Supporting Statement for Billing and Collection of the Separate Payment for Certain Abortion Services (CMS-10681/OMB control number: 0938-NEW)

A. Background

On March 23, 2010, the Patient Protection and Affordable Care Act (PPACA; P.L. 111-148) was signed into law, and on March 30, 2010, the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) was signed into law. The two laws implement various health insurance policies.

Section 1303 of the PPACA, as implemented in 45 CFR 156.280, specifies standards for issuers of qualified health plans (QHPs) through the Exchanges that cover abortion services for which public funding is prohibited (also referred to as non-Hyde abortion services). The statute and regulations establish that, unless otherwise prohibited by state law, a QHP issuer may elect to cover such non-Hyde abortion services. If a QHP issuer elects to cover such services under a QHP sold through an individual market Exchange, the issuer must take certain steps to ensure that no premium tax credit or cost-sharing reduction funds are used to pay for abortion services for which public funding is prohibited. One such step is that QHP issuers must determine the amount of, and collect from each enrollee, a "separate payment" for an amount equal to the actuarial value of the coverage for abortions for which public funding is prohibited,[1] which must be no less than $1.00 per enrollee per month. QHP issuers must also segregate funds for non-Hyde abortion services collected through this payment into a separate allocation account used exclusively to pay for non-Hyde abortion services.

In the *Patient Protection and Affordable Care Act; Establishment of Exchanges and Qualified Health Plans; Exchange Standards for Employers* (2012 Exchange Establishment Rule) (77 FR 18310), we codified the statutory provisions of section 1303 of the PPACA in regulation at 45 CFR 156.280.

Segregation Plan

Under 45 CFR §156.280(e)(5)(ii), each QHP issuer that offers coverage for non-Hyde abortion services must submit to the State Insurance Commissioner a segregation plan describing how the QHP issuer establishes and maintains separate allocation accounts for any QHP covering non-Hyde abortion services, and pursuant to §156.280(e)(5)(iii), each QHP issuer must annually attest to compliance with PPACA section 1303 and applicable regulations. This segregation plan is used to verify that the QHP issuer's financial and other systems fully conform to the segregation requirements required by the PPACA. The Centers for Medicare and Medicaid Services (CMS) is merging this information collection request (ICR) associated with the segregation plan requirements under 45 CFR §156.280(e)(5)(ii) with the ICR for the separate billing policy CMS-10681/OMB control number: 0938-NEW finalized in the Patient Protection and Affordable Care Act; Exchange Program Integrity (Program Integrity Rule) (CMS-9922-F), at §156.280(e)(2)(ii). Upon approval of the ICR, CMS will request to discontinue the segregation plan ICR CMS-10400/OMB control number: 0938-1156.

The burden estimate for the ICR in connection with the segregation plan requirement under 45 CFR §156.280(e)(5)(ii) included in this package reflects the time and effort for QHP issuers to submit a segregation plan that demonstrates how the QHP issuer segregates QHP funds in accordance with

[1] Section 1303 also specifies how such actuarial value is to be calculated.

applicable provisions of generally accepted accounting requirements, circulars on funds management of the Office of Management and Budget (OMB) and guidance on accounting of the Government Accountability Office. CMS is also combining with this package the ICR in connection with the annual attestation requirement under 45 CFR § 156.280(e)(5)(iii). The burden estimate for this ICR reflects the time and effort associated with QHP issuers submitting an annual attestation to the State Insurance Commissioner attesting to compliance with section 1303 of the PPACA.

Separate Billing

On February 27, 2015, we published the Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2016, (80 FR 10750) (2016 Payment Notice) providing guidance regarding acceptable billing and premium collection methods for the portion of the consumer's total premium attributable to non-Hyde abortion coverage for purposes of satisfying the statutory separate payment requirement. We stated that the QHP issuer could satisfy the separate payment requirement in one of several ways, including by sending the enrollee a single monthly invoice or bill that separately itemizes the premium amount for non-Hyde abortion services; sending the enrollee a separate monthly bill for these services; or sending the enrollee a notice at or soon after the time of enrollment that the monthly invoice or bill will include a separate charge for such services and specify the charge. In the 2016 Payment Notice, we also stated that a consumer may make the payment for non-Hyde abortion services and the separate payment for all other services in a single transaction. On October 6, 2017, we released a bulletin that discussed the statutory requirements for separate payment, as well as this previous guidance with respect to the separate payment requirement.[2]

