

Supporting Statement Part A
State Children's Health Insurance Program and Supporting Regulation
CMS-R-308, OMB 0938-0841

Background

Section 4901 of the Balanced Budget Act of 1997 (BBA) amended the Social Security Act by adding a new title XXI, State Children's Health Insurance Program.

This August 2024 iteration is an Extension without change of an active collection of information request. We are, however, proposing to adjust our active cost estimates by using the most recent wage data.

We are not proposing to change our active requirements or reporting instruments and instructions.

A. Justification

1. Need and Legal Basis

The legal authority for this collection is title XXI of the Social Security Act. Title XXI provides funds to States to enable them to initiate and expand the provision of child health assistance to uninsured, low-income children in an effective and efficient manner. All 50 states, the District of Columbia and the territories have a CMS-approved CHIP state plan (CMS-10398 #34) that encompasses all of the child health assistance being provided using Title XXI funding. Most provisions of title XXI have been met through the approved state plan. The provisions related to eligibility screening, the statistical enrollment reports, public schedule, and written notice and its burden is discussed in Section 12 of this Supporting Statement.

2. Information Users

Information collected by CMS will be used by advocacy groups, beneficiaries, applicants, other governmental agencies, providers groups, research organizations, health care corporations, and health care consultants. States will use the information collected to assess state plan performance and monitor program enrollment.

3. Improved Information Technology

States and non-federal governmental plans can use their data processing and electronic systems to send CMS information regarding the number of children enrolled in their state programs, to generate written notices to participants and beneficiaries regarding eligibility determinations and enrollee rights to an explanation of that determination and to provide a public schedule.

4. Duplication of Similar Information

There is no duplication of this information.

5. Small Businesses

The States provides the collection of information. There is no impact on small businesses or other small entities.

6. Less Frequent Collection

The reporting frequency as it applies to the requirements and burden under Section 12 is quarterly as well as annually.

For the statistical enrollment reporting requirement, the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently will be an inability to monitor the success of the program. There is no method to reduce the frequency that does not result in non-compliance with the requirements.

For the written notice requirement, if notices are not generated as required, participants and beneficiaries will not be informed of decisions and events that affect their health benefits coverage. Disclosure of the information requested of states best serves the interests of participants and beneficiaries.

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 the Office of Management and Budget (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 Notice/Outside Consultation

The 60-day notice published in the Federal Register on August 7, 2024 (89 FR 64462).

Comments must be received by October 7, 2024.

9. Payments/Gifts to Respondents

There are no payments or gifts associated with this information collection requirements.

10. Confidentiality

Section 2108(b)(1) of title XXI requires states to submit to the Secretary statistical reporting that provide basic information about enrolled populations and their participation in federally-funded children's health insurance programs – CHIP and Medicaid. Although states are required to report this information to CMS, on behalf of the Secretary, no personal identifying information will be sent from the state to CMS. Section 2108 of title XXI also requires that the Secretary submit to Congress and make available to the public a report based on the information submitted by the states.

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

Wages

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' (BLS') May 2023 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/2023/may/oes_nat.htm). In this regard, the following table presents BLS' mean hourly wage, our estimated cost of fringe benefits and other indirect costs (calculated at 100 percent of salary), and our adjusted hourly wage.

BLS's wage estimates are updated annually. Current wage figures can be found at http://www.bls.gov/oes/current/oes_nat.htm and can be used to calculate current cost estimates. May 2023 (see above) is current as of the date of this collection of information request.

Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Fringe Benefits and Other Indirect Costs (\$/hr)	Adjusted Hourly Wage (\$/hr)
Project Management Specialist and Business Operations Specialist, and all Other	13-1082 (Project Management Specialists) and 13-1199 (Business Operations Specialists, All Other)	\$46.65/hr ([13-1082 @ \$50.44/hr + 13-1199 @ \$42.85/hr] x 0.5)	46.65	93.30

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 other indirect costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

Information Collection Requirements and Associated Burden Estimates

Statistical Enrollment Report (No Change)

Section 457.740 requires a state to submit statistical enrollment reports, thirty days after the end of each federal fiscal quarter, of an unduplicated count of children who are enrolled in the title XIX Medicaid program, and the separate child health and Medicaid-expansion programs, as appropriate, by age; gender, race, and ethnicity; service delivery; and income categories described in §457.740(a) and (b).

