

**Revision to Supporting Statement for  
The Office of Medicare Hearings and Appeals (OMHA)  
Appellant Climate Survey  
and Supporting Regulations Contained in  
42 or 45 CFR xxx.xxx**

**Background**

The Office of Medicare Hearings and Appeals (OMHA) requests a revision to a previously-approved three-year programmatic clearance from the Office of Management and Budget (OMB) to conduct customer research through external surveys by means of telephone interviews.

The proposed information collection request (ICR) covers all types of OMHA appellants, with a primary focus on the three appellant types who receive benefits from OMHA – beneficiaries, providers, and suppliers.

**A. Justification**

**1. Need and Legal Basis**

Section 301 of the Public Health Service Act (42 U.S.C.241) is the authorizing law for data collections within the Department of Health and Human Services. Specifically, agencies within HHS should “collect and make available through publications and other appropriate means...research and other activities”.

The Government Performance and Results Act (GPRA) of 1993 (Pub.L. No. 103-62) sets out to “improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction” (Section 2. b. 3). In order to fulfill this responsibility, HHS offices must collect data from their respective user groups to (1) better understand the needs and desires of the public and (2) respond to those needs and desires accordingly.

This course of action is fortified by Executive Order (E.O.) 12862 (September 11, 1993) aimed at “ensuring the Federal Government provides the highest quality service possible to the American people.” The E.O. discusses surveys as a means for determining the kinds and qualities of service desired by the Federal Government’s customers and for determining satisfaction levels for existing service. These voluntary customer surveys will be used to ascertain customer satisfaction with OMHA appellants and to report on annual performance goals as set out in GPRA-related documents. The results are used internally, and summaries are provided to the Office of Management and Budget (OMB) on an annual basis and are used to satisfy the requirements and spirit of E.O. 12862.

## **2. Information Users**

Chiefly, these data are being collected to improve the service that OMHA provides to its appellants. OMHA was established by the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173) and became operational on July 1, 2005. The MMA legislation and implementing regulations issued on March 8, 2007 instituted a number of changes in the appeals process. The MMA legislation also directed the U.S. Department of Health and Human Services to consider the feasibility of “conducting hearings using tele or video-conference technologies.” In carrying out this mandate, OMHA makes extensive use of VTC to provide appellants with a vast nationwide network of access points for hearings close to their homes. The survey will gauge appellants’ satisfaction with this service along with the overall appeals experience. By identifying areas of success as well as areas for improvement, OMHA will be able to continuously improve its existing processes.

The information obtained could lead to reallocation of resources, revisions in certain agency processes, and development of guidance related to the agency’s customer services. Ultimately, these changes should result in improvement in the services OMHA provides to the public and, in turn, the public perception of OMHA.

More specifically, OMHA will use this data to support its Strategic Plan, while also fulfilling the requirements of the Government Performance and Results Act (GPRA). GPRA requires OMHA to report annually on their progress toward achieving specific Performance Goals. A Performance Goal in the OMHA Strategic Plan will measure whether or not “appellants and related parties are satisfied with their Level III appeals experience”. This goal depends on OMHA having a programmatic clearance in place to facilitate the survey process.

## **3. Improved Information Technology**

Improved information technology will be used, when possible, to reduce the burden on the public. In keeping with the Government Paperwork Elimination Act (GPEA), one of the goals of this effort is to obtain the information required with a minimum amount of burden to the public.

OMHA will continue to collect the data through telephone interviews utilizing CATI (Computer-Assisted Telephone Interviewing) Software. CATI software facilitates efficient interview and data collection processes as it: combines the answers to telephone survey questions with pre-existing information about each respondent; standardizes sampling and call-back procedures to insure uniformity of practice and more efficient calling routines; eliminates common potential interviewer errors, such as missed questions or skips, and; utilizes automatic record-keeping, by date, time, and sample segment.

By employing this telephone interview approach to survey implementation, OMHA will be able to obtain quality results and a high response rate with interviews that are less burdensome to respondents and more efficient for researchers, while also minimizing costs. The use of CATI technology will greatly reduce the burden on the public, by diminishing overall costs and reducing the amount of time respondents must spend completing their individual survey.

