

**Supporting Statement for Data Collection to Support Eligibility
Determinations for Insurance Affordability Programs and Enrollment
through Health Insurance Marketplaces, Medicaid and
Children’s Health Insurance Program Agencies
(CMS-10440/OMB Control Number: 0938-1191)**

A. Background

On March 23, 2010, the President signed into law H.R. 3590, the Patient Protection and Affordable Care Act, Public Law 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. 111-152, collectively referred to as “The Affordable Care Act.” The Affordable Care Act expands access to health insurance coverage through the establishment of the Health Insurance Marketplaces, also known as Affordable Insurance Exchanges, improvements to the Medicaid and Children’s Health Insurance (CHIP) programs, and the assurance of coordination between Medicaid, CHIP, and Marketplaces.

Marketplaces established by the Affordable Care Act facilitate the enrollment of qualified individuals into Qualified Health Plans (QHPs). Section 1401 of the Affordable Care Act created a new section 36B of the Internal Revenue Code (the Code), which provides for a premium tax credit which is available on an advanced basis (“Advance Payments of the Premium Tax Credit,” or APTC) to reduce the monthly insurance costs for eligible individuals who enroll in a QHP through a Marketplace. In addition, section 1402 of the Affordable Care Act establishes provisions to reduce cost-sharing obligations, including co-payments and deductibles, of eligible individuals enrolled in a QHP offered through a Marketplace (“Cost-Sharing Reductions,” or CSRs).

The Affordable Care Act also fills current gaps in coverage by creating a minimum Medicaid income eligibility level across the country and by simplifying the current eligibility rules in the Medicaid and CHIP programs. Under the Affordable Care Act, in States that have chosen to expand Medicaid for adults, most individuals under 65 with income below 138 percent of the Federal Poverty Level (FPL) may be eligible for Medicaid since January 2014.

As required under section 1413 of the Affordable Care Act, there is one application through which individuals may apply for Marketplace QHPs with or without APTC and CSRs, Medicaid, and CHIP and receive an eligibility determination.

Office of Management and Budget approval was sought as part of an effort to solicit feedback from interested parties on the electronic and paper applications. This information collection request (ICR) provides details on the proposed collection of information from the public to facilitate providing eligibility for coverage and assistance in enrolling in a QHP or Medicaid and CHIP programs across the Marketplaces. Please note, we provide examples of how this information is collected in an electronic fashion via multiple channels and in a paper-based

format.

This request serves as the foundation for supporting a consumer's ability to apply for and enroll in a Marketplace QHP or Medicaid and CHIP coverage in any Federally-facilitated Marketplace (FFM) or State-based Marketplace (SBM).

This request documents changes to application processing costs, applicant burden hours, and costs to the federal government of maintaining the application that are expected to occur if the March 19, 2025 proposed rule "Individual Health Insurance Market and Exchange Program Integrity" is finalized as proposed. As a result of the rule's expected overall impact on enrollment volumes, we estimate decreased application processing costs and applicant burden hours, detailed in Section B.12 of this supporting statement.

For remaining applicants, we expect increases in per respondent application processing costs and respondent burden, as a result of the following provisions:

1. Proposed change to generate an annual income inconsistency when a tax filer's attested projected annual household income is greater than 100 percent of the FPL but income data returned by trusted data sources indicates income of less than 100 percent of the FPL.
2. Proposed change to no longer accept consumer attestation of projected annual household income when the Internal Revenue Service (IRS) confirms that tax return data is not available.
3. Proposed change to reinstate pre-enrollment verification of eligibility for additional categories of individual market Special Enrollment Periods (SEPs)

These provisions are described in further detail in the proposed rule.

Finally, we expect that the federal government will incur additional costs in order to make the eligibility system changes necessary to implement the updates to this information collection in the March 19, 2025, proposed rule "Individual Health Insurance Market and Exchange Program Integrity." These proposals are described in detail in Section B.14.

Questions or comments concerning the accuracy of the time estimates included in this information collection can be directed to CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850. Questions or concerns regarding the submission of documents can be directed to the Marketplace Call Center at 1-800-318-2596 (TTY: 1-855-889-4325).

