

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT  
SUBMISSION  
0720-0001**

**A. Justification**

1. Need and Use

This information collection requirement is used by TRICARE to determine reimbursement for health care services or supplies rendered by individual professional providers to TRICARE beneficiaries. The requested information is used to determine beneficiary eligibility, appropriateness and costs of care, other health insurance liability, and whether services received are benefits and ultimately for reimbursing the individual provider for providing professional medical services to Civilian Health and Medical Program of the Uniformed Services (TRICARE) beneficiaries. Use of this specific form continues TRICARE commitments to use the national standard claim form for reimbursement of services/supplies provided by individual professional providers. 32 CFR 199.7.

2. Purpose and users of the information

This collection instrument is for use by health care providers under the Civilian Health and Medical Program of the Uniformed Services (TRICARE). TRICARE is a health benefits entitlement program for the dependents of active duty Uniform Services members and deceased sponsors, retirees and their dependents, dependents of Department of Homeland Security (Coast Guard) sponsors, and certain North Atlantic Treaty Organization, National Oceanic and Atmospheric Administration, and Public Health Service eligible beneficiaries. The CMS Form 1500 is used by individual professional health care or health care related providers to file for reimbursement of civilian health care services or supplies provided to TRICARE beneficiaries. This is the national standard claim form accepted by all major commercial and government payers.

3. Improved Information Techniques

TRICARE is committed to the requirements of the Health Insurance Portability and Accountability Act (HIPAA) which mandates that the Centers for Medicare and Medicaid Services (CMS) implement one standard electronic version of this claim form. While waiting for the full implementation of the law, TRICARE is dedicated to accepting many electronic versions of the form and the fiscal intermediaries/Managed Care Support Contractors (MCSC) are required to work with individual providers to assist them in submitting the electronic versions. TRICARE is consistently incorporating new contract requirements to increase the percentage of claims submitted on the electronic version of the claim form.

4. Duplication and Similar Information

There is no duplication of data collection. The uniqueness of each claim is ensured by comparing all newly submitted claims against prior submitted claims. File is maintained according to sponsor's Social Security Number (SSN).

#### 5. Small Business

The information collection includes small business such as physicians, medical equipment suppliers, hospital, radiology groups and many other categories of health care providers.

#### 6. Less Frequent Collections

There is no required frequency of collection of information. A claim form must be submitted by the provider in order to be reimbursed for the professional services provided to each TRICARE beneficiary. Each claim is submitted as deemed appropriate by the health care provider or supplier. There is a claim filing deadline and any claims received after that date may be denied. The deadline is one year from the date in which the care or supply was rendered.

#### 7. Special Circumstances

There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5(d) (2).

#### 8. Federal Register Notice/Consultations

The Federal Register Notice for this collection of information was published March 9, 2007 (Vol. 72, No. 46, p. 10715 & 10716). Copy attached. No public comments were received.

The claim form was developed and is controlled by the National Uniform Claim Committee, comprised of the American Medical Association, the Centers for Medicare and Medicaid Services (CMS), TRICARE, Health Care Finance Administration, The National Blue Cross Association, America's Health Insurance Plans (AHIP) and other payer, provider, and plan members. The committee is chaired by the American Medical Association. Periodic meetings of the committee or consultations with its members occur on an as-needed basis.

#### 9. Payments/Gift to Respondents

None.

#### 10. Confidentiality

The reverse side of the form contains a Privacy Act Statement for government claims and other certifications and authorizations required by law. All CHAMPUS fiscal intermediaries and contractors are contractually required to adhere to Privacy Act restrictions set forth in 44 USC 1079 and 1086; 38 USC 613; EO 9397 and TRICARE guidelines. The provider instructions also contain the Privacy Act requirements.

#### 11. Sensitive Questions

The form requires a diagnosis and the type of service provided. Claims can involve all possible medical conditions. The privacy of the patient is ensured regardless of the condition, but especially if the condition is of a sensitive nature. The CHAMPUS fiscal intermediaries and contractors are especially aware of maintaining the privacy of the patient for claims involving venereal disease, alcoholism or drug abuse. The Privacy Act statement explains how the information will be used. The form instructions also explain that the patient/sponsor signature authorizes the release of medical information necessary to adjudicate and process the claim.

#### 12. Burden Estimate (hour)

The total annual hour burden for the respondents of 6,000,000 is based on an annual projected use/submission of 24,000,000 claims. The burden is based on an estimate of 15 minutes to complete the form. There is no cost to the respondents. The forms are purchased by the medical provider from private vendors. Postage to mail the form is paid by the provider of care (24,000,000 claims mailed at \$.41 = \$9,840,000). The annual burden hours calculated as follows:

Respondents: 24,000,000  
Response Time: 0.25 hours  
Response Frequency: (as required)  
Burden Hours: 6,000,000  
(24,000,000 x 0.25 hours = 6,000,000)

#### 13. Cost to Respondents

There will be no additional cost burden to respondents.

#### 14. Cost to Federal Government

The annual cost to the Federal government is based on the total number of CMS Form 1500s received for processing (currently 24,000,000).

a. CHAMPUS Contractors Average Administrative Processing Cost: \$ 5.60 per paper claim x 24,000,000 = \$134,400,000 per 12 month period.

b. Printing of forms: None. The provider of care purchases the forms from private vendors.

## 15. Change in Burden

The claim number increase is in partial response to Congressional direction provided by the National Defense Authorization Acts for the past three fiscal years to add additional beneficiaries and medical benefits to the TRICARE program. Some examples were to add former military retirees and their family members who are eligible for Medicare to TRICARE benefit. Prior to enactment of this change to the law governing TRICARE, former military retirees and their family members who became eligible for Medicare lost their eligibility for TRICARE. Now, once Medicare has paid its share of a medical claim, any remaining amounts can be reimbursed by TRICARE. In addition, due to current force activities in Iraq and the call up of the Reserves, increased demand on the Defense Healthcare Program with a subsequent decrease in availability of military medical services has resulted in an increase in the usage of civilian sources for health care. Establishment and expansion of the TRICARE Reserve Select program during the past three years has added potential eligibility for all Selected Reservists who meet the eligibility requirements. The increases in additional beneficiaries and expanded TRICARE Program benefits have caused significant increase in the number of claims submitted and processed for payment each year. The CMS-1500 form is the only TRICARE approved claims form for use by non-institutional professional providers.

## 16. Publication/Tabulation

There are no plans to publish or tabulate the information collected.

## 17. Expiration Date

Approval is not sought for avoiding display of the expiration date for OMB approval.

18. There are no exceptions to the certification statement in Item 19, "Certification for Paperwork Reduction Act Submission," of OMB Form 83-I.

## **B. Collections of Information Employing Statistical Methods**

This information collection does not employ statistical methods.