumstances

There are no special circumstances that 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 Final rule (CMS–2442–F, RIN 0938–AU68) was published in the Federal Register on May 10, 2024 (89 FR 40542). As the rule’s collection of information requests were not posted for public review or submitted to OMB, we addressed that oversight by publishing a standalone 60-day notice in the Federal Register on May 21, 2024 (89 FR 44685). The public comment period closed on July 22, 2024. Two commenters submitted a total of three comments in response to the notice. Two of the three comments were out of scope in relation to the information collections. One of the three comments proposed revisions to the language in the Rate Reduction or Restructuring Template and we included the suggested language within the Rate Reduction and Restructuring Template. We did not receive any comments on our specific burden calculations. Given the delay between the publication of the Federal Register notice and the finalization of the template associated with one of the information collections, an additional standalone 60-day notice was published in the Federal Register on November 19, 2025 (90 FR 52062). We did not receive any comments in response to that notice.

Therefore, we are finalizing this revision to reflect previously updated wages, corrections in the total burden hours for specific information collections, corrections to the total number of respondents for specific information collections, and a consolidation and reformatting of the tables in the PRA package, as detailed in sections 12 and 15 of this supporting statement. We are also maintain our previous clarifications around our previously approved burden estimates for this PRA package and the savings cited in the Final Rule, as detailed in section 15 of this supporting statement.

Outside Consultation

CMS did not perform any outside consultation specific to this revision. Feedback from States that informed the revisions was obtained during the course of prior rulemaking on these topics and in the regular course of business.

9. Payments/Gifts to Respondents

No payments or gifts are made to respondents.

10. Confidentiality

Confidential information is not required as part of the information collection. The collection requires access reviews, beneficiary feedback forums and other processes, which are not associated with confidential information.

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. Burden Estimates (Total Hours & Costs)

Wages

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' (BLS') May 2024 National Occupational Employment and Wage Estimates for all salary estimates (www.bls.gov/oes/current/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.

National Occupational Employment and Wage Estimates

Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Fringe Benefits and Other Indirect Costs (\$/hr)	Adjusted Hourly Wage (\$/hr)

Business Operations Specialist	13-1000	43.76	43.76	87.52
Computer and Information Analyst	15-1210	55.83	55.83	111.66
General and Operations Manager	11-1021	64.00	64.00	128.00
Human Resources Manager	11-3121	77.15	77.15	154.30
Management Analyst	13-1111	55.15	55.15	110.30
Social Science Research Assistant	19-4061	30.56	30.56	61.12

We adjusted our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and other indirect costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. We believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

Information Collection Requirements and Associated Burden Estimates

12.1. ICRs Regarding Payment Rate Transparency, Analysis, and Disclosure (§ 447.203(b)(1) through (5))

We replaced the AMRP requirements with new payment rate transparency, analysis, and disclosure requirements at § 447.203(b)(1) through (5). The burden associated with the payment rate transparency, analysis, and disclosure requirements consists of the time and effort to develop and publish Medicaid fee-for-service (FFS) provider payment rate information and analyses.

Section 447.203(b)(1) specifies that all FFS Medicaid payments must be published on a publicly accessible website that is maintained by the State. Section 447.203(b)(2) specifies the requirements pertaining to the comparative payment rate analysis and the payment rate disclosure, which related to primary care services; obstetrical and gynecological services; outpatient mental health and substance use disorder services; and certain home and community-based services (HCBS). Section 447.203(b)(3) describes the required components of the comparative payment rate analysis to include, for services in § 447.203(b)(2)(i) through (iii), a percentage comparison of Medicaid payment rates to the most recently published Medicare payment rates effective for the time period for each of the applicable service categories specified in paragraph (b)(2). We also specify that the payment analysis must include percentage comparisons made on the basis of Medicaid base payments. For HCBS described in § 447.203(b)(2)(iv), we require States to publish average hourly payment rates. Section 447.203(b)(4) details the payment analysis timeframe, with the first payment analysis required to be published by the State agency by July 1, 2026, and updated every 2 years by July 1 of the second year following the most recent update. Section 447.203(b)(5) describes our mechanism for ensuring compliance and that we may take compliance action against a State that fails to meet the requirements of the payment rate transparency, comparative payment rate analysis, and payment rate disclosure provisions in preceding

paragraphs in § 447.203(b) including a deferral or disallowance of certain of the State's administrative expenditures following the procedures described at part 430, subpart C.

The requirements of § 447.203(b)(1) through (5) apply to all 50 States and the District of Columbia, as well as US territories. We use the estimate of 51 states and territories, which we note may include territories not exempt under waivers, and exclude States not subject due to reliance entirely on managed care (with no beneficiaries receiving any benefits through FFS delivery), and these figures fluctuate. We require States and territories to publish all FFS Medicaid payments initially by July 1, 2026, while future updates to the payment rate transparency information depend on when a State submits a SPA updating provider payments and we have approved that SPA. As such, we assume 51 one-time respondents for the initial payment rates publication. Because the comparative payment rate analysis and payment rate disclosure requirement is biennial, we assume 26 annual respondents in any given year, and we will assume this figure accounts for the updates made following a rate reduction SPA or rate restructuring SPA approval. The comparative payment rate analysis is similar to the previous requirement at § 447.203(b)(3) that required AMRPs to include a comparative payment rate analysis against public or private payers. To estimate the burden associated with our comparative payment rate analysis and payment rate disclosure provisions, we assume this work requires approximately 25 percent of the annual labor hour burden that we previously estimated to be required by the entire AMRP, to account for the service categories subject to the comparative payment rate analysis and payment rate disclosure in § 447.203(b) (2) as decreased from the full body of AMRP service requirements.