In the Program Integrity Rule, we finalized at §156.280(e)(2)(ii) amendments relating to billing of the policy holder's portion of the premium attributable to non-Hyde abortion services. Specifically, we finalized that:

(1) QHP issuers must send an entirely separate monthly bill to the policy holder for only the portion of premium attributable to non-Hyde abortion coverage;
(2) QHP issuers are permitted to send this separate bill in the same mailing as the bill for the other portions of the policy holder's premium when sending the bill in an envelope;
(3) QHP issuers sending bills through email or other electronic means must send the separate bill in a separate email or electronic communication from the bill for the other portions of the policy holder's premium;
(4) QHP issuers must instruct policy holders to pay the portion of their premium attributable to non-Hyde abortion coverage in a separate transaction from any payment the policy holder makes for the portion of their premium not attributable to non-Hyde abortion. However, if the policy holder fails to pay each of these amounts in a separate transaction as instructed by the issuer, the issuer may not initiate a grace period or terminate the policy holder's QHP coverage on this basis; and
(5) QHP issuers will be required to begin complying with this policy on or before the first billing cycle following the date that is 6 months after publication of the final rule.

[2] CMS Bulletin Addressing Enforcement of Section 1303 of the Patient Protection and Affordable Care Act (October 6, 2017), *available at* https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Section-1303-Bulletin-10-6-2017-FINAL-508.pdf.

To reflect the final rule, CMS is amending the proposed ICRs to reflect the finalized policies and to account for the revised burden to QHP issuers for implementing the separate billing policy.

B. Justification

1. Need and Legal Basis

Segregation Plan
Under 45 CFR §156.280(e)(5)(ii), each QHP issuer must submit to the State Insurance Commissioner a segregation plan describing how the QHP issuer establishes and maintains separate payment accounts for any QHP covering non-Hyde abortion services. This segregation plan is used to verify that the QHP's financial and other systems fully conform to the segregation requirements required by the PPACA

Separate Billing
HHS believes that some of the methods for billing and collection of the separate payment for non-Hyde abortion services noted as permissible in the preamble to the 2016 Payment Notice do not adequately reflect what we see as Congressional intent that the QHP issuer bill separately for two distinct (i.e., "separate") payments, one for the non-Hyde abortion services at issue, and one for all other services covered under the policy, rather than simply itemizing these two components of a single total billed amount or notifying the enrollee, at or soon after the time of enrollment, that the monthly invoice or bill will include a separate charge for these services. Although we recognize that itemizing or providing advance notice about the amounts arguably identifies two "separate" amounts for two separate purposes, we believe that the statute contemplates issuers billing for two separate "payments" of these two amounts (e.g., two different checks or two distinct transactions), consistent with the requirement on issuers in section 1303(b)(2)(B)(i) of the PPACA to collect two separate payments.

HHS thus believes that requiring QHP issuers to separately bill the portion of the policy holder's premium attributable to non-Hyde abortion services in a separate mailing or separate electronic communication and instruct policy holders to make a separate payment for this amount is a better implementation of the statutory requirement for QHP issuers to collect a separate payment for these services.

We are finalizing at §156.280(e)(2)(ii) that QHP issuers offering coverage for non-Hyde abortion services would be required to separately bill for and instruct policy holders to separately pay for the portion of the enrollee's premium attributable to non-Hyde abortion services. Under this policy, QHP issuers would be permitted to send this separate bill in the same mailing as the bill for the rest of the policy holder's premium but, if sending bills electronically, would be required to send the bill in a separate email or electronic communication. The QHP issuer would also be required to produce an invoice or bill that is distinctly separate from the invoice or bill for the other portion of the consumer's premium that is not attributable to non-Hyde abortion coverage, whether in paper or electronic format.

