

Generic Supporting Statement
Medicaid and CHIP State Plan, Waiver, and Program Submissions

Model Application Template and Instructions for State Child Health Plan Under Title XXI of the
Social Security Act, State Children's Health Insurance Program
(CMS-10398 #34, OMB 0938-1148)

A. Background

The Centers for Medicare & Medicaid Services (CMS) work in partnership with States to implement Medicaid and the Children's Health Insurance Program (CHIP). Together these programs provide health coverage to millions of Americans. Medicaid and CHIP are based in Federal statute, associated regulations and policy guidance, and the approved State plan documents that serve as a contract between CMS and States about how Medicaid and CHIP will be operated in that State. CMS works collaboratively with States in the ongoing management of programs and policies, and CMS continues to develop implementing guidance and templates for States to use to elect new options available as a result of the Affordable Care Act or to comply with new statutory provisions. CMS also continues to work with States through other methods to further the goals of health reform, including program waivers and demonstrations, and other technical assistance initiatives.

B. Description of Information Collection

The Balanced Budget Act of 1997 created the Children's Health Insurance Program (CHIP) under Title XXI of the Social Security Act. Title XXI enables states to initiate and expand health insurance coverage for uninsured children. In order to be eligible for payment under this legislation, each state submitted an initial CHIP state plan for approval by the Secretary that details how the state intends to use the funds. States may also amend their plans at any time by submitting an amendment for approval by the Secretary.

All 50 states, the District of Columbia and the territories have a CMS-approved CHIP state plan that encompasses all of the child health assistance being provided using Title XXI funding. It is important to note that once a CHIP state plan is approved, the state is obligated to continue operating their program in the same manner as described in that plan until the plan is amended in accordance with the rules governing the program. States apply for changes to their CHIP state plan utilizing the revised CHIP state plan template and instructions developed by CMS in cooperation with the states to reduce the burden associated with the information collection requirements to a minimal level.

Under the law, a state plan or a state plan amendment is considered approved in 90 days unless the Secretary notifies the state in writing that the plan is disapproved or that specified additional information is needed. As is currently done, states are asked to submit only the applicable parts of the template for their amendment request. They do not have to resubmit their state plan in its entirety using this template.

This 2023 iteration proposes to revise the State plan template by adding the vaccine coverage requirements in Sections 2103(c)(1)(D) and 2103(c)(12) of the Social Security Act. CMS is adding a new section 6.5-Vaccine coverage, which consists of three new assurances to the state plan template to report compliance with the coverage requirements for age-appropriate vaccines. The revisions are intended to conform to statutory amendments made by Section 11405(b)(1) of the Inflation Reduction Act (IRA).

Beginning October 1, 2023, states are required to cover CHIP vaccines for targeted low-income children recommended by the Advisory Committee on Immunization Practices (ACIP) and their administration, without cost sharing, as required in 42 CFR §§ 457.410(b)(2) and 457.520(b)(4). States that elect to cover targeted low-income pregnant individuals under their State plan are required to cover adult vaccines recommended by the ACIP and their administration, without cost sharing, as required in Section 2103(c)(12). States that elect to cover the from-conception-to-end-of-pregnancy population (previously referred to as the “unborn”) option under their state plan are required to cover age appropriate (child or adult) vaccines recommended by the ACIP, and their administration, without cost-sharing, to benefit the unborn child.

We are also adjusting our cost estimates based on current BLS (U.S. Bureau of Labor Statistics) wage data.

C. Deviations from Generic Request

No deviations are requested.

D. Burden Hour Deduction

Wage Estimates

To derive average costs, we used data from the BLS’ May 2022 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/2022/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.

Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Fringe Benefits and Other Indirect Costs (\$/hr)	Adjusted Hourly Wage (\$/hr)
Business Operations Specialist	13-1199	39.75	39.75	79.50

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 the total cost is a reasonably accurate estimation method.

Collection of Information Requirements and Associated Burden Estimates

Based upon CMS's experience with state plan amendments, we estimate that on average, it will take a state 4 hours at \$79.50/hr for a Business Operations Specialist to complete and submit the revised SPA template. We also expect that a total of 40 amendments will be submitted based on the number of states who elect to cover children under their state plan.

The revised template reduces our active or currently approved response time from 80 hours to 4 hours. Of the 4 hours states need to review the three new check boxes, check the box that applies to their state's CHIP state plan, and provide a cover letter describing the proposed changes included in the SPA submission to CMS.

Since all 40 states will only be required to check the box that applies to their CHIP state plan, with this action the currently approved template and burden of 3,200 hours (40 amendments x 80 hr) are no longer applicable.

In aggregate we estimate a one-time burden of 160 hours (40 amendments x 4 hours) at a cost of \$12,720 (160 hr x \$79.50/hr). Although this is a one-time requirement (and burden) states would need to submit an amended template should they need to revise any of their responses. Although we do not have an estimate for how many states would submit a SPA amendment each year, we do expect it to be infrequent.

Collection of Information Instruments and Instruction/Guidance Documents

- Title XXI State Plan Template (Revised)

The revisions can be found in the track change version of the template (attached).

- State Health Official (SHO) Letter #23-003¹ (New)

E. Timeline

Beginning October 1, 2023, states are required to cover CHIP vaccines for targeted low-income children recommended by the Advisory Committee on Immunization Practices (ACIP) and their administration, without cost sharing, as required in §§ 457.410(b)(2) and 457.520(b)(4).

¹ <https://www.medicaid.gov/sites/default/files/2023-06/sho23003.pdf>