With regard to developing and publishing the payment rate transparency data at § 447.203(b) (1), we continue to estimate a low one-time and annual burden due to the data being available, and the main work required to meet the requirement being formatting and web publication. As such, we estimate it will initially take: 5 hours at \$61.12/hr for a social science research assistant to gather the data, 5 hours at \$87.52/hr for a business operations specialist to publish, and 1 hour at \$128.00/hr for a general and operations manager to review and approve the rate transparency data. In aggregate, we estimate a one-time burden of 561 hours (51 Respondents x 11 hr) at a cost of \$44,431 (51 responses x [(5 hr x \$61.12/hr) + (5 hr x \$87.52/hr) + (1 hr x \$128.00/hr)]). Taking into account the Federal administrative match of 50 percent, the requirement will cost States \$22,216 (\$44,431 x 0.50).

For the annual cost to update assumed to take place every 2 years (although updates are only required as necessary to keep the data current, with any update made no later than 1 month following the date of CMS approval of the SPA or similar amendment providing for the change), we continue to estimate an annualized impact on 26 respondents (51 respondents every 2 years) of: 2 hours at \$61.12/hr for a social science research assistant to update the data, 1 hour at \$87.52/hr for a business operations specialist to publish the updates, and 1 hour at \$128.00/hr for a general and operations manager to review and approve the rate transparency update. In aggregate, we estimate an annualized burden of 104 hours (26 responses x 4 hr) at a cost of \$8,782 (26 responses x [(2 hr x \$61.12/hr) + (1 hr x \$87.52/hr) + (1 hr x \$128.00/hr)]). Taking into account the Federal administrative match of 50 percent, the requirement will cost States \$4,391 (\$8,782 x 0.50).

With regard to developing and publishing the comparative payment rate analysis and payment rate disclosure at § 447.203(b)(2), we continue to estimate it will take: 22 hours at \$61.12/hr for a social science research assistant to gather the data, 22 hours at \$111.66/hr for a computer and information analyst to analyze the data, 25 hours at \$110.30/hr for a management analyst to design the comparative payment rate analysis, 11 hours at \$87.52/hr for a business operations specialist to publish the comparative payment rate analysis and payment rate disclosure, and 3 hours at \$128.00/hr for a general and operations manager to review and approve the comparative payment rate analysis and payment rate disclosure. In aggregate, we estimate an annualized burden on 26 respondents (51 respondents every 2 years) of 2,158 hours (26 responses x 83 hr) at a cost of \$205,540 (26 States x [(22 hr x \$61.12/hr) + (22 hr x \$111.66/hr) + (25 hr x \$110.30/hr) + (11 hr x \$87.52/hr) + (3 hr x \$128.00/hr)]). We then adjust the total cost to states to \$102,770 (\$205,540 x 0.50) to account for the 50 percent Federal administrative match. We have summarized the total burdens in Table 1.

Table 1 includes a revision to the total time indicated for developing and publishing the comparative payment rate analysis and payment rate disclosure (§ 447.203(b)(2)), as well as the total time burden associated with the payment rate transparency, analysis, and disclosure requirements as a whole (§ 447.203(b)(1) through (3)), that were included in the information collection in the Final Rule and in the standalone revised information collection published in the federal register on May 21, 2024. Table 1 previously indicated that the total time for developing and publishing the comparative payment rate analysis and payment rate disclosure at § 447.203(b)(2) was estimated to be 2,054 hours due to a calculation error. Additionally, Table 1 previously indicated that the total time associated with the payment rate transparency, analysis, and disclosure requirements (§ 447.203(b)(1) through (3)) as a whole was estimated to be 2,719 hours due to a calculation error. The total time associated with these requirements has been updated in Table 1 below.

TABLE 1: Summary of Burden Associated with Payment Rate Transparency, Analysis, and Disclosure Requirements (§ 447.203(b)(1) through (3))

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.203(b)(1) Rate Transparency	51	51	One-time	11	561	Varies	44,431	22,216
§ 447.203(b)(1) Rate Transparency	26	26	Biannual (figures are annualized)	4	104	Varies	8,782	4,391
§ 447.203(b)(2) and (3) Rate Analysis	26	26	Biannual (figures are annualized)	83	2,158	Varies	205,540	102,770
TOTAL	51	103	Varies	Varies	2,823	Varies	258,753	129,377

12.2. ICRs Regarding Medicaid Payment Rate Interested Parties' Advisory Group (§

447.203(b)(6))

The burden associated with the recordkeeping requirements § 447.203(b)(6), specifically the online publication associated with the reporting and recommendations of the interested parties advisory group, consists of the time and effort for all 50 States and the District of Columbia to:

- Appoint members to the interested parties' advisory group.
- Provide the group members with materials necessary to:
 - ++ Review current and proposed rates.
 - ++ Hold meetings.
 - ++ Provide a written recommendation to the State.
- Publish the group's recommendations to a website maintained by the single State agency.