B. Justification

1. Need and Legal Basis

Section 1413 of the Affordable Care Act directs the Secretary of Health and Human Services to develop and provide to each State a single, streamlined application form that may be used to apply for coverage through a Marketplace and for APTC/CSR, Medicaid, and CHIP (which we refer to collectively as insurance affordability programs). The application must be structured to maximize an applicant's ability to complete the form satisfactorily, taking into account the characteristics of individuals who may qualify for the programs by developing materials at appropriate literacy levels and ensuring accessibility. A State may develop and use its own application if approved by the Secretary in accordance with section 1413 and if it meets the standards established by the Secretary.

45 CFR §155.405(a) provides more detail about the application that must be used by Marketplaces to determine eligibility and to collect information necessary for enrollment. Eligibility standards for the Marketplace are set forth in 45 CFR §155.305. The information will be required of each applicant upon initial application, with some subsequent information collections for the purposes of confirming accuracy of previous submissions and for changes in an applicant's circumstances. 42 CFR §435.907 and §457.330 establish the standards for state Medicaid and CHIP agencies related to the use of the application. CMS has designed a dynamic electronic application that will tailor the amount of data required from an applicant based on the applicant's circumstances and responses to particular questions in the FFM (please note SBM implementations may vary but the essence of the data collection must adhere to the same parameters). The paper version of the application will not be tailored in the same way but will require only the data necessary to determine eligibility.

The Affordable Care Act directs that Marketplaces permit individuals to apply for coverage during annual open enrollment. Individuals may apply outside of the open enrollment periods and enroll in coverage right away if they qualify for a special enrollment period (outlined in 45 CFR §155.420(d)). Medicaid and CHIP do not have specified open enrollment periods. The application will be available at all times during the year.

Individuals will be able to apply electronically, through the mail, over the phone through a call center, or in person, per 45 CFR §155.405(c)(2), as well as through other available electronic means as noted in 42 CFR §435.907(a) and §457.330. The application may be submitted to a Marketplace, Medicaid or CHIP agency. Electronic applications may also be submitted to the Marketplace via approved a Qualified Health Plan Issuer, Agent/Broker or other HHS-approved channels through direct enrollment as noted in 45 CFR §156.1230(a)(1), 45 CFR §155.220(c)(3) and §155.220(c)(4).

We have included four attachments of application materials to illustrate the process applicants will use to apply for health coverage in a qualified health plan through a Marketplace and for

insurance affordability programs.

- Attachment A: List of Items in the Electronic Application to Support Eligibility Determinations for Enrollment through the Marketplace with or without financial help (APTC, CSRs, or Medicaid and CHIP) – a list of all potential questions that could be asked on the electronic application. No applicant will ever be required to answer this exhaustive list of questions; the vast majority of applicants will be asked less than one- third of these questions.
- Attachment B: Application for Health Coverage & Help Paying Costs (Short Form) – this paper application can be used by some single adults to receive an eligibility determination for enrollment through the Marketplace with or without financial help, or for Medicaid or CHIP. This application can be used by single adults who do not have any dependent children and are not claimed as a dependent on someone else’s tax return; are not American Indian/Alaska Native; are not offered coverage through a job; were not in the foster care system (and under age 26); and do not deduct certain expenses from income. Otherwise, individuals should apply electronically or use Attachment C. The short form is also accompanied by Appendix C “Help with Completing this Application” (collects information about certified individuals who complete the application on behalf of someone else and if the applicant wants to establish an authorized representative regarding their application); and Appendix D “Questions about life changes” (collects information about certain life change events to determine eligibility to enroll in the Marketplace outside of the annual Open Enrollment Period).
- Attachment C: Application for Health Coverage & Help Paying Costs – this paper application supports eligibility determinations for enrollment through the Marketplace or for Medicaid or CHIP. The application can be used to determine eligibility for an individual or family applying for enrollment through the Marketplace with or without financial help or Medicaid, and CHIP. The Application for Health Coverage & Help Paying for Costs is also accompanied by 1) Appendix A “Health Coverage from Jobs” (collects information about the employer and which individuals in the household are offered health coverage through that employer to inform eligibility determinations for Marketplace coverage financial help through the Marketplace); 2) Appendix B “American Indian or Alaska Native (AI/AN) Household Members” (collects information about American Indian or Alaska Native household members to determine if they may qualify for specific cost saving programs); 3) Appendix C “Help with Completing this Application”; and 4) Appendix D “Questions about life changes”.
- Attachment D: Application for Health Coverage – this paper application supports eligibility determinations for enrollment through the Marketplace for applicants who

