

Supporting Statement Part A
Medicare Advantage, Medicare Part D, and Medicare Fee-For-Service Consumer Assessment
of Healthcare Providers and Systems (CAHPS) Survey
CMS-R-246, OMB 0938-0732

BACKGROUND

The Centers for Medicare & Medicaid Services (CMS) requests a revision to a previously approved survey from the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 for the Medicare Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey. CMS received approval on June 1, 2012. That approval is scheduled to expire on June 30, 2015.

Based on requirements in the 2003 Medicare Prescription Drug Improvement and Modernization Act (MMA), the Centers for Medicare & Medicaid Services (CMS) has collected information about the experiences of Medicare Advantage and Medicare Prescription Drug Plan enrollees with their plans through the annual implementation of the CAHPS Survey since 2006. Earlier, requirements in the Balanced Budget Act of 1997 also required CMS to collect and report satisfaction and quality information about the Medicare health plans available under the Medicare + Choice plans and the Medicare Fee-For-Service (FFS) program and to provide this information to Medicare enrollees to assist them in their selection of a Medicare plan. The CAHPS survey for health plans has been collected since 1997, and the Medicare FFS survey has been collected since 2000.

The MMA under Sec. 1860D-4 (Information to Facilitate Enrollment) requires CMS to conduct consumer satisfaction surveys of plan enrollees in Medicare Advantage (MA) and Medicare prescription drug plans (PDPs) and report the results to Medicare beneficiaries prior to the annual enrollment period. This request for approval is for CMS to continue conducting the Medicare CAHPS surveys annually to meet the requirement to conduct consumer satisfaction surveys regarding the experiences of beneficiaries with their health and prescription drug plans.

This supporting statement incorporates the CAHPS data collection requirements set forth in the Part C and D final rule published on January 22, 2009. We issued regulations to require that MA organizations, Part D sponsors, and section 1876 cost contracts pay for the data collection costs of the annual CAHPS survey beginning in 2011. Previously, CMS had paid for the fielding of these surveys. As we noted in the preamble to the final rule, in the 2010 Call Letter to Part C and D sponsoring organizations, we informed all MA and Part D contracts with at least 600 enrollees as of July 1 of the prior calendar year that they would be expected to pay for the data collection costs of the CAHPS survey starting with the administration of the 2011 annual CAHPS survey. The final rule set forth this requirement in regulations at §422.152(b)(5) for Part C, §417.472(j) for section 1876 cost contracts, and §423.156 for Part D. CMS will continue to pay for the data collection costs for the Medicare FFS CAHPS survey.

CMS is using a data collection model similar to the one used for the Health Outcomes Survey, commercial health plan CAHPS, Hospital CAHPS, and Home Health Care CAHPS. CMS approves and trains survey vendors to collect and submit data on behalf of the MA, section 1876 cost, and Part D contracts. All contracts that are required to conduct CAHPS need to contract directly with an approved vendor. CMS is responsible for approving and training vendors, providing technical assistance to vendors, overseeing vendors to ensure that they are following the data collection protocols, providing the samples directly to the survey vendors, collecting and analyzing the data for public reporting, and producing reports that the plans can use for quality improvement.

A. JUSTIFICATION

1. Need and Legal Basis

CMS is required to collect and report information on the quality of health care services and prescription drug coverage available to persons enrolled in a Medicare health or prescription drug plan under provisions in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA). Specifically, the MMA under Sec. 1860D-4 (Information to Facilitate Enrollment) requires CMS to conduct consumer satisfaction surveys regarding Medicare prescription drug plans and Medicare Advantage plans and report this information to Medicare beneficiaries prior to the Medicare annual enrollment period. The Medicare CAHPS survey meets the requirement of collecting and publicly reporting consumer satisfaction information. The CAHPS survey measures are incorporated into the Star Ratings that are published on www.medicare.gov each fall for consumers. A subset of the CAHPS measures are also included in the *Medicare & You Handbook*.