QHP issuers must instruct policy holders to pay the separately billed or invoiced portion of the premium for non-Hyde abortion coverage in a transaction separate from the transaction for payment of the other portion of the policy holder's premium that is not attributable to non-Hyde abortion coverage and make reasonable efforts to collect the payment separately. However, if the policy holder fails to pay each of these amounts in a separate transaction as instructed by the issuer, the issuer may not initiate a grace period or terminate the policy holder's QHP coverage on this basis.

2. Information Uses

Segregation Plan

The data collection and reporting requirements further compliance with federal law. The ICR involved in this PRA package relates to non-Hyde abortion services. A QHP issuer that provides coverage of non-Hyde abortion as described in §156.280(d)(1) must ensure that no premium tax credit or cost-sharing reduction funds are used to pay for non-Hyde abortions.

A QHP issuer providing coverage for non-Hyde abortions must, within stated parameters, segregate funds collected for such coverage into a separate allocation account used exclusively to pay for non-Hyde abortion services. The QHP issuer's segregation plan and annual attestation are sent to the State Insurance Commissioner to verify that the QHP issuer's financial and other systems fully conform to the segregation requirements and section 1303 of the PPACA.

Separate Billing

Requiring QHP issuers to separately bill for the portion of the premium attributable to non-Hyde abortion coverage in a separate mailing or separate electronic communication and instruct policy holders to pay for this portion of their premium in a separate transaction from any payment the policy holder makes for the portions of the premium not attributable to coverage for non-Hyde abortion services will better align the regulatory requirements for issuer billing of enrollee premiums with the separate payment requirement in section 1303.

To implement this policy, QHP issuers and State Exchanges that perform premium billing and payment processing would incur a one-time burden associated with completing the technical build to implement necessary system changes for sending and overseeing the separate bill and receipt of separate payments, including activities such as planning, assessment, budgeting, contracting, building and testing their systems, as well as one-time changes such as billing-related outreach and call center training. We also anticipate that QHP issuers and State Exchanges that perform premium billing and payment processing would need to invest additional time and resources annually directly related to sending the separate bill, such as those activities related to identifying impacted enrollees, ensuring billing accuracy, reconciliation, quality assurance, record keeping, and document retention. QHP issuers and State Exchanges performing premium billing and payment processing will also be required to send a separate bill to approximately 2 million policy holders. These efforts and the information produced by these efforts will ensure that QHP issuers and State Exchanges that perform billing and payment processing are able to implement the policy effectively.

3. Use of Information Technology

Segregation Plan

HHS believes that a majority if not all of the information required by this collection can be provided in an electronic format.

Separate Billing
QHP issuers are permitted to send this separate bill in the same mailing as the bill for the other portions of the policy holder's premium when sending the bill in an envelope. QHP issuers sending bills through email or other electronic means must send the separate bill in a separate email or electronic communication from the bill for the other portions of the policy holder's premium. The QHP issuer is expected to produce an invoice or bill that is distinctly separate from the invoice or bill for the other portion of the consumer's premium that is not attributable to non-Hyde abortion coverage, whether in paper or electronic format.

QHP issuers must instruct policy holders to separately pay the separately billed or invoiced portion of the premium for non-Hyde abortion coverage and make reasonable efforts to collect the payment separately. However, if the policy holder fails to pay each of these amounts in a separate transaction as instructed by the issuer, the issuer may not initiate a grace period or terminate the policy holder's QHP coverage on this basis.

We suggest that QHP issuers explain to the policy holder in layperson terms on the separate bill for coverage non-Hyde abortion services, or otherwise communicate to enrollees through enrollee outreach and education, that non-payment of any premium due (including non-payment of the portion of the policy holder's premium attributable to coverage of non-Hyde abortion services) would continue to be subject to state and federal rules regarding grace periods (unless the QHP issuer will operate pursuant to the enforcement discretion we outline later in this section), clarifying for policy holders that failure to pay the portion of the premium attributable to coverage of non-Hyde abortion services could ultimately result in termination of coverage.

4. <u>Duplication of Efforts</u>

Segregation Plan
This information collection does not duplicate any other Federal effort.