do not wish to be considered for insurance affordability programs. The application can be used to determine eligibility for an individual or family applying to directly purchase Qualified Health Plan coverage through the Marketplace. This form is less burdensome for consumers who do not wish to be considered for insurance affordability program eligibility. The application for health coverage is also accompanied by Appendix C “Help with Completing this Application” and Appendix D “Questions about life changes.”

2. Information Users

Information collected by the Marketplace, or State Medicaid/CHIP agency will be used to determine eligibility for coverage through the Marketplace and insurance affordability programs (i.e., Medicaid, CHIP, and APTC), and assist consumers in enrolling in a QHP if eligible. Applicants include anyone who may be eligible for coverage through any of these programs.

The Marketplace verifies the information provided on the application, communicates with the applicant or the authorized representative and subsequently provides the information to the health plan selected by the applicant so that it can enroll the individual or family in a QHP. The Marketplace also uses the information provided in support of its ongoing operations, including activities such as verifying continued eligibility for all programs, processing appeals, reporting on and managing the insurance affordability programs for eligible individuals, performing oversight and quality control activities, combatting fraud, and responding to any concerns about the security or confidentiality of the information. Applicants can find more information about how the Marketplace uses the information they provide on the application in the Privacy Act Statement for individuals and families at <https://www.healthcare.gov/individual-privacy-act-statement/>.

3. Use of Information Technology

Technology enables the electronic application process to offer a number of advantages over a paper application process. The electronic application will feature a dynamic or “smart” process that poses questions to the applicant based on the responses to previous questions and available verification of information. This ensures that only relevant questions are asked, and any non-relevant questions are not displayed. The paper application does not offer the same flexibility in customizing the sequence or number of questions. The electronic application will also be able to catch inadvertent errors in real time, as well as immediately verify information in many cases. The electronic process will be designed to allow individuals to save information through a unique user account, obtain access to immediate help resources, and more quickly enroll in coverage. As compared to applying via paper, the electronic application will allow applicants to complete the process more efficiently and receive an eligibility determination more quickly. Therefore, the electronic application will reduce the burden of applying for coverage.

4. Duplication of Effort

This information collection does not duplicate any other effort, and we will make every effort to obtain such information from existing sources.

5. Small Businesses

Small businesses are not affected by this data collection.

6. Consequences of Less Frequent Collection

The Affordable Care Act directs that Marketplaces permit individuals to apply for coverage during annual open enrollment periods and during special enrollment periods, when applicable. Additionally, individuals may apply for Medicaid and CHIP at any time throughout the year. If information was collected less frequently or not at all, individuals would not be able to gain coverage under Affordable Care Act reforms and the program would be unable to operate.

7. Special Circumstances

An individual who is enrolled in a QHP through a Marketplace is required to report changes that impact eligibility to the Marketplace within 30 days of such a change per 45 CFR §155.330(b). Individuals are required to report changes in residency, incarceration, household makeup, income, and citizenship or lawful presence. The Marketplace may conduct a redetermination for eligibility to be enrolled in a QHP and other coverage based on the reported change.

If an individual is responding by mail to a request for follow up regarding an application, for example, the individual may need to respond in fewer than 30 days if the open enrollment period will end in less than 30 days, or if it is the policy of the Medicaid or CHIP agency.

8. Federal Register/Outside Consultation

The 30-day notice was published in the Federal Register on March 19, 2025.

9. Payments/Gifts to Respondents

There are no payments or gifts to respondents.

10. Confidentiality

All information collected will be held private in accordance with regulations at 45 CFR 155.260, Privacy and Security of Personally Identifiable Information. Pursuant to this regulation, Marketplaces may only use or disclose personally identifiable information to the extent that such information is necessary to carry out their statutory and regulatory mandated functions.

