Supporting Statement for Paperwork Reduction Act Submissions

CMS-855 Medicare Enrollment Applications Package Extension

A. BACKGROUND

The primary function of the CMS-855 Medicare enrollment application is to gather information from a provider or supplier that tells us who it is, whether it meets certain qualifications to be a health care provider or supplier, where it practices or renders services, the identity of the owners of the enrolling entity, and other information necessary to establish correct claims payments. For reasons discussed below, CMS is revising the CMS-855 Medicare Enrollment Applications Package (OMB No. 0938-0685).

CMS is revising the CMS-855 Medicare Enrollment Applications Package (OMB No. 0938-0685) to remove the CMS-855R application from its collection. CMS has found that the information collection regarding reassignments are collected more frequently than the completion of other provider/supplier enrollment applications. Consequently, CMS must revise the CMS-855R application more often than the CMS-855A, CMS-855B, and CMS-855I enrollment applications. The ability to revise the CMS-855R separately from the other CMS-855 enrollment applications lessens the burden on CMS, Medicare contractors and the provider/supplier community. CMS maintains the continuity of the CMS-855 enrollment applications by using the same formats and lay-out of the current CMS-855 enrollment applications, regardless of the separation of the CMS-855R from this collective enrollment application package. OMB approved CMS' request for a new OMB number for the CMS-855R on November 1, 2012 (ICR reference number 201206-0938-007). The OMB number for the CMS-855R is 0938-1179. Therefore, all information collected in the CMS-855R continues to be collected without interruption.

The CMS 855A is for institutional providers. The CMS 855B is for clinics/group practices and certain other suppliers. The CMS 855I is for physicians and non-physician practitioners.

Affordable Care Act Disclosure Provisions

On March 23, 2010, the President signed into law H.R. 3590, the Patient Protection and Affordable Care Act (ACA), Public Law 111-148. The law established a number of important payment safeguard provisions involving the reporting of certain information by Medicare providers and suppliers. These provisions included section 6001, which requires Medicare hospitals to report whether they have any physician owners.

B. JUSTIFICATION

1. *Need and Legal Basis*

Various sections of the Act and the Code of Federal Regulations require providers and suppliers 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.

- 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.
- Section 1842(u) of the Act requires us to deny billing privileges under Medicare to physicians and certain other health care professionals certified by a State Child Support Enforcement Agency as owing past-due child support.
- Section 1866(j)(1)(C) of the Act requires us to consult with providers and suppliers of services before making changes in provider enrollment forms.
- 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 provide their Tax Identification Number (TIN).
- Section 1866(b)(2)(D) and 1842(h)(8) of the Act require denial of enrollment (directly or indirectly) of persons convicted of a felony for a period not less than 10 years from the date of conviction.
- The Social Security Act, section 302 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, paragraph 1834(a)(20) requires us to collect information about accreditation of Advanced Diagnostic Imaging (ADI) Suppliers, namely whether a not the ADI is accredited and in some cases, the services the ADI provides. This information is specific to provider/supplier type.
- The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), section 135(a) amended section 1834(e) of the Social Security Act and required the Secretary to designate organizations to accredit suppliers, including but not limited to physicians, non-physician practitioners and Independent Diagnostic Testing Facilities, that furnish the technical component of advanced diagnostic imaging services.
- The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA), section 511 requires us to collect information necessary to withhold 3% withholding tax from Medicare providers/suppliers.

- The Internal Revenue (IRS) Code, section 3402(t) requires us to collect 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 501(c) requires each Medicare provider/supplier to report information about its proprietary/non-profit structure to the IRS for tax withholding determination.
- The Patient Protection and Affordable Care Act, section 3109(a) allows certain Medicare supplier types to be exempt from the accreditation requirement.
- Social Security Act, section 6401 - Provider Screening and Other Enrollment Requirements under Medicare, Medicaid, and CHIP requires the effective date of an entity/individual's ownership/managerial interest in the provider to help determine the relationship of the owner to the provider.

The CMS-855 applications collect this information, including the information necessary to uniquely identify and enumerate the provider/supplier. 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-855 is submitted at the time the applicant first requests a Medicare billing number. The application is used by Medicare contractors to collect data to ensure that the applicant has the necessary credentials to provide the health care services for which they intend to bill Medicare, including information that allows the Medicare contractor to correctly price, process and pay the applicant's claims. It also gathers information that allows Medicare contractors to ensure that the provider/supplier is not sanctioned from the Medicare program, or debarred, suspended or excluded from any other federal agency or program.

