



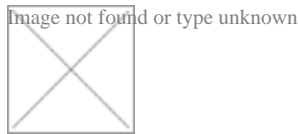
## Research

# The Explosive Growth in HHS Paperwork

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Few agencies have undergone a radical transformation in the past eight years like the Department of Health and Human Services (HHS). With the passage of the Affordable Care Act (ACA) and the transformation of the nation's health care system, HHS has gone from a minor regulatory player to the second most-burdensome regulator, measured by the amount of paperwork they pile on Americans, behind only the Internal Revenue Service (IRS).

In 2008, HHS imposed roughly 412 million hours of paperwork, up sharply from 152 million hours in 1995. By 2016, however, with the help of hundreds of new ACA regulations, HHS's paperwork burden has increased to roughly 700 million hours, an increase of more than 300 million hours since President Obama took office. The next closest agency, the Securities and Exchange Commission, imposes 225 million hours. The chart below tracks the incredible growth of paperwork at HHS since 2005.



To put 700 million hours of paperwork in context, it would take 354,500 employees working full-time in the private sector (2,000 hours annually) to complete a year of HHS paperwork. That is more than the population of [Honolulu, Hawaii](#) dedicated to regulatory compliance for HHS. To monetize this figure, assuming the average wage rate of a [compliance officer](#), yields a burden of \$23.1 billion.

## GROWTH IN REGULATION WON'T STOP

According to the administration, HHS's burden will only grow in the waning days of President Obama's tenure. There are now 86 new paperwork requirements related to the ACA, according to the administration, and one that would revise its current cost burden from \$0 to more than [\\$41.8 billion](#). The hourly cost of compliance, according to simple division, is approximately \$14,000. This incredible cost estimate would more than double HHS's current regulatory cost burden. It appears, however, that this is just a revision to current estimates, but it nevertheless reflects that even HHS is beginning to understand the weight of its regulatory portfolio. For comparison, HHS currently estimates its paperwork burden at just \$847 million. In other words, one revised requirement could boost HHS's *listed* regulatory cost by a factor of nearly 50.

“Listed” is highlighted because this paperwork compliance cost is likely just one component of HHS’s regulatory cost. According to [regrodeo.com](http://regrodeo.com), the ACA’s regulatory burden has already topped **\$45.5 billion** and HHS has imposed **\$53.5 billion** in costs since 2009. These figures come with the caveat that they are based on the agency’s own estimates, so actual figures may vary wildly compared to initial projections.

In addition to the revised cost burden, HHS has also requested to impose an additional **1.9 million** paperwork hours due to the ACA. A hospital reporting initiative could boost the amount of time hospitals spend complying with one paperwork requirement to 7.9 million hours, from six million today. The White House has not approved this measure yet, but given the history of the ACA, it is only a matter of time before hospitals are hit with another reporting requirement. The Centers for Medicare and Medicaid Services (CMS), the sub-agency requesting the jump, already imposes 292 million hours from 4.9 billion pieces of paperwork from hospitals, providers, doctors, and patients.

## CONCLUSION

These huge cost and paperwork figures do not just exist in the abstract. They are partly responsible for the countless forms patients must fill out in waiting areas and hospitals. These burdens are responsible for the millions of hours doctors spend complying with regulatory requirements, as opposed to patient care. In a decade, HHS has nearly doubled its paperwork burden and with the help of the ACA, there appears to be no end in sight.