

Information Collection for Machine Readable Data for Provider Network and Prescription Formulary Content for FFM QHPs

(CMS-10558/OMB control number 0938-1284)

A. Background

On March 23, 2010, the President signed into law the Patient Protection and Affordable Care Act (P.L. 111-148). On March 30, 2010, the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) was signed into law. The two laws are collectively referred to as the Affordable Care Act. The Affordable Care Act (ACA) established new competitive private health insurance markets called Marketplaces, or Exchanges, which gave millions of Americans and small businesses access to affordable, quality insurance options that meet certain requirements. These requirements include ensuring sufficient choice of providers and providing information to enrollees and prospective enrollees on the availability of in-network and out-of-network providers.

Under 45 CFR 156.122(d)(1)(2) and 156.230(c) and in the final rule, the *Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2018* (CMS-9934-F), standards for qualified health plan (QHP) issuers are established for the submission of provider and formulary data in a machine-readable format to the Department of Health and Human Services (HHS) and for posting on issuer websites. These standards provide greater transparency for consumers, including by allowing software developers to access formulary and provider data to create innovative and informative tools. The Centers for Medicare and Medicaid Services (CMS) is continuing an information collection request (ICR) in connection with these standards. On September 30, 2015, the Office of Management and Budget (OMB) granted approval to the data collection *Information Collection for Machine Readable Data for Provider Network and Prescription Formulary Content for FFM QHPs* under OMB control number 0938-1284.

B. Justification

1. Need and legal basis

Section 156.122(d) is effective beginning for the 2016 plan year. In order to increase and enhance transparency of QHP formulary information, issuers must publish an up-to-date, accurate, and complete list of all covered drugs beginning for the 2016 plan year. Section 156.122(d)(1) requires formularies to list all drugs that fall under the category of essential health benefits (EHB) and provide the formulary drug list that specifies all drug names currently covered by the plan. QHP issuers (including Small Business Health Options Program (SHOP) issuers but excluding stand-alone dental plans (SADP) issuers) must provide complete, accurate, and up-to-date formulary information for consumers on their website and update this information not less than monthly. Section 156.122(d)(2) requires a QHP¹ in the FFMs to publish information regarding the formulary drug list on its website in an HHS-specified format and to submit this information to

¹ 156.122(d)(2) includes individual and SHOP QHPs, but not SADPs

HHS, in a format and at times determined by HHS. A machine-readable file or a format specified by HHS will increase transparency by allowing software developers to access this information to create innovative and informative tools to help enrollees better understand plans' drug lists. QHP issuers must update the drug information in a machine-readable format not less than monthly. QHP issuers must submit drug information by "RxNorm Concept Unique Identifier" (RxCUI,) including all drug formulations covered.

Section 156.230(b) is effective for plan years beginning on or after January 1, 2016. Section 156.230(b)(1) requires a QHP issuer to publish an up-to-date, accurate, and complete provider directory, including information on which providers are accepting new patients, the provider's location, contact information, specialty, medical group, and any institutional affiliations, in a manner that is easily accessible to plan enrollees, prospective enrollees, States, the Exchange, CMS, and the Office of Personnel Management (OPM). Section 156.230(b)(2) specifies that a QHP issuer must update the directory information at least once a month. Section 156.230(c) requires QHP issuers including SADP issuers and issuers in SHOP, to make information about providers in its provider networks available to HHS in a specified format at times determined by HHS, and to make the information available on their websites. The machine-readable file will increase transparency by allowing software developers to access formulary and provider data and create innovative and informative tools to assist enrollees in understanding plans' provider networks.

2. Information Uses

We expect software developers and CMS to access this information to create and maintain tools to help enrollees better understand the availability of drugs and providers in a specific plan.

3. Use of Information Technology

CMS anticipates that the availability of provider and formulary information will aid consumers in efficiently selecting and using their QHP benefits.

CMS anticipates that establishing machine-readable files with this data will provide the opportunity for third parties to create resources that aggregate information on different plans and thus improve transparency.

4. Duplication of Efforts

We anticipate no duplication of effort for issuers.

QHP issuers currently provide URLs for consumer formulary and provider information as part of the *Initial Plan Data Collection to Support QHP Certification and other Financial Management and Exchange Operations* (OMB Control Number 0938-1187).

Additionally, QHP issuers will provide to HHS URLs containing provider and formulary information in a machine-readable format. The format for the data will be specified by HHS. The machine-readable URLs will be collected by CMS through a separate reporting process, e.g., through an email address set up by CMS for this purpose.

5. Small Business

QHP issuers will incur costs to make this information available on their websites and to HHS. However, CMS does not have reason to believe that any issuers are small businesses. The data collection will benefit consumers, including small businesses that may wish to purchase coverage through the SHOP.

6. Less Frequent Collection

The burden associated with this information collection consists of QHP issuers updating provider and formulary information. QHP issuers are required to make this information available to consumers and CMS. Since provider contracts and formularies change frequently, less frequent collection increases inaccuracy of data due to changes over time. CMS requires QHP issuers to update formulary data and provider data not less frequently than monthly.

7. Special Circumstances

There are no anticipated special circumstances.