3. *Improved Information Techniques*

This collection lends itself to electronic collection methods. The Provider Enrollment, Chain and Ownership System (PECOS) is 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. 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, transmit it to the Medicare contractor database for processing and then the data is transferred from the Medicare contractor processing database into PECOS by the Medicare contractor. 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.

PECOS began housing provider/supplier information in 2003 in compliance with the

Government Paperwork Elimination Act. However, until CMS adopts an electronic signature standard, providers/suppliers will be required to submit a hard copy signature page of the applicable CMS-855 with an original signature.

4. *Duplication and Similar Information*

There is no duplicative information collection instrument or process.

5. *Small Business*

Each of the data collections described above will impact small businesses. However, because of the relative infrequency with which the information will need to be submitted and the minimal time involved in each data collection, we believe that the overall impact on small businesses will be extremely negligible. In addition, these businesses have been required to provide CMS with substantially the same information in order to enroll in the Medicare Program and for CMS to successfully process their claims. The removal of the CMS-855R from this package will not affect small businesses.

6. *Less Frequent Collections*

This information is collected on an as needed basis. The information provided on the CMS-855 is necessary for enrollment in the Medicare program. It is essential to collect this information the first time a provider/supplier enrolls with a Medicare contractor so that CMS' contractors can ensure that the provider/supplier meets all statutory and regulatory requirements necessary for enrollment and that claims are paid correctly.

In addition, to ensure uniform data submissions, CMS requires that all changes to previously submitted enrollment data be reported via the appropriate provider enrollment application.

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 April 1, 2016. No comments were received. A 30-day Federal Register notice is scheduled to publish on May 26, 2016.

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)*

In calculating the cost, we used the following assumptions:

- The cost per respondent per form has been determined using the follow wages:
  - $81.84 per hour (professional wage)
  - $34.94 per hour (administrative wage)

Because of the relative length of the Forms CMS-855A and CMS-855B, CMS believes that physicians and non-physician practitioners will hire professionals to complete the applications, rather than delegating this task to staff. According to the most recent wage data provided by the Bureau of Labor Statistics (BLS) for May 2015 (see http://www.bls.gov/oes/current/oes_nat.htm#43 0000), the mean hourly wage for the general category of "Health Diagnosing and Treating Practitioners, All Other" is $40.92. With fringe benefits and overhead, the respective per hour rate is $81.84.

Per our experience, we believe that the reporting provider's or supplier's administrative staff (for example, officer managers and support staff) are responsible for securing and listing affiliation data on the Form CMS-855I. According to the most recent wage data provided by the Bureau of Labor Statistics (BLS) for May 2015, the mean hourly wage for the general category of "Office and Administrative Support Occupations" is $17.47 per hour (see http://www.bls.gov/oes/current/oes_nat.htm#43 0000.) With fringe benefits and overhead, the respective per hour rate is $34.94.

- Our estimates below as to the number of providers and suppliers that will complete each form include initially enrolling and revalidating providers and suppliers, as well as those submitting a change of information involving the data element in question. We note, though, that these numbers are merely averages; the actual numbers will vary each year.

A. <u>CMS-855A</u>

1. Physician-Owned Hospital Checkbox

We have added a checkbox to section 2A of the CMS-855A that will identify whether the hospital is a physician-owned hospital. We estimate that an average of 40,000 providers will complete this CMS-855A each year. Out of this total, we project that 2,000 providers will complete this checkbox. We believe it will take the provider 5 minutes to complete the checkbox, at a per hour labor cost of $81.84. This results in a 167-hour burden (2,000 X .0833 hours) and a total annual cost of $13,667.28 (167 X $81.84).

2. Registration of Business

To ensure compliance with § 511 of the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA), we will require the provider in section 2B1 of the application to identify how its business is registered with the Internal Revenue Service (IRS).

Using our earlier estimate of 40,000 providers that will complete this CMS-855A each year, we believe it will take each provider 5 minutes to furnish this information, at a per hour labor cost of $81.84. This results in a 3,332-hour burden (40,000 X .0833 hours) and a total annual cost of $272,690.88 (3,332 X $81.84).

3. *Indian Health Facilities*

To ensure that CMS-855A enrollment applications are routed to the correct Medicare contractor, we will require the provider in section 2B1 of the application to answer the following question: "Is this provider an Indian Health Facility enrolling with Trailblazer Health Enterprises?"

We project that it will take the provider 5 minutes to furnish this information. Using our previous estimate of 40,000 providers, this results in a 3,332-hour burden (40,000 X .0833 hours), at a total annual cost of $272,690.88 (3,332 X $81.84 per hour).