#### **4. Duplication of Similar Information**

This effort does not duplicate any other survey being done by HHS, OMHA, or any other Federal agency. A search of GAO reports results in a number of documents describing the transfer of Medicare appeals from the Social Security Administration (SSA) to the Department of Health and Human Services (HHS), as well as several studies on the speed with which appeals occur, but these reports do not specifically and systematically measure the satisfaction individual appellants have with the new Medicare claims appeals process. This is OMHA's only customer satisfaction survey. As such, redundancy will not be an issue with this data collection.

#### **5. Small Businesses**

This data collection will impact small businesses, and, in some cases, individual appellants. However, the use of a stratified random sampling system will limit the number of small businesses or individual appellants needed to participate in the study. OMHA will also pre-populate data that can be acquired without the assistance of the small entity, so that the entity only needs to verify this information, rather than research its own files.

#### **6. Less Frequent Collection**

Without this information collection, OMHA would not be able to measure appellants' satisfaction with the existing process, and would also be limited in its ability to implement improvements. In addition, OMHA would not be able to meet the requirements of GPRA, Executive Order 12862, or its OMB requirement.

For this project OMHA will collect data annually, with a stratified random sample of appeals that were closed within the Fiscal Year. An individual appellant will be asked to participate no more than once per year. This methodology must be used in order to obtain a representative sample.

#### **7. Special Circumstances**

The collection of information is consistent with 5 CFR 1320.5(d)(2), and there are no special circumstances with respect to reporting.

## **8. Federal Register Notice/Outside Consultation**

A 60-day Federal Register Notice was published in the *Federal Register* on June 17, 2011, vol. # 76, pg. 35442. There were no public comments.

## **9. Payment/Gift to Respondents**

A great deal of the literature related to customer satisfaction research recommends that incentives, monetary and non-monetary, be used to increase response rates (see D. Dillman publications, specifically *Mail and Internet Surveys*, 2000). However, because OMHA is a federal adjudicative agency and must maintain judicial and decisional independence, providing remuneration to survey participants is inappropriate. Because OMHA has experienced high response rates during the previous administration cycles of the survey, OMHA believes it will be able to maintain a high response rate, and through the continued usage of stratified random sampling, OMHA will ensure that the data it obtains will be statistically significant and informative.

## **10. Confidentiality**

OMHA will take steps to protect information submitted by respondents for this survey collection, in accordance with the Freedom of Information Act and the Privacy Act. As explained in 2002 CFR Title 45, Volume 1, Section 5b.3, “It is the policy of the Department to protect the privacy of individuals to the fullest extent possible while nonetheless permitting the exchange of records required to fulfill the administrative and program responsibilities of the Department”.

In addition to complying with these legislative standards OMHA will also take steps to explain to individual respondents the need for and value of this data collection, as well as the methods used to maintain anonymity. These methods include signed statements for all users of sensitive information, and computer encryption certified for FIPS 140-2 standards for all users of this information.

## **11. Sensitive Questions**

Sensitive data – including name, phone numbers, and e-mail addresses – need to be collected to identify and contact a statistically significant sample of survey respondents. Once these individuals have been contacted and their surveys completed all sensitive information will be removed from the database. Respondents will be informed of these assurances on the first page of the survey form or at the beginning of the survey interview.

## **12. Burden Estimate (Total Hours & Wages)**

Each year, OMHA expects to obtain 400 completed surveys for a stratified random sample of appellants, with each survey response requiring 11 minutes to complete. This

time estimate is based on research performed by OMHA with the existing survey instrument. Given these numbers, 73 burden hours will be required each year to complete this collection.

Of the 400 surveys, 70%, or 280, will come from beneficiaries, while the remaining 30% (120) will come from healthcare providers and suppliers. For burden cost estimation, the 120 providers will be charged at a rate of \$23, with the 280 beneficiary respondents charged at a rate of \$14.73.

As a result, OMHA estimates an approximate aggregate cost to respondents of \$1257.00, based on the per hour valuations of volunteer time seen above and the projected 73 budget hours.

The 400 completed surveys will correspond with a stratified random sample of unique (non-redundant) appellant records. A full list of closed appeals will be obtained annually. These data will then be reduced by removing redundant entries, with a final population of approximately 5600 respondents being available for sampling.

