

**Supporting Statement for  
Requests for Accelerated Payments and Supporting Regulations  
in the 42 CFR, Section 412.116, 412.632, 413.64, 413.350, and 484.245  
CMS-9042, OMB 0938-0269**

**A. BACKGROUND**

Medicare payments to providers usually are arranged through a contractor who serves as the Secretary's agent for reviewing claims and making payments to providers. When a delay in Medicare payment by a contractor for covered services causes financial difficulties for a provider, the provider may request an accelerated payment. Generally, an accelerated payment also may be made in highly exceptional situations where a provider has incurred a temporary delay in its bill processing beyond the provider's normal billing cycle. Accelerated payments are limited to providers that are not receiving periodic interim payments.

**B. JUSTIFICATION**

1. Need and Legal Basis

Section 1815(a) of the Social Security Act describes payment to providers of services. 42 CFR 412.116(f), 42 CFR 412.632(e), 42 CFR 413.64(g), 42 CFR 413.350(d), and 42 CFR 484.245 define the conditions under which accelerated payments may be requested. Sections 2412.2 and 2412.3 of the Provider Reimbursement Manual, Part 1, identify the information that providers must supply to their contractor to request an accelerated payment.

2. Information Users

This information is used by the contractor to determine the provider's eligibility for accelerated payments. If this information were not furnished with an accelerated payment request, the contractor would not be able to assess whether the provider's financial difficulties justified the accelerated payment.

3. Improved Information Technology

This information does not lend itself to electronic transmittal since it is collected on an exception basis and would not be cost effective.

4. Duplication/Similar Information

This information collection does not duplicate any other effort and the information cannot be obtained from any other source.

5. Small Business

Some of the providers may be small businesses. The burden is not further reduced for them since it is already the minimum amount necessary.

6. Less Frequent Collection

The information cannot be collected less frequently since it is already supplied on an exception basis.

7. Special Circumstances

This collection of information does not require any special circumstances.

8. Federal Register Notice/ Outside Consultation

The 60-day Federal Register notice published on July 15, 2011 (76 FR 41799). No comments were received.

9. Payment/Gift To Respondent

There is no payment or gift to respondents.

10. Confidentiality

We do not assure the confidentiality of this information.

11. Sensitive Questions

There are no questions of a sensitive nature.

12. Burden Estimates (Hours and Wages)

- a. There are approximately 945 annual requests for accelerated payments. We estimate the reporting associated with form CMS-9042 as follows:
- b. The respondent cost is calculated at the standard rate of \$15.00 per hour.
- c. As of May 2011, we estimate that 2.5 percent of the 37,804 providers (21,285 hospitals and skilled nursing facilities, 11,656 home health agencies, 3,535 hospices, and 1,328 critical access hospitals) will file for accelerated payments. Thus, there will be about 945 annual requests for accelerated payments. Based on an average time of one-half hour to complete the form, the total national reporting burden is 472.5 hours annually.
- d. Respondent cost is calculated as the number of hours of paperwork burden 472.5 hr (total) times the standard rate of \$15.00 per hour. Thus the estimated respondent cost is \$7,087.50.

13. Capital Costs

There are no capital costs.

14. Costs to Federal Government

|   |                  |
|---|------------------|
| <u>Cost associated with distribution of forms and instructions:</u> We no longer print and distribute paper copies of Form CMS-9042. Forms and instructions are issued as a part of the Provider Reimbursement Manual. This manual is now transmitted via the internet.   | \$0              |
| <u>Annual cost to Medicare Contractors:</u> Annual costs incurred are related to processing information contained on the forms. Medicare contractors' handling costs are based on what Medicare contractors' spend. This information comes from the latest available data maintained by the Office of Financial Management. | \$283,500        |
| <u>Annual cost to CMS:</u> Total CMS processing cost is from the HCRIS Budget.  | \$0              |
| <u>Total Federal Cost</u>   | <u>\$283,500</u> |

15. Program Changes

There are no program changes. The change in burden, a slight increase, is an adjustment due to an increase in the estimated respondents (880 respondents as of 6/1/2008 vs. 945 respondents as of 5/1/2011). In addition, the cost has increased due to cost of living adjustments.

16. Publication of Data

This data is not published.

17. Expiration Date

We request an exception from displaying the expiration date since the forms are changed so infrequently.

18. Certification Statement

We have not identified any exceptions.

**C. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

There are no statistical methods involved in this collection.