4. Cost Report Date

We are reinserting into section 2B of the CMS-855A a data element that asks for the provider's year-end cost report date. On the prior version of the CMS-855A, the cost report date was only requested in the Chain Home Office Information section. CMS corrected that and inserted the cost report date into this section so it would be applicable to all providers, not just Chain Home Offices. This information will be used to ensure proper reimbursement when the provider's year-end cost report is filed with the Medicare fee-for-service contractor.

We estimate that it will take the provider 5 minutes to provide this information. Using our previous figure of 40,000 providers, results in a 3,332-hour burden (40,000 X .0833 hours) and a total annual cost of $272,690.88 (3,332 X $81.84 per hour).

5. Effective Dates of Ownership or Managerial Control

We are reinserting into sections 5 and 6 of the CMS-855A a data element that requests the effective date of an entity/individual's ownership/managerial interest in the provider. This is to help verify the entity/individual's relationship with the provider. This information was in earlier enrollment application versions, but was removed in 2008 because there was no statutory basis to collect effective date information. However, since then, the Social Security Act, section 6401 - Provider Screening and Other Enrollment Requirements under Medicare, Medicaid, and CHIP requires the effective date of an entity/individual's ownership/managerial interest in the provider to help determine the relationship of the owner to the provider, therefore the data field was reinserted.

We believe that it will take the provider 1 hour to disclose this information for all of its owners and managing employees. Using our earlier estimate of 40,000 providers, results in a 40,000-hour burden (40,000 X 1 hour) and a total annual cost of $3,273,600.00 (40,000 X $81.84 per hour).

6. Percentage of Direct and Indirect Ownership

In sections 5 and 6 of the CMS-855A, we request information on the percentage of direct or indirect ownership a particular entity or individual has in the provider. This is to help verify the extent of the entity/individual's ownership interest.

We estimate that it will take the provider 30 minutes to provide this information for all of its owners. Using our earlier estimate of 40,000 providers, results in a 20,000-hour burden (40,000 X .5 hours) and a total annual cost of $1,636,800.00 (20,000 X $81.84 per hour).

7. Purchase of Provider

In Section 5 of the CMS-855A, we have inserted a checkbox for the provider to indicate whether the owning entity was created for the purpose of acquiring the provider. To know the relationship of the owners of the providers is important in order to determine if fraudulent activity is occurring. For example, a provider cannot be owned by an excluded provider. CMS would need this information to determine if holding companies or shell companies who own the provider are excluded providers from any state or federal health care program.

We estimate that it will take the provider 15 minutes to provide this information for all of its organizational owners. Using our earlier estimate of 40,000 providers, this results in a 10,000-hour burden (10,000 X .25 hours), with a total annual cost of $818,400.00 (10,000 X $81.84 per hour).

8. Contractual Services

In sections 5 and 6 of the CMS-855A, we request that the provider identify the type of contractual services (if any) that its managing organizations/employees furnish. This is to help verify the specific relationship the provider has with the managing entity/individual.

We estimate that it will take the provider 20 minutes to provide this information for all of its managing organizations/individuals that provide contractual services. Using our earlier estimate of 40,000 providers, results in a 13,333-hour burden (40,000 X .333 hours). The total annual cost would be $1,091,172.70 (13,333 X $81.84 per hour).

9. Billing Agent Date of Birth

We are requesting the billing agent's date of birth in section 8 of the CMS-855A if the provider has a billing agent who is an individual. This is necessary for the verification of the agent's tax identification number (TIN) in the Provider Enrollment, Chain and Ownership System (PECOS) and to ensure consistency between the CMS-855A paper and electronic forms.

We project that of the aforementioned 40,000 providers, 4,000 will have an individual billing agent. We estimate that it will take the provider 10 minutes to furnish this information, resulting in a 667-hour burden (4,000 X .1666 hours) at a total annual cost of $54,587.28 (667 X $81.84 per hour).

10. IRS Determination Letter

To ensure compliance with § 511 of TIRPA, we will require the provider to submit a copy of its "IRS Determination Letter" if it is registered with the IRS as a non-profit entity.

Of the aforementioned 40,000 providers, we estimate that 6,000 will provide this letter. This estimate is based on how many providers submit copies of this letter in accordance with the IRS. We project that this requirement will take the provider 10 minutes to fulfill, resulting in a 1,000-hour burden (6,000 X .1666 hours) at a total annual cost of $81,840.00 (1,000 X $81.84 per hour).

11. Submission of Additional Documents

We have added a statement to section 17 of the CMS-855A to the effect that the Medicare contractor may request from the provider additional documents not listed in section 17. This is to ensure that the provider is in compliance with all enrollment requirements.

Of the aforementioned 40,000 providers, we project that 8,000 will be requested to submit additional verifying documentation. We estimate that it will take the provider 10 minutes to produce this information. This results in a 1,333-hour burden (8,000 X .1666 hours) at a total annual cost of $109,092.72 (1,333 X $81.84 per hour).