8. Federal Register/Outside Consultation

In the proposed rule *Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2018* (CMS-9934-F), CMS proposed and solicited comment on 45 CFR §156.230 and §156.122. CMS has consulted with states, issuers, and industry regarding the feasibility of these requirements.

The 60-day Federal Register Notice was published on May 26, 2017 (82 FR 24350). No comments were received. A Federal Register notice will be published for a 30-day period for the public to submit written comment on the information collection requirements.

9. Payments/Gifts to Respondents

No payments and/or gifts will be provided.

10. Confidentiality

To the extent of the applicable law and HHS policies, we will maintain consumer privacy with respect to the information disclosed.

11. Sensitive Questions

No sensitive questions are included in these notice requirements.

12. Burden Estimates (Hours & Wages)

The following section of this document contains an estimate of the burden imposed by the associated ICRs. The burden estimates reflect the time and effort for QHP issuers to update and publish the appropriate data, and submit it to CMS.

The salaries for the computer programmer and pharmacist were taken from the Bureau of Labor Statistics (BLS) web site (<http://www.bls.gov/ooh/>). The salaries for the health policy analyst and the senior manager were taken from the Office of Personnel Management web site.

We estimate 397 QHP issuers will be subject to this requirement, based on the number of issuers that were approved to offer QHPs in the 2017 plan year. Information regarding the data fields that we propose issuers provide is contained in Appendix A. Appendix A is also posted on: <https://github.com/CMSgov/QHP-provider-formulary-APIs/tree/2017-changes>. Issuers will communicate their URLs for their JSON file locations through an online submission form located at <https://marketplace.cms.gov/submission/>. The form contents can also be found in Appendix B.

In the first year, we estimate that there will be about 20 new QHP issuers that will need to fulfill these requirements for the first time, based on the rate of new issuers entering the marketplace in prior years. We estimate that it will take a pharmacist 8 hours (at \$116.82 per hour), a health policy analyst 28 hours (at \$73.10 per hour), an operations analyst 2 hours (at \$75.60 per hour), a computer programmer 94 hours (at \$76.48 per hour), and a senior manager 4 hours (at \$118.44 per hour) for new QHPs to fulfill these requirements in the first year. The total estimated burden is \$10,795.14 per issuer per year, or \$215,902.80 for all new issuers.

Table 1: Burden to New QHP Issuers in Year 1

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Costs (per Respondent)	Total Burden Cost (All Respondents)
Pharmacist	1	\$116.82 ²	8	\$934.56	
Health Policy Analyst	1	\$73.10	28	\$2,046.80	
Operations Analyst	1	\$75.60 ³	2	\$151.20	
Computer	1	\$76.48 ⁴	94	\$7,189.12	

² Bureau of Labor Statistics. Pharmacists. <https://www.bls.gov/ooh/healthcare/pharmacists.htm>.

³ Bureau of Labor Statistics. Operations Research Analysts. <https://www.bls.gov/ooh/math/operations-research-analysts.htm>.

⁴ Bureau of Labor Statistics. Computer Programmers. <https://www.bls.gov/ooh/computer-and-information-technology/computer-programmers.htm>.

Programmer					
Senior Manager	1	\$118.44	4	\$473.46	
Total			136	10,795.14	\$215,903

QHP issuers that are not new will have the infrastructure in place to fulfill these requirements. For these issuers, we estimate that it will take a health policy analyst 18 hours per year (at \$73.10 per hour) and a computer programmer 18 hours per year (at \$76.48 per hour) to fulfill these requirements. This is a total of \$2,692.44 per issuer per year, or \$1,068,899 for 377 issuers.

Table 2: Burden to Existing QHP Issuers in Year 1

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Costs (per Respondent)	Total Burden Cost (All Respondents)
Health Policy Analyst	1	\$73.10	18	\$1,315.80	
Computer Programmer	1	\$76.48	18	\$1,376.64	
Total			36	\$2,692.44	\$1,015,050

In years two and three, we estimate that it will take a health policy analyst 18 hours per year (at \$73.10 per hour) and a computer programmer 18 hours per year (at \$76.48 per hour) to fulfill these requirements for all issuers. This is a total of \$2,692.44 per issuer per year, or \$1,068,899 for all 397 issuers.

Table 3: Burden to QHP Issuers in Years 2 and 3

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Costs (per Respondent)	Total Burden Cost (All Respondents)
Health Policy Analyst	1	\$73.10	18	\$1,315.80	
Computer Programmer	1	\$76.48	18	\$1,376.64	
Total			36	\$2,692.44	\$1,068,899

The aggregate cost for years one through three across all 397 issuers is \$2,299,852 (\$1,230,953 in year one + \$1,068,899 x 2 for years two and three).

13. Capital Costs

There are no additional capital costs.

14. Cost to Federal Government

There are no additional costs to the federal government.

15. Changes to Burden

There is a reduction in burden of -16,224 hours from the original ICR. This is because this ICR represents a continuation of activities and most issuers will therefore not incur initial set-up time.

16. Publication/Tabulation Dates

The updating of provider and formulary data occurs monthly. The data collected will be submitted to CMS and made public through the QHP issuers' websites on a recurring basis to ensure the most up-to-date information is available to Marketplace consumers.

17. Expiration Date

The expiration date and OMB control number will be displayed on each instrument (top, right-hand corner). There are no instruments associated with this collection.