11. Sensitive Questions

Per statute, a Social Security number and information about citizenship or immigration status are needed to help verify eligibility for coverage. The items in this collection are included in the SORN (09-70-0560) published in the Federal Register on February 6, 2013.

12. Estimates of Annualized Burden Hours

We estimate that, if the March 19, 2025, proposed rule “Individual Health Insurance Market and Exchange Program Integrity” is finalized as proposed, that the number of individuals who enroll in coverage will decrease. Detailed estimates can be found in the table below.

	2026	2027	2028
Enrollment with Program Integrity Rule	15,865,000	16,102,500	16,344,500
Enrollment without Program Integrity Rule	17,240,000	17,426,000	17,682,000
Net change	-1,375,000	-1,323,500	-1,337,500

Accordingly, we estimate that for the 3-year period from 2026 through 2028, an average of 16,104,000 people will enroll in coverage through the Marketplaces and insurance affordability programs per year for Benefit Years 2026 to 2028. Based on 2024 Open Enrollment data, CMS expects to receive an annual total of 8,000,467 new or revised applications, resulting in an annual total of 7,019,109 consumer burden hours, since a single completed application can include multiple individual applicants from the same household and many consumers also automatically reenroll.

Burden for Electronic Application

CMS estimates that the electronic application process will vary depending on each applicant’s circumstances, their experience with health insurance applications and electronic capabilities. The goal is to solicit sufficient information so that in most cases no further inquiry will be needed. In addition, electronic channels will administer an identification proofing process prior to the electronic eligibility application information. Based on the information an individual provides, the identification proofing system will generate a series of challenge questions or may request additional identifying information about the person to assist in identity verification, such as a previous address where an individual has lived or official identity document information. The system will have a large bank of questions it will randomly generate based on information from external databases. To protect the security and integrity of the system, we cannot provide the list of questions generated or specific identifying information requested. Additional burden from the identification proofing process is negligible in the context of the electronic application questions. Please refer to Attachment A for the placement of and more detail about the identification proofing process. Based on market research and testing, we estimate that on average it will take approximately 30 minutes

to complete an application for insurance affordability programs. It will take an estimated 15 minutes to complete an application without consideration for insurance affordability programs.

CMS estimates that approximately 7,600,444 new or revised electronic applications will be submitted for Marketplace and insurance affordability programs each year from 2026 through 2028 for a total number of 6,622,520 yearly burden hours.

Burden for Paper Application

Based on market research and testing, we estimate that the paper application process will take an average of 45 minutes to complete for those applying for insurance affordability programs; 15 minutes for those applying for insurance affordability programs using the short form; and 20 minutes for those applying without consideration for insurance affordability programs.

CMS further estimates that approximately 400,023 new paper applications will be submitted for Marketplace and insurance affordability programs for each year from 2026 through 2028. One third of respondents will complete the short form and two-thirds will complete the longer form, resulting in 396,590 total burden hours per year from 2026-2028.

Application Processing Burden

Marketplaces and State Medicaid/CHIP Agencies will need to process applications and verify eligibility based on the information submitted from individuals. Based on market research and testing, we previously estimated the application processing burden to the government to be 10 minutes for electronic applications and 30 minutes for paper applications at a rate of \$48.34 per hour.¹ To derive wage estimates, we used data from the Bureau of Labor Statistics (BLS), May 2023 Bureau of Labor Statistics, Occupational Employment Statistics, National Occupational Employment and Wage Estimates at <https://www.bls.gov/oes/> to derive median labor costs (including a 100 percent increase for fringe benefits and overhead) for estimating the burden associated with the ICR. Wage rates below present the median hourly wage, the cost of fringe benefits and overhead, and the adjusted hourly wage.

The description below reflects the revised estimated application processing burden to the government associated with this program.

