

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS

**Request for External Review (3206-NEW); Model Notice of Final Internal Adverse Benefit Determination, External Review Intake Form, and External Review Authorized Representative Form**

**PART A: JUSTIFICATION**

**1. Explain the circumstances that make the collection of information necessary. Include identification of any legal or administrative requirements that necessitate the collection.**

Section 1334 of the Patient Protection and Affordable Care Act, Pub. L. 111-148, as amended by the Health Care Education Reconciliation Act, Pub. L. 111-152 (together, “Affordable Care Act”), directed OPM to enter into contracts with health insurance issuers to offer coverage on Exchanges (also called “Health Insurance Marketplaces”) throughout the 50 States and the District of Columbia. OPM issued final regulations for the establishment of the Multi-State Plan (MSP) Program on March 11, 2013, 78 Fed. Reg. 15560, which outlined an external review process that would be available to MSP enrollees.

The regulations state that “OPM will conduct external review of adverse benefit determinations using a process similar to OPM review of disputed claims under [the Federal Employees Health Benefits Program] . . . .” 45 C.F.R. 800.503(a). A necessary part of conducting external review of adverse benefit determinations is accepting requests for external review from MSP enrollees.

OPM is submitting to OMB a request for review and clearance of a new information collection, Request for External Review, comprising three forms: (1) Model Notice of Final Internal Adverse Benefit Determination (“Model Notice”), (2) External Review Intake Form (“Intake Form”), and (3) External Review Authorized Representative Form (“Authorized Representative Form”).

**2. Indicate how, by whom, and for what purpose the information is to be used.**

MSP issuers would use the Model Notice to provide written notice to enrollees about the result of any final internal adverse benefit determination, their external review rights, and how they may file a request for external review. MSP enrollees, and their authorized representatives, would use the Intake Form to initiate a request for external review about a denied claim. MSP enrollees, and their authorized representatives, would use the Authorized Representative Form to designate an individual who can act on an MSP enrollee’s behalf regarding a request for external review

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.**

MSP issuers may distribute the Model Notice through their existing communication channels, including electronic means if applicable. The Intake and Authorized Representative Forms will

be electronically available on OPM's website and MSP enrollees, and their authorized representatives, can also submit them via e-mail, fax, or postal mail.

**4. Describe efforts to identify duplication.**

Duplication will be minimized because OPM is responsible for administering the MSP Program and is therefore the only entity collecting this information.

**5. If the collection of information impacts small businesses or other small entities, describe the methods used to minimize the burden.**

Not applicable.

**6. Describe the consequence to Federal program or policy activities if the collection were conducted less frequently.**

This is an occasional collection. Not collecting this information will impair the ability of MSP enrollees to request external review, communicate a complaint, and send an inquiry. Moreover, failure to collect information may impair OPM's ability to effectively implement the MSP Program.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.**

Not applicable.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to OMB.**

The 60-day *Federal Register* notice published on August 2, 2013 (78 FR 47016). The 30-day *Federal Register* notice published on November 26, 2013 (78 FR 70598).

**9. Explain any decision to provide any payment or gift to respondents other than re-enumeration of contractors or grantees.**

Not applicable.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Access to the information collected on this questionnaire will be strictly controlled and limited to appropriate OPM personnel and other authorized Federal personnel. This information will be used strictly for routine uses related to the MSP Program, and will not be otherwise distributed or released. The responses will be submitted via fax, email, Internet, or postal mail, and will be maintained in confidential files. All authorized personnel with access to this information agree to and adhere to rules of behavior on the safe handling of data when accessing information collected. All records developed from the information collected will be purged and destroyed in

accordance with record keeping schedules. OPM certifies that the information collection complies with the Privacy Act of 1974. OPM also published a System of Records Notice in the *Federal Register* on October 30, 2013 (78 FR 65011).

**11. Provide additional justification for any questions of a sensitive nature such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

Not applicable.

**12. Provide estimates of the hour burden of collection of information.**

For the Model Notice, we estimate that it will take MSP issuers about 5 minutes to produce one Model Notice using existing electronic systems. We estimate that MSP issuers (estimated to be about 40) will have to produce about 4,488 such Model Notices over the course of a year. For the Intake Form, we estimate that it will take MSP enrollees, or their authorized representatives, about 1 hour to complete the Intake Form. We estimate that about 800 MSP enrollees would fill out the Intake Form over the course of a year. For the Authorized Representative Form, we estimate that it will take MSP enrollees, or their authorized representatives, about 5 minutes to complete the Authorized Representative Form. We estimate that about 200 MSP enrollees would fill out the Case Intake Form over the course of a year.

	Model Notice of Final Internal Adverse Benefit Determination	Intake Form	Authorized Representative Form
Number of Respondents	4,488	800	200
Estimated Time (Hours) Per Respondent	0.08	1	0.08
Total Burden Hours	359	800	16

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

The total costs are estimated by multiplying the number of responses by the amount of time required to prepare the documents and then multiplying the hour burden by the appropriate hourly cost. As indicated in Question 12, OPM estimates that each Model Notice will take about 5 minutes to prepare. The Model Notice will be prepared by clerical workers who have an hourly wage of \$24.14.<sup>1</sup> Accordingly, the total annual cost burden is \$24.14/hr \* 359 hrs = \$8,667.

There will not be a cost to respondents to fill out the Intake Form or Authorized Representative Form.

**14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost which should include quantification of hours, operational expenses (such as equipment, overhead, printing and support staff) and any other expenses that would not have been incurred without the paperwork burden.**

<sup>1</sup> <http://www.bls.gov/news.release/pdf/ocwage.pdf>

OPM makes the following assumptions about the cost and burden associated with data collection. External Review intake forms will be collected by lower- and mid-level professionals who will perform the initial review of each case. These professionals will each receive approximately five intake forms per day and spend approximately 15 minutes reviewing each. A supervisor will oversee the review of the intake forms and conduct a subsequent review for approximately ten hours per week. Each form received will finally be assessed by a nurse who will devote approximately 15 minutes reviewing each, or 25 hours per week.

Type of Personnel (Number of Professionals)	Wage per Hour*	Hours per Week per Professionals
Lower-level Professional—GS-9 (1)	\$25.00	6.25
Mid-level Professional—GS-11 (3)	\$30.00	6.25
Supervisor—GS-14 (1)	\$50.00	10
Nurse—GS-13 (1)	\$43.00	25

**Total Weekly Hours:** 60

**Total Weekly Costs:**

1 x \$25.00 x 6.25 = \$156.25

3 x \$30.00 x 6.25 = \$562.50

1 x \$50.00 x 10 = \$500.00

1 x \$43.00 x 25 = \$1075.00

**Total Annual Cost for Data Collection:**

(\$156.25 + \$562.50 + \$500.00 + \$1075.00) \* 52 weeks = \$119,275

\*Source: 2013 General Schedule Locality Pay Table for the locality pay area of Washington-Baltimore-Northern Virginia. [http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2013/general-schedule/dcb\\_h.pdf](http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2013/general-schedule/dcb_h.pdf).

**15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.**

Not applicable.

**16. For collections of information whose results will be published, outline plans for tabulation and publication.**

Not applicable. The results of this information collection will not be published.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate**

We do not seek approval to not display the expiration date.

**18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-I.**

No exceptions.