Separate Billing
HHS acknowledges that QHP issuers that offer coverage of non-Hyde abortion services in their individual market plans should already be collecting separate payments from consumers for the portion of their premium attributable to non-Hyde abortion coverage, in accordance with the acceptable methods outlined in the 2016 Payment Notice. As such, the finalized policies at §156.280(e)(2)(ii) may seem duplicative. However, HHS now believes that some of the methods for billing and collection of the separate payment for non-Hyde abortion services noted as permissible in the 2016 Payment Notice do not adequately reflect what we see as Congressional intent that the QHP issuer bill separately for two distinct (i.e., "separate") payments. HHS instead believes that requiring QHP issuers to separately bill the portion of the policy holder's premium attributable to non-Hyde abortion services and instruct policy holders to make a separate payment for this amount is important to achieving better alignment of the regulatory requirements for QHP issuer billing of enrollee premiums with the separate payment requirement in section 1303 of the PPACA.

However, there will be no duplication of efforts under the policy as finalized, as QHP issuers will no longer be permitted to send the policy holder a single monthly invoice or bill that separately itemizes the premium amount for non-Hyde abortion services, or send the policy holder a notice at or soon after the time of enrollment that the monthly invoice or bill will include a separate charge for such services and specify the charge in order to meet the separate payment requirement. Rather, QHP issuers are only permitted to separately bill for and collect this separate payment in the manner finalized at §156.280(e)(2)(ii).

5. Small Businesses

This information collection will not have a significant impact on small businesses.

6. Less Frequent Collection

Segregation Plan
Due to the nature of QHP certification and the regulatory requirements, it is necessary to collect information according to the indicated frequencies. If the information is collected less frequently, the result could mean non-compliance with the regulation.

Separate Billing
We anticipate that QHP issuers offering coverage of non-Hyde abortion services will collect payment monthly from policy holders for the portion of their premium attributable to non-Hyde abortion coverage, as health insurance premiums are usually billed on a monthly basis.

7. Special Circumstances

There are no special circumstances.

8. Federal Register/Outside Consultation

Segregation Plan
A 60-day notice was published in the Federal Register on 07/26/2019 (84 FR 36099-36100). No comments were received. A 30-day notice was published in the Federal Register on 11/14/2019. No changes to this ICR have been made since the 30-day notice was published. CMS is merely merging this ICR associated with the segregation plan requirements under 45 CFR §156.280(e)(5)(ii) with the ICR for the separate billing policy CMS-10681/OMB control number: 0938-NEW finalized in the Patient Protection and Affordable Care Act; Exchange Program Integrity (Program Integrity Rule) (CMS-9922-F), at § 156.280(e)(2)(ii). Upon approval of the ICR, CMS will request to discontinue the segregation plan ICR CMS-10400/OMB control number: 0938-1156.

Separate Billing
This notice serves to finalize the new ICRs to reflect the finalized policy at §156.280(e)(2)(ii). All comments received on this ICR are summarized and addressed in the Program Integrity Rule (November 9, 2018 (83 FR 56015).

9. Payments/Gifts to Respondents

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

10. Confidentiality

Segregation Plan
To the extent of the applicable law and HHS policies, we maintain respondent privacy with respect to the information collected.

Separate Billing
Confidentiality would not apply to this data collection.

11. Sensitive Questions

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

12. Burden Estimates (Hours & Wages)

Average labor costs (including 100 percent fringe benefits) used to estimate the costs are calculated using data available from the May 2018 National Industry-Specific Occupational Employment and Wage Estimates (Bureau of Labor Statistics (BLS) (https://www.bls.gov/oes/current/naics4_999200.htm#11-0000).

Table 1: Adjusted Hourly Wages Used in Burden Estimates

OES Designation	Occupational Code	Mean Hourly Wage ($/hour)	Fringe Benefits and Overhead ($/hour)	Adjusted Hourly Wage ($/hour)
Computer System Analyst	15-1121	$45.01	$45.01	$90.02
Financial Analyst	13-2051	$48.55	$48.55	$97.10
Private Actuaries	15-2011	$55.89	$55.89	$111.78
Senior Executive	11-1000	$61.66	$61.66	$123.32
General and Operations Manager	11-1021	$59.56	$59.56	$119.12
Computer and Information Systems Manager	11-3021	$73.49	$73.49	$146.98
Computer Programmer	15-1131	$43.07	$43.07	$86.14
Business Operations Specialist	13-1199	$37.00	$37.00	$74.00
Secretaries and Administrative Assistants	43-6014	$18.28	$18.28	$36.56