If the March 19, 2025 proposed rule “Individual Health Insurance Market and Exchange Program Integrity” is finalized as proposed, we expect an overall decrease in annual applications submitted from 11,327,040 to 8,000,467 (a decrease of 3,326,573). Consistent with past submissions, we estimate that 95 percent of applications will be submitted electronically, and 5 percent will be submitted via the paper application. Therefore, we estimate 7,600,444 ($8,000,467 \times 95$ percent)

¹ Eligibility Interviewers, Government Programs: <https://www.bls.gov/oes/current/oes434061.htm>

electronic application responses, and 400,023 ($8,000,467 \times 5$ percent) paper application responses. Of these 8,000,467 respondents, we estimate that 548,000 respondents will require a net increase in the time required for the government to process their applications of 1 hour and 12 minutes per respondent for a total of 1 hour and 22 minutes, as a result of the proposed change to generate annual income inconsistencies when a tax filer's attested projected household annual income is greater than 100 percent of the FPL but income data returned by trusted data sources indicate income of less than 100 percent of the FPL. We estimate that 520,600 ($548,000 \times 95$ percent) of these respondents will utilize the electronic application, and 27,400 ($548,000 \times 5$ percent) will utilize the paper application.

Of the 8,000,467 total respondents, we estimate that an additional 2,118,000 respondents will require a net increase in the time required to process their applications of 1 hour and 12 minutes per respondent for a total of 1 hour and 22 minutes, as a result of the proposed change to no longer accept consumer attestation of projected annual household income when the Internal Revenue Service (IRS) confirms that tax return data is not available. We estimate that 2,012,100 ($2,118,000 \times 95$ percent) of these respondents will utilize the electronic application, and 105,900 ($2,118,000 \times 5$ percent) will utilize the paper application.

Finally, of the 8,000,467 total respondents, we estimate that 293,073 respondents will require a net increase in the time required to process their applications of 12 minutes per respondent for a total of 22 minutes, as a result of the proposed change to require additional pre-enrollment SEP verification. We estimate that 278,419 ($293,073 \times 95$ percent) of these respondents will utilize the electronic application, and 14,654 ($293,073 \times 5$ percent) will utilize the paper application.

Of the 7,600,444 respondents utilizing the electronic application, we estimate that 2,532,700 respondents ($520,600 + 2,012,100$) will require 1 hour and 22 minutes (10 minutes + 1 hour and 12 minutes), and 278,419 will require 22 minutes (10 minutes + 12 minutes) as a result of the changes proposed in this rule, if finalized as proposed, and the remaining 4,789,325 respondents ($7,600,444 - 2,532,700 - 278,419$) will continue to have an expected burden per response of 10 minutes. Therefore, we expect the average burden per response for the 7,600,444 respondents utilizing the electronic application to increase from 10 minutes to 34 minutes ($((2,532,700 \text{ respondents} \times 1 \text{ hour and } 22 \text{ minutes per respondent}) + (278,419 \text{ respondents} \times 22 \text{ minutes per respondent}) + (4,789,325 \text{ respondents} \times 10 \text{ minutes per respondent})) / 7,600,444 \text{ total respondents}$).

For the 400,023 respondents utilizing the paper application, we estimate that 133,300 respondents ($27,400 + 105,900$) will require 1 hour and 42 minutes (30 minutes + 1 hour and 12 minutes), and 14,654 will require 42 minutes (30 minutes + 12 minutes) as a result of the changes proposed in this rule, if finalized as proposed, and the remaining 252,069 respondents ($400,023 - 147,954$) will continue to have an expected burden per response of 30 minutes. Therefore, we expect the average burden per response for the 400,023 respondents

utilizing the electronic application to increase from 30 minutes to 54 minutes (((133,300 respondents x 1 hour and 42 minutes per respondent) + (14,654 respondents x 42 minutes per respondent) + (252,069 respondents x 30 minutes per respondent)) / 400,023 total respondents).

Table 1: Application Processing Costs

Application Type	Number of Respondents	Burden per Response (in minutes)	Total Annual Burden (hours)	Median Labor Costs (per hour)	Total Cost
Electronic Application	7,600,444	34	4,306,918	\$48.34	\$208,196,416
Paper Application	400,023	54	360,021	\$48.34	\$17,403,415
Total	8,000,467		4,666,939		\$225,599,831

