

## Supporting Statement For Paperwork Reduction Act Submission: Health Care Reform Insurance Web Portal and Supporting Authority Contained in Sections 1103 and 10102 of The Patient Protection and Affordability Care Act, P.L. 111-148 (PPACA)

### A. Background

In accordance with Sections 1103 and 10102 of The Patient Protection and Affordability Care Act, P.L. 111-148 (PPACA) the U.S. Department of Health and Human Services (DHHS) is tasked with developing and implementing an Internet website portal to assist consumers with identifying affordable and comprehensive health insurance coverage options that are available in their State.

OCIIO is requesting approval to implement this information portal for the collection of information to assist consumers in making educated decisions on their health care options. This is an emergency request for a six month period until additional details are determined and a more comprehensive system is developed.

### B. Justification

#### 1. Need and Legal Basis

This information is mandated by Sections 1103 and 10102 of The Patient Protection and Affordability Care Act, P.L. 111-148. A copy of this mandate is provided in Appendix B.

#### 2. Information Users

Once all of the information is collected from the states, State health benefits high risk pools, and insurance issuers (hereon referred to as issuers), it will be sent monthly (to capture any issuers who have updated pricing or benefits information) to a contractor who will display it on the Internet. The information that is provided will help the general public make educated decisions about their choice in organizations providing private health care insurance.

#### 3. Use of Information Technology

OCIIO has created a system where insurance issuers and their states will log into the web portal using a custom user ID and password validation. The states will be tasked to provide information on issuers in their state and various websites (see Appendix C). The issuers will ultimately be given the choice to download a basic information template to enter data then upload into the portal, or manually enter data within the portal itself. Information to be

collected can be found in Appendix D. Once the states and issuers submit their data, they will receive an email notifying them of any errors, and that their submission was received. The issuer's data will be sent to the IT Vendor who will be responsible for collecting the benefits, cost sharing, and premium rate information from the issuers. The pricing and benefits data that will be collected can be found in Appendix E.

OCIIO will be using drop down menus and error checks wherever possible to minimize burden. Once the data is submitted, the issuers can later log in to update information they provided instead of having to re-upload all plan/product information.

#### 4. Duplication of Efforts

This information collection does not duplicate any other Federal effort.

#### 5. Small Business

Small Businesses are not significantly affected by this collection.

#### 6. Less Frequent Collection

OCIIO is mandating the issuers and is requesting the states to verify their information on an annual basis. In the event that an issuer enhances their existing plans, proposes new plans, or deactivates plans, the organization would be required to update the information in the web portal using the edit function or uploading an updated template.

If this collection were not conducted or were conducted less frequently than described above, there would be adverse consequences, including but not limited to, the following:

- OCIIO would not be able to accurately or effectively educate the public on the private plan choices available to them.
- OCIIO would not be able to effectively provide this information as required by statute.
- The public would not receive accurate, updated plan information via the website.

#### 7. Special Circumstances

Dependent on the frequency with which an issuer enhances, eliminates, or adds options to their products, additional submissions may be necessary.

Information that is to be collected from State health benefits high risk pools (Appendix F) will be collected from NASCHIP at this time. Therefore there will be no burden on these entities within the first year of this collection.

#### 8. Federal Register/Outside Consultation

The interim final rule that published on May 5, 2010 served as the emergency Federal Register notice for this information collection request (ICR). The Office of Management and Budget reviewed this ICR under emergency processing and approved the ICR on April 30, 2010.

Additionally, consultations with contractors have occurred to determine what is feasible for the release, and what information would be beneficial to the public during this time frame. Two training/feedback meetings have been held with states as well as meetings held with a group of state and NAIC representatives who have expressed an interest in improving the validity and accuracy verification of the data. Comments to the regulation and prior PRA have been analyzed, compiled, and incorporated into our approach even in the absence of a formal response. Certain feedback tools have been built into the healthcare.gov site to allow for consumer and other input on how the data is being presented. OCIIO also plans to ultimately collect feedback from the public to help drive future enhancements to the web portal that will allow more beneficial information to be displayed.

Participants in this effort include OCIIO staff, other HHS staff, representatives of the private plan industry, and various HHS contractors.

#### 9. Payments/Gifts to Respondents

There are no payments/gifts to respondents.

#### 10. Confidentiality

To the extent provided by law, we will maintain respondent privacy with respect to the information being collected.

#### 11. Sensitive Questions

There are no sensitive questions included in this collection effort.

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

The estimated hour burden for the web portal is 101,400 total burden hours, or 50 hours per organization to fill out the basic information, and 106 hours per organization to fill out both the benefits, cost sharing, and premium rate information and update their information as needed. The State estimated hour burden for the web portal is 558 total burden hours, or 11 hours per state.