2. Information Users

The primary purpose of the Medicare CAHPS surveys is to provide information to Medicare beneficiaries to help them make more informed choices among health and prescription drug plans available to them. The Medicare CAHPS also provides data to help CMS and others monitor the quality and performance of Medicare health and prescription drug plans and identify areas to improve the quality of care and services provided to enrollees of these plans.

3. Use of Improved Information Technology

There are no barriers or obstacles that prohibit the use of improved technology for this information collection activity. CMS will provide approved CAHPS vendors with the samples of enrollees for their client plans. The data collection protocol is mixed mode (mail with telephone follow-up of non-respondents).

4. Duplication of Efforts

The health plan section of the survey that CMS is conducting is the same survey that is required by the National Committee for Quality Assurance (NCQA) for accreditation of Medicare health plans; thus, there is no duplication of effort. This is the only required survey for Medicare health and drug plans.

5. Small Business

Survey respondents are Medicare Advantage (MA with or without a Prescription Drug Plan), Medicare Fee-For-Service (FFS), or Medicare Stand Alone Prescription Drug Plan (PDP) enrollees. Beginning in 2011, MA and PDP contracts need to pay for the data collection using vendors approved by CMS. The cost of conducting the CAHPS survey for each contract is estimated to be approximately \$5,000. The survey instruments and procedures for completing the instruments are designed to minimize burden on all respondents and will not have a significant impact on small businesses or other small entities.

6. Less Frequent Collection

The Medicare CAHPS survey is conducted annually. CMS is required to provide up-to-date information to Medicare beneficiaries each year prior to the annual enrollment period to help them make more informed plan choices. Additionally, the information is used by CMS for monitoring of plan quality, and by plans to improve the health care and services they provide to their enrollees. Given the uses of the data, it is important that persons with Medicare, CMS, and others have current information about the experiences of persons enrolled in Medicare health and prescription drug plans. Provision of this information on an annual basis allows for the design of quality improvement initiatives on a timely basis and helps inform beneficiaries about the quality and performance of health and prescription drug plans at the time they make a health or drug plan selection each year.

7. Special Circumstances

Medicare CAHPS does not require any of the special circumstances noted in the instructions.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on December 12, 2014 (79 FR 73891). Comments were received and have been added to this package along with our response. No changes were made as a result of the comments.

9. Payment/Gifts to Respondents

Respondents do not receive any payments or gifts.

10. Confidentiality

Individuals and organizations contacted are assured of the confidentiality of their replies under 42 U.S.C. 1306, 20 CFR 401 and 422, 5 U.S.C.552 (Freedom of Information Act), 5 U.S.C.552a (Privacy Act of 1974), and OMB Circular No.A-130. In instances where respondent identity is needed, the information collection fully complies with all respects of the Privacy Act. The System of Records is HPMS No. 09-70-4004.

11. Sensitive Questions

No questions of a sensitive nature are included in the survey.

12. Burden Estimate (Hours & Wages)

The CAHPS survey takes on average 20 minutes to complete. This burden varies by survey type as shown below. For the total sample of 799,650 members, the total survey burden to complete the survey is approximately the sum of MA¹ (.4 hours x 427,200), PDP (.25 hours x 97,500), and FFS Medicare (.3 x 274,950) or 277,740 hours. The reason for the variation in burden hours by survey type is that the CAHPS survey has specific questions relevant to the Medicare plan in which a sample member is enrolled, i.e., MA-only, MA-PD, PDP, or FFS. Sample size for PDP survey is 1,500 to improve reliability, and the sample size for FFS is needed for refined comparisons with MA.