12A. Estimated Annualized Burden Hours

We adopt an hourly value of time based on after-tax wages to quantify the opportunity cost of time use for unpaid activities. This approach matches the default assumptions for valuing changes in time use for individuals undertaking administrative and other tasks on their own time, which are outlined in an Assistant Secretary for Planning and Evaluation (ASPE) report on “Valuing Time in U.S. Department of Health and Human Services Regulatory Impact Analyses: Conceptual Framework and Best Practices.”² We started with a measurement of the usual weekly earnings of wage and salary workers of \$1,185.³ We divided this weekly rate by 40 hours to calculate an hourly pre-tax wage rate of approximately \$29.63. We adjusted this hourly rate downwards by an estimate of the effective tax rate for median income households of about 17 percent, resulting in a post-tax hourly wage rate of approximately \$24.59. We adopt this as our estimate of the hourly value of time for changes in time use for unpaid activities.

If the March 19, 2025, proposed rule “Individual Health Insurance Market and Exchange Program

² Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. “Valuing Time in U.S. Department of Health and Human Services Regulatory Impact Analyses: Conceptual Framework and Best Practices.” (2017) <https://aspe.hhs.gov/reports/valuing-time-us-department-health-human-services-regulatory-impact-analyses-conceptual-framework>.

³ U.S. Bureau of Labor Statistics. Employed full time: Median usual weekly nominal earnings (second quartile): Wage and salary workers: 16 years and over [LEU0252881500A], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/LES1252881500Q>. Annual Estimate, 2024.

Integrity” is finalized as proposed, we expect an overall decrease in annual applications submitted from 11,327,040 to 8,000,467. Consistent with past submissions, we estimate that 95 percent of applications will be submitted electronically, and 5 percent will be submitted via the paper application. Therefore, we estimate 7,600,444 ($8,000,467 \times 95$ percent) electronic application responses, and 400,023 ($8,000,467 \times 5$ percent) paper application responses.

Based on recent internal CMS data, approximately 98 percent of applications are for insurance affordability programs, and the remaining 2 percent of applications are without consideration for insurance eligibility programs. Therefore, of the expected 7,600,444 electronic application responses, we expect that 7,448,435 respondents ($7,600,444 \times 98$ percent) will apply for insurance affordability programs, and the remaining 152,009 respondents ($7,600,444 \times 2$ percent) will apply without consideration for insurance affordability programs. Of the expected 400,023 paper application responses, we expect that 392,023 ($400,023 \times 98$ percent) will apply for insurance affordability programs, and the remaining 8,000 respondents ($400,023 \times 2$ percent) will apply without consideration for insurance affordability programs. Of the 392,023 respondents utilizing the paper application and applying for insurance affordability programs, we estimate that 294,017 ($392,023 \times 75$ percent) will utilize the long-form application, and 98,006 ($392,023 \times 25$ percent) will utilize the short-form application.

We estimate that 548,000 respondents will experience a net increase in the time required to complete their applications of 60 minutes per respondent, as a result of the proposed change to generate annual income inconsistencies when a tax filer’s attested projected annual household income is greater than 100 percent of the FPL but income data returned by trusted data sources indicate income of less than 100 percent of the FPL. This change is only applicable to respondents applying for insurance affordability programs. Consistent with the overall estimated volumes for each application type, we estimate that of the 548,000 respondents impacted by this change, we expect that 520,600 respondents ($548,000 \times 95$ percent) will utilize the electronic application, 20,824 respondents ($548,000 \times 3.8$ percent) will utilize the long-form paper application, and 6,576 respondents will utilize the short-form paper application ($548,000 \times 1.2$ percent).

We estimate that an additional 2,118,000 respondents will experience a net increase in the time required to complete their applications of 60 minutes per respondent, as a result of the proposed change to no longer accept consumer attestation of projected annual household income when the Internal Revenue Service (IRS) confirms that tax return data is not available. This change is only applicable to respondents applying for insurance affordability programs. Consistent with the overall estimated volumes for each application type, we estimate that of the 2,118,000 respondents impacted by this change, 2,012,100 respondents ($2,118,000 \times 95$ percent) will utilize the electronic application, 80,484 respondents ($2,118,000 \times 3.8$ percent) will utilize the long-form paper application, and 25,416 respondents will utilize the short-form paper application ($2,118,000 \times 1.2$ percent).

