

SUPPORTING STATEMENT – PART A

Application for TRICARE-Provider Status: Corporation Services Provider – 0720-0020

Public Information Collection Requirements Submitted for Public Comments and Recommendations: Provider Certification Requirements -Corporate Services Provider Class

A. Justification

1. Need for the Information Collection

The Code of Federal Regulations (CFR), Part 199.6, along with the TRICARE/CHAMPUS Policy Manual, 6010.47-M, and Operations Manual, 6010.49-M, establish the specific requirements for institutional and professional providers currently recognized for payment under the program. These requirements have been used to ensure that providers possess licensing or other credentials and/or meet recognized standards unique to their provider status, profession, or field of medicine. However, since the CFR and policy provisions were first established, the manner in which medical services are delivered has changed. TRICARE/CHAMPUS - beneficiaries, like other health care consumers, now have access to a wide array of health care delivery systems which are not currently recognized or reimbursed under the TRICARE/CHAMPUS program.

On March 10, 1999, the Department of Defense published a final rule in the Federal Register that established a fourth class of TRICARE/CHAMPUS provider consisting of freestanding corporations and foundations that render principally professional, ambulatory or in-home care and technical diagnostic procedures. The specific types of providers who fall within this category include: 1) physician-directed clinics (radiation therapy clinics and cardiac rehabilitation programs); 2) cardiac catheterization clinics; 3) freestanding sleep disorder diagnostic centers; 4) independent physiological laboratories; 5) freestanding kidney dialysis centers; 6) freestanding magnetic resonance imaging centers; 7) Comprehensive Outpatient Rehabilitation Facilities (CORPS); and 8) Home Health Agencies (HHAs). However, coverage will only be extended for those professional services which would otherwise be allowed except for an individual provider's affiliation with a freestanding corporate entity. Coverage will not be allowed for additional overhead costs not recognized under the TRICARE/CHAMPUS professional reimbursement system or for individual professionals who are not recognized by TRICARE/CHAMPUS as authorized providers in their own right. The final rule simply establishes the authority for authorization of Corporate Services Providers under TRICARE/CHAMPUS and is not a part of the information collection process.

This information collection requirement is necessary to ensure that the conditions are met for authorization as a TRICARE/CHAMPUS Corporate Service Provider; i.e., the provider: 1) is a corporation or a foundation, but not a professional corporation or professional association; 2) provides services and related supplies of a type rendered by TRICARE/CHAMPUS individual professional providers or diagnostic technical services; 3) is approved for Medicare payment, or when Medicare approval status is not required, is accredited by a qualified accreditation organization; and 4) has entered into a participation agreement approved by Director, TRICARE Management Activity.

2. Use of the Information

TRICARE/CHAMPUS is a health benefits entitlement program for the dependents of active duty Uniformed Services members and deceased sponsors, and Uniformed Services retirees and their dependents. The information collection instrument, DD Form X644, Corporate Services Provider Application for TRICARE Provider Status, is for use by TRICARE/CHAMPUS and its contractors. Currently, Providers obtain the Corporate Services Provider application from the TRICARE Policy Manual 6010.57-M, Addendum D. Pending OMB approval of the newly created DD form, Providers will obtain the application from the DoD Forms Website as a fill and print PDF. Providers will complete all sections of the form, print and sign it and mail the application to the Managed Care Support Contractor. Respondents are freestanding corporations and foundations seeking authorization under the TRICARE/CHAMPUS program to provide otherwise covered professional services to eligible TRICARE/CHAMPUS beneficiaries. Under the final amendment provisions, corporate service providers can receive authorization under the TRICARE/CHAMPUS program as long as there is evidence on the information collection instrument of their continuing eligibility to receive reimbursement from Medicare. The Corporate Service Providers will also be required to enter into a participation agreement with TRICARE/CHAMPUS to ensure that they agree to the coverage and reimbursement provisions established under the new provider category; e.g., that they accept the CHAMPUS Maximum Allowable Charge (CMAC) as payment in full for all professional services and that no other overhead charges be allowed except for services and supplies of a type rendered by TRICARE/CHAMPUS individual professional providers or diagnostic technical services in the direct care of the patient.