The requirements require varying levels of effort from States depending on the existence of groups that may fulfil the requirements of this group. However, because it is unknown how many States are able to leverage existing practices, and to what extent, this estimate does not account for those differences.

We continue to estimate that it will take 40 hours at \$154.30/hr for a human resources manager to recruit interested parties and provide the necessary materials for the group to meet. In aggregate, we estimate a one-time burden of 2,040 hours (51 responses x 40 hr) at a cost of \$314,772 (2,040 hr x \$154.30/hr). Taking into account the 50 percent administrative match, the total one-time State cost is estimated to be \$157,386 (\$314,772x 0.50).

We continue to believe the work to maintain the needs of this group will take a human resources manager 5 hours at \$154.30/hr annually. Additionally, we estimate it will take 4 hours for the biennial requirement, or 2 hours annually at \$128.00/hr for a general and operations manager to review and prepare the recommendation for publication. In aggregate, we estimate an annualized burden of 182 hours (26 responses x 7 hr) at a cost of \$26,715 (26 Respondents x [(5 hr x \$154.30/hr) + (2 hr x \$128.00/hr)]). Accounting for the 50 percent Federal administrative match, the total State cost is adjusted to \$13,358 (\$26,715 x 0.50). We have summarized the total burdens in Table 2.

Table 2 includes a revision to the number of respondents to which the requirement to support and publish the recommendations of the interested parties advisory groups applies. In the information collection in the Final Rule and in the standalone revised information collection published in the federal register on May 21, 2024, Table 2 indicated that this requirement applied to 51 respondents. However, that indication of 51 respondents was reflective of the number of respondents expected in a two-year period. Since the burden for this requirement is annualized in Table 2, we have revised the number of respondents for this requirement to 26 respondents.

Table 2: Summary of Burden for Medicaid Payment Rate Interested Parties’ Advisory Group (§ 447.203(b)(6))

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.203(b)(6) (Establish advisory group)	51	51	One-time	40	2,040	154.30	314,772	157,386
§ 447.203(b)(6) (Support and publish recommendation)	26	26	Biennial (figures are annualized)	7	182	Varies	26,715	13,358
TOTAL	51	77	Varies	Varies	2,222	Varies	341,487	170,744

12.3. ICRs Regarding State Analysis Procedures for Payment Rate Reductions or Payment Restructuring (§ 447.203(c))

The State analysis procedures for payment rate reductions and payment restructurings at § 447.203(c)(1) through (3) within the Final Rule replace the payment rate reduction or payment restructuring procedures previously at § 447.203(b)(6). As noted, the burden reduction associated with the removal of § 447.203(b)(6)(i) has already been accounted for in the annual burden reduction estimate shown in section 15 for the removal of the AMRP requirements, and the burden reduction associated with the removal of monitoring requirements previously at § 447.203(b)(6)(ii) has been accounted for in section 15 as well. Our replacement procedures at § 447.203(c)(1) through (3) introduce new requirements as follows.

i. Initial State Analysis for Rate Reduction or Restructuring (§ 447.203(c)(1))

Section 447.203(c)(1) requires that for States proposing to reduce or restructure provider payment rates, the State must document that their program and proposal meet all of the following requirements: (i) Medicaid rates in the aggregate for the service category following the proposed reduction(s) or restructurings are at or above 80 percent of most recent Medicare prices or rates for the same or a comparable set of services; (ii) Proposed reductions or restructurings result in no more than a 4 percent reduction of overall spending for each service category affected by a proposed reduction or restructuring in a single State fiscal year; and (iii) Public process yields no significant access concerns or the State can reasonably respond to concerns.

Section 447.203(c)(1) applies to all States that submit a SPA that proposes to reduce or restructure provider payment rates. We limited our estimates for new information collection burden to the requirements at § 447.203(c)(1)(i) through (ii). Our estimates assume States will build off the comparative analysis required by § 447.203(b)(2) through (4) to complete

the requirements at § 447.203(c)(1)(i), which will limit the additional information collection burden. We also assume no additional information collection burden posed by the public review process required by § 447.203(c)(1)(iii), as this burden is encapsulated by public process requirements at § 447.204.