12. Confirmation of LLC/Disregarded Entity Status

In section 17 under the title "Mandatory, if Applicable," we have added a checkbox stating that "Written confirmation from the IRS confirming your Limited Liability Company (LLC) is automatically classified as a Disregarded Entity" may be required. This is to verify the provider's "disregarded entity" status.

Of the 40,000 aforementioned providers, we estimate that 2,000 will be requested to submit IRS documentation verifying the provider's "disregarded entity" status. We estimate that it will take the provider 10 minutes to produce this information. This results in a 333-hour burden (2,000 X .1666 hours) at a total annual cost of $27,252.72 (333 X $81.84).

Table 1 below outlines the burden costs (rounded to the nearest dollar) associated with furnishing the CMS-855A information outlined above:

Table 1 – Burden of Producing Information for CMS-855A Changes

Provision	OMB Control No.	Respondents	Responses	Burden per Response (hours)	Total Annual Burden (hours)	Hourly Labor Cost of Reporting ($)	Total Cost ($)
Physician-Owned Hospital Checkbox	0938-0685	2,000	2,000	.0833	167	81.84	13,667
Registration of Business	0938-0685	40,000	40,000	.0833	3,332	81.84	272,691
Indian Health Facilities	0938-0685	40,000	40,000	.0833	3,332	81.84	272,691
Cost Report Dates	0938-0685	40,000	40,000	.0833	3,332	81.84	272,691
Effective Dates of Ownership	0938-0685	40,000	40,000	1	40,000	81.84	3,273,600
Percentage of Direct and Indirect Ownership	0938-0685	40,000	40,000	.5	20,000	81.84	1,636,800
Purchase of Provider	0938-0685	40,000	40,000	.25	10,000	81.84	818,400
Contractual Services	0938-0685	40,000	40,000	.3333	13,333	81.84	1,091,173
Billing Agent DOB	0938-0685	4,000	4,000	.1666	667	81.84	54,587
IRS Determination Letter	0938-0685	6,000	6,000	.1666	1,000	81.84	81,840
Submission of Additional Documents	0938-0685	8,000	8,000	.1666	1,333	81.84	109,093
Confirmation of LLC Status	0938-0685	2,000	2,000	.1666	333	81.84	27,253
TOTAL		**302,000**	**302,000**		**96,829**		**7,924,486**

B. CMS-855B

1. Registration of Business

To ensure compliance with § 511 of TIPRA, we will require the supplier to identify how its business is registered with the IRS.

We project that 120,000 suppliers will complete the CMS-855B annually and, in the process, disclose their business registration. We estimate that it will take the provider 5 minutes to furnish this information at a per hour labor cost of $81.84. This results in a 10,000-hour burden (120,000 X .0833 hours) at a total annual cost of $818,400.00 (10,000 X $81.84).

2. Indian Health Facilities

To ensure that CMS-855B enrollment applications are routed to the correct Medicare contractor, we will require the supplier in section 2 to respond to this question: "Is this provider an Indian Health Facility enrolling with Trailblazer Health Enterprises?"

We estimate that it will take the supplier 5 minutes to furnish this information. Using our estimate of 120,000 suppliers, we project a 10,000-hour burden (120,000 X .0833 hours) and a total annual cost of $818,400.00 (10,000 X $81.84 per hour).

3. Ambulatory Surgical Center Accreditation

In Section 2 of the CMS-855B, we will require accredited ambulatory surgical centers (ASCs) to report the expiration date of their accreditation. This will help enable CMS to monitor the supplier's accreditation status.

Of the 120,000 aforementioned suppliers, we project that the currently accredited 1,400 ASCs will furnish this data. The estimated time involved will be 10 minutes. We therefore project a 233-hour burden (1,400 X .1666 hours) at a total annual cost of $19,068.72 (233 X $81.84 per hour).

4. Advanced Diagnostic Imaging Information

.The Social Security Act, section 302 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, paragraph 1834(a)(20) requires CMS to collect information about accreditation of Advanced Diagnostic Imaging (ADI) Suppliers. In Section 2 of the form, we request information from ADI suppliers regarding: (1) the services the supplier provides, and (2) whether the supplier is accredited and in some cases, the services the ADI provides. This information is specific to provider/supplier type. CMS must know the services ADIs perform to

determine if the accreditation requirements are correct for those services Of the 120,000 aforementioned suppliers, we project that 20,000 ADI suppliers will furnish this data. The estimated time involved will be 15 minutes. We therefore project a 5,000-hour burden (20,000 X .25 hours) at a total annual cost of $409,200.00 (5,000 X $81.84 per hour).

