

Supporting Statement for the Form CMS-64,
Quarterly Medicaid Statement of
Expenditures for the Medical Assistance Program

A. BACKGROUND

The form CMS-64, Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, has been used since January 1980 by the Medicaid State Agencies to report their actual program benefit costs and administrative expenses to the Centers for Medicare & Medicaid Services (CMS). CMS uses this information to compute the Federal financial participation (FFP) for the State's Medicaid Program costs. The form CMS-64 has been modified over the years to incorporate legislative, regulatory, and operational changes.

Certain schedules of the CMS-64 form are used by States to report budget, expenditure and related statistical information required for implementation of the Medicaid portion of the State Children's Health Insurance Programs, Title XXI of the Social Security Act (the Act), established by the recently enacted Balanced Budget Act of 1997 (BBA).

B. JUSTIFICATION

1. Need and Legal Basis

The form CMS-64 is currently approved under OMB control number 0938-0067 through June 30, 2008.

Section 1903 of the Social Security Act provides the authority for collecting this information. States are required to submit the form CMS-64 quarterly to CMS no later than 30 days after the end of the quarter being reported. These submissions provide CMS with the information necessary to issue the quarterly grant awards, monitor current year expenditure levels, determine the allow ability of State claims for reimbursement, develop Medicaid financial management information provide for State reporting of waiver expenditures, ensure that the federally-established limit is not exceeded for HCBS waivers, and to allow for the implementation of the Assignment of Rights and Part A and Part B Premium (i.e., accounting for overdue Part A and Part B Premiums under State buy-in agreements)--Billing Offsets.

The structure of the current form CMS-64 has evolved from the previous forms used for reporting (form OA.41 and form CMS-64). Classification, identification and referencing used in the CMS-64 forms has been in place for several years, is readily understood and accepted by the report users, and is supported by strong sentiments in both CMS and the States to maintain the existing format.

Sections 4901, 4911, and 4912, of the Balanced Budget Act of 1997 (BBA) established a new Title XXI of the Act and related Medicaid provisions, which provides funds to States to enable them to initiate and expand the provision of child health assistance to uninsured, low-income children. In order to make appropriate payments to States pursuant to this new legislation, CMS amended the existing Medicaid Budget and Expenditure System (MBES) and established a new Child Health Budget and Expenditure System (CBES) and established new report forms for States to report budget, expenditure and related statistical information to CMS on a quarterly basis. Reporting of this information by States began after the end of the second quarter of Federal fiscal year 1998 (after the end of June 1998).

2. Information Users

Form CMS-64, Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program

The form CMS-64 consists of a one-page Certification Sheet and a one-page summary sheet with supporting forms for specific expenditure categories contained on the summary. Medicaid program expenditures reported on the summary sheet are supported by 64.9 forms. Administrative expenditures are supported by 64.10 forms. These forms detail, by category, the current quarter program and administration expenditures. Claims or adjustments for prior periods noted on Lines 7, 8, 10.A. or 10.B. of the summary sheet are supported by forms designated as 64.9; or 64.10p. These forms detail the prior period program and administration expenditures by category, arraying the expenditures by fiscal year. A separate form is prepared to support each fiscal year. Third Party Liability collections reported on Line 9.A. of the summary sheet are detailed on the form CMS-64.9a. Medicaid overpayment adjustments reported on line 10.C. of the summary sheet are detailed on the form CMS-64.9o. Allocation of Disproportionate Share Hospital Payment Adjustments is detailed on the form CMS-64.9d. Provider-Related Donations and Health Care related Taxes, Fees and Assessments Received Under Public Law 102-234 are detailed on the form CMS-64.11a. Summary Total of Receipts from Form CMS-64.11a represents the total of all CMS-64.11a detailed on the form CMS-64.11. Medicaid Drug Rebate Schedule is detailed on form CMS-64.9r. There are no forms numbered 64.1 through 64.8.