The requirements of § 447.203(c) apply to all 50 States and the District of Columbia, as well as US territories. We again use the estimate of 51 utilized in preceding sections, which we note may include territories not exempt under waivers, and exclude States not subject due to reliance entirely on managed care (with no beneficiaries receiving any benefits through FFS delivery), and these figures fluctuate. As such, for consistency, we maintain the estimate of 51 respondents subject to this final rule. The State analysis for rate reduction or restructuring is similar to the previous requirement at § 447.203(b)(6) that requires States to submit an access review with any State plan amendment that proposed to reduce provider payment rates or restructure provider payments in circumstances when the changes could result in diminished access. The inclusion of additional types of services for which a review is required in § 447.203(b)(6) is also one of eight services required to be included in the AMRP as specified by former § 447.203(b)(5). While we cannot predict how many States will submit a rate reduction SPA or rate restructuring SPA in a given year, the figures from 2019 provide the best recent estimate, as the years during the COVID pandemic do not reflect typical behavior. In 2019, we approved rate reduction and rate restructuring SPAs from 17 unique State respondents. Therefore, to estimate the annualized number of respondents subject to this information collection burden, we utilize a count of 17 respondents.

With regard to the burden associated with completing the required State analysis for proposed rate reductions or restructurings at § 447.203(c)(1), we continue to estimate that it will take: 20 hours at \$110.30/hr for a management analyst to structure the rate reduction or restructuring analysis, 25 hours at \$111.66/hr for a computer and information analyst to complete the rate reduction or restructuring analysis, and 3 hours at \$128.00/hr for a general and operations manager to review and approve the rate reduction or restructuring analysis. In aggregate, we estimate a burden of 816 hours (17 States x 48 hr) at a cost of \$91,486 (17 States x [20 hr x \$110.30/hr) + (25 hr x \$111.66/hr) + (3 hr x \$128.00/hr)]). Accounting for the 50 percent Federal administrative match, this adjusts to a total State cost of \$45,743 (\$91,486 x 0.50).

Table 3: Burden Associated with Tier 1 State Analysis Procedures for Rate Reductions or Restructurings (§ 447.203(c)(1))

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.203(c)(1)	17	17	Annual	48	816	Varies	91,486	45,743
TOTAL	17	17	Annual	48	816	Varies	91,486	45,743

ii. Additional State Rate Analysis (§ 447.203(c)(2))

Section 447.203(c)(2) describes requirements for payment proposals that do not meet the requirements in paragraph (c)(1), requiring the State to provide the nature of the change and policy purpose, the rates compared to Medicare and/or other payers pre- and post-reduction or restructuring, counts/trends of actively participating providers by geographic areas, counts of FFS Medicaid beneficiaries residing in geographic areas/characteristics of the beneficiary population, service utilization trends, access to care complaints from beneficiaries, providers, and other interested parties, and the State's response to access to care complaints.

The information collection requirements at § 447.203(c)(2) apply to those States that submit rate reduction or restructuring SPAs that do not meet one or more of the criteria in § 447.203(c)(1). Using 2019 rate reduction and restructuring SPA figures, we estimate that 17 States will submit rate reduction or restructuring SPAs per year. Then, a 2019 Urban Institute analysis¹ indicates that 22 States (or 43 percent) have rates that meet the 80 percent fee ratio threshold in § 447.203(c)(1)(i) across all services. Although our regulation does not include all services, using this all services amount is our best method to estimate how many States may fall below on any given service without knowing which. Because we cannot predict the amount a State may propose to reduce, once or cumulatively for the state fiscal year, and because failure of any one criterion in § 447.203(c)(1) would require additional analysis under § 447.203(c)(2), we will use that percentage to assess how many States would need to perform additional analysis. Using this percentage, we estimate that 7 (43 percent x 17) of the estimated 17 unique State respondents may submit rate reduction or restructuring SPAs meet that criteria for the streamlined analysis process under § 447.203(c)(1). Therefore, we assume that 10 out of 17 unique annual State respondents who submit rate reduction or restructuring SPAs will also need to perform the additional analysis § 447.203(c)(2).

The required components of the review and analysis in § 447.203(c)(2) are similar to the AMRP requirements found at former § 447.203(b)(1). However, due to the development and release of a template for States to facilitate completion of the required analysis, as well as the lack of a requirement to publish the analysis, we anticipate a moderately reduced burden associated with § 447.203(c)(2) when compared to the burden estimated for the AMRPs.

With regard to our finalized requirements, we continue to estimate that it will take: 64 hours at \$61.12/hr for a social science research assistant to gather data, 64 hours at \$111.66/hr for a computer and information analyst to analyze data, 80 hours at \$110.30/hr for a management analyst to structure the analyses and organize output, and 8 hours at \$128/hr for a general and operations manager to review and approve the rate reduction or restructuring analysis. In aggregate, we estimate a burden of 2,160 hours (10 States x 216 hr) at a cost of \$209,059 (10 States x [(64 hr x \$61.12/hr) + (64 hr x \$111.66/hr) + (80 hr x \$110.30/hr) + (8 hr x \$128.00/hr)]). The total cost is adjusted down to \$104,530 (\$209,059 x 0.50) for States after accounting for the 50 percent Federal administrative match.

We do not assume any additional information collection imposed by the compliance procedures finalized at § 447.203(c)(3).

1 Zuckerman, S. et al. "Medicaid Physician Fees Remained Substantially Below Fees Paid By Medicare in 2019.", *Health Affairs*, Volume 40, Number 2, February 2021, p. 343-348, <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.00611>, accessed August 31, 2022.