5. Effective Dates of Ownership

We are reinserting into sections 5 and 6 a data element that requests the effective date of an entity's or individual's ownership/managerial interest in the supplier. This is to help verify the organization's/person's relationship with the supplier. This information was in earlier enrollment application versions, but was removed in 2008 because there was no statutory basis to collect effective date information. However, since then, the Social Security Act, section 6401 - Provider Screening and Other Enrollment Requirements under Medicare, Medicaid, and CHIP requires the effective date of an entity/individual's ownership/managerial interest in the provider to help determine the relationship of the owner to the provider, therefore the data field was reinserted.

We believe that it will take the provider 20 minutes to disclose this information for all of its owners and managing employees. Using our earlier estimate of 120,000 providers, results in a 40,000-hour burden (120,000 X .3333 hours) and a total annual cost of $3,273,600.00 (40,000 X $81.84 per hour).

6. Title of Section 6 Official

We are reinserting into section 6 a data element that asks for the titles of the individuals listed in that section. This is to help verify the person's status within the organization. We request information on the percentage of direct or indirect ownership an individual has in the provider. This is to help verify the extent of the entity/individual's ownership interest as well as to know the managing influences on a group/clinic.

We project that it will take the provider 5 minutes to furnish this information for all of its officials. Using our estimate of 120,000 suppliers, this results in a 10,000-hour burden (120,000 X .0833 hours) at a total annual cost of $818,400.00 (10,000 X $81.84).

7. Place of Birth of Section 6 Official

We are inserting into section 6 a data element that asks for the birthplaces of the individuals listed in that section. This is to help verify the person's identity. It is necessary to verify the individual's identity and the place of birth, in conjunction with other data points, such as the NPI, addresses, Social Security Numbers, tax identification numbers, etc. requested (with regulatory authority). The combination makes the confirmation of the identity the provider/supplier more accurate and ensures providers and suppliers are legitimately who they

say they are and that they are qualified in their health field. It protects the providers/suppliers as well as our Medicare beneficiaries by ensuring only legitimate providers/suppliers are enrolled in the program.

We project that it will take the provider 5 minutes to furnish this information. Using our estimate of 120,000 suppliers, this results in a 10,000-hour burden (120,000 X .0833 hours) at a total annual cost of $818,400.00 (10,000 X $81.84).

8. Billing Agent Date of Birth

We are requesting the billing agent's date of birth if the supplier has a billing agent who is an individual. This is necessary for the verification of the agent's TIN in PECOS and to ensure consistency between the CMS-855B paper and electronic forms.

Of the 120,000 suppliers that will complete the CMS-855B each year, we project that 24,000 of them will have an individual billing agent. We estimate that it will take the supplier 5 minutes to furnish this information. This results in a 2,000-hour burden (24,000 X .0833 hours) at a total annual cost of $163,680.00 (2,000 X $81.84).

9. IRS Determination Letter

To ensure compliance with § 511 of TIRPA, we will require the supplier to submit a copy of its "IRS Determination Letter" if it is registered with the IRS as a non-profit entity.

We estimate that 20,000 of the 120,000 aforementioned suppliers will provide this letter. We estimate that this requirement will take the provider 10 minutes to fulfill, resulting in a 3,333-hour burden (20,000 X .1666 hours) at a total annual cost of $272,772.72 (3,333 X $81.84 per hour).

10. Submission of Additional Documents

We added a statement to section 17 to the effect that the Medicare contractor may request additional documents not listed in section 17 from the supplier. This is to ensure that the supplier is in compliance with all enrollment requirements.

Of the aforementioned 120,000 suppliers, we estimate that 20,000 will be requested to submit additional verifying documentation. We project that it will take the supplier 10 minutes to produce this information. This results in a 3,333-hour burden (20,000 X .1666 hours) at a total annual cost of $272,772.72 (3,333 X $81.84).

11. Confirmation of LLC/Disregarded Entity Status

In section 17 under the title "Mandatory, if Applicable," we added a checkbox stating that "Written confirmation from the IRS confirming your Limited Liability Company (LLC) is automatically classified as a Disregarded Entity" may be required. This is to verify the supplier's "disregarded entity" status.

Of the estimated 120,000 suppliers that will annually complete the CMS-855B, we believe that 6,000 will be requested to submit IRS documentation verifying its LLC status. We project that it will take the supplier 10 minutes to produce this information. This results in a 1,000-hour burden (6,000 X .1666 hours) at a total annual cost of $81,840.00 (1,000 X $81.84).

