Supporting Statement for Paperwork Reduction Act Submissions

Medicare Enrollment Application – Reassignment of Medicare Benefits - CMS 855R

A. BACKGROUND

The primary function of the CMS 855R enrollment application is to allow physicians and non-physician practitioners to reassign their Medicare benefits to a group practice and to gather information from the individual that tells us who he/she is, where he or she renders services, and information necessary to establish correct claims payment. The goal of periodically evaluating and revising the CMS 855R enrollment application is to simplify and clarify the information collection without jeopardizing our need to collect specific information and to identify a primary group location where the physician or non-physician practitioner will render most of his or her services. This identification does not add any additional burden to the physicians or non-physician practitioners or the associated group practice.

Goals of the Provider/Supplier Enrollment Application Revisions

CMS is revising the CMS-855 Medicare Enrollment Applications Package (OMB No. 0938-0685) to remove the CMS-855R application from its collection. CMS has found that the regulations governing the enrollment requirements for physicians and non-physician practitioners occur at intervals separate from the other provider and supplier types reimbursed by Medicare. Consequently, CMS may need to revise and submit the CMS 855R enrollment application for OMB approval at intervals separate from the other enrollment applications under OMB No. 0938-0685 which include the CMS 855A, CMS 855B, CMS 855I and CMS 855R enrollment applications. The ability to revise the CMS 855R separately from the other CMS 855 enrollment applications will lessen the burden on both CMS and OMB as well as the public during the Federal Register notice period, as only one subset of suppliers will be effected by CMS 855R revisions. CMS intends to maintain the continuity of the CMS 855 enrollment applications by using the same formats and lay-out of the current CMS 855 enrollment applications, regardless of the separation of the CMS 855R from the collective enrollment application package.

At this time CMS is also using this opportunity to make minor editorial and clerical corrections to the CMS 855R to simplify and clarify the current data collection and to remove obsolete questions. The Sections and Sub-Sections within the form are also being re-numbered and re-sequenced to create a more logical flow of the data collection. In addition, CMS is adding a data collection to identify the primary group location where the physician or non-physician practitioner will render most of his or her services. CMS is requesting this new information to help strengthen our efforts to identify and prevent fraudulent claims submission by large multi-practice location groups. Through data analytics CMS will be able to monitor and track claims submitted by groups on behalf of the practitioners who have reassigned their benefits to the group to ensure the billing patterns and volume of claims submitted on behalf of any given practitioner are both valid and statically possible.

In the Provider Enrollment Chain and Ownership System (PECOS), after the user has identified the organization he/she is reassigning benefits to, he/she would be able to use a dropdown to select from all current practice locations associated with that group. This will not be something that the provider will need to send in updates for and would only be updated with each revalidation. While it is understood this has the high potential of reducing accuracy of data between revalidations, the data is still considered very valuable for predictive modeling. The addition of this collection of information is necessary to maintain sync with online and paper forms. With the exception of collecting this primary group location address, there is no new data collection in this revision package.

JUSTIFICATION

1. *Need and Legal Basis*

Various sections of the Social Security Act (Act), the United States Code (U.S.C.), Code of Federal Regulations (CFR) and the Internal Revenue Code (Code) require providers and suppliers to furnish information concerning the identification of individuals or entities that furnish medical supplies and services to beneficiaries before payment can be made.

- Sections 1833(e) of the Act require the submission of information necessary to determine the amounts due to a provider, supplier or other person.
- 31 U.S.C. 7701(c) requires that any person or entity doing business with the Federal Government must provide their Tax Identification Number (TIN).
- 42 CFR Section 424.500 requires all providers and suppliers to enroll in Medicare to obtain and maintain Medicare billing privileges.
- CMS is authorized to collect information on the form CMS 855R (Office of Management and Budget (OMB) approval number 0938-0685) to ensure that correct payments are made to physicians and non-physician practitioners under the Medicare program as established by Title XVIII of the Act.

The revised CMS 855R Enrollment Application collects this information, including the information necessary to uniquely identify the practitioner.