Finally, we estimate that 293,073 respondents will experience a net increase in the time required to complete their applications of 60 minutes per respondent, as a result of the proposed change to require additional pre-enrollment SEP verification. This change is applicable to respondents regardless of whether they are applying for insurance affordability programs. Consistent with the overall estimated volumes for each application type, we estimate that of the 293,073 respondents impacted by this change, 272,558 respondents ($293,073 \times 93$ percent) will utilize the electronic application for insurance affordability programs, 5,861 respondents ($293,073 \times 2$ percent) will utilize the electronic application without consideration for insurance affordability programs, 10,844 respondents ($293,073 \times 3.7$ percent) will utilize the long-form paper application, 3,517 respondents ($293,073 \times 1.2$ percent) will utilize the short-form paper application, and 293 respondents ($293,073 \times 0.1$ percent) will utilize the paper application without consideration for insurance affordability programs.

Of the 7,448,435 respondents utilizing the electronic application for insurance affordability programs, we estimate that 2,805,258 respondents ($520,600 + 2,012,100 + 272,558$) will experience a net increase in the time required to complete their applications of 60 minutes, increasing the burden for each of these respondents from 30 minutes to 90 minutes. The remaining 4,643,177 respondents ($7,448,435 - 2,805,258$) will continue to have a burden of 30 minutes. Overall, we expect an increase in the average burden for all applicants utilizing the electronic application for insurance affordability programs from 30 minutes to 54 minutes ($((2,805,258 \times 90 \text{ minutes}) + (4,643,177 \times 30 \text{ minutes})) / 7,448,435$).

Of the 152,009 respondents utilizing the electronic application without consideration for insurance affordability programs, we estimate that 5,861 respondents will experience a net increase in the time required to complete their applications of 60 minutes, increasing the burden for each of these respondents from 15 minutes to 75 minutes. The remaining 146,148 respondents ($152,009 - 5,861$) will continue to have a burden of 15 minutes. Overall, we expect an increase in the average burden for all applicants utilizing the electronic application for insurance affordability programs from 15 minutes to 17 minutes ($((5,861 \times 75 \text{ minutes}) + (146,148 \times 15 \text{ minutes})) / 152,009$).

Of the 294,017 respondents utilizing the long-form paper application for insurance affordability programs, we estimate that 112,152 respondents ($20,824 + 80,484 + 10,844$) will experience a net increase in the time required to complete their applications of 60 minutes, increasing the burden for each of these respondents from 45 minutes to 105 minutes. The remaining 181,865 respondents ($294,017 - 112,152$) will continue to have a burden of 45 minutes. Overall, we expect an increase in the average burden for all applicants utilizing the electronic application for insurance affordability programs from 45 minutes to 68 minutes ($((112,152 \times 105 \text{ minutes}) + (181,865 \times 45 \text{ minutes})) / 294,017$).

Of the 98,006 respondents utilizing the short-form paper application for insurance affordability

programs, we estimate that 35,509 respondents ($6,576 + 25,416 + 3,517$) will experience a net increase in the time required to complete their applications of 60 minutes, increasing the burden for each of these respondents from 15 minutes to 75 minutes. The remaining 62,497 respondents ($98,006 - 35,509$) will continue to have a burden of 15 minutes. Overall, we expect an increase in the average burden for all applicants utilizing the electronic application for insurance affordability programs from 15 minutes to 37 minutes ($((35,509 \times 75 \text{ minutes}) + (62,497 \times 15 \text{ minutes})) / 98,006$).

Of the 8,000 respondents utilizing the paper application without consideration for insurance affordability programs, we estimate that 293 respondents will experience a net increase in the time required to complete their applications of 60 minutes, increasing the burden for each of these respondents from 20 minutes to 80 minutes. The remaining 7,707 respondents ($8,000 - 293$) will continue to have a burden of 20 minutes. Overall, we expect an increase in the average burden for all applicants utilizing the electronic application for insurance affordability programs from 20 minutes to 22 minutes ($((293 \times 80 \text{ minutes}) + (8,000 \times 20 \text{ minutes})) / 8,000$).