The following discussion highlights each section of the form CMS-64 and supporting forms in their order of appearance.

o **CMS-64 SUMMARY SHEET**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Summary Sheet. The form CMS-64 summary sheet is a one-page summary sheet summarizing the total expenditures reported for the quarter. The remaining forms provide additional detail and support the entries made on the summary sheet.

o **CMS-64.9f**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Summary Sheet. The form CMS-64.9f is a one-page summary sheet summarizing the total expenditures reported for the quarter, by line and by categories of funding.

o **CMS-64.9 BASE**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Expenditures in this Quarter. The form CMS-64.9 BASE is comprised of two pages that are used for detailing, by category, current quarter program expenditures by type of service (e.g., clinical services, dental services). The total figures from the form CMS-64.9 BASE are transferred to the form CMS-64 Summary Sheet, Line 6, columns (a) and (b). This information will be computer generated from the CMS-64.9 and CMS-64.9 Waivers.

o **CMS-64.9**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Expenditures in this Quarter. The form CMS-64.9 is comprised of two pages that are used for detailing, by category, current quarter program expenditures by type of service (e.g., clinical services, dental services). These expenditures are non-waiver expenditures. The total figures from the form CMS-64.9 are transferred to the form CMS-64.9 BASE.

o **CMS-64.9T**

Medical Assistance Expenditures by Type of Service for the Medical Assistance Program, Expenditures in This Quarter. The form CMS-64.9T supports claims or adjustments for current year which are transferred to the form CMS-64 summary sheet and noted on Lines 6, columns (a) and (b). It contains the same service categories as the form CMS-64.9. This two-page form details the program expenditures, by category, arraying the expenditures by Medicaid and SCHIP. These expenditures are non-waiver expenditures. The total figures from the form CMS-64.9 are transferred to the form CMS-64.9 BASE.

o **CMS-64.9 Waiver**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Expenditures in this Quarter. The form CMS-64.9 Waiver is comprised of two pages that are used for detailing, by category, current quarter program expenditures by type of service (e.g., clinical services, dental services). The total figures from each form CMS-64.9 Waiver are transferred to the form CMS-64.9 BASE.

o **CMS-64.9T Waiver**

Medical Assistance Expenditures by Type of Service for the Medical Assistance Program, Expenditures in This Quarter. The form CMS-64.9T Waiver is composed of two-page form details the program expenditures, by category, arraying the expenditures by Medicaid and SCHIP. The total figures from each form CMS-64.9 Waiver are transferred to the form CMS-64.9 BASE.

o **CMS-64.9p**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Prior Period Adjustment. The form CMS-64.9p supports claims or adjustments for prior period (years) which are transferred to the form CMS-64 summary sheet and noted on Lines 7, 8, 10.A., and 10.B., columns (a) and (b). It contains the same service categories as the form CMS-64.9. This two-page form details the program expenditures, by category, arraying the expenditures by fiscal year. A separate form CMS-64.9p is prepared to support each fiscal year and each line entry (Lines 7, 8, 10.A., and 10.B.) on the summary sheet. The prior period waiver-related expenditures are reported on a separate CMS form, CMS-64.9p Waiver. A separate form CMS-64.9p must be filed for each waiver including HCBS waivers.

o **CMS-64.9Tp**

Medical Assistance Expenditures by Type of Service for the Medical Assistance Program, Prior Period Adjustment. The form CMS-64.9Tp supports claims or adjustments for prior period (years) which are transferred to the form CMS-64 summary sheet and noted on Lines 7, 8, 10.A., and 10.B., columns (a) and (b). It contains the same service categories as the form CMS-64.9. This two-page form details the program expenditures, by category, arraying the expenditures by fiscal year. A separate form CMS-64.9Tp is prepared to support each fiscal year and each line entry (Lines 7, 8, 10.A., and 10.B.) on the summary sheet. The prior period waiver-related expenditures are reported on a separate CMS form, CMS-64.9Tp Waiver.

o **CMS-64.9p Waiver**

Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, Prior Period Adjustment. The form CMS-64.9p Waiver supports waiver claims or adjustments for prior period (years) which are transferred to the form CMS-64 summary sheet and noted on Lines 7, 8, 10.A., and 10.B., columns (a) and (b). It contains the same service categories as the form CMS-64.9. This two-page form details the program expenditures, by category, arraying the expenditures by fiscal year. A separate form CMS-64.9p Waiver is prepared to support each fiscal year and each line entry (Lines 7, 8, 10.A., and 10.B.) on the summary sheet.

