

# ***Supporting Statement for Paperwork Reduction Act Submissions***

## *CMS-855C Medicare Enrollment Application for Registration of Eligible Entities That Provide Health Insurance Coverage Complementary to Medicare Part B and Pursuant to 42 CFR 424.600*

### **A. BACKGROUND**

The primary function of a Medicare enrollment application is to gather information from a provider, supplier or other entity that tells us who it is, whether it meets certain qualifications to be a health care provider, supplier or entity, where it practices or renders its services, the identity of the owners of the enrolling entity, and information necessary to establish correct claims payments.

CMS is adding a new CMS-855 Medicare Registration Application (CMS-855C Medicare Enrollment Application for Registration of Eligible Entities That Provide Health Insurance Coverage Complementary to Medicare Part B and Pursuant to 42 CFR 424.600). This Medicare registration application is to be completed by all entities that provide a complimentary health benefit plan and intend to bill Medicare as an indirect payment procedure (IPP) biller and the entity/health plan meets all Medicare requirements to submit claims for indirect payments. The entity must furnish the name of at least one authorized official, preferably the administrator of the health plan, who must sign this registration application attesting that the registering entity meets the requirements to register as an indirect payment procedure biller and will also abide by the requirements stated in the Certification & Attestation Statement in Section 10 of this application.

As stated in 42 CFR § 424.66, an entity must meet the following conditions to be eligible to submit claims using the indirect payment procedure:

- (1) Provides coverage of the service under a complementary health benefit plan (this is, the coverage that the plan provides is complementary to Medicare benefits and covers only the amount by which the Part B payment falls short of the approved charge for the service under the plan).
- (2) Has paid the person who provided the service an amount (including the amount payable under the Medicare program) that the person accepts as full payment.
- (3) Has the written authorization of the beneficiary (or of a person authorized to sign claims on his behalf under § 424.36) to receive the Part B payment for the services for which the entity pays.
- (4) Relieves the beneficiary of liability for payment for the service and will not seek any reimbursement from the beneficiary, his or her survivors or estate.

(5) Submits any information CMS or the carrier may request, including an itemized physician or supplier bill, in order to apply the requirements under the Medicare program.

(6) Identifies and excludes from its requests for payment all services for which Medicare is the secondary payer.

If the registration is approved, the entity will be deemed eligible to submit claims to Medicare as an indirect payment procedure biller.

## **JUSTIFICATION**

### *1. Need and Legal Basis*

Various sections of the Act and the Code of Federal Regulations require providers and suppliers and entities to furnish information concerning the amounts due and the identification of individuals or entities that furnish medical services to beneficiaries before payment can be made.

- 42 CFR § 424.66 requires payment to entities that provide coverage complimentary to Medicare Part B.
- Sections 1814(a), 1815(a), and 1833(e) of the Act require the submission of information necessary to determine the amounts due to a provider or other person.
- Section 1842(r) of the Act requires us to establish a system for furnishing a unique identifier for each physician who furnishes services for which payment may be made. In order to do so, we need to collect information unique to that provider or supplier.
- The Balanced Budget Act of 1997 (BBA) (Public Law 105-33) section 4313, amended sections 1124(a)(1) and 1124A of the Act to require disclosure of both the Employer Identification Number (EIN) and Social Security Number (SSN) of each provider or supplier, each person with ownership or control interest in the provider or supplier, as well as any managing employees. The Secretary of Health and Human Services (the Secretary) signed and sent to the Congress a “Report to Congress on Steps Taken to Assure Confidentiality of Social Security Account Numbers as Required by the Balanced Budget Act” on January 26, 1999, with mandatory collection of SSNs and EINs effective on or about April 26, 1999.
- Section 31001(I) of the Debt Collection Improvement Act of 1996 (DCIA) (Public Law 104-134) amended 31 U.S.C. 7701 by adding paragraph (c) to require that any person or entity doing business with the Federal Government must provide their Tax Identification Number (TIN).
- The Internal Revenue (IRS) Code, section 3402(t) requires us to collect additional information about the proprietary/non-profit structure of a Medicare provider/supplier to allow exclusion of non-profit organization from the mandatory 3% tax withholding.
- The IRS section 501C requires each Medicare provider/supplier to report information about its proprietary/non-profit structure to the IRS for tax withholding determination.
- Section 508 of the Rehabilitation Act of 1973, as incorporated with the Americans with Disabilities Act of 2005 requires all Federal electronic and information technology to be accessible to people with disabilities, including employees and members of the public.
- We are authorized to collect information on the series of CMS-855 Provider/Supplier