Table 2: Estimated Burden Table

Application Type	Type of Application	Number of Respondents	Burden per Respondent (in minutes)	Total Annual Burden (hours)	Total Cost
Electronic Application	Applying for insurance affordability programs	7,448,435	53	6,579,451	\$161,788,700
Electronic Application	Not applying for insurance affordability programs	152,009	17	43,069	\$1,059,066
Paper Application	Applying for insurance affordability programs (Long Form)	294,017	68	333,219	\$8,193,855
Paper Application	Applying for insurance affordability programs (Short Form)	98,006	37	60,437	\$1,486,146

Application Type	Type of Application	Number of Respondents	Burden per Respondent (in minutes)	Total Annual Burden (hours)	Total Cost
Paper Application	Not applying for insurance affordability programs	8,000	22	2,933	\$72,122
Total		8,000,467		7,019,109	\$172,599,889

13. Capital Costs

There are no additional capital costs resulting from this revision.

14. Cost to Federal Government

The collection's burden to the Federal government includes maintaining the application and implementation of the data. The overall cost is estimated to be \$313,565. This estimate projects software development costs at \$95.88 an hour⁴ (occupation no. 15-1251) and includes approximately 13 weeks of development.

This revision's burden on the federal government includes developing and coding the system changes required to implement the updates to this information collection that are proposed in the March 19, 2025 proposed rule "Individual Health Insurance Market and Exchange Program Integrity."

If finalized as proposed, we estimate that each of these changes will incur costs of \$97.33 per hour. This assumes that 25 percent of the hours needed to implement these changes will be performed by a database and network administrator (occupation no. 15-1240) with an hourly wage of \$101.66⁵ and the remaining 75 percent will perform by a computer programmer (occupation no. 15-1251) with an hourly wage of \$95.88⁶ $((0.25 \times \$101.66) + (0.75 \times \$95.88) = \$97.33)$. This allocation of work between network administrator and computer programmer was informed by our experience with past system changes. An additional burden to the Federal government is the work of one full time GS-13 employee to serve as the COR for an application contract. The current (2025) salary of a 13 Grade/Step 1 employee in the Washington, D.C. area is \$120,579.

⁴ See Department of Labor. (2024, April 3). Bureau of Labor Statistics, Occupational Employment and Wage Statistics, May 2023 Occupation Profiles. https://www.bls.gov/oes/current/oes_stru.htm.

⁵ Id.

⁶ Id.

Table 3: Cost to Federal Government to Maintain Application

Data Collection and Development Task	Number of Developer Hours (a)	Median Labor Cost Per Hour (b)	Cost of Development (c) (a) x (b)
Application Development	2,080	\$95.88	\$199,430
1 GS-13 FTE (as Contracting Officer's Representative (COR))			\$120,579
One-time eligibility system changes to no longer consider DACA recipients "lawfully present"	1,000	\$97.33	\$97,330
One-time eligibility system changes to generate an inconsistency when data sources indicate that an applicant has household income under 100 percent FPL	6,500	\$97.33	\$632,645
One-time eligibility system changes to generate an inconsistency when tax data is unavailable	7,500	\$97.33	\$729,975
One-time eligibility system changes to reinstate pre-enrollment verification of eligibility for additional categories of SEPs	19,000	\$97.33	\$1,849,270
Total			\$3,629,229

15. Changes to Burden

There is a total annual application processing burden increase of 2,554,446 hours (from 2,112,493 hours to 4,666,939 hours). The burden increase is due to the increase in consumers for whom the Exchange will need to adjudicate income inconsistencies and process SEP verification issues.

There is a total annual consumer burden increase of 2,026,150 hours (from 4,992,959 hours to

7,019,109 hours). The burden increase is due to the increase in consumers who will need to gather and submit documents in order to adjudicate income inconsistencies and resolve SEP verification issues.

16. Publication/Tabulation Dates

Only aggregated, non-identifiable data that is collected through this mechanism is published periodically in reports and public use files.⁷ The results of this data collection will not publish any individually identifiable data collected.

17. Expiration Date

The expiration date and OMB control number have been placed on the first page (top right corner) of each instrument. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

⁷ Example of aggregated data release, public use files: <https://www.cms.gov/data-research/statistics-trends-and-reports/marketplace-products/2023-marketplace-open-enrollment-period-public-use-files>