

Generic Supporting Statement
Medicaid and CHIP State Plan, Waiver, and Program Submissions
Medicaid and Continuous Eligibility for Children (Revision)
OMB 0938-1188, CMS-10434 #77

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.

Section 1901 of the Social Security Act (SSA) (42 U.S.C. 1936) requires States to establish a State plan for medical assistance that is approved by the Secretary to carry out the purpose of Title XIX. The State plan is a comprehensive document (approximately 700 pages) comprised of semi-structured templates developed by CMS and completed by State Medicaid agencies. The State plan functions as a contract between the State and Federal government, describing how the State will implement its program in accordance with Federal laws and regulations in order to secure Federal funding.

When a State wants to change an eligibility policy in their Medicaid state plan, the State Medicaid agency is responsible for developing an amendment submission for CMS approval, also called a State plan amendment or SPA. The State completes the templates relevant to the program change it seeks and submits the SPA for CMS approval. A State may amend one or more of the state plan templates at a time.

B. Description of Information Collection

On November 30, 2016, CMS published a final rule establishing regulations at 42 CFR 435.172 (mandatory continuous eligibility for hospitalized children), and 42 CFR 435.926 (optional continuous eligibility for additional children) to implement sections 1902(e)(7) and 1902(e)(12) of the SSA.

Section 5112 of the Consolidated Appropriations Act, 2023 (CAA, 2023) made it mandatory for states to provide 12 months of continuous eligibility for children under age 19, whereas previously it was an option states could elect to provide and there were flexibilities it how states could design continuous eligibility for children. Section 1902(e)(7) of the SSA requires states to maintain eligibility for children who attain the maximum age for coverage while receiving inpatient services covered under the state plan until the end of the stay that inpatient services are

furnished. In addition, section 1902(e)(12) of the SSA provides states an option to provide up to 12 months of continuous eligibility in Medicaid for children under age 19.

States must indicate in the state plan their compliance with the requirement to provide continued coverage for hospitalized children and in order to comply with section 5112 of the CAA, 2023 must submit a SPA to provide continuous eligibility for children if they do not already do so in their Medicaid state plan, or if their current continuous eligibility does not comply with the CAA, 2023 requirements.

The attached Continuous Eligibility for Children SPA template has been revised in response to section 5112 of the CAA, 2023.

A state may refer to the Continuous Eligibility for Children SHO #23-004¹ for more detailed information.

C. Deviations from Generic Request

No deviations are requested.

D. Burden Hour Deduction

Wage Estimate

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' 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)
Project Management Specialists	13-1082	48.85	48.85	97.70

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 mean hourly wage to estimate the total cost is a reasonably accurate estimation method.

Collection of Information Requirements and Associated Burden Estimates

¹ <https://www.medicaid.gov/sites/default/files/2023-09/sho23004.pdf>

will submit the “Continuous Eligibility for Children” SPA template for CMS review and approval. Once approved, the election will appear in the system-based Medicaid state plan and states/territories will not need to submit it again unless they choose to change this policy.

CMS expects that it will take 5.5 hours at \$97.70/hr for a Project Management Specialist to complete the Home Page and Initial Application Form. A screenshot is attached to this collection of information request. We are not proposing any changes to the reporting instruments. The active or currently approved response time is unchanged.

For the Continuous Eligibility for Children SPA template, we expect that it will take 20 hours for the same Project Management Specialist to complete the SPA template. The revised SPA template is attached to this collection of information request. The active or currently approved response time is unchanged.

As indicated, we have a template for children’s continuous eligibility that is currently approved by OMB under this collection of information request’s OMB control number (namely, 0938-1188). Since it includes choices that will go away on January 1, 2024, we are providing the revised template although we could have used the existing template. We believe that the revised template will help states avoid confusion (the existing page allows states to provide CE for less than 12 months or for children under 19).

On and after January 1, 2024, all states must provide 12 months of CE for all kids to up 19. About half of all states already comply with the changes that will be in effect on January 1, 2024, and will not need to submit a new SPA.

This is a one-time state plan amendment that states would have to submit if they are not already in compliance with the changes that will take effect January 1, 2024. Once approved, states will not need to make updates or resubmit these SPAs in the future.

Given the above we have split out the number of respondents before/after January 1, 2024. There is no difference in what would be submitted or what the state would have to do based on whether they submit before or after January 1. Instead, it’s just a matter of timing as some will come into compliance early while the rest will submit in early 2024 to comply with the eligibility requirement.

Required and Ongoing Tasks	Total Number of Respondents/Responses	Time Per Response (hr)	Total Time (hr)	Total Cost Based on \$97.70/hr (\$)
States Submitting before 1/1/24				
Home Page and Initial Application Forms	11	5.5	60.5	5,911
Medicaid State Plan Eligibility—Continuous Eligibility for Children	11	20	220	21,494
<i>Subtotal</i>	<i>11</i>	<i>Varies</i>	<i>280.5</i>	<i>27,405</i>
States Submitting on 1/1/24 or Thereafter				
Home Page and Initial Application Forms	19	5.5	104.5	10,210
Medicaid State Plan Eligibility—Continuous Eligibility for Children	19	20	380	37,126
<i>Subtotal</i>	<i>19</i>	<i>Varies</i>	<i>484.5</i>	<i>47,336</i>
TOTAL	30	Varies	765	74,741

Information Collection Instruments

- Home Page and Initial Application Forms (No Changes)
- Continuous Eligibility for Children (Revised)

E. Timeline

Our 14-day notice published in the Federal Register on October 30, 2023 (88 FR 74196). Comments must be received by November 13, 2023.