

Supporting Statement for Skilled Nursing Facility (SNF)
Minimum Data Set (MDS) 3.0 Nursing Home and Swing Bed Prospective Payment
System (PPS) Item Sets (NP, NO/SO, NS, NOD, NSD) and
Supporting Regulations in 42 CFR 413.337, 413.343, 424.32 and 483.20
CMS-10387, OCN 0938-1140

Background

We are requesting revision 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. Item sets comprised of a subset of resident assessment information have been developed for use by SNFs to satisfy Medicare payment requirements. The burden associated with this is the SNF staff time required to complete and transmit the MDS payment item sets, specifically the required scheduled Prospective Payment System (PPS) assessments (NP) , the required unscheduled PPS Change of Therapy (COT) and End of Therapy (EOT) Other Medicare Related Assessment (OMRA) (NO/SO), and the optional Start of Therapy (SOT) OMRA (NS) as well as the COT/EOT combined with discharge (NOD) and the SOT combined with discharge (NSD). OMB Control Number (OCN) 0938-1140) was effective with the establishment of the COT OMRA which was implemented in FY 2011.

We request a revision to this control number in order to incorporate all PPS assessment item sets. When we presented NO/SO for PRA consideration for FY 2011, the form was used as a proxy for the NP, NS, NOD and NSD Item sets inasmuch as it included all MDS payment items which were required to be considered under PRA.

Although the total number of payment items between the various item sets used for PPS assessments, which are listed above, may vary, the NO/NS item set contains the maximum number of payment related items. The NP and NOD item sets include the same number of payment items as the NO/NS item set and the NS and NSD item sets include fewer items since the assessment determines payment for a smaller subset of payment groups. Additionally, the non-payment items used for quality and care planning purposes vary between item sets. Quality or care planning items are exempt from PRA consideration pursuant to sections 4204(b) and 4214(d) of OBRA 1987 and therefore the hourly burden estimate for all of the PPS item sets are the same and only the frequency at which they are required for completion varies.

Additionally, we are adding Item O0420 to the MDS 3.0 form as discussed in RIN 0938-AR65 (78 FR 26438; CMS-1446-F).

A. 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 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 and to address payment changes at the end of therapy, start of therapy and when there is a change in reimbursable therapy minutes (RTM) as calculated over a seven-day span based on an Assessment Reference Date (ARD), necessary to administer the payment rate methodology described in 413.337, are subject to the PRA.

OMB reviewed and concurred with the Nursing Home and Swing Bed OMRA (NO/SO) Item Set, specifically in the form of Change of Therapy assessment (IC Title: COT Preparation, Coding, and Transmission). The OMB number is 0938-1140, and the expiration date is September 30, 2014. If revised, this OMB number will include the other PPS Item Sets (specifically the NP, NS, NOD and NSD Item Sets) as well as the NO/SO Item set. When we presented NO/SO for PRA consideration, the form was used as a proxy for the NP, NS, NOD and NSD Item sets inasmuch as it included all MDS payment items which were required to be considered under PRA.

2. Information Users

CMS uses the MDS 3.0 PPS Item Set 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 MDS 3.0 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 Paperwork Reduction Act Submission Worksheet, Part II to determine the number of small entities.

Specifically, a small entity can be defined as a small organization that is any not-for-profit enterprise that is independently owned and operated and is not dominant in its field. Data indicate that in July 2012 25% of the total SNF number were non-profit. This equates to 3,824 non-profit SNFs.

6. Collection Frequency

We need to collect this information at the required frequency (i.e., at scheduled time periods throughout the SNF Part A stay; that is, approximately on days 5, 14, 30, 60, and 90 as well as at unscheduled time periods throughout the SNF Part A stay; that is when therapy starts, when therapy ends, and when there is a change in reimbursable therapy minutes (RTM) over a seven-day span based on the Assessment Reference Date (ARD)) in order to calculate payment under the SNF PPS

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 proposed rule, serving as the 60-day Federal Register notice, published on May 6, 2013 (78 FR 26438). 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 **updated the** MDS burden estimates on skilled nursing facilities by making this revision to this ICR for the COT and EOT

