

**Collection of Premium Credit Data Related to COVID-19 Emergency  
(CMS-10751/OMB Control No. 0938-NEW)**

**A. Background**

The Patient Protection and Affordable Care Act, Public Law 111-148, enacted on March 23, 2010, and the Health Care and Education Reconciliation Act, Public Law 111-152, enacted on March 30, 2010 (collectively, “Affordable Care Act”), expand access to health insurance for individuals and employees of small businesses through the establishment of Affordable Insurance Exchanges. The Exchanges, which became operational by January 1, 2014, enhance competition in the health insurance market, expand access to affordable health insurance for millions of Americans, and provide consumers with a place to easily compare and shop for health insurance coverage.

The reporting requirements and data collection in the implementing regulations for the Exchanges and QHP issuers, 45 CFR Parts 155 and 156, address the minimum requirements that Qualified Health Plan (QHP) issuers must meet in order to comply with provisions in the Affordable Care Act with respect to participation in the Federally-facilitated Exchange (FFE) or a State-based Exchange (SBE). CMS currently has authority under CMS-10592/OMB Control No. 0938-1341 to collect enrollment reconciliation data from QHP issuers. At least monthly, QHP issuers and the FFE exchange enrollment and financial data files to verify the integrity of the enrollment transaction processing and resulting records. Under federal law and regulations, QHP issuers are generally not allowed to reduce premiums that are otherwise due. However, in light of the urgent need to help individuals and small employers experiencing economic hardship to maintain continuous coverage through the COVID-19 public health emergency,<sup>1</sup> CMS is adopting a policy of relaxed enforcement with respect to 45 CFR §§ 156.80(d), 45 CFR 156.210(a), and 155.400(e) and (g) to allow QHP issuers, on a temporary basis, to offer premium credits for 2020 coverage.

Internal Revenue Service (IRS) regulations require that Exchanges accurately report enrollee premiums to the IRS and to enrollees on the annual 1095-A tax form. To comply with existing reporting requirements, QHP issuers in states with a FFE or State-based Exchange on the Federal Platform (SBE-FP) that offer these premium credits must notify CMS of the parameters of these credits using the attached template

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<sup>1</sup>On January 31, 2020, CMS Secretary Alex M. Azar II declared that as of January 27, 2020, a public health emergency exists nationwide as the result of the 2019 novel coronavirus. See Determination of the CMS Secretary that a Public Health Emergency Exists, <https://www.phe.gov/emergency/news/healthactions/phe/Pages/2019-nCoV.aspx>. On April 21, 2020, the CMS Secretary renewed the COVID-19 public health emergency declaration, effective April 26, 2020. See <https://www.phe.gov/emergency/news/healthactions/phe/Pages/covid19-21apr2020.aspx>. On March 13, 2020, the President declared that the outbreak of COVID-19 in the United States constitutes a national emergency beginning March 1, 2020. See Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak, issued March 13, 2020, <https://www.whitehouse.gov/presidential-actions/proclamation-declaring-national-emergency-concerning-novelcoronavirus-disease-covid-19-outbreak/>.

(Appendix A - Template for 2020 Premium Credits Associated with the COVID-19 Public Health Emergency). QHP issuers offering premium credits in a state with an SBE that relies on its own eligibility and enrollment system will follow any requirements established by the SBE for reporting planned temporary premium credits.

QHP issuers must submit the attached template to notify CMS of all planned temporary premium credits for FFE or SBE-FP plans no later than October 1, 2020, regardless of the month(s) to which the credit will be applied. This submission seeks emergency OMB approval of the one-time data collection requirements associated with QHP issuers providing the template to CMS. CMS believes this collection is an extension of CMS policy and not subject to the notice and comment requirements of the Administrative Procedure Act.

## **B. Justification**

### **1. Need and Legal Basis**

The implementing regulations for the Exchanges and QHP issuers, 45 CFR Parts 155 and 156, contain provisions that mandate reporting and data collections necessary to ensure that QHP issuers are meeting the requirements of the Affordable Care Act. CMS believes the one-time collection of data in this template necessitated by the COVID-19 emergency is supported by current agency requirements for enrollment reconciliation that are already included in these rules. Collection of this information allows CMS to comply with specific IRS regulations within the context of the flexibility we are offering QHP issuers in response to the COVID emergency.

### **2. Information Users**

To ensure proper allocation of Advance Payments of the Premium Tax Credit (APTC) to the portion of premium that covers essential health benefits, CMS will adjust premium and APTC amounts in its enrollment data. CMS will also report to the IRS the premium and APTC changes in the issuer-submitted template for purposes of reconciliation to premium tax credits.

