

**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 an extension 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.

We will continue to collect the data through telephone interviews utilizing CATI (Computer-Assisted Telephone Interviewing) Software. CATI Computer assisted telephone interviewing 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 commitment.

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 September 2, 2014, vol. 79, No. 169; pp. 52010-52011. There were/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. Data will be kept private to the extent allowed by law. 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, it is estimated that 30-50% of the sample will come from beneficiaries, while the remaining 50-70% will come from healthcare providers or suppliers. For burden cost estimation, the providers (physicians' attorneys, paralegals, and administrative professionals) will be charged as "healthcare practitioners and technical occupations" at a rate of \$29.38¹, while beneficiary respondents will be charged as "bill and account collectors" at a rate of \$15.61.

As a result, OMHA estimates an approximate aggregate cost to respondents of \$1745.41, 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 for a specific six month period will be obtained annually. These data will then be reduced by removing redundant entries, with a final population of approximately 3500 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 3500 respondents will be stratified by hearing format, Medicare part, appeal disposition, and ALJ field office, 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

Type of Respondent	Form Name	No. of Respondents	No. Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours
Charged at rate of Healthcare Providers and Suppliers	Form A	240	1	11/60	44
Charged at rate of Beneficiaries	Form A	160	1	11/60	29
Total		400	1	11/60	73

12B.

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs
Charged at rate of Healthcare Providers and Suppliers	44	\$29.38	\$1292.72
Charged at rate of Beneficiaries	29	\$15.61	\$452.69
Total	73	-	\$1745.41

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 \$75,457 annually. This includes all costs related to reporting, survey administration, and communication between the contractor and OMHA. Contractor hour 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 \$79,241 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, some program changes and revisions have been made that slightly increase the burden on appellants, including a larger proportion of cases from providers, which is reflected in the slightly increased cost estimate. No material changes have been made to the survey, and the total burden hours have not changed.

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 report with specific recommendations will then be created and delivered to OMHA annually. Further, the appellant satisfaction score will be provided each year in time for OMHA to meet annual 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.

¹ Based on Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook, 2014-15 Edition* median hourly wages for “healthcare practitioners and technical occupations” and “bill and account collectors.”