12. Submission of TIN Documentation

In section 17, we require the supplier to submit written confirmation from the IRS of the supplier TIN (e.g., CP-575) if the supplier is a professional corporation, professional association, or limited liability corporation, or is a sole proprietor using an EIN.

We believe that 20,000 suppliers will be required to submit this information. We project that it will take the supplier 10 minutes to do so. This results in a 3,333-hour burden (20,000 X .1666 hours) at a total annual cost of $272,772.72 (3,333 X $81.84).

Table 2 below outlines the burden costs (rounded to the nearest dollar) associated with furnishing the CMS-855B information outlined above:

Table 2 – Burden of Producing Information for CMS-855B Changes

Provision	OMB Control No.	Respondents	Responses	Burden per Response (hours)	Total Annual Burden (hours)	Hourly Labor Cost of Reporting ($)	Total Cost ($)
Registration of Business	0938-0685	120,000	120,000	.0833	10,000	81.84	818,400
Indian Health Facilities	0938-0685	120,000	120,000	.0833	10,000	81.84	818,400
ASC Accreditation	0938-0685	1,400	1,400	.1666	233	81.84	19,069
ADIs Information	0938-0685	20,000	20,000	.25	5,000	81.84	409,200
Effective Dates of Ownership	0938-0685	120,000	120,000	.3333	40,000	81.84	3,273,600

Title of Section 6 Official	0938-0685	120,000	120,000	.0833	10,000	81.84	818,400
Birthplace of Section 6 Official	0938-0685	120,000	120,000	.0833	10,000	81.84	818,400
Billing Agent DOB	0938-0685	24,000	24,000	.0833	2000	81.84	163,680
IRS Determination Letter	0938-0685	20,000	20,000	.1666	3,333	81.84	272,773
Submission of Additional Documents	0938-0685	20,000	20,000	.1666	3,333	81.84	272,773
Confirmation of LLC Status	0938-0685	6,000	6,000	.1666	1,000	81.84	81,840
TIN Documentation	0938-0685	20,000	20,000	.1666	3,333	81.84	272,773
TOTAL		**711,400**	**711,400**		**98,232**		**7,220,908**

C. CMS-855I

1. Acceptance of New Patients

In section 2A, we have added the following question: "Do you accept new patients?" Medicare beneficiaries have requested that the "Medicare Physician and Healthcare Provider Directory" indicate whether physicians are accepting new patients. The primary practice location section is optional. However, this information is shared with other programs, such as the Physician Compare Initiative, to help beneficiaries identify provider/supplier practices. On the Physician Compare website, there are disclaimers regarding the assessment included in the website is limited in scope to the data sources used.

We estimate that 220,000 physicians/practitioners will complete the CMS-855I each year and identify whether he/she accepts new patients. We estimate that it will take the supplier 5 minutes to furnish this information at a per hour labor cost of $34.94 (administrative wage). This results in an 18,333-hour burden (220,000 X .0833 hours) and a total annual cost of $585,556.02 (18,333 X $34.94).

2. Employing Physician EIN

In section 2, we are requesting the employer identification number (EIN) of a physician assistant's employing physician. This is designed to reduce the time in which physician assistant enrollment applications are processed.

Of the estimated 220,000 individuals who will complete the CMS-855I each year, we believe that 12,000 will be physician assistants who will, in turn, submit the EIN of their employing physician. We estimate that it will take the supplier 5 minutes to furnish this information. This results in a 1,000-hour burden (12,000 X .0833) at a total annual cost of $34,940.00 (1,000 X $34.94 per hour).

Information on ADIs

In Section 2 of the form, we request information from ADI suppliers regarding: (1) the services the supplier provides, and (2) whether the supplier is accredited and in some cases, the services the ADI provides. This information is specific to provider/supplier type. CMS must know the services ADIs perform to determine if the accreditation requirements are correct for those services

Of the 220,000 aforementioned suppliers, we estimate that 12,000 will furnish this data. The estimated time involved will be 15 minutes. We therefore project a 3,000-hour burden (12,000 X .25 hours) at a total annual cost of $104,820.00 (3,000 X $34.94 per hour).

4. Indian Health Facilities

To ensure that CMS-855I enrollment applications are sent to the correct Medicare contractor, we will require the supplier in section 2 to indicate whether it is an Indian Health Facility that is enrolling with Trailblazer Health Enterprises.

Of the 220,000 suppliers that will complete the CMS-855I each year, we estimate that 60,000 will complete section 2 as a solely-owned corporation or LLC. We project that it will take the supplier 5 minutes to furnish this information. This results in a 5,000-hour burden (60,000 X .0833 hours) at a total annual cost of $174,700.00 (5,000 X $34.94 per hour).