Segregation Plan
We note that the estimate of the paperwork burden generally reflects the burden on the QHP issuer after the initial costs have been incurred and that the associated burden after the first year are significantly lower because many of the standards in the regulation can be fulfilled through automated processes. We generally used data from the Bureau of Labor Statistics, specifically, the May 2018 National Occupational Employment and Wage Estimates, to derive average labor costs

(including a 100 percent increase for fringe benefits and overhead) for estimating the burden associated with the ICRs (http://www.bls.gov/oes/current/oes_nat.htm).

Submission of Segregation Plan

Section 156.280(e)(5)(ii) requires each QHP issuer offering coverage of non-Hyde abortion services on the Exchange to submit to the State Insurance Commissioner a segregation plan describing how the issuer will establish and maintain a separate payment account for any QHP that covers non-excepted abortion services. This plan will be used to verify that the QHP's financial and other systems fully conform to the segregation requirements, as required by section 1303 of the PPACA. The burden estimate associated with this requirement includes the time for QHP issuers offering coverage of non-Hyde abortion services to report on the operational and financial systems that will segregate funds.

The burden associated with developing the segregation plan is a one-time cost for issuers offering coverage of non-excepted abortion coverage. We estimate that approximately 10 QHP issuers will newly offer non-excepted abortion services each year, and will therefore need to develop segregation plans. We assume that QHP issuers that previously offered this coverage will have already completed a segregation plan. We estimate that it will initially take each issuer approximately 13 hours (with an equivalent cost of $1,302.40) annually for the time and effort to develop and provide the segregation plan to the State Insurance Commissioner, for a total annual burden of approximately 130 hours for the estimated 10 QHP issuers with an equivalent annual cost of $13,024.00.

Table 2: Burden for QHP Issuers Developing Segregation Plans

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Costs (Per Respondent)	Total Burden Costs (All Respondents)
Computer System Analyst	10	$90.02	5	$450.10	
Financial Analyst	10	$97.10	4	$388.40	
Private Actuaries	10	$111.78	2	$223.56	
Senior Executive	10	$123.32	0.5	$61.66	
General and Operations Manager	10	$119.12	1.5	$178.68	
Total - Annual			130		$13,024.00
Total - Three Years			390		$39,072.00

Attestation
Pursuant to §156.280(e)(5)(iii), each QHP issuer must also annually attest to compliance with PPACA section 1303 and applicable regulations. The burden estimate associated with this requirement includes the time for all QHP issuers on the Exchange to provide an annual attestation to the State Insurance Commissioner that the QHP issuer remains in compliance with section 1303 of the PPACA and applicable regulations.

The burden associated with requiring individual market QHP issuers (not including SADP issuers) participating in the Exchange to submit an attestation to the State Insurance Commissioner is annual. We estimate there are 200 QHP issuers participating on the Exchange. Therefore, we estimate it will take approximately 2.25 hours (with an equivalent cost of $247.05) annually per QHP issuer to provide an attestation to the State Insurance Commissioner, for a total of 450 annual hours across all 200 QHP issuers, with an equivalent annual cost of $49,410.

Table 3: Burden for QHP Issuers Submitting Attestations

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Costs (Per Respondent)	Total Burden Costs (All Respondents)
Financial Analyst	200	$97.10	1	$97.10	
General and Operations Manager	200	$119.12	1	$119.12	
Senior Executive	200	$123.32	0.25	$30.83	
Total - Annual			450		$49,410
Total – Three Years			1,350		$148,230

Separate Billing
The following sections of this document contain estimates of the burden imposed by the associated ICRs. Salaries for the positions cited below were taken from the May 2018 National Occupational Employment and Wage Estimates United States Department of Labor's Bureau of Labor Statistics (BLS) (https://www.bls.gov/oes/current/oes_stru.htm) based on the listed national mean hourly wage for the 25th percentile.[3] All wages on the following pages are inflated by 100% to account for the cost of fringe benefits and overhead costs.