OMHA will then use a stratified random sampling method to select individual cases for survey response. The total population of 5600 respondents will be stratified by Hearing Format and Medicare Part, thus improving the representation of the total population while also maintaining a 95% level of statistical significance.

The previous cycles of survey administration validate these burden estimates. The complete estimated annualized burden can be seen below:

12A. Estimated Annualized Burden Table

<b>Type of Respondent</b>	<b>Form Name</b>	<b>No. of Respondents</b>	<b>No. Responses per Respondent</b>	<b>Average Burden per Response (in hours)</b>	<b>Total Burden Hours</b>
OMHA Appellant Climate survey	Appellants	400	1	11/60	73
Total					73

12B.

<b>Type of Respondent</b>	<b>Total Burden Hours</b>	<b>Hourly Wage Rate</b>	<b>Total Respondent Costs</b>
Annual Appellant Climate Survey	73	17.50	\$1257.23

**13. Capital Costs (Maintenance of Capital Costs)**

OMHA identifies no capital or start-up costs, or maintenance of capital costs, associated with this proposed collection of information.

**14. Cost to Federal Government**

This OMHA survey project will occur annually for three years. Major fluctuations in cost are not expected. Specifically, OMHA expects the survey’s contractor costs to be approximately \$113,050 annually. This includes all costs related to reporting, survey administration, and communication between the contractor and OMHA. Contractor hourly estimates are based on previous survey projects conducted by the contractor, including several projects for HHS.

In addition, the OMHA employees participating in this effort will add an additional \$3,784 to the annual cost burden, making the total cost to the government \$116,834 per year.

**15. Program or Burden Changes**

Since the initial cycle, the survey worked well to produce an appellant satisfaction measure, garner a high response rate, and to keep the burden on the appellant within the estimate approved by OMB. However, a number of program changes and revisions were made to improve the utility and accuracy of the results and reduce the burden on appellants, including: eliminating questions that weren’t useful in previous survey periods, eliminating the internet based survey format, and decreasing the frequency of survey administration, thereby dramatically reducing contract cost.

Refinements were made to the survey instrument to decrease the number of questions that respondents were required to answer. After the first instance of survey administration, extensive testing was done to study the results of each question for statistical soundness and the utility of respondent data. As a result, modifications were made to remove questions that did not provide information that was useful in improving or understanding appellant satisfaction or the OHMA experience as perceived by appellants. These questions were removed to decrease the survey length.

Another change includes the elimination of the dual method survey administration

approach by eliminating the web survey format. Originally the survey was programmed into both an internet based survey and a computer-aided telephone interview survey. Appellants were called by a phone bank staff member and in the initial contact, appellants were offered the opportunity to go on-line and take the survey themselves, the opportunity to schedule an appointment to take the survey via a telephone interview, or to take the survey at the time of this initial contact. The utility of the internet version of the survey was far less successful than expected, and therefore that format was eliminated – subsequently reducing the additional cost and burden associated with use of the internet based survey.

A final modification is a decrease in the frequency of survey cycles –reducing the cost to the government. Several factors led to a reconsideration of the need to administer four instances of the appellant survey in a single fiscal year. Due to the stability of the appellant satisfaction trend since the survey was first administered in FY08, the 2009 analysis revealing that non-response bias error is highly unlikely to exist, and the results which demonstrate that the appellants are far more satisfied than originally expected, it was decided that measuring appellant satisfaction yearly would be sufficient to provide OMHA and OMB with a valid indicator of appellant satisfaction. This modification also significantly reduced the overall cost and burden of survey administration to OMHA for the current option year and subsequent options years.

#### **16. Publication and Tabulation Dates**

Data will be collected on an annual basis to maximize response rates and then aggregated into a final annual report. A complete annual report with specific recommendations will then be created and delivered to OMHA staff no later than September 15 of each year in order to meet OMB reporting requirements. A written version of this report will be published but maintained within OMHA. ***No Internet publications will be made.***

#### **17. Expiration Date**

OMHA will display OMB's expiration date on the surveys.

#### **18. Certification Statement**

There are no exceptions to the certification.