5. Registration of Business

To ensure compliance with § 511 of TIPRA, the supplier will need to identify his/her business registration in section 2.

Of the 220,000 aforementioned suppliers, we estimate that 60,000 will complete section 2 as a solely-owned corporation or LLC. We project that it will take the supplier 5 minutes to furnish data about its business registration. This results in a 5,000-hour burden (60,000 X .0833 hours), with a total annual cost of $174,700.00 (5,000 X $34.94 per hour).

6. Effective Dates of Individuals in Section 6

We are inserting into section 6 a data element that asks for the effective date of an individual's managing control of the business. This is to help verify the individual's relationship with the practice.

We estimate that of the 220,000 suppliers that will complete the CMS-855I each year, 80,000 will have at least one managing employee. We project that it will take the supplier 10 minutes to

furnish this information on the individual(s). This results in a 13,333-hour burden (80,000 X .1666 hours) and a total annual cost of $465,855.02 (13,333 X $34.94 per hour).

7. Places of Birth of Section 6 Officials

We are inserting into section 6 a data element that requests the birthplace of each person listed therein. This is to help verify the individual's identity. It is necessary to verify the individual's identity and the place of birth, in conjunction with other data points, such as the NPI, addresses, Social Security Numbers, tax identification numbers, etc. requested (with regulatory authority). The combination makes the confirmation of the identity the provider/supplier more accurate and ensures providers and suppliers are legitimately who they say they are and that they are qualified in their health field. It protects the providers/suppliers as well as our Medicare beneficiaries by ensuring only legitimate providers/suppliers are enrolled in the program.

Using the 80,000-supplier and 10-minute figures mentioned in the previous data element, we project a 13,333-hour burden (80,000 X .1666 hours) at a total annual cost of $465,855.02 (13,333 X $34.94 per hour).

8. Billing Agent Date of Birth

For reasons already stated, we are requesting the billing agent's date of birth if the supplier has a billing agent who is an individual.

Of the aforementioned 220,000 suppliers, we project that 44,000 of them will have an individual billing agent. We estimate that it will take the provider 10 minutes to furnish this information. This results in a 7,333-hour burden (44,000 X .1666 hours) at a total annual cost of $256,215.02 (7,333 X $34.94 hour).

9. Submission of Additional Documents

We are adding a statement to section 17 to the effect that the supplier may be required to submit additional documents not listed in section 17.

We estimate that 40,000 of the estimated 220,000 suppliers completing the CMS-855I each year will be required to submit this documentation. We project that it will take the supplier 10 minutes to produce this information. This results in a 6,667-hour burden (40,000 X .1666 hours) at a total annual cost of $232,944.98 (6,667 X $34.94).

10. Confirmation of LLC/Disregarded Entity Status

In section 17, we will require the supplier to, if applicable, confirm its status as a disregarded

entity.

Of the above-referenced 220,000 suppliers, we project that 12,000 will furnish this information. We estimate that it will take the supplier 10 minutes to produce this data. This results in a 2,000-hour burden (12,000 X .1666 hours) at a total annual cost of $69,880.00 (2,000 X $34.94 per hour).

11. IRS Determination Letter

In section 17, we will require non-profit entities to submit a copy of their IRS-501(c) form.

We estimate that 8,000 of the aforementioned 220,000 suppliers will need to submit this information. We estimate that it will take the provider 10 minutes to do so. This results in a 1,333-hour burden (8,000 X .1666 hours) at a total annual cost of $46,575.02 (1,333 X $34.94 per hour).

12. Submission of TIN Documentation

In section 17, we will require certain suppliers to submit a copy of their CP-575 form. This is necessary to verify the business's EIN.

We estimate that of the 220,000 suppliers that will annually complete the CMS-855I, 60,000 will submit this information. We estimate that it will take the supplier 10 minutes to do so. This results in a 10,000-hour burden (60,000 X .1666 hours), with a total annual cost of $349,400.00 (10,000 X $34.94 per hour).

13. Information about Advanced Diagnostic Imaging Suppliers

We will be adding an attachment to the CMS-855I that captures information on any ADI services the supplier performs. CMS must know the services ADIs perform to determine if the accreditation requirements are correct for those services.

Of the aforementioned 220,000 suppliers, we estimate that 32,000 will complete this attachment and that it will take 15 minutes to do so. This results in an 8,000-hour burden (32,000 X .25 hours) at a total annual cost of $279,520.00 (8,000 X $34.94 per hour).

