

**Supporting Statement
for the
Electronic Funds Transfers Authorization Agreement**

A. BACKGROUND

Section 1815(a) of the Social Security Act provides the authority for the Secretary of Health and Human Services to pay providers/suppliers of Medicare services at such time or times as the Secretary determines appropriate (but no less frequently than monthly). Under Medicare, CMS, acting for the Secretary, contracts with fiscal intermediaries and Carriers to pay claims submitted by providers/suppliers who furnish services to Medicare beneficiaries.

B. JUSTIFICATION

1. Need and Legal Basis

The legal authority to collect this information is found in Sections 1815(a) and 1835(a) of the Social Security Act. These sections provide authority for the Secretary of Health and Human Services to pay providers/suppliers of Medicare services.

The general reporting requirements originated in FR Doc 92-22508, published on October 21, 1992. This document established that providers/suppliers who qualify for EFT and wish to receive payments electronically request such in writing from their fiscal intermediary or carrier.

Under 31 U.S.C. 3332(f)(1), all Federal payments, including Medicare payments to providers and suppliers, shall be made by electronic funds transfer.

2. Information Users

The information collected allows a CMS contractor to establish an electronic payment process.

3. Improved Information Technology

N/A

4. Duplication of Similar Information

There is no existing data similar to that contained in the form. Therefore, the data captured on this form is not duplicated through any other public information collection. No similar data can be modified to capture the information on this form.

5. Small Business

N/A

6. Less Frequent Collection

The form is completed once by Medicare providers/suppliers that qualify for electronic payment and is sent to the appropriate Medicare contractor. If it were to be collected less frequently, CMS could not obtain the data.

7. Special Circumstances

There are no special circumstances associated with this collection.

8. Federal Register/ Outside Consultations

The 60-day Federal Register notice was published on September 18, 2009.

9. Payments/Gifts to Respondents

N/A

10. Confidentiality

CMS will comply with all privacy, and Freedom of Information laws and regulations that apply to this collection.

11. Sensitive Questions

There are no sensitive questions associated with this collection.

12. Estimate of Burden

The format of the form (revised 2006) takes less time to complete. We were very generous with the estimate of burden at that time and believe it continues to adequately address this renewal. The annualized reporting burden estimate associated with this form is calculated as follows:

100,000 providers/suppliers x 1 hour reporting burden = 100,000 hours

100,000 hours x \$20/hr wage = \$2,000,000

13. Capital Costs

There are no capital costs associated with this collection.

14. Federal Cost Estimates

There are no additional costs to the Federal government. Applications will be processed in the normal course of Federal duties.

15. Change in Burden

There is no change in the burden estimate.

16. Publication and Tabulation Dates

N/A

17. Expiration Dates

We are planning on displaying the expiration date on both documents.

18. Certification Statement

There are no exceptions to item 19 of the OMB form 83-I.

C. Collection of Information Employing Statistical Methods

N/A