Table 4 shows our estimated combined annualized burden for § 447.203(c), which includes 17 States for § 447.203(c)(1) and 10 States for § 447.203(c)(2). In total, we estimate an annualized burden of 2,976 (816 hours + 2,160 hours) hours at a cost of \$300,545 (\$91,486 + \$209,059). This cost to States is then adjusted to \$150,273 after the 50 percent Federal administrative match is applied.

Table 4 includes revisions to the total number of respondents and the total responses to which the additional state analysis is applicable. In the information collection in the Final Rule and in the standalone revised information collection published in the federal register on May 21, 2024, Table 4 indicated that this requirement applied to 12 respondents. However, in the narrative prior to the table, we indicated we assumed that 10 out of 17 annual State respondents who submit rate reduction or restructuring SPAs would also need to perform the additional analysis required at § 447.203(c)(2). Therefore, we have revised the total number of respondents for this requirement in Table 4 to 10 respondents. Additionally, we revise the total number of responses for the burden associated with state analysis procedures for rate reductions or restructurings (§ 447.203(c)) to 27 to reflect the updated calculation.

Table 4: Summary of Burden Associated with State Analysis Procedures for Rate Reductions or Restructurings (§ 447.203(c))

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.203(c)(1) (initial State analysis)	17	17	Annual	48	816	Varies	91,486	45,743
§ 447.203(c)(2) (additional State analysis)	10	10	Annual	216	2,160	Varies	209,059	104,530
TOTAL	17	27	Annual	264	2,976	Varies	300,545	150,273

12.4. ICRs Regarding Ongoing Input (§447.203(c)(4))

In the Final Rule, section 447.203(b)(7) is redesignated as 447.203(c)(4). This paragraph requires that states have a mechanism for obtaining ongoing beneficiary, provider, and stakeholder input on access to care issues, such as hotlines, surveys, ombudsman, or other equivalent mechanisms. States must promptly respond to public input with an appropriate investigation, analysis, and response. They must also maintain records of the beneficiary input and the nature of the state response.

The annual burden associated with the requirements under redesignated §447.203(c)(4) is the time and effort it would take for each of the 50 state Medicaid programs and the District of Columbia (51 total respondents) to monitor beneficiary feedback mechanisms.

The overall effort associated with monitoring the feedback will primarily be incurred by analysts who will gather, review and make recommendations for and conduct follow-up on the feedback. We continue to estimate that the approval of the recommendations will not require significant effort from managers. We estimate that it will take States 75 hours at \$110.30 for a management analyst to monitor the feedback results and 5 hours at \$128.00 for a general and operations manager to approve the feedback effort. In aggregate we estimate a burden of 4,080 hours (51 states x 80 hours) at a cost of \$454,538 (51 states x [(75 hours x \$110.30/hr.) + (5 hours x \$128.00)]). The total cost is adjusted down to \$227,269 (\$454,538 x 0.50) for States after accounting for the 50 percent Federal administrative match. We have summarized the total burden in Table 5, which now combines the burden for requirements previously outlined in Table 5 and Table 6 in the standalone revised information collection published in the federal register on May 21, 2024.

Table 5: Summary of Burden Associated with Stakeholder Feedback on FFS Access Issues (§ 447.203(c)(4))

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.203(c)(4) (Monitor Feedback Results)	51	51	Annual	75	3,825	110.30	421,898	210,949
§ 447.203(c)(4) (Approve Feedback Effort)	51	51	Annual	5	255	128.00	32,640	16,320
TOTAL	51	51	Annual	80	4,080	Varies	454,538	227,269

This section has no associated attachments such as information collection/reporting instruments, SPA templates/preprints, or instructions/guidance related to the collection/reporting of information.

12.5. ICRs Regarding Corrective Action Plan (§447.203(c)(5))

In the Final Rule, section 447.203(b)(8) is redesignated as 447.203(c)(5). Under this paragraph, a State is required to institute a corrective action procedure that requires states to submit to CMS a corrective action plan should inadequate access to care be discovered. The requirement is intended to ensure that states will oversee and address any access concerns.

We believe that a maximum of 10 states may identify access issues per year. The annual burden associated with the requirements under §447.203(c)(5) is the time and effort it will take 10 state Medicaid programs to develop and implement corrective action plans.

We continue to estimate that it will take States 20 hours at \$110.30 for a management analyst

to identify issues requiring corrective action, 40 hours at \$110.30 for a management analyst to develop corrective action plans, and 3 hours at \$128.00 for a general and operations manager to review and approve the corrective action plans. In aggregate we estimate a burden of 630 hours (10 states x 63 hours) at a cost of \$70,020 (10 states x [20 hours x \$110.30/hr.) + (40 hours x \$110.30/hr.) + (3 hours x \$128.00/hr.)]. The total cost is adjusted down to \$35,010 (\$70,020 x 0.50) for States after accounting for the 50 percent Federal administrative match. We have summarized the total burdens in Table 6, which now combines the burden for requirements previously outlined in Table 7 and Table 8 in the standalone revised information collection published in the federal register on May 21, 2024.