Item Sets (NO/SO) to include the NP, NS, NOD and NSD Item Sets. The hourly burden estimate for each assessment has not changed. However, because the rest of the PPS Item Sets are used more frequently than the NO/SO item, we have updated the burden and cost estimates to account for the frequency with which the rest of the assessment Item Sets are completed. Furthermore, the original frequency estimates utilized to calculate burden were estimated since the COT OMRA had not been in effect at the time of the burden calculation. We have used FY 2012 data to calculate the frequency and numbers of assessments completed. When burden estimates were calculated for the NO/SO Item Set, that specific Item Set was used as a proxy for all MDS 3.0 PPS Assessments since it includes all of the MDS 3.0 payment items. Although the total number of payment items between the various item sets used for PPS assessments, which are listed above, may vary, the NO/NS item set contains the maximum number of payment related items. The NP and NOD item sets include the same number of payment items as the NO/NS item set and the NS and NSD item sets include fewer items since the assessment determines payment for a smaller subset of payment groups. Additionally, the non-payment items used for quality and care planning purposes vary between item sets. Quality or care planning items are exempt from PRA consideration pursuant to sections 4204(b) and 4214(d) of OBRA 1987 and therefore the hourly burden estimate for all of the PPS item sets are the same and only the frequency at which they are required for completion varies. Any burden estimate changes between FY 2011 and now reflect the frequency with which the assessments are completed. This includes all of the updated wage and SNF demographic data.

Additionally, as discussed in the Background section of this document, we are adding Item O0420 to the MDS 3.0 form. We do not believe this action will cause any measurable adjustments to our burden estimates. Consequently, we are not revising the burden estimates that will be discussed in this document.

a. MDS 3.0 PPS Item Sets Preparation, Encoding and Transmission Time

According to the On-Line Certification and Survey Provider Enhanced Reports (CASPER) there were 15,376 skilled nursing facilities certified to participate in the Medicare program during FY 2012. In that time 6,392,971 PPS Assessments were completed for purposes of payment. The average per facility number of PPS Assessments completed is 416 assessments per year.

The average completion time of the PPS assessment is 50 minutes. We have also estimated coding time at 10 minutes per assessment. In addition, we estimate that skilled nursing facility staff will require 2 minutes per PPS Assessment transmission.

The total estimated hours for PPS Item Set preparation, coding and transmission are shown below.

MDS 3.0 PPS Item Set Preparation

Average No. of Assessments	Completion Time	Total Completion Time
416 Per Respondent/year	0.8333hrs	346.65 hours/year

MDS 3.0 PPS Item Set Coding

Average No. of Assessments	Completion Time	Total Completion Time
416 per Respondent/year	.1667 hrs	69.35 hours/year

MDS 3.0 Item Set Transmission

Average No. of Assessments	Completion Time	Total Completion Time
416 per Respondent/year	0.0333 hrs	13.85 hours/year

b. Estimated Costs Associated with the MDS 3.0 PPS Items

To calculate burden, we obtained 2012 hourly wage estimates for RNs and data operators in Skilled Nursing Facilities from the Bureau of Labor Statistics. MDS preparation costs were estimated using RN hourly wage rates of \$29.43. For data entry and transmission functions, we used a rate of \$15.48. The \$26.78 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	Cost Per Assessment	Annual Cost Per Respondent
MDS Preparation	346.65 hrs	\$29.43	\$24.52	\$10,201.91
MDS Coding	69.35 hrs	\$26.78	\$4.46	\$1,857.19
MDS Transmission	13.85 hrs	\$26.78	\$0.89	\$370.90
TOTAL	429.85		\$29.87	\$12,429.99

Fifteen thousand, three hundred and seventy six skilled nursing facilities sought reimbursement under the SNF PPS during FY 2012. The average number of PPS Assessment hours per facility per annum is 416 and the average cost of PPS Assessment preparation, coding and transmission is estimated at \$12,429.99 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

This package incorporates all PPS assessment item sets. When we presented NO/SO for PRA consideration for FY 2011, the form was used as a proxy for the NP, NS, NOD and NSD Item sets inasmuch as it included all MDS payment items which were required to be considered under the PRA.

According to CASPER, there were 15,376 skilled nursing facilities certified to participate in the Medicare program during FY 2012. We had previously estimated 14,266 facilities. We are also adjusting the number of responses per respondent from 62 to 416.

Additionally, we are adding Item O0420 to the MDS 3.0 form as discussed in RIN 0938-AR65 (CMS-1446-F). We do not believe this action will cause any measurable adjustments to our burden estimates. Consequently, we are not revising the associated estimates.

16. Publication and Tabulation Dates

Not applicable.

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.

B. Collection of Information Employing Statistical Methods

Not applicable.