As noted above, states report enrollment through the web-based Statistical Enrollment Data System (SEDS) using forms CMS-21E (for Separate CHIP); CMS-64.21E (for Medicaid Expansion CHIP); CMS-64.EC (for Medicaid); CMS-21PW (for Pregnant Women enrolled in CHIP through the state plan option), and Gender, Race, Ethnicity (for all programs). Each quarterly form collects six data elements: 1) the unduplicated number of individuals ever enrolled in the program, 2) the number of new enrollees in the program, 3) the number of disenrollees in the program, 4) the number of member months of enrollment, 5) the average number of member months of enrollment, and 6) the number of individuals enrolled on the last day of the quarter. The fourth quarter report also includes three annual data elements: 1) the unduplicated number of individuals ever enrolled in the program in the year, 2) the number of new enrollees in the program in the year, and 3) the number of disenrollees in the program in the year. All states and the District of Columbia are required to provide these data to CMS, and CMS publishes the annual enrollment data from states on Medicaid.gov each year.

The attached SEDS instructions document provides the guidance for state data entry. (Note: CMS-21E, CMS-64.21E, and CMS-64.EC should not be confused with the CMS-21 and CMS-64 series of forms approved under OMB control number 0938-1265 (CMS-10529). Those forms are associated with the MBES reporting system while this package's CMS-21E, CMS-64.21E, and CMS-64.EC forms are associated with the SEDS system).

We estimate that, on average, it will take a state 40 hours at \$93.30/hr for a specialist to complete and submit the state's reports, for a total burden of 51 respondents, 2,040 hours (50 States and the District of Columbia x 40 hr) at a cost of \$190,332 (2,040 hr x \$93.30/hr) or \$57,100 when adjusting for the states' 30 percent share (\$190,332 x 0.30).

Please note that each state would only complete the SEDS forms that are applicable to the state. For example, states that do not operate a Separate CHIP would not be expected to complete form CMS-21E.

Eligibility Screening and Facilitation of Medicaid Enrollment (§ 457.350) (No Change)

Section 457.350(e) requires that a state, which uses a screening procedure other than a full determination of Medicaid eligibility under all possible eligibility groups, and the screening process, reveals that the child does not appear to be eligible for Medicaid, the State must provide the child's family with the following in writing:

- (1) A statement that based on a limited review, the child does not appear eligible for Medicaid, but Medicaid eligibility can only be determined based on a full review of a Medicaid application under all Medicaid eligibility groups;
- (2) Information about Medicaid eligibility and benefits; and
- (3) Information about how and where to apply for Medicaid under all eligibility groups.

In §457.350(f), if the screening process reveals that the child is potentially eligible for Medicaid, the State must establish procedures in coordination with the Medicaid agency that facilitate enrollment in Medicaid and avoid duplicative requests for information and documentation and:

- (1) If a State uses a joint application for its Medicaid and separate child health programs, promptly transmit the application, or the information obtained through the application, and all relevant documentation to the Medicaid agency; or
- (2) If a State does not use a joint application for its Medicaid and separate child health programs:
 - (i) Promptly inform the child's parent or caretaker in writing and orally if appropriate that the child has been found likely to be eligible for Medicaid; provide the family with a Medicaid application and offer information about what, if any, further information, documentation, or other steps are needed to complete the Medicaid application process; and offer assistance in completing the application process;
 - (ii) Promptly transmit the separate child health program application; or the information obtained through the application, and all other relevant information and documentation, including the results of the screening process, to the Medicaid agency for a final determination of Medicaid eligibility in accordance with the requirements of §§431.636 and 457.1110; or
- (3) Establish other effective and efficient procedures, in coordination with the Medicaid agency, as described and approved in the State plan that ensure that children who are screened as potentially eligible for Medicaid are able to apply for Medicaid without delay and, if eligible, are enrolled in Medicaid in a timely manner.

The burden associated with these requirements is the ongoing effort for a State to (1) transmit applications or the required information to the Medicaid agency; (2) inform the parent or caretaker in writing that the child has been found to be potentially eligible or ineligible for Medicaid; and (3) for applications that are not joint applications, if the child is found to be potentially eligible for Medicaid, provide the family with a Medicaid application and offer information about what, if any, further information, documentation, or other steps are needed to complete the Medicaid application process.

The State must provide the child's family with information, in writing, about the State's Medicaid program and eligibility rules that prohibit children who have been screened eligible for Medicaid from being enrolled in a separate child health program, other than provisional

temporary enrollment while a final Medicaid eligibility determination is being made.

All States with separate child health insurance programs (40) use a screening process. We estimate that on average, there will be 176,300 new or renewing applicants in each of these 40 States during each year. We estimate that it will take no longer than 3 minutes (depending on the medium) at \$93.30/hr for a specialist to transmit applications or relevant information to the Medicaid agency or to give the family or caretaker the required information. This results in an annual burden of 352,600 hours (176,300 responses/state x 40 states x 3 min/60) at a cost of \$32,897,580 (352,600 hr x \$93.30/hr) or \$9,869,274 when adjusting for the states' 30 percent share (\$32,897,580 x 0.30).