Table 6: Summary of Burden Associated with Corrective Action Plans (§ 447.203(c)(5))

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.203(c)(5) (Identifying Issues for Action)	10	10	Annual	20	200	110.30	22,060	11,030
§ 447.203(c)(5) (Developing the Corrective Action Plan)	10	10	Annual	40	400	110.30	44,120	22,060
§ 447.203(c)(5) (Approving the Corrective Action Plan)	10	10	Annual	3	30	128.00	3,840	1,920
TOTAL	10	10	Annual	63	630	Varies	70,020	35,010

This section has no associated attachments such as information collection/reporting instruments, SPA templates/preprints, or instructions/guidance related to the collection/reporting of information.

12.6. ICRs Regarding Public Process to Engage Stakeholders (§447.204)

Sections 447.204(a)(1) and (a)(2) require that states consider (when proposing to reduce or restructure Medicaid payment rates) the data collected through § 447.203 and undertake a public process that solicits input on the potential impact of the proposed reduction or restructuring of Medicaid service payment rates on beneficiary access to care. As required at § 447.204(b) the State must submit to CMS with any such proposed SPA affecting payment rates documentation of the information and analysis required under § 447.203(c).. The impacts related to that latter requirement are documented in association with 447.203(c)(1) and (2). We further note that section 447.204(d) is redesignated as 447.203(c)(6). There is not an impact associated with that provision.

We continue to estimate that for each SPA revision approximately 23 states, annually, will develop and implement 39 of these rate changes that would require a public process based on the number of states that proposed such reductions in FY 2017.

We estimate that it will take States 20 hours at \$110.30/hr for a management analyst to develop the public process and 3 hours at \$128.00/hr for a general and operations manager to approve the public process associated with each rate change. In aggregate we estimate a burden of 897 hours (39 rate changes x [20 hours + 3 hours]) at a cost of \$101,010 (39 rate changes x [20 hours x \$110.30hr.) + (3 hours x \$128.00)]. The total cost is adjusted down to \$50,505 (\$101,010 x 0.50) for States after accounting for the 50 percent Federal administrative match.

The annual burden associated with the requirements under §447.204 is the time and effort it will take the state Medicaid programs to oversee a public process. The overall effort associated with developing the public process will primarily be incurred by analysts who develop and initiate public process activities. We do not estimate that efforts associated with review and approval of the activities will increase for overseeing managers. We estimate it will take States 40 hours at \$110.30/hr for a management analyst to oversee the public process and 3 hours at \$128.00/hr for a general and operations manager to approve the public process activities associated with each rate change. In aggregate we estimate a burden of 1,677 hours (39 rate changes x [40 hours + 3 hours]) at a cost of \$187,044 (39 rate changes x [40 hours x \$110.30hr) + (3 hours x \$128.00)]. The total cost is adjusted down to \$93,522 (\$187,044 x 0.50) for States after accounting for the 50 percent Federal administrative match. We have summarized the total burdens in Table 7, which now combines the burden for requirements previously outlined in Table 9 and Table 10 in the standalone revised information collection published in the federal register on May 21, 2024.

**Table 7: Summary of Burden Associated with Public Process to Engage Stakeholders
(§ 447.204)**

Requirement	No. Respondents	Total Responses	Frequency	Time per Response (hr)	Total Time (hr)	Wage (\$/hr)	Total Cost (\$)	State Share (\$)
§ 447.204 (Developing the Public Process)	23	39	One-Time	20	780	110.30	86,034	43,017
§ 447.204 (Approving the Public Process)	23	39	One-Time	3	117	128.00	14,976	7,488
§ 447.204 (Oversee the Public Process)	23	39	Annual	40	1,560	110.30	172,068	86,034
§ 447.204 (Approve Public Process Activities)	23	39	Annual	3	117	128.00	14,976	7,488
TOTAL	23	39	Varies	66	2,574	Varies	288,054	144,027

This section has no associated attachments such as information collection/reporting instruments, SPA templates/preprints, or instructions/guidance related to the collection/reporting of information.

Summary of Annual Burden Estimates

The three tables below summarize the burden associated with one-time reporting and recordkeeping requirements, annual reporting and recordkeeping requirements, and total burden. These tables have been updated since the first standalone revised information collection was published in the federal register on May 21, 2024. The updates include a change to the number of respondents, from 51 to 23, for the requirement associated with § 447.204 (Table 7) (Public process) included in the “One-Time Reporting and Recordkeeping Requirements” table. This change was made to align with the changes made to Table 7 earlier in this supporting statement to clarify the number of annual respondents for this requirement. The changes also include an update to the number of responses, from 12 to 10, for the requirement associated with § 447.203(c)(2) (Table 4) (Additional State analysis) included in the “Annual Reporting and Recordkeeping Requirements” table. This change was made to align with the changes made to Table 4 earlier in this supporting statement. Additionally, the requirement associated with § 447.203(c)(5) (Table 6) (Corrective action plan) was moved from the “One-Time Reporting and Recordkeeping Requirements” table to the “Annual Reporting and Recordkeeping Requirements” table to align with the clarification made earlier in this supporting statement that these are annual requirements. An update was also made to the number of respondents, from 51 to 23, for the requirements associated with § 447.204

(Table 7) (Public process) in the “Annual Reporting and Recordkeeping” table. This change was made to align with the changes made to Table 7 earlier in this supporting statement to clarify the number of annual respondents for this requirement. Finally, updates were made to the wages and totals in all three tables below.