	Units	Sample/ Unit	Sample by Type	Burden/ Survey	Total Hours
MA	534	800	427,200	0.4	170,880
PDP	65	1,500	97,500	0.25	24,375
FFS Medicare	78	3,525	274,950	0.3	82,485
Total Hours					277,740

Since 2011, MA and PDP contracts take an average of 54 hours a year for the CAHPS survey. For the 534 MA contracts, the total annual burden is 28,836 hours (54 hours X 534 contracts). For the 65 PDP contracts, the total annual burden is 3,510 hours (54 hours X 65 contracts). In total for both the MA and PDP contracts, the annual burden is 32,346 hours (54 hours X 599 contracts). The associated burden is the time and effort necessary for MA and PDP contracts to

¹ We have combined estimates for MA-only and MA-PD survey versions here for simplicity.

contract with an approved CAHPS survey vendor and for the vendor to perform data collection activities on behalf of the MA and PDP contracts.

	Units	Burden/ Hours	Total Hours
MA	534	54	28,836
PDP	65	54	3,510
Total Hours	599		32,346

Costs to respondents are the time required by respondents to complete the survey.

Survey	Number of Respondents	Total Burden Hours	Average Hourly Wage*	Estimated Data Collection Cost to Respondents
MA	427,200	170,880	\$22.33	\$3,815,750
PDP	97,500	24,375	\$22.33	\$544,294
Medicare FFS	274,950	82,485	\$22.33	\$1,841,890
Total	799,650	277,740	\$22.33	\$6,201,934

*Based upon the average wages, "National Occupational Employment and Wage Estimates United States, May 2013," U.S. Department of Labor, Bureau of Labor Statistics. http://www.bls.gov/oes/current/oes_nat.htm#00-0000

13. Capital Costs

Since 2011, the cost to Medicare MA and PDP contracts is the cost of their contracting with Medicare CAHPS vendors approved by CMS to pay for the data collection for the sample of Medicare enrollees in their respective contracts that CMS provides to the vendors. CMS estimates this cost is about \$5,000 per contract at the contract level, although the final cost is dependent on the negotiated contracts that the MA/PDP contracts execute with CAHPS approved vendors for their data collection. CMS is estimating that there are 599 MA/PDP contracts that are impacted by this small cost.

14. Cost to Federal Government

The total cost to the Federal government for the 2015 CAHPS Survey is estimated to be \$6 million. This total includes CMS management and implementation of the Medicare FFS data collection; approval process for survey vendors; training, oversight, and technical assistance of the approved survey vendors for the MA and PDP contracts; preparation and cleaning of data submitted by the survey vendors for the MA and PDP contracts; data analysis; preparation of CAHPS measures for public reporting; and production of plan reports to be used by all participating MA and PDP plans for quality improvement.

15. Changes to Burden

On average, the burden to Medicare beneficiaries has not changed to complete a CAHPS survey: MA burden is 0.4 hour and the stand-alone PDP and FFS survey burdens are 0.25 and 0.3 hours, respectively.

The number of respondents has gone up by approximately 201,450 respondents (mostly due to increases in the FFS sample to support refined comparisons with MA), and the number of contracts has gone down by approximately 10, so the total survey burden has increased by approximately 60,645 hours.

The burden to MA and PDP contracts is 54 hours each, or a total of 32,346 hours across the 599 plans; this is a decrease of approximately 540 hours.

16. Publication/Tabulation Dates

The CAHPS survey results are disseminated through tools on www.medicare.gov – Medicare Plan Finder – that contain comparative information on prescription drug and health plans. The information is made available to the public through “print on demand” (i.e., beneficiaries can request a hardcopy of this information from 1-800-MEDICARE). The *Medicare & You Handbook* also contains some CAHPS information and instructions about how to obtain information on additional measures. The information is made available in the fall following each annual data collection, prior to the annual enrollment period.

Medicare health and prescription plans also receive plan-specific reports that contain detailed information on the CAHPS results for their plan for use in quality improvement initiatives. These reports include background information on the methodology and definitions used in CAHPS to assist them in understanding the information in their report.

17. Expiration Date

No exemption is being requested.

18. Certification Statement

There are no exceptions taken to item 19 of OMB Form 83-1.