In §156.280(e)(2), we are finalizing that QHP issuers must send an entirely separate monthly bill to the policy holder covering only the portion of premium attributable to coverage of non-Hyde abortion, and

[3] The 25th percentile mean hourly wage most closely resembles the group of enrollees likely to be affected by this policy as most enrollees enrolled in QHPs on the Exchange are between 100 percent and 400 percent of the federal poverty level.

instruct the policy holder to pay the portion of their premium attributable to coverage of non-Hyde abortion services in a separate transaction from any payment the policy holder makes for the portion of their premium not attributable to coverage of non-Hyde abortion services. Based on 2020 QHP certification data in the FFEs and SBE FPs, we estimate that 23 QHP issuers will offer a total of 338 plans with coverage of non-Hyde abortion services in 9 FFE and SBE-FP states. For the 12 State Exchanges that will operate their own technology platforms in 2020 and have QHPs that offer coverage of non-Hyde abortion services, we have updated our methodology for identifying issuers with QHPs that offer coverage of non-Hyde abortion services, and now estimate that 71 QHP issuers will offer a total of approximately 1,129 plans that include coverage for non-Hyde abortions services. Three of those State Exchanges perform premium billing and payment processing, while the other nine have their issuers perform premium billing and payment processing. In total, we now estimate that there will be 94 QHP issuers offering a total of 1,467 plans (representing approximately 32 percent of individual market, on-Exchange plans) covering non-Hyde abortion services across 21 states in plan year 2020.

Issuers will incur burden to complete the one-time technical build to implement the necessary changes, which will involve activities such as planning, assessment, budgeting, contracting, building and testing their systems; as well as one-time changes such as billing-related outreach and call center training. We assume that this one-time burden will be incurred primarily in 2020. We estimate that for each issuer, on average, it will take business operations specialists 2,500 hours (at $74.00 per hour), computer system analysts 6,500 hours (at $90.02 per hour), computer programmers 22,000 hours (at $86.14 per hour), computer and information systems managers 200 hours (at $146.98 per hour) and general and operations managers 300 hours (at $119.12 per hour) to complete this task. The total burden for an issuer will be approximately 31,500 hours on average, with an equivalent cost of approximately $2.7 million. We anticipate that implementing these changes within 6 months would result in issuers incurring additional costs such as higher contracting costs, overtime payments, which will increase the total cost for each issuer by 50 percent, to approximately $4.1 million. For all 94 issuers, the total one-time burden will be 2,961,000 hours for a total cost of approximately $385 million.

We anticipate that the burden incurred by State Exchanges that perform premium billing and payment processing themselves and have QHP issuers that offer coverage for non-Hyde abortion services within their State Exchange will be similar to the burden incurred by QHP issuers offering coverage for non-Hyde abortion services. Therefore, the total burden for a State Exchange that performs premium billing and payment processing will be approximately 31,500 hours on average, with equivalent total cost of approximately $4.1 million. For all three State Exchanges that perform premium billing and payment processing, the total one-time burden will be 94,500 hours for a total cost of approximately $12.3 million.

Table 4A. Estimated One-time Burden per Issuer or State Exchange performing premium billing and payment processing

Labor Category	Number of Respondents	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Burden Hours	Total Burden Cost (Per Respondent)	Total Burden Costs (All Respondents)

General and Operations Manager	97	$119.12	300	$35,736	$3,466,392
Computer and Information Systems Manager	97	$146.98	200	$29,396	$2,851,412
Computer Programmer	97	$86.14	22,000	$1,895,080	$183,822,760
Computer System Analyst	97	$90.02	6,500	$585,130	$56,757,610
Business Operations Specialist	97	$74.00	2,500	$185,000	$17,945,000
Total Burden and Labor Cost per respondent			31,500	$2,730,342	$264,843,174
Additional Costs due to Expedited Implementation			--	$1,365,171	$132,421,587
Total per respondent			31,500	$4,095,513	$397,264,761

Table 4B. Estimated One-time Burden for All Issuers or State Exchange performing premium billing and payment processing