One-time Reporting and Recordkeeping Requirements

Regulation Section(s) in Title 42 of the CFR	Number of Respondents	Number of Responses	Time per Response (hr)	Total Time (hr)	Hourly Labor Rate (\$/hr)	Total Labor Cost (\$)	State Share (\$)
§ 447.203(b)(1) (Table 1) (Rate transparency)	51	51	11	561	<i>Varies</i>	44,431	22,216
§ 447.203(b)(6) (Table 3) (Advisory group)	51	51	40	2,040	154.30	314,772	157,386
§ 447.204 (Table 7) (Public process)	23	39	23	897	<i>Varies</i>	101,010	50,505
TOTAL	51	141	74	3,498	Varies	460,213	230,107

Annual Reporting and Recordkeeping Requirements

Regulation Section(s) in Title 42 of the CFR	Number of Respondents	Number of Responses	Time per Response (hr)	Total Time (hr)	Hourly Labor Rate (\$/hr)	Total Labor Cost (\$)	State Share (\$)
§ 447.203(b)(1) (Table 1) (Rate transparency)	51	26	4	104	<i>Varies</i>	8,782	4,391
§ 447.203(b)(2) (Table 1) (Rate analysis)	51	26	83	2,158	<i>Varies</i>	205,540	102,770
§ 447.203(b)(6) (Table 2) (Advisory group)	51	26	7	182	<i>Varies</i>	26,715	13,358
§ 447.203(c)(1) (Table 4) (Initial State analysis)	51	17	48	816	<i>Varies</i>	91,486	45,743
§ 447.203(c)(2) (Table 4) (Additional State analysis)	51	10	216	2,160	<i>Varies</i>	209,059	104,530
§ 447.203(c)(4) (Table 5) (Stakeholder feedback)	51	51	80	4,080	<i>Varies</i>	454,538	227,269
§ 447.203(c)(5) (Table 6) (Corrective action plan)	10	10	63	630	<i>Varies</i>	70,020	35,010
§ 447.204 (Table 7) (Public process)	23	39	43	1,677	<i>Varies</i>	187,044	93,522
TOTAL	51	205	544	11,807	Varies	1,253,183	626,591

Total Burden

Regulation Section(s)	Number of Respondents	Number of Responses	Burden per Response (hours)	Total Burden (hours)	Hourly Labor Cost of Reporting (\$/hr)	Total Labor Cost of Reporting (\$)	State Share (\$)
Subtotal #1 (One-time requirements)	51	141	<i>Varies</i>	3,498	<i>Varies</i>	460,213	230,107

Subtotal #2 (Annual requirements)	51	205	<i>Varies</i>	11,807	<i>Varies</i>	1,253,183	626,591
TOTAL	51	346	Varies	15,305	Varies	1,713,396	856,698

13. Capital Costs

There are no estimated capital cost increases associated with the information collection requests. States may conduct the payment rate transparency, SPA procedures, and other related processes contained in this revision through existing capital resources.

14. Cost to Federal Government

There is no additional cost to the federal government associated with these revisions. The information gathered, and published or submitted by states will aid CMS in our ongoing access monitoring duties and in making State plan amendment approval decisions, which is a part of current operations.

15. Changes to Burden

The following revision is associated with our May 10, 2024 (89 FR 40542) final rule (CMS-2442-F, RIN 0938-AU68) and a second standalone 60-day notice that was published in the Federal Register November 19, 2025 (90 FR 52062). The public comment period on the second standalone 60-day notice closed on January 20, 2026.. We did not receive any comments in response to that notice. We are finalizing this revision with previous adjustments to reflect updated wages, corrections in the total burden hours for specific information collections, and corrections to the total number of respondents for specific information collections detailed in section 12 of this supporting statement. We are also finalizing our previous clarifications around our previously approved burden estimates for this PRA package and the savings cited in the Final Rule. Additionally, CMS has made functional enhancements to the Rate Reduction or Restructuring Template since the publication of the revised information collections. However, these enhancements do not impact user input into the Rate Reduction or Restructuring Template or the burden estimates associated with the information collections.

The table below summarizes the change in annual burden and savings associated with the removal of the AMRP requirements (at § 447.203(b)) and the addition of the rate transparency, rate analysis, advisory group, initial State analysis and additional State analysis requirements (at § 447.203(b) and (c)) finalized in the Final Rule. Overall, we believe the updates to the payment rate access monitoring procedures will result in an annual net decrease in burden on States of 1,324 hours and \$62,966.