TRICARE/CHAMPUS managed care support contractors have the responsibility of verifying that providers meet TRICARE/CHAMPUS authorization criteria. Verification involves collecting and reviewing copies of the provider's licenses, certificates, accreditation documentation, etc. If the criteria are met, the provider is added to the contractor's computer list of CHAMPUS-authorized providers. The documentation and information are collected: 1) when a provider requests permission to become a TRICARE/CHAMPUS provider; 2) when a claim is filled for care received from a provider who is not listed in the contractor's computer listing of certified providers, or 3) when a formerly TRICARE/CHAMPUS-certified provider requests reinstatement. The information collected on the Corporate Services Provider application form (i.e., the information collection form for which TRICARE/CHAMPUS is seeking approval) will be used by the contractor in determining whether the provider meets the criteria for authorization under the TRICARE/CHAMPUS program. The information collection form is simplistic in design to minimize the administrative burden on both the contractors and those corporate entities qualifying for authorization under the new Corporate Services Provider category. The authorization status of a provider will be maintained on an electronic file (i.e., a computer listing of all authorized providers) that will facilitate the efficient adjudication and reimbursement of all future claims submitted by an authorized provider.

To reduce the reporting burden to a minimum, TRICARE/CHAMPUS has carefully selected the information requested of respondents. Reliance on Medicare approval for payment -or when Medicare approved status is not required, accreditation organization as defined by the attached amendment -has been found to be administratively expeditious and cost effective for both TRICARE/CHAMPUS and providers qualifying for authorization under the new provider

category.

The authorization process will also be streamlined (simplified) in that the individual authorization of professional providers employed by or under contract with a corporate entity will not be required under the information collection requirements. While authorization of all individuals offers the greatest protection for the program and TRICARE/CHAMPUS beneficiaries by ensuring all individuals meet established TRICARE/CHAMPUS criteria, it is a very expensive and time-consuming requirement for the contractors, not to mention the administrative burden placed on providers. The preferred alternative is to place the responsibility for ensuring all individuals meet TRICARE/CHAMPUS requirements on the corporate service entity. This assurance is further strengthened by requiring Medicare certification as a condition of authorization under the program since Medicare also relies on the delegation of certification of individual professional and allied health providers to the corporate entity. Although the actual provider of care will still have to be identified on the claim form, verification of the qualifications of employed and/or contracted individual providers will not be required by the contractors.

3. Use of Information Technology

Responses are not collected electronically. The application form and instructions are currently provided in the TRICARE Policy Manual 6010.57-M. A new DD form has been created and will be accessible on the DoD Forms Website at (<http://www.dtic.mil/whs/directives/infomgt/forms/index.htm>) as a fill and print PDF pending OMB approval.

The following documents may be viewed electronically at www.tricare.osd.mil which will facilitate the respondents' understanding of the authorization process (i.e., the conditions for coverage/authorization along with the specifics of the application process): TRICARE Policy Manual, Chapter 11.2.3 and 2.4. TRICARE Policy Manual, Addendum D.

4. Non-duplication

TRICARE/CHAMPUS contractors are required to maintain a computer listing of all providers that have submitted the appropriate certification/authorization information and documentation. To avoid duplication inquiries, the contractors must search the computer provider listing before requesting documentation from providers. Since the providers affected by this information collection instrument have not previously been eligible to be authorized providers, TRICARE/CHAMPUS contractors have no information on file for these providers; therefore, no similar information is readily available at this time.

In the data collection form design, the program has made every effort to eliminate duplication. All data information systems have been queried to determine if there was any duplication of data collection elements. None of the routine data collection reports maintained by the agency have the information requested on the Corporate Services Provider data collection instrument.

5. Burden on Small Business

The information collection includes small business; e.g., physician-directed clinics (radiation therapy clinics and cardiac rehabilitation programs); cardiac catheterization clinics; freestanding sleep disorder diagnostic centers; independent physiological laboratories; freestanding kidney dialysis centers; freestanding magnetic resonance imaging centers; Comprehensive Outpatient Rehabilitation Facilities (CORPS); and Home Health Agencies (HHAs). The data required to be submitted on the collection form is the same for each provider. The data collection form is simplistic in design to minimize administrative burden on the *TRICARE/CHAMPUS* contractors and providers (i.e., only essential information is requested). The requested information should be readily available to the respondents.

6. Less Frequent Collection

Without the collection of information, contractors cannot determine if a provider meets TRICARE/CHAMPUS requirements for authorization as a Corporate Services Provider. If a contractor is unable to verify that a provider meets TRICARE/CHAMPUS requirements, it will be unable to reimburse the provider for otherwise covered health care services. All requested information is readily available to the respondents. No further reduction in the information collection requirements is possible for authorization of these small businesses.

