

Supporting Statement
for the
Appointment of Representative Form and
Supporting Regulations in 42 CFR §405.910

INTRODUCTION

This application requests approval of an information collection associated with CMS-4064-IFC, [Medicare Program; Changes to the Medicare Claims Appeal Procedures.] See Fed. Reg. 11420 (March 8, 2005). The rule includes provisions for individuals or entities to appoint representatives to exercise their rights to an initial determination.

A. Background

The final rule sets forth regulations for implementing the new claims appeal process required by Section 521 of the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000(BIPA), as amended by The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA).

B. JUSTIFICATION

1. NEED AND LEGAL BASIS

The authority for collecting this information is under §405.910 (a) of the interim final rule with comment; Medicare Program: Changes to the Medicare Claims Appeal Procedures (CMS-4064-IFC).

An appointment of representative must be in writing and signed and dated by both the party and individual agreeing to be the representative; provide a statement appointing the representative to act on behalf of the party, and in the case of a beneficiary, authorize the adjudicator to release identifiable health information; include a written explanation of the purpose and scope of the representation; contain the party and appointed representative's name, phone number, and address; identify the beneficiary's Medicare health insurance claim number; include the appointed representative's professional status or relationship to the party; and be filed with the entity processing the party's initial determination.

2. INFORMATION USERS

This form would be completed by beneficiaries and providers and suppliers who wish to appoint representatives to assist them with their initial determinations.

3. IMPROVED INFORMATION TECHNOLOGY

There is no provision for alternative uses of information technology.

4. DUPLICATION OF SIMILAR INFORMATION

The CMS-1696 does not duplicate existing information.

5. SMALL BUSINESS

This collection does not have a significant economic impact on a substantial number of small entities.

6. LESS FREQUENT COLLECTION

This form is submitted on an "as needed" basis. "Less frequent collection" is not an option.

7. SPECIAL CIRCUMSTANCES

This information collection is in accordance with the guidelines in 5 CFR § 1320.6.

8. FEDERAL REGISTER NOTICE/OUTSIDE CONSULTATION

A Federal Register notice for the CMS-4064-IFC published on March 8, 2005. No outside consultation was obtained other than comments on the November 15, 2002 proposed rule on new appeals procedures.

9. PAYMENT/GIFT TO RESPONDENT

We do not plan to provide any payment or gifts to respondents.

10. CONFIDENTIALITY

Contractors collect and maintain information for CMS under the provisions of the Privacy Act. Persons violating the Privacy Act are subject to a fine and to being found guilty of a misdemeanor.

11. SENSITIVE QUESTIONS

There are no questions of a sensitive nature associated with this request.

12. BURDEN ESTIMATE

We must estimate the burden for the Appointment of Representative because we do not maintain formal data on the use of appointed representatives. Therefore, our estimates are derived from anecdotal information.

Our estimates are limited to beneficiary appeals involving appointed representatives. Providers and suppliers rarely invoke the use of appointed representatives, and when they

do, it is during the higher levels of the appeals process. Providers and suppliers are required to submit requests for initial determinations electronically, often employing a billing service to handle the accounts. Therefore, we believe that providers and suppliers are likely to use the Appointment of Representative for initial determinations in limited circumstances.

For FY 2005, 5,455,461 requests for first level appeals are projected based on current data. We estimate that 5% of requests are from beneficiaries (272,773). We also estimate that less than 10% of beneficiaries appoint a representative for a projected total of 27, 277 Appointment of Representatives.

Since we have developed the optional standardized form, we estimate that it should only take approximately 15 minutes to supply the required information to comply with the requirements for a valid Appointment of Representative. Therefore, we estimate the total burden to be 6,819 hours on an annual basis.

Burden is computed as follows:

Total Burden Hours = $(27,277 * 15) / 60$

Total Burden Hours = $(409,155) / 60$

Total Burden Hours = 6,819

13. CAPITAL COSTS

There are no capital costs associated with this collection.

14. COSTS TO FEDERAL GOVERNMENT

There is no cost to the Federal Government for this collection.

15. PROGRAM OR BURDEN CHANGES

This is a new collection.

16. PUBLICATION AND TABULATION DATES

These notices will be published on the Internet; however, no aggregate or individual data will be tabulated from them.

17. EXPIRATION DATE

We are not requesting exemption.

18. CERTIFICATION STATEMENT

There are no exceptions to the certification statement.

C. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

There are no statistical methods associated with this collection.