Public Schedule (No Change)

Section 457.525(b) requires a state to make the public schedule required under §457.525(a) available to the following groups:

- (1) enrollees, at the time of enrollment and reenrollment after a re-determination of eligibility, and when cost-sharing charges and cumulative cost-sharing maximums are revised;
- (2) applicants, at the time of application;
- (3) all participating providers; and
- (4) the general public.

The burden associated with this requirement includes the time for a state to prepare and make available its public schedule to the four groups. We estimate approximately 20 of the 40 States with a separate child health program will need to revise their public schedule, and that on average, it will take each State 2 hours to prepare its revised schedule for a burden of 40 hours (20 States x 2 hr) at a cost of \$3,732 (40 hr x \$93.30/hr), or \$1,120 when adjusting for the states' 30 percent share (\$3,732 x 0.30).

It will also take each State an additional 3 minutes to disseminate no more than 176,300 copies of the revised schedule on an annual basis for a burden of 352,600 hours (176,300 copies x 40 states x 3 min/60) at a cost of \$32,897,580 (352,600 hr x \$93.30/hr) or \$9,869,274 when adjusting for the states' 30 percent share (\$32,897,580 x 0.30).

We estimate a total annual burden of 352,640 hours (40 hr + 352,600 hr) at a cost of \$9,870,394 (\$1,120 + \$9,869,274) when adjusting for the states' 30 percent share.

Written Notice (No Change)

Under §457.1180, a state must provide enrollees and applicants timely written notice of any determinations required to be subject to review under § 457.1130, a notice that includes the reasons for the determination; an explanation of applicable rights to review of that determination, the standard and expedited time frames for review, and the manner in which a review can be requested; and the circumstances under which enrollment may continue pending review. The burden associated with this requirement consists of the one-time effort for a state to produce a standardized form into which enrollee-specific information may be inserted. Since all states have met this requirement, the associated burden is not set out in this iteration's estimates.

For a State to prepare and give out the notice we estimate that it will take each State 3 minutes per enrollee to prepare and give out the notice. We estimate that approximately 20 percent of enrollees (9.6 million¹ x 0.20 = 1,920,000) will receive a notice under this provision, for a total burden of 96,000 hours (1,920,000 notices x 3 min/60) at a cost of \$8,956,800 (96,000 x \$93.30/hr) or \$2,687,040 when adjusting for the states' 30 percent share (\$8,956,800 x 0.30).

Burden Summary

CFR Section(s)	# Respondents	Total Annual Responses	Time (per response)	Total Annual Time	Wage (\$/hr)	Total State Share (\$)
Reporting						
457.740 (Statistical Enrollment Report)	51	51	40 hr	2,040	93.30	57,100
Third-Party Disclosure						
457.350 (Eligibility Screening)	40	7,052,000 (40 States x 176,300 applicants)	3 min	352,600	93.30	9,869,274
457.525(b) (Public Schedule)	40	20	2 hr	40	93.30	1,120
	40	7,052,000 (40 States x 176,300 schedules)	3 min	352,600	93.30	9,869,274
457.1180 (Written Notice)	40	1,920,000 notices	3 min	96,000	93.30	2,687,040
<i>Subtotal (Disclosure)</i>	<i>40</i>	<i>16,024,020</i>	<i>Varies</i>	<i>801,240</i>	<i>93.30</i>	<i>22,426,708</i>
TOTAL	51	16,024,071	Varies	803,280	93.30	22,483,808

Information Collection Instruments and Instruction/Guidance Documents

SEDS Instructions for Data Entry (§457.740, Enrollment Report) (No Change)

¹ Data Source: Statistical Enrollment Data System (SEDS) Combined CHIP Enrollment Total Report and Form CMS64.EC (As of 11/10/2020) <https://www.medicaid.gov/chip/downloads/fy-2019-childrens-enrollment-report.pdf>

Statistical Enrollment Reports Screenshots (Forms: CMS-21E; CMS-64.21E; CMS-64.EC; CMS-21PW; and Form Gender, Race, Ethnicity) (No Change)

13. Capital Costs

There are no start-up costs associated with this information collection.

14. Cost to the Federal Government

There is no cost to the Federal government.

15. Program/Burden Changes

Based on the most recent BLS wage data, we are adjusting our wage estimates by \$12.24/hr (from \$81.06/hr [2020] to \$93.30/hr [2023]). Consequently, our cost estimate has increased by \$2,949,644 (from \$19,534,164 to \$22,483,808).

16. Publication and Tabulation Data

The information gathered from the State annual enrollment reports will be released by CMS, on behalf of the Secretary and is available on the CMS website.

17. Expiration Date

The expiration date will be displayed.

18. Certification Statement

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

This collection does not employ statistical methods.