### **3. Use of Information Technology**

CMS anticipates that QHP issuers will fill out the template and email it to [fmcc@cms.hhs.gov](mailto:fmcc@cms.hhs.gov).

### **4. Duplication of Efforts**

This information collection does not duplicate any current information collection.

### **5. Small Businesses**

We estimate no burden on small businesses because this collection only applies to QHP issuers.

**6. Less Frequent Collection**

If this information is not collected, the result will be less accurate, untimely or unavailable enrollment or payment information for CMS, Exchanges and QHP issuers. This would lead to delayed payments to insurers; inaccurate or inappropriate payments of APTC; and the release of misleading information regarding health care coverage to enrollees.

**7. Special Circumstances**

45 CFR §§ 155.400(d) and 156.265(f) state that an Exchange and QHP issuers must reconcile enrollment files no less than on a monthly basis. This one-time collection of information for emergency purposes is critical to ensure accuracy of the ongoing reconciliation process.

**8. Federal Register/Outside Consultation**

A notice published in the Federal Register on August 17, 2020 (85 FR 50027), providing the public with a 10-day period to submit comments on this information collection. Two comments were received; however, the comments do not specifically address the purpose of this Paperwork Reduction Act (PRA) package and are outside of the scope of this notice.

**9. Payments/Gifts to Respondents**

No payments and/or gifts will be provided to respondents.

**10. Confidentiality**

All information will be kept private pursuant to applicable laws/regulations.

**11. Sensitive Questions**

There are no sensitive questions included in this information collection effort.

**12. Burden Estimates (Hours & Wages)**

We estimate that 175 FFE and SBE-FP QHP issuers will elect to offer premium credits for 2020 coverage, and thus be subject to this requirement. We utilize data from the U.S Bureau of Labor Statistics (BLS) to derive average costs for all estimates of salary in establishing the information collection requirements. Salary estimates include the cost of fringe benefits and overhead calculated at 100 percent of total labor costs, which is based on the BLS May 2019 National Occupational Employment and Wage Estimates ([http://www.bls.gov/oes/current/oes\\_nat.htm#31-0000](http://www.bls.gov/oes/current/oes_nat.htm#31-0000)).

### Adjusted Hourly Wages Used in Burden Estimates

Occupation Title	Occupational Code	Mean Hourly Wage (\$/hour)	Fringe Benefits and Overhead (\$/hour)	Adjusted Hourly Wage (\$/hour)
Health Policy Analyst	13-1199	\$37.00	\$37.00	\$74.00

### Enrollment Process for Qualified Individuals (§ 156.265(f))

45 CFR § 156.265(f) states that a QHP issuer must reconcile enrollment files with the Exchange no less than once a month in accordance with § 155.400(d). QHP issuers and the FFE exchange enrollment and financial data files to verify the integrity of the enrollment transaction processing and resulting records. The FFE employs an automated monthly reconciliation process comparing certain data fields with issuer data. Reconciliation ensures that QHP issuers and the Exchanges have equivalent enrollment and payment information. Accurate enrollment information allows CMS to make correct payments for APTC and to assess FFE user fees. It also prevents multiple enrollments by one individual and ensures that the data used for analytics and metrics are accurate. We estimate that it will take 1 hour for a health policy analyst of a QHP issuer to collect and submit the information included in this template for a total of 175 hours across all QHP issuers.

Labor Category	Number of Employees	Burden Hourly Labor Costs	Burden Hours	Total Burden Costs per QHP Issuer	Total Burden Costs (175 QHP issuers)
Health Policy Analyst	1	\$74.00	1	\$74.00	\$12,950

### **13. Capital Costs**

There are no capital costs associated with this collection since it will leverage existing infrastructure and operational processes.

### **14. Cost to Federal Government**

The annual burden to the Federal Government to ensure compliance of QHPs with this reporting requirement is \$393.52. The calculations for Federal employees' hourly salary were obtained from the OPM Web site:

<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2020/general-schedule/>.

<b>Task</b>	<b>Estimated Cost</b>
Review of QHP Issuer Data	
1 GS-13 x \$49.19 x 8 hours	\$393.52

**15. Changes to Burden**

This is a new collection so there is no change to burden.

**16. Publication/Tabulation Dates**

Results from this collection will not be published.

**17. Expiration Date**

The expiration date and OMB control number will be displayed on the template (top right-hand corner).