Our previously approved PRA package indicates that the total number of responses for all the information collections in the package is 202 and the total burden hours are 23,898, including both one-time and annual burden. We are clarifying that the previously approved PRA package summed three years' worth of triennial burden associated with the access monitoring review plan requirements at §447.203(b)(1)-(6)(i)), whereas our savings estimates in the Final

Rule annualized the burden associated with these requirements, resulting in the 5,279 hours in savings estimated in the table below. Additionally, our previously approved PRA package cites 804 hours of burden (12 responses at 67 hours per response) associated with the access monitoring review procedures following a rate reduction SPA. However, we increased the burden estimates associated with these requirements in the Final Rule to 1,474 hours (22 responses at 67 hours per response) to align with burden estimates included in older PRA packages, thus resulting in the 1,474 hours of savings estimated in the table below.

Furthermore, the table below includes updates (from 12 to 10) to the total number of responses associated with the additional State analysis requirements at §447.203(c)(2) as detailed in section 12 of this supporting statement, bringing the new total number of responses down to 66 from 68. The table below also corrects a calculation error in the total time associated with the rate analysis requirements at §447.203(b)(2), which now indicates the total time associated with this requirement is 2,158 hours, as detailed in section 12 of this supporting statement. This correction does not impact the overall estimate of an annual net decrease in burden on States of 1,324 hours.

Savings From the Final Rule

Regulation Section(s) in Title 42 of the CFR	Number of Respondents	Number of Responses	Time per Response (hr)	Total Time (hr)	Hourly Labor Rate (\$/hr)	Total Labor Cost (\$)	State Share (\$)
Removal of § 447.203(b)(1)-(6)(i) (Removal of AMRP)	51	(17)	(310)	(5,270)	<i>Varies</i>	(503,764)	(251,882)
Removal of § 447.203(b)(6)(ii) (Removal of AMRP)	51	(22)	(67)	(1,474)	<i>Varies</i>	(163,750)	(81,875)
§ 447.203(b)(1) (Rate transparency)	51	26	4	104	<i>Varies</i>	8,782	4,391
§ 447.203(b)(2) (Rate analysis)	51	26	83	2,158	<i>Varies</i>	205,540	102,770
§ 447.203(b)(6) (Advisory group)	51	26	7	182	<i>Varies</i>	26,715	13,358
§ 447.203(c)(1) (Initial State analysis)	51	17	48	816	<i>Varies</i>	91,486	45,743
§ 447.203(c)(2) (Additional State analysis)	51	10	216	2,160	<i>Varies</i>	209,059	104,530
TOTAL	51	66	Varies	(1,324)	Varies	(125,932)	(62,966)

This package revises the total number of responses for all the information collections in the package to 346 and the total burden hours to 15,305, including both one-time and annual burden.

Additionally, we have finalized the following revisions to the template required at § 447.203(c)(1)-(2), which do not impact our specific burden calculations:

- Minor grammatical and formatting changes throughout all the worksheets in the template.

- Made the background of the “PRA disclosure” worksheet white for consistency with other worksheets.
- Updated the “Overview” worksheet to include the following language in response to a comment received on the proposed revised information collection: “If there is no same or comparable set of Medicare-covered services, this criteria cannot be met and the state must complete the additional reporting in the remaining tabs (color-coded in blue) of this workbook as described in 42 CFR 447.203(c)(2).”
- Made text edits to the “Overview” worksheet for clarity and to align with Final Rule preamble and regulation text language.
- Made text edits to the “Instructions” worksheet to provide States with additional clarity and specificity on how to populate the various worksheets in the template.
- Added section “C. State’s Procedures for Monitoring Continued Compliance” in the “Summary of Compliance” worksheet to provide States a free text field to describe their procedures for monitoring continued compliance with section 1902(a)(30)(A), as described in § 447.203(c)(1).
- Added instructions for data entry and an additional data element on the “I 80% Medicare” worksheet.
- Updated the description of data elements on the “I 80% Medicare” worksheet to reflect Final Rule preamble language.
- Added instructions for data entry and an additional data element on the “II 4% Aggregate” worksheet.
- Updated the description of data elements on the “II 4% Aggregate” worksheet to reflect Final Rule preamble language.
- Added instructions for data entry and additional data elements on the “IV Addl Analysis” worksheet.
- Made text edits to the “V Addl Providers,” “VI Addl Beneficiary,” “VII Addl Services,” and “VIII Concerns” worksheets to align with Final Rule preamble and regulation text language.
- Added warnings, conditional formatting and helper columns to all worksheets to inform users completing the template if they have failed to enter required information.
- Created a new worksheet called “Progress Tracker”, which informs users completing the template of the progress with completed cells, required cells, and percent left to complete.

16. Publication/Tabulation Dates

States are required to publish payment rates approximately two years following publication of the final rule and then update those publications on an as-needed and ongoing basis. Payment rates must be published on the State website.

States are required to conduct payment rate analyses and disclosures every two years for

certain services and submit them to CMS, and states must monitor access to care and public input on an ongoing basis and maintain records of those activities.

States are required to publish the recommendation of the interested parties advisory group, which convenes and produces a recommendation at least every two years.

States will perform an analysis regarding a proposed payment rate reduction or restructuring on an as-needed basis with the submission of a SPA adjusting rates in that manner.

17. Expiration Date

CMS will display the expiration date.

18. Certification Statement

There are no exceptions requested to the certification statements.

B. Collection of Information Employing Statistical Methods

This collection does not employ any statistical methods.