

Supporting Statement – Part A  
Medicaid Eligibility and Enrollment (EE)  
Implementation Advanced Planning Document (IAPD) Template  
CMS-10536, OMB 0938-1268

**Background**

Title XIX of the Social Security Act and regulations at 42 Code of Federal Regulations (CFR) Part 433, Subpart C make available enhanced Federal financial participation (FFP) to states for the design, development, and implementation of mechanized claims processing and information retrieval systems used in State Medicaid Programs as well as for the ongoing operation of those systems. The Final Rule, CMS-2346-F, published in the Federal Register on April 19, 2011, makes clear that Medicaid eligibility determination systems are included in the definition of mechanized claims processing and information retrieval systems and are therefore eligible for enhanced FFP. This enhanced FFP will allow states to build and maintain Medicaid eligibility determination systems that will provide more efficient, economical, and effective administration of the Medicaid program as well as address the changes to the Medicaid program under the Affordable Care Act.

Title XIX of the Social Security Act and CMS-2346-F provide 90 percent FFP to states for the design, development and implementation of Medicaid eligibility determination systems, and 75 percent FFP for the operation and maintenance of those systems. To receive enhanced FFP for these systems, states must receive provide further detail on how the proposed system will address the standards and conditions identified in 42 CFR § 433.112(b). States must also receive prior approval from the Centers for Medicare & Medicaid Services (CMS) through the submission of an Advanced Planning Document (APD).

In order to justify a request for enhanced FFP to support Medicaid eligibility determination system costs, states must provide sufficient information and documentation in an APD to CMS for review.

CMS is requesting OMB approval of an extension for this information collection via the Paperwork Reduction Act. We are not making any changes to the template or to our burden estimates.

**A. Justification**

1. Need and Legal Basis

In order to assess the appropriateness of states' requests for FFP for expenditures under Title XIX of the Social Security Act related to Medicaid eligibility determination systems, CMS must have sufficient information and documentation. CMS authorized funding for state requests for enhanced FFP for expenditures related to Medicaid eligibility determination systems in the Final Rule, CMS-2346-F, published in the Federal Register on April 19, 2011.

States must request prior approval for this enhanced FFP through submission of an APD. CMS

regulations concerning mechanized claims processing and information retrieval systems, including Medicaid eligibility determination systems, are at 42 CFR part 433, subpart C. A state that chooses to develop, enhance, or replace its required system or subsystems must first submit for approval an APD. The general Health and Human Services (HHS) requirements for approval of APDs are at 45 CFR part 95, subpart F, and 42 CFR 457.230.

This template is mandatory. The IAPD template is intended to reduce the burden on states by clearly indicating the information required for a successful submission.

## 2. Information Users

To justify a request for enhanced FFP to support Medicaid eligibility determination system costs, states must provide CMS with sufficient information and documentation in an APD.

To assess the appropriateness of states' requests for enhanced FFP for expenditures under the Social Security Act related to Medicaid eligibility determination systems, CMS staff will review the submitted information and documentation in order to make an approval determination for the APD.

## 3. Use of Information Technology

The APD template is available in electronic format. We expect every submission to be forwarded to our agency using the electronic format. The document is completed in a user friendly format.

CMS is working with other components that use the APD process (such as for MMIS and the Medicaid EHR Incentive Program) to develop requirements for a portal solution for States to submit APDs and APD reports.

## 4. Duplication of Efforts

There is no duplication of effort on information associated with this collection.

## 5. Small Businesses

This collection does not impact small businesses.

## 6. Less Frequent Collection

States are only required to provide this information if they are specifically seeking FFP for Medicaid eligibility determination systems. States that are not seeking FFP for this purpose do not need to submit this additional APD documentation. With the exception of the annual update, once any documents are approved, there is no need to resubmit additional documents, unless the state initiates a change. This process is a longstanding process to implement states' Medicaid IT systems and has been used for years.

## 7. Special Circumstances

There are no special circumstances that would 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

The 60-day notice published in the Federal Register on December 26, 2017 (82 FR 61002). No comments were received.

## 9. Payments/Gifts to Respondents

There are no payments of gifts associated with this collection.

## 10. Confidentiality

There is no personal identifying information collected in the documents. All the information is available to the public.

## 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 (Hours & Wages)

### *Wages*

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' May 2016

National Occupational Employment and Wage Estimates for all salary estimates ([http://www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm)). In this regard, the following table presents the mean hourly wage, the cost of overhead and fringe benefits (calculated at 100 percent of salary), and the adjusted hourly wage.

Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Overhead and Fringe Benefits (\$/hr)	Adjusted Hourly Wage (\$/hr)
Business Operations Specialists	13-1000	34.54	34.54	69.08

As indicated, we are adjusting our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and overhead costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, there is no practical alternative and we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

*Burden Estimates*

CMS estimates that it will take no more than 16 hours at \$69.08/hr for a business operations specialist to complete and submit the completed Implementation APD template and supporting documentation to CMS, assuming the State chooses to submit all the documents and/or all the documents at once.

Updates to the APD are only necessary if status updates occur. An annual update is required but should take states less time to complete.

The potential number of respondents is 56 (50 States, D.C., and 5 territories); we estimate that most states, if not all, will submit at least annually. Once approved, the state will not need to resubmit unless there is a need for revisions.

If all states complete and submit the templates once annually with two additional updates per year, CMS estimates the total annual burden of 2,688 hours (16 hr/submission x 3 submissions/yr x 56 respondents) at a cost of \$185,687 (2,688 hr x \$69.08/hr).

*Information Collection Instruments and Instruction/Guidance Documents*

Medicaid Eligibility and Enrollment (EE) Implementation Advanced Planning Document (IAPD) Template

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

CMS estimates that the review of the Implementation APD and supporting documentation will be approximately 6 hours assuming all of the documents are submitted simultaneously. CMS further estimates that one GS-13 Step 1 in the Baltimore area, where CMS Central Office is located, at an hourly rate of \$45.42/hr ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2017/DCB_h.pdf)) will be responsible for the review and approval of these documents.

As such, the cost to the Federal Government could be \$45,783.36 ( $\$45.42/\text{hr} \times 6 \text{ hr} \times 168$  submissions per year).

15. Changes to Burden

We are not making any changes to the template or to our burden estimates.

16. Publication/Tabulation Dates

There are no plans to publish the information for statistical use.

17. Expiration Date

The expiration date is displayed on the first page of the template.

18. Certification Statement

There are no exceptions to the certification statement.

**B. Collections of Information Employing Statistical Methods**

There are no statistical aspects of the design in this collection.