o **CMS-64.9Tp Waiver**

Medical Assistance Expenditures by Type of Service for the Medical Assistance Program, Prior Period Adjustment. The form CMS-64.9Tp Waiver supports waiver claims or adjustments for prior period (years) which are transferred to the form CMS-64 summary sheet and noted on Lines 7, 8, 10.A., and 10.B., columns (a) and (b). It contains the same service categories as the form CMS-64.9. This two-page form details the program expenditures, by category, arraying the expenditures by fiscal year. A separate form CMS-64.9Tp Waiver is prepared to support each fiscal year and each line entry (Lines 7, 8, 10.A., and 10.B.) on the summary sheet

o **CMS-64.9a**

The form CMS-64.9a details TPL collections and cost avoidance information. Total figures from this one page form are entered on the CMS-64 summary sheet on line 9.A., columns (a) and (b).

o **CMS-64.9d**

Allocation of Disproportionate Share Hospital Payment Adjustments to Applicable FFYs. The form CMS-64.9d has been created to track payments of DSH by Federal Fiscal Year. This one page form details, by Inpatient Hospital Services and Mental Health Facility Services, details the allotment and DSH payments by Federal Fiscal Years. This is authorized under Section 1923(f) of the Act.

o **CMS-64.9o**

The form CMS-64.9o reports the Medicaid overpayments not collected nor adjusted, but refunded because of the expiration of the 60-day time limit for overpayments which occurred on or after October 1, 1985. This is authorized under Section 1903(d)(2) of the Act. Total figures of all CMS-64.9o forms are entered on the form CMS-64 summary sheet on Line 10.C.

o **CMS-64.9r**

The form CMS-64.9r has been created to report the aging of pending Drug Rebate collections for Total Computable. This is authorized under Section 1927(c)(1) of the Act.

o **CMS-64.10 BASE**

Expenditures for State and Local Administration for the Medical Assistance Program, Expenditures in this Quarter. The form CMS-64.10 supports administrative expenditures reported on the summary sheet. This one page form details, by category, the current quarter expenditures for administering the Medicaid program. The total figures from the form CMS-64.10 BASE are transferred to the form CMS-64 Summary Sheet, Line 6, columns (c) and (d). This information will be computer generated from the CMS-64.10 and CMS-64.10 Waivers.

o **CMS-64.10**

Expenditures for State and Local Administration for the Medical Assistance Program, Expenditures in this Quarter. The form CMS-64.10 supports current non-waiver administrative expenditures. This one page form details, by category, the current quarter expenditures for administering the Medicaid program. The total figures from the form CMS-64.10 are transferred to the form CMS-64.10 BASE. The State agency must also file a separate form CMS-64.10 for each of its waivers granted to the State agency for which expenditures have been incurred.

o **CMS-64.10 Waiver**

Expenditures for State and Local Administration for the Medical Assistance Program, Expenditures in this Quarter. The form CMS-64.10 supports administrative waiver expenditures reported on the summary sheet. This one page form details, by category, the current quarter expenditures for administering the Medicaid program. The total figures from each form CMS-64.10 Waiver are transferred to the form CMS-64.10 BASE.

o **CMS-64.10p**

Expenditures for State and Local Administration for the Medical Assistance Program, Prior Period Adjustments. The form CMS-64.10p is similar to the form CMS-64.10 except that it addresses non-waiver adjustments to prior period expenditures. The totals from the form CMS-64.10p are transferred to the form CMS-64 summary sheet, Lines 7, or 8. or 10.A., or 10.B., columns (c) and (d). A separate form CMS-64.10p must be completed for each fiscal year.

o **CMS-64.10p Waiver**

Expenditures for State and Local Administration for the Medical Assistance Program, Prior Period Adjustments. The form CMS-64.10p Waiver is similar to the form CMS-64.10 Waiver except that it addresses adjustments to prior period expenditures. The totals from the form CMS-64.10p are transferred to the form CMS-64 summary sheet, Lines 7, or 8. or 10.A., or 10.B., column (c) and (d). A separate form CMS-64.10p Waiver must be completed for each waiver number.

o **CMS-64.11**

Summary Total of Receipts from form CMS-64.11A. The form CMS-64.11 has been created to summarize the information reported on the various CMS-64.11a forms. This is authorized under Section 1903(w) of the Act.

o **CMS-64.11A**

Actual Receipts by Plan Name. The form CMS-64.11a has been created to report the actual receipts by plan names form provider-related donation and health care related taxes, fees and assessments. This is authorized under Section 1903(w) of the Act.