Table 3 below outlines the burden costs (rounded to the nearest dollar) associated with furnishing the CMS-855I information outlined above:

Table 3 – Burden of Producing Information for CMS-855I Changes

Provision	OMB Control No.	Respondents	Responses	Burden per Response (hours)	Total Annual Burden (hours)	Hourly Labor Cost of Reporting ($)	Total Cost ($)
Acceptance of New Patients	0938-0685	220,000	220,000	.0833	18,333	34.94	585,556
Employing Physician EIN	0938-0685	12,000	12,000	.0833	1,000	34.94	34,940
ADI Information – Section 2	0938-0685	12,000	12,000	.25	3,000	34.94	104,820
Indian Health Facility Information	0938-0685	60,000	60,000	.0833	5,000	34.94	174,700
Registration of Business	0938-0685	60,000	60,000	.0833	5,000	34.94	174,700
Effective Date of Section 6 Individual	0938-0685	80,000	80,000	.1666	13,333	34.94	465,855
Birthplace of Section 6 Individual	0938-0685	80,000	80,000	.1666	13,333	34.94	465,855
Billing Agent Date of Birth	0938-0685	44,000	44,000	.1666	7,333	34.94	256,215
Submission of Additional Documents	0938-0685	40,000	40,000	.1666	6,667	34.94	232,945
Confirmation of LLC Status	0938-0685	12,000	12,000	.1666	2,000	34.94	69,880
IRS Determination Letter	0938-0685	8,000	8,000	.1666	1,333	34.94	46,575
Verification of EIN	0938-0685	60,000	60,000	.1666	10,000	34.94	349,400
Additional ADI Information	0938-0685	32,000	32,000	.25	8,000	34.94	279,520
TOTAL		**720,000**	**720,000**		**94,332**		**$3,240,961**

D. Final Estimates

Table 4 summarizes the total hour and burden costs of this information collection:

Table 4 – Burden of Information Collection

Form	Respondents	Annual Burden Hours	Total Cost
CMS-855A	302,000	96,827	$7,924,486
CMS-855B	711,400	98,232	$7,220,908
CMS-855I	720,000	94,332	$3,240,961
TOTAL	**1,733,400**	**289,391**	**$18,386,355**

13. *Cost to Respondents (Capital)*

There are no capital costs associated with this collection.

14. *Cost to Federal Government*

There is no additional cost to the Federal government.

15. *Changes in Burden/Program Changes*

CMS is removing the CMS-855R application from the CMS-855 Medicare Enrollment Applications Package (OMB No. 0938-0685). On May 22, 2013, in accordance with the Paperwork Reduction Act, OMB approved a reinstatement without change of a previously approved collection of the Medicare enrollment applications (specifically, the CMS-855A, CMS-855B, CMS-855I and CMS-855R Medicare enrollment application bundle, OMB number 0938-0685, ICR reference number 201210-0938-009). This was necessary in order to allow the CMS-855A, CMS-855B and CMS-855I to remain active. That collection expires on May 31, 2016. While the CMS-855R enrollment form was included in that collection, it was not active and was not being used by the public as CMS now uses the revised CMS-855R, OMB number 0938-1179, approved by OMB on November 1, 2012 (ICR reference number 201206-0938-007) and renewed via approval by OMB on April 15, 2016 (ICR reference number 201509-0938-008). The CMS-855R application under OMB number 0938-0685 is now being removed from the Medicare application bundle collection. There is no duplication of CMS-855R Medicare application forms as only the CMS-855R Medicare application form under OMB approval number 0938-1179 is active. Therefore, CMS is seeking to redefine the CMS-855 Medicare Enrollment Applications Package (OMB No. 0938-0685) to include only the CMS-855A, CMS-855B, and CMS-855I enrollment applications.

The adjustments to the total burden (number 12, Table 4) reflect the removal of the CMS-855R from this CMS-855 enrollment package. The total respondents were reduced by 7,400, making the new total 1,733,400. The annual burden hours were reduced by 1,218, making the new total 289,393 hours. The small amount of burden hours removed by the CMS-855R does not significantly impact the burden hours of this collection. The total cost was reduced by $12,879,435, which reflects the $8,320 reduction from the CMS-855R removal as well as the reduction from using the Bureau of Labor Statistics (BLS) wage rates, making the new total $18,386,355. This significant reduction is due to CMS estimation of using a wage rate of $150 per hour for professional staff rather than $81.84 as reported by the BLS. As previously mentioned, CMS determined the wage rates based on the most recent data from the Bureau of Labor Statistics, which include fringe benefits and overhead.

16. *Publication/Tabulation*

For individual provider, CMS added the question: “Do you accept new patients?” This information is published in the “Medicare Physician and Healthcare Provider Directory” to indicate whether physicians are accepting new patients. Because the information collection occurs on an ongoing basis, we request the maximum 3 year clearance.

17. *Expiration Date*

We are planning on displaying the expiration date.