Supporting Statement for Paperwork Reduction Act Submissions
CMS-855 Medicare Enrollment Applications
CMS-855A, -855B, and -855I; OMB 0938-0685

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.

Our November 15, 2016 (81 FR 80170) final rule entitled "CY 2017 Revisions to Payment Policies Under the Physician Fee Schedule and Other Revisions to Medicare Part B" (CMS-1654-F, RIN 0938-AS81) adds a new §422.222 under which providers and suppliers that are types of individuals or entities that can enroll in Medicare in accordance with section 1861 of the Social Security Act, must be enrolled in Medicare in an approved status in order to provide health care items or services to a Medicare enrollee who receives his or her Medicare benefit through an Medicare Advantage organization. This provision has been added to ensure that providers and suppliers that furnish MA services are qualified to do so and that they meet all applicable Medicare requirements.

Based on the CMS-1654-F final rule, this iteration of the CMS-855A/B/I information collection request revises the burden estimates (number of respondents and hours) that are currently approved by OMB (see August 15, 2016, NOA). This iteration does not revise any of the forms or our per hour response burden estimates.

A. JUSTIFICATION

1. Need and Legal Basis

Various sections of the Social Security Act (Act), the United States Code (U.S.C.), Internal Revenue Service Code (Code) and the Code of Federal Regulations (CFR) 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 additional information about accreditation of Advanced Diagnostic Imaging 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 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 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.
- 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 CMS-855 (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 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.

The enrollment provision in the aforementioned final rule is needed to help ensure that providers and suppliers that furnish MA services are qualified to do so and meet all applicable Medicare requirements. The legal authorities for this provision are as follows:

- Section 1856(b) of the Act provides that the Secretary shall establish by regulation other standards for Medicare+Choice organizations and plans "consistent with, and to carry out, this part." In addition, section 1856(b) states that these standards have superseded any state law or regulation (other than those related to licensing or plan solvency) for