NOTE: There are no forms numbered 64.1 through 64.8 because of form development and redevelopment over the years. There are also no forms detailing items 9.B. through 9.E. of the summary sheet because there is no need for further breakdown of these figures for reimbursement calculations.

o **CMS-64.21**

Quarterly Medical Assistance Expenditure by Children's Health Insurance Program Expenditure Categories. States use this form to report current quarter non-waiver expenditures for children who are determined presumptively eligible under Section 1920A of the Act.

o **CMS-64.21 Waiver**

Quarterly Medical Assistance Expenditure by Children's Health Insurance Program Expenditure Categories. States use this form to report current quarter waiver expenditures for children who are determined presumptively eligible under Section 1920A of the Act.

o **CMS-64.21U**

Quarterly Medical Assistance Expenditure Categories by Children's Health Insurance Program Expenditure Categories. States use this form to report current quarter non-waiver expenditures described under Section 1905(u)(2) and 1905(u)(3) of the Act.

o **CMS-64.21U Waiver**

Quarterly Medical Assistance Expenditure Categories by Children's Health Insurance Program Expenditure Categories. States use this form to report current quarter waiver expenditures described under section 1905(u)(2) and 1905(u)(3) of the Act.

o **CMS-64.21P**

Quarterly Medical Assistance Expenditures by Children's Health Insurance Program expenditure categories. States use this form to report prior period non-waiver expenditures for children who are determined presumptively eligible under Section 1920A of the Act.

o **CMS-64.21P Waiver**

Quarterly Medical Assistance Expenditures by Children's Health Insurance Program expenditure categories. States use this form to report prior period waiver expenditures for children who are determined presumptively eligible under Section 1920A of the Act.

o **CMS-64.21UP**

Quarterly Medical Assistance Expenditures by Children's Health Insurance Program Expenditure Categories, Prior Period Expenditures. States use this form to report prior period non-waiver expenditures described under Section 1905(u)(2) and (3) of the Act.

o **CMS-64.21UP Waiver**

Quarterly Medical Assistance Expenditures by Children's Health Insurance Program Expenditure Categories, Prior Period Expenditures. States use this form to report prior period waiver expenditures described under Section 1905(u)(2) and (3) of the Act.

o **CMS-21T Tracking**

Application of 20% Medicaid Allowance for FY 1998 Thru 2001 Allotment States Used in the Calculation of 20% Limit. System uses this form to verify that the SCHIP amount does not exceed the limits assigned by the law.

o **CMS-64.2 Narrative**

States will use this form to explain any unusual expenditure, entries on lines 4 and 5 of the summary sheet, CMP, etc.

o **CMS-64.21E**

Number of Children Served Related to Children's Health Insurance Program. States use this form to report the numbers of CHIP-related children, by service delivery system, that are served in the States' Medicaid programs based on age categories.

o **CMS-64EC**

Number of Children Served Related to Children's Health Insurance Program. States use this form to report the numbers of children (other than CHIP-related children), by service delivery system, that are served in the States Medicaid programs based on age categories.

o **CMS forms**

Although there are new regular and waiver forms, they do not result in an increase in burden as this information was originally reported on the CMS-64.9, CMS-64.9p, CMS-64.10, CMS-64.10p, CMS-64.21, CMS-64.21P, CMS 64.21U, and CMS 64.21Up.

o **I Forms**

Beginning 1st quarter FY 2002 CMS-64 expenditure reporting cycle, we added informational forms (I-forms) to the expenditure package. These forms were established as an outgrowth of the many ongoing requests from Congressional, Office of Management and Budget, Departmental, and other interest groups for special expenditure information that is not separately reported or identified on the expenditure reports. These expenditures are contained within other overall expenditure categories or line items. In response to these requests, on a regular basis we have had to conduct special state surveys in order to obtain the specified expenditure information. The use of these I-forms mitigate and/or eliminate the need for the special surveys or ad-hoc requests. These forms do not add into line 11 of the CMS-64 Summary Sheet.