2. *Purpose and users of the information*

Health care practitioners who wish to reassign their benefits in the Medicare program must complete the CMS 855R enrollment application. It is submitted at the time the physician or non-physician practitioner first requests reassignment of his/her Medicare benefits to a group practice, as well as any subsequent reassignments or terminations of established reassignments as requested by the physician or non-physician practitioner. The application is used by the Medicare Administrative Contractor (MAC) to collect data to assure the applicant has the necessary information that allows the MAC to correctly establish or terminate the reassignment.

3. *Improved Information Techniques*

This collection lends itself to electronic collection methods and is currently available through the

CMS website. However, until CMS adopts an electronic signature standard, practitioners will be required to submit a hard copy of the CMS-855R certification page with an original signature.

4. *Duplication and Similar Information*

There is no duplicative information collection instrument or process.

5. *Small Business*

This form will affect small businesses; however, these businesses have always been required to provide CMS with substantially the same information in order to reassign benefits in the Medicare Program and for CMS to successfully process their claims.

6. *Less Frequent Collections*

This information is collected on an as needed basis. The information provided on the CMS-855R is necessary for individuals reassigning benefits to groups in the Medicare program. It is essential to collect this information so that the MAC can ensure that the practitioner meets all requirements necessary to establish or terminate a reassignment.

In addition, to ensure uniform data submissions, CMS requires that all changes to previously submitted enrollment data be reported via the appropriate provider enrollment application.

7. *Special Circumstances*

There are no special circumstances associated with this collection.

8. *Federal Register Notice/Outside Consultation*

The 60-day *Federal Register* notice published on January 30, 2012.

9. *Payment/Gift to Respondents*

N/A

10. *Confidentiality*

CMS will comply with all Privacy Act, Freedom of Information laws and regulations that apply to this collection. Privileged or confidential commercial or financial information is protected from public disclosure by Federal law 5 U.S.C. 522(b)(4) and Executive Order 12600.

11. *Sensitive Questions*

There are no sensitive questions associated with this collection.

12. *Burden Estimate (hours)*

The currently approved total annual hour burden for the respondents for the CMS 855R is unknown. The hour burden for the CMS 855R is included in the total burden of 842,810 hours approved for OMB No 0938-0685. The prior burden hour estimate is low because it was calculated using a different set of parameters.

For this proposed revision of the CMS 855R, CMS has recalculated the estimated burden hours. CMS believes this recalculation is necessary because over the years of numerous revisions to this data collection tool, the number of affected users, actual data collected and the collection methods have changed significantly. CMS believes these new burden hours more accurately reflect the current burden for the individual practitioner community when completing this proposed revision of the CMS 855R. CMS is basing the new burden amounts on data compiled from the MACs for FY 2010. The new estimates are more accurate than the prior estimates based on better data on the practitioner community in addition to less data being collected and clearer instructions.

CMS estimates the new total burden hours for this information collection to be 25,000 hours. This estimate is being calculated based on why/when a supplier must complete and submit this enrollment application (CMS 855R). This estimate is reflected below and in the calculations in Part II of the 83 Worksheet.

CMS is requesting approval of the revised number of burden hours as follows:

<u>Hours associated with establishing a reassignment of benefits enrollment application:</u>

100,000 respondents @ 0.25 hours for each application = 25,000 hours

<u>Hours associated with terminating reassignment of benefits enrollment information:</u>

100,000 respondents @ 0.25 hours for information reporting = 25,000 hours

B. Paperwork Burden Estimate (cost)

The CMS 855R is completed by the group in which the individual practitioner is establishing or terminating a reassignment. Completion and submission of the CMS 855R by the group is considered a routine business function for the group and therefore carries no burden specific to the CMS 855R.

13. *Cost to Respondents (Capital)*

There are no capital costs associated with this collection.

14. *Cost to Federal Government*

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

15. *Changes in Burden/Program Changes*

The currently approved total annual hour burden for the respondents for the CMS 855R is unknown. The hour burden for the CMS 855R is included in the total burden of 842,810 hours approved for OMB No 0938-0685, as explained above. Therefore CMS is seeking approval of

new burden estimates based on current data collection information. CMS estimates the new total burden hours for this information collection to be 25,000 hours to establish a reassignment and 25,000 hours to terminate a reassignment. CMS estimates there is no cost burden for this information collection.

Publication/Tabulation

N/A

16. *Expiration Date*

We are planning on displaying the expiration date.

17. *Certification Statement*

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

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

N/A