

Supporting Statement for Skilled Nursing Facility (SNF)
Medicare Patient Assessment Form (MPAF) Data and
Supporting Regulations in 42 CFR Sections 413.337, 413.343, 424.32 and 483.20

A. Background

We are requesting re-approval of resident assessment information that Skilled Nursing Facilities (SNFs) are required to submit as described at 42 CFR 413.343 and 483.20 in the manner necessary to administer the payment rate methodology described in 42 CFR 413.337. An assessment form comprised of a subset of resident assessment information has been developed for use by SNFs to satisfy Medicare payment requirements, in lieu of a full MDS. The burden associated with this is the SNF staff time required to complete the Medicare PPS Assessment Form (MPAF), SNF staff time to encode, and SNF staff time spent in transmitting the data.

The MDS 3.0 version is currently being developed with an expectation of implementation in FY 2010. Since we do not have the MDS 3.0 version available, we are requesting an extension for the current version of the MPAF based on the MDS 2.0.

B. Justification

1. Need and Legal Basis

Pursuant to sections 4204(b) and 4214(d) of OBRA 1987, the current requirements related to the submission and retention of resident assessment data are not subject to the Paperwork Reduction Act (PRA), but it has been determined that new requirements for SNF staff performing, encoding and transmitting patient assessment data for the 5th, 14th, 30th, 60th and 90th days of the covered Part A stay, necessary to administer the payment rate methodology described in 413.337, are subject to the PRA.

OMB reviewed and concurred with the shortened version of the MDS, known as the MPAF, to be utilized specifically for SNF payment purposes. The OMB number is 0938-0739, and the expiration date is May 31, 2009.

2. Information Users

CMS uses the MPAF data to reimburse skilled nursing facilities for SNF-level care furnished to Medicare beneficiaries.

3. Improved Information Technology

CMS has developed customized software that allows skilled nursing facilities to encode, store and transmit MPAF data. The software is available free of charge, and CMS provides customer support for software and transmission problems encountered by the providers.

4. Duplication of Similar Information

The data required for reimbursement are not currently available from any other source.

5. Small Entities

As part of our PRA analysis for an extension of our existing approval, we considered whether the change impacts a significant number of small entities. In this filing we utilized the instructions that pertain to the I-83, Part II to determine the number of small entities. Out of a total of 15,039 skilled nursing facilities, only 1,936, or 13% are small entities, 38% percent of which are owned by State, Local or Tribal governments. The average number of MPAFs completed (255) is the same across all respondents based on the number of actual MPAFs completed by skilled nursing facilities in FY 2007.

6. Less Frequent Collection

We need to collect this information at the required frequency (i.e., at standardized time periods throughout the SNF Part A stay; that is, on days 5, 14, 30, 60, and 90) in order to calculate payment under the SNF PPS. However, as explained in Federal Register publication (FR 67, 38128), we have substantially reduced the number of MDS items that must be completed by SNFs by offering and allowing for the shortened version of the MDS known as the MPAF.

7. Special Circumstances

The information must be collected at periodic intervals throughout a skilled nursing facility inpatient admission, and is used to calculate the skilled nursing facility's payment rate.

8. Federal Register Notice/Outside Consultation

The 60-day Federal Register notice for this re-approval of an existing collection was published on December 15, 2008. No comments were received.

9. Payment/Gift To Respondent

There were no gifts and no payment to respondents.

10. Confidentiality

To address concerns about confidentiality of resident data, we provide that a facility and a State may not release resident-identifiable information to the public, and may not release the information to an agent or contractor without certain safeguards (42 CFR 483.20(f)(5) and 483.315(j)).

11. Sensitive Questions

There are no sensitive questions.

12. Burden Estimate (Total Hours & Wages)

As required under Section 1888(e)(7) of the Act, skilled nursing facilities must be reimbursed under the SNF PPS. We have **reduced** the MDS burden on skilled nursing facilities by customizing the MPAF to focus on items needed specifically for payment.

a. MPAF Preparation, Encoding and Transmission Time

According to On-Line Survey and Certification System (OSCAR) there were 15,039 skilled nursing facilities certified to participate in the Medicare program during FY 2007. The average number of MPAF's completed by a SNF for purposes of payment under the SNF PPS is 255 assessments per year.

The average completion time of the MPAF is 30 minutes. We have also estimated coding time at 10 minutes per assessment. In addition, we estimate that skilled nursing facility staff will require 9 hours per year for MPAF transmission.

The total estimated hours for MPAF preparation, coding and transmission are shown below.

MPAF Preparation

Average No. of Assessments	Completion Time/MDS	Total Completion Time
255 Per Respondent/year	0.50 hrs	127.5 hours/year

MPAF Coding

Average No. of Assessments	Completion Time/MDS	Total Completion Time
255 per Respondent/year	0.17 hrs	43.35 hours/year

MPAF Transmission

Average No. of Assessments	Completion Time/MDS	Total Completion Time
255 per Respondent/year	.0353 hours/year	9 hrs/year

b. Estimated Costs Associated with the MPAF

To calculate burden, we obtained hourly wage rates for RNs and data operators from the Bureau of Labor Statistics. We used 2006 wage data updated to FY 2008 levels using the SNF Market Basket factor. MDS preparation costs were estimated using RN hourly wage rates of \$27.49. For data entry and transmission functions, we used a rate of \$13.20. The \$16.77 rate is a blend of RN and data operator wages, and reflects the fact that SNF providers have historically used both RN and support staff for the data entry function.

MDS Function	Total Hours Per Respondent	Hourly Rate	Estimated Cost Per Respondent
MDS Preparation	127.5	\$27.49	\$3,504.98
MDS Coding	43.35	\$16.77	\$726.98
MDS Transmission	9	\$16.77	\$150.93
TOTAL	179.85		\$4,382.89

Fifteen thousand and thirty nine skilled nursing facilities sought reimbursement under the SNF PPS during FY 2007. The average number of MPAF-related hours per facility per annum is 179.85, and the average cost of MPAF preparation, coding and transmission is estimated at \$4,382.89 per annum per skilled nursing facility.

c. Basic Requirements for all claims

In evaluating the impact of billing changes in the HCFA-1500 common claim form, approved under OMB number 0938-0008, our long-standing policy is to focus on changes in billing volume. Under the SNF PPS, there will be no change in billing volume for skilled nursing facilities.

13. Capital Costs (Maintenance of Capital Costs)

Facilities are currently required to collect, compile, and transmit MDS data. Therefore, there are no capital costs. Any other cost can be considered a cost of doing business.

14. Cost to Federal Government

There are no additional costs to the Federal Government.

15. Program Changes

The prior filing was based on a national versus a per respondent basis. We are now able to calculate the average number of MPAFs per respondent because we have actual data which allows for a more precise estimate.

16. Publication and Tabulation Dates

The final regulation has already been published.

17. Expiration Date

With respect to the OMB approval, CMS does not object to the displaying of the expiration date.

18. Certification Statement

There are no exceptions.

C. Collection of Information Employing Statistical Methods

This section is not applicable