The I-forms do not apply to the Territories and they will not need to address them.

o **CMS-64.9I**

States use this form to report current quarter service expenditure issues such as supplemental payment expenditures for certain providers and school-based services expenditures.

o **CMS-64.9pI**

States use this form to report prior quarter service expenditure issues such as supplemental payment expenditures for certain providers and school-based services expenditures.

o **CMS-64.10I**

States use this form to report current quarter administrative expenditure issues such as supplemental payment expenditures for certain providers and school-based services expenditures.

o **CMS-64.10pI**

States use this form to report current quarter administrative expenditure issues such as supplemental payment expenditures for certain providers and school-based services expenditures.

3. **Improved Information Technology**

CMS has developed an automated Medicaid expenditure system for use within CMS using electronic transfer between States and CMS for processing all State Medicaid expenditure data.

4. **Duplication/Similar Information**

The information covered by this request does not duplicate any data being collected. While the form CMS-37, Medicaid Program Budget Report, is used to collect expenditure data, it is used only to report estimated data on a quarterly basis for budgetary purposes. The form CMS-64 is the only means used by CMS to collect actual expenditure data on a quarterly basis.

5. Small Business

This information collection does not significantly impact small businesses.

6. Less Frequent Collection

Failure to collect the data on a quarterly basis may result in Federal funds not being returned promptly and properly to the Federal Government. States could misspend large sums of Federal funds undetected with no immediate mechanism of recovery. Conversely, there are instances where States are due Federal funds and delays in reimbursing States could cause financial hardships on a State and adversely impact the operation of the Medicaid program.

7. Special Circumstances

This request conforms with the guidelines in 5 CFR 1320.6.

8. Federal Register Notice/Outside Consultation

A 60-day Federal Notice was published on April 2, 2008, attached.

9. Payment/Gifts To Respondents

There were no payments/gifts to respondents.

10. Confidentiality

The form CMS-64 does not collect information on individuals and is not subject to the Privacy Act.

11. Sensitive Questions

There are no questions of a sensitive nature associated with this report.

12. Burden Estimate

Respondent Cost

The other 50 percent of the total reporting cost, shown below is the Medicaid State

agency cost. Respondent cost is, therefore, \$344,736.

Estimate of Burden

Current approved burden for the form CMS-64 is 18,144.

Total burden is calculated as follows:

81 hours per response multiplied by
4 responses per year multiplied by
56 respondents totals 18,144 burden hours.

This estimates is based on discussions with personnel who work in the Division of Financial Management, MB who are directly involved with the preparation and review of the forms.

13. Capital Cost

There is no capital cost.

14. Cost to the Federal Government

Federal Costs

The total Federal cost consists of central office review, regional office review, printing and distribution and the Federal share of State reporting costs. It is estimated to be \$2,061,212, computed as follows:

Central Office Costs

Both analyst and clerical costs are included in the review of the form CMS-64. Analysts' costs are based on reviewing 224 submissions per year (56 submissions times 4 quarters per year). Each review takes approximately 6 hours to complete for the form CMS-64. Analyst costs are based on an average of \$45 per hour totaling \$60,480. Clerical costs are based on the same number of submissions and half the review time at an average of \$19 per hour totaling \$12,768.

Printing and Distribution Costs

Printing and distribution costs are estimated to be \$7,100. This has been confirmed with CMS's Printing and Distribution Branch.

Regional Office Costs

Regional office costs are calculated as follows: 2,080 total hours per person year, multiplied by 90 full time financial management employees totals 187,200 hours. It is

estimated that 23 percent of total staff time is spent on analysis of the form CMS-64 at a cost of \$38 per hour (GS-12/5) totaling \$1,636,128 (187,200 x 23% x 38).

Federal Share of State Reporting Costs

The total Federal share is half of the total State reporting costs and is estimated to be \$344,736 and is computed as follows:

18,144	total reporting hours
<u>X\$ 38.00</u>	cost per hour
\$ 689,472	total reporting costs
<u>Divided by 50</u>	% Federal Share
\$344,736.00	

15. Changes in Program/Burden

There were no Program/Burden Changes.

16. Publication and Tabulation Data

The results of this information collection are not planned for publication for statistical use nor does this information collection employ statistical research methodologies.

17. Expiration Date

CMS would like to display the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.