#### **Insurance Issuers:**

- 650 Organizations

#### **Burden Calculations:**

##### **Initial Review and Analysis**

- 30 hours to train, review the regulations, analyze, and certify the completeness and accuracy of the information once submitted
- 19,500 hours for industry to train, review, analyze, and certify

### **Basic Information**

- 650 responses (1 response contains information for 9 products per organization)
- 24 minutes to download information template and complete basic questions\*\*\*
- 260 hours for industry to complete the requested information for basic questions [260 = (650\*24)/60]

- **Benefits, cost sharing, and premium rate information**

- 20 batched responses per organization\*\*
- 13,000 total annual responses [13,000 = 650\*20]
- 13,000 hours for query writing and record processing [13,000=20 hours\*650]
- 240 minutes to download the benefits, cost sharing, & premium rate information template, enter data, and submit
- 52,000 hours for industry to complete the requested benefits, cost sharing, and premium rate information [52,000 = (240\*20\*650)/60]
- 3,640 hours additional burden for complicated premium estimation representing an additional hour per submission for 70% of small group issuers representing 40% of issuers [3,640 = 20 hours \* 650 \* .4 \* .7].
- 13,000 hours additional burden for industry to update data [ 13,000 = 650 \* 20 responses \* 1 hour]
- 81,640 total hours for industry to complete the web portal's two phases [81,640 = 13,000 + 52,000 + 3,640 + 13,000]
- 101,400 total hours for industry to train, review, analyze, complete, and update the web portal's two phases [101,400= 19,500 + 260 + 81,640]

An estimate of the annualized cost to the industry in burden hours for the completion of the basic, benefits, cost sharing, and premium rate information is approximately **\$7,273,500** ([(\$1,950,000 = 19,500 hours \* \$100) + [ \$16,900 = 260\*\$65.00] + [\$5,306,600= 81,640 hours \* \$65.00])\*\*.

### **State Burden**

- 50 states
- 11 hours to train, review regulation, and analyze
- 10 minutes to download information template and complete basic questions
- 550 hours for the States to train, review, and analyze
- 8.3 hours for States to complete questions [8.3 = (50\*10)/60]
- 558.3 total hours for States to train, review, analyze, and complete questions

An estimate of the annualized cost to the states in burden hours for the completion of the basic information is approximately **\$55,539.50** ( $\$55,539.50 = [\$55,000 = 550 \text{ hours} * \$100] + [539.50 = 8.3 \text{ hours} * \$65.00; \$50.48 + (\$50.48 * .30)]$  – where 30% equals overhead). Estimate of pay was derived from the 2008 State Government Function “Health” pay from the Census Bureau which can be found at <http://www2.census.gov/govs/apes/08stus.txt>.

Key:

\*\* Source: Estimation from knowledge of collections in HPMS for organizations who support Medicare includes overhead estimation.

\*\*\* Source: Based on the nature of the questions being asked – address, phone, etc.

### 13. Capital Costs

There is no capital costs needed for this collection effort.

### 14. Cost to Federal Government

The initial burden to the Federal Government for the development and implementation of the collection of basic, pricing, and benefits information of issuers on the web portal is **\$11,468,148.82**. The calculations for OCIO employees’ hourly salary was obtained from the OPM website: [http://www.opm.gov/oca/10tables/html/dcb\\_h.asp](http://www.opm.gov/oca/10tables/html/dcb_h.asp).

Software Development and Hosting	\$8,500,000
Medicaid/CHIP data collection	\$2,400,000
Initial Design and Implementation Help	
2 GS – 13: 2 x \$42.66 x 60	\$5,119.20
Managing and Coordinating Contracts	
3 GS – 13: 3 x \$42.66 x 416	\$53,240.00
Analysis and QA	
4 GS – 13: 4 x \$42.66 x 416	\$70,986.00
Training and Help Desk	
3 GS – 13: 2 x \$42.66 x 104	\$13,310.00
Social Marketing Research	\$400,000.00
Overhead Costs	
84,978.72 * 30%	\$25,493.62
<b>Total Cost to Government</b>	<b>\$11,468,148.82</b>

15. Changes to Burden

This is a new information collection request thus there are no changes to burden.

16. Publication/Tabulation Dates

The basic information for the issuers, states, and high risk pools will be collected by May 21, 2010. That information will be displayed to the public no later than July 1, 2010. The benefits, cost sharing, and premium rate information will be collected by September 3, 2010, and will be displayed to the public no later than October 1, 2010.

17. Expiration Date

OCIIO has no objections to displaying the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.