Type of Respondent	Number of Respondents	Burden Hours	Total Burden Hours	Total Burden Cost (Per Respondent)	Total Burden Costs (All Respondents)
Issuer	94	31,500	2,961,000	$4,095,513	$384,978,222
State Exchange	3	31,500	94,500	$4,095,513	$12,286,539
Total	97	31,500	3,055,500		$397,264,761

In addition to the one-time cost estimates, issuers will incur ongoing annual costs such as those related to identifying impacted enrollees, ensuring billing accuracy, reconciliation, quality assurance, printing, record keeping, and document retention. We estimate that for each issuer, on average, it will take administrative assistants 20,000 hours (at $36.56 per hour), business operations specialists 2,000 hours (at $74.00 per hour), computer programmers 2,000 hours (at $86.14 per hour), and general and operations managers 120 hours (at $119.12 per hour) each year to perform these tasks. The total annual burden for each issuer will be 24,120 hours, with an equivalent cost of approximately $1.07 million. Assuming that issuers will start sending separate bills in July, 2020, the total burden for all 94 issuers for the 6 months in 2020 is estimated to be 1,133,640 hours with an equivalent cost of approximately

$50.1 million. From 2021 onwards, we estimate the total annual burden for all 94 issuers will be approximately 2,267,280 hours with an associated cost of approximately $100.2 million.

We anticipate that State Exchanges performing premium billing and payment processing and which have QHP issuers that offer coverage for non-Hyde abortion services will incur costs similar to QHP issuers offering coverage of non-Hyde abortion services. Therefore, we estimate that for all three State Exchanges performing premium billing and payment processing the total annual burden will be approximately 36,180 hours with an equivalent cost of approximately $1.6 million in 2020 and 72,360 hours with an associated cost of approximately $3.2 million starting in 2021.

Table 5A. Estimated Annual Burden per Issuer or State Exchange performing premium billing and payment processing

Labor Category	Burden Hours	Hourly Labor Costs (Hourly rate + 100% Fringe benefits)	Total Burden Cost (Per Respondent)
Secretaries and Administrative Assistants	20,000	$36.56	$731,200
General and Operations Manager	120	$119.12	$14,294
Business Operations Specialist	2,000	$74.00	$148,000
Computer Programmer	2,000	$86.14	$172,280
Total per Respondent	24,120		$1,065,774

Table 5B. Estimated Annual Burden for All Issuers or State Exchange performing premium billing and payment processing for 2020, 2021, and 2022

	Year	Number of Respondents	Burden Hours	Total Burden Hours Per Year	Total Burden Cost Per Year
Issuer	2020	94	12,060	1,133,640	$50,091,397
State Exchange	2020	3	12,060	36,180	$1,598,662
Total	2020	97	12,060	1,169,820	$51,690,058
Issuer	2021, 2022	94	24,120	2,267,280	$100,182,794
State Exchange	2021, 2022	3	24,120	72,360	$3,197,323
Total	2021, 2022	97	24,120	2,339,640	$103,380,117

Based on 2019 QHP Certification Data in the FFEs and SBE-FPs, we now estimate that there are approximately 442,400 enrollees in QHPs covering non-Hyde abortion services. In the 11 State Exchanges that operated their own technology platform and had issuers that offered coverage of non-Hyde abortion services in 2019, we estimate that there are approximately 2,597,700 enrollees in QHPs covering non-Hyde abortion services. The total number of enrollees in QHPs covering non-Hyde abortion services is approximately 3.04 million in 2019. The number of QHPs covering non-Hyde abortion services will be higher in 2020 compared to 2019. Therefore, we are using the number of enrollees in such QHPs in 2019 as a lower bound for the number of enrollees who will experience an increase in burden as a result of the finalized policies.