Enrollment Applications (Office of Management and Budget (OMB) approval number 0938-0685) to ensure that correct payments are made to providers and suppliers under the Medicare program as established by Title XVIII of the Act.

The Medicare Enrollment/Registration Application collects this information, including the information necessary to uniquely identify and enumerate the indirect payment procedure biller. Additional information necessary to process claims accurately and timely is also collected on the CMS-855 application.

## *2. Purpose and users of the information*

The CMS-855C is submitted at the time the applicant first requests a Medicare identification number for the sole purpose of submitting claims under the “Indirect Payment Procedure (IPP)” for reimbursement, and when necessary to report any changes to information previously submitted. The application will be used by Medicare contractors to collect data to ensure the applicant has the necessary credentials to submit Medicare claims for reimbursement, including information that allows Medicare contractors to ensure that the entity and its owners and administrators are not sanctioned from the Medicare program, or debarred, suspended or excluded from any other Federal agency or program.

## *3. Improved Information Techniques*

Completing and processing the applications will be a manual paper process. The information collected on the CMS-855C will be stored in the Provider Enrollment, Chain and Ownership System (PECOS) a secure, intelligent and interactive national data storage system maintained and housed within the CMS Data Center with limited user access through strict CMS systems access protocols. Access to the data maintained in PECOS is limited to CMS and Medicare contractor employees responsible for provider/supplier enrollment activities. The data stored in PECOS mirrors the data collected on the CMS-855s (Medicare Enrollment Applications) and is maintained indefinitely as both historical and current information. Although CMS also supports an internet based provider/supplier CMS-855 enrollment platform which allows the provider/supplier to complete an online CMS-855 enrollment application, due to the unique nature of these entities the CMS-855C will strictly be a paper process. Periodically CMS will require adjustment to the format of the CMS-855 form (either paper, electronic or both) for clarity or to improve form design. These adjustments do not alter the current OMB data collection approval.

CMS plans to make the CMS-855C application available through the CMS website to comply with the Government Paperwork Elimination Act.

## *4. Duplication and Similar Information*

There is no duplicative information collection instrument or process.

## *5. Small Business*

The addition of the CMS-855C will not affect small businesses.

6. *Less Frequent Collections*

This information is collected on an as needed basis. The information provided on the CMS-855C is necessary for identification in the Medicare program. It is essential to collect this information to ensure each applicant has met the necessary requirements to submit claims to Medicare.

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 July 5, 2013.

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)*

Hours associated with completing the CMS-855C enrollment/registration application for initial registrations and to report changes of information:

Initial Registration	400 respondents @ 1 hour each = 400 hours
Changes of Information	40 respondents @ .25 hours each = 10 hours

Cost to the respondents is calculated as follows based on the following assumptions:  
The CMS-855C will be completed by a professional (lawyer or accountant) at \$150.00 per hour (professional wage)

Initial Registration	400 respondents @ 1 hour each @ \$150.00 = \$60,000
Changes of Information	40 respondents @ .25 hours each @ \$37.50 = \$1,500

13. *Cost to Respondents (Capital)*

There is 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*

N/A

16. *Publication/Tabulation*

N/A

17. *Expiration Date*

We are planning on displaying the expiration date.

18. *Certification Statement*

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

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

N/A