7. Paperwork Reduction Act Guidelines

There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.5.(d)(2).

8. Consultation and Public Comments

Notice for this collection of information published in the Federal Register on October 13, 2015; 80 FR 61396-61397. No public comments were received.

9. Gifts or Payments

No payments or gifts will be provided to respondents other than remuneration of contracts.

10. Confidentiality

The confidentiality of information collected for authorization of Corporate Services Providers is ensured through the contractors compliance with the following policies, regulations and laws relating to Government records:

- 36 Code of Federal Regulations (CFR), Subchapter B – Records Management
- Federal Records Act (Title 44 United States Code (USC), Chapters 21, 29, 31, 33)
- Paper Reduction Act (Title 44 USC, Chapter 35)
- DoD Directive (DoDD) 5015.2, “DoD Records Management Program

PIA is not required because PII is not collected electronically.

A SORN is not required because PII is not retrieved or stored.

11. Sensitive Information

Questions of a sensitive nature are not included in the provider authorization process and no sensitive information is collected such as the SSN.

12. Burden Estimate (Hours)

The burden to the Federal Government was estimated by contacting TRICARE/CHAMPUS contractors for information on time and costs involved in collecting provider certification information. The burden to respondents was estimated by consulting with a sampling of providers for estimates on the time and expenses involved in completing and submitting the required information.

a. Estimation of Respondent Burden:

- Number of respondents: 300
- Responses per respondent: 1
- Burden per response: 20 minutes
- Annual burden hours: 100

The information will usually be collected from each respondent only once. It is estimated that there will be 300 respondents per year. TRICARE/CHAMPUS will request the provider authorization documentation and information when the provider asks to become TRICARE/CHAMPUS authorized or when a claim is filed for a new provider's services. If, after a provider has been authorized by a contractor, no claims are filed during a two-year period of time, the provider's information will be placed in the inactive file. To reactivate a file, the provider must verify that the information is still correct, or supply new or changed information.

b. Labor Cost of Respondent Burden

The one-time time and labor costs for a new Corporate Services Provider seeking authorization under the TRICARE/CHAMPUS program is estimated at \$5.70 based upon the following administrative costs:

Clerical Time\$5.70/ (based upon 20 min. per facility@\$17per hour)

Total yearly cost for Corporate Services Providers seeking authorization under the TRICARE/CHAMPUS program based on the following burden projections:

Clerical Time\$1700 [300hrs. x 20 min. per response at \$17 (average))
Total Cost Time & Labor Only..\$1,700

Note: The hourly wage for a facility clerk was based on 2012 statistics published by the Department of Labor.

13. Respondent Costs Other Than Burden Hour Costs

Other facility/office costs will be experienced in filling out and returning the Corporate Services

Provider form. This includes costs for copying, filing, handling and postage. The facility/office charges have been estimated at \$10 per respondent.

Total Non-Labor Facility/Office Costs.....\$3,000 (300 respondents x \$10 per facility Costs)

14. Cost to Federal Government

The estimated first year cost to the government is \$18,235 based upon the following:

Postage (300 x \$0.95)	\$ 285
Printing and Materials (300 x \$4.50)	1,350
Clerical Time	5,100 (300 x 60 min. per request at \$17 per hour (GS-6 step 5)*)
Analysis Costs	7,200 (300 x 60 min. per submission at \$24 per hour (GS-9 step 6)*)
ADP Costs (updating and maintaining files).....	4,300
Total First Year Cost to Government.....	\$18,235

*source: https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2015/GS_h.pdf

15. Reasons for Change in Burden

This is a reinstatement with changes in the time interval required for a respondent to fill out the provider authorization form (i.e., from one hour to 20 minutes). It was felt that this change was justified due to the simplicity of form design which minimizes the administrative burden upon the corporate entity. The number of respondents was also changed from 1,000 to 300 respondents based on the increasing popularity of less restrictive treatment settings. Governmental and facility costs were increased for inflation.

16. Publication of Results

There are no plans to publish or tabulate the information collected.

17. Non-Display of OMB Expiration Date

Approval is not sought for avoiding display of the expiration date for OMB approval.

18. Exceptions to "Certification for Paperwork Reduction Submissions"

There are no exceptions to the certification statement in Item 19, "Certification for Paperwork Reduction Act Submission," of OMB Form 83-1.