Assuming 1.5 enrollees per policy, issuers, and State Exchanges performing premium billing and payment processing will be required to send a separate bill to approximately 2 million policy holders. We understand that although enrollees can often choose to pay electronically or by phone, choose to utilize automatic payment deductions, and often opt out of receiving paper bills, many enrollees still opt to receive physical mail detailing their coverage. We also understand that, many enrollees face barriers to accessing the internet and have little choice but to receive paper bills. Because so few enrollees receive their bills electronically only, and because many enrollees already face barriers to accessing the internet, issuers are likely to experience an increased administrative cost in having to print an additional monthly bill for the majority of their policy holders. According to one commenter, issuers send paper bills to 92 percent of Exchange customers. We anticipate that the number of consumers opting for electronic bills will increase over time. Therefore, we assume that approximately 90 percent of policy holders will receive paper bills in 2020 and issuers and State Exchanges performing premium billing and payment processing will need to print and send approximately 1.82 million separate paper bills per month. Assuming materials and printing cost of $0.05 per page, issuers will incur additional monthly costs of approximately $91,200 to print separate bills for impacted policy holders in 2020. Assuming that issuers start sending separate bills in July 2020, for the 6 months in 2020, the total cost for all issuers is estimated to be approximately $547,225. Assuming that more consumers will opt to receive electronic bills over time, we estimate that approximately 88 percent of policyholders will receive paper bills in 2021, and the annual cost for all issuers to send separate paper bills will be approximately $1,070,129. We assume that in 2022, approximately 86 percent of policyholders will receive paper bills, and the annual cost for all issuers to send separate paper bills will be approximately $1,045,808. The average annual materials and printing cost over 3 years (2020 to 2022) will be approximately $887,721. Since issuers and State Exchanges performing premium billing and payment processing will be permitted to send both bills together when sending bills in a physical mailing, they will not incur any additional mailing costs. We assume that bills sent electronically can be sent at minimal cost and note that we have incorporated any associated IT changes to accommodate electronic billing changes based on this policy above, where we discussed premium billing and payment processing costs to issuers and State Exchanges.

13. Capital Costs

Segregation Plan
There are no anticipated capital costs associated with these information collections.

Separate Billing

QHP issuers and State Exchanges performing premium billing and payment processing will need to print and send approximately 1.82 million separate paper bills per month. Assuming materials and printing cost of $0.05 per page, issuers will incur additional monthly costs of approximately $91,200 to print separate bills for impacted policy holders in 2020. Assuming that issuers start sending separate bills in July 2020, for the 6 months in 2020, the total cost for all issuers is estimated to be approximately $547,225. Assuming that more consumers will opt to receive electronic bills over time, we estimate that approximately 88 percent of policyholders will receive paper bills in 2021, and the annual cost for all issuers to send separate paper bills will be approximately $1,070,129. We assume that in 2022, approximately 86 percent of policyholders will receive paper bills, and the annual cost for all issuers to send separate paper bills will be approximately $1,045,808. The average annual materials and printing cost over 3 years (2020 to 2022) will be approximately $887,721. Since issuers and State Exchanges performing premium billing and payment processing will be permitted to send both bills together when sending bills in a physical mailing, they will not incur any additional mailing costs. We assume that bills sent electronically can be sent at minimal cost and note that we have incorporated any associated IT changes to accommodate electronic billing changes based on this policy above, where we discussed premium billing and payment processing costs to issuers and State Exchanges.

14. Cost to Federal Government

There are no costs to the Federal government.

15. Changes to Burden

Segregation Plan
CMS is merging the ICR associated with the segregation plan requirements under 45 CFR §156.280(e)(5)(ii) with the ICR for the separate billing policy CMS-10681/OMB control number: 0938-NEW finalized in the Patient Protection and Affordable Care Act; Exchange Program Integrity (Program Integrity Rule) (CMS-9922-F), at § 156.280(e)(2)(ii). Upon approval of the ICR, CMS will request to discontinue the segregation plan ICR CMS-10400/OMB control number: 0938-1156. No substantive changes were made to the collection other than merging the packages.

Separate Billing
We believe that the original burden estimate in the proposed rule would not accurately reflect the actual costs issuers would have incurred if we finalized the provisions as proposed. We have updated the estimates to reflect an increase in burden and costs for issuers and states performing premium billing and payment processing. Therefore, from the proposed to final rule, the total number of burden has increased from a one-time burden to issuers of 750 hours to 2,961,000 hours, as well as an annual burden to issuers of 53,328 hours to an average of 1,889,400 hours.

16. Publication/Tabulation Dates

Results of the collection will not be made public.

17. Expiration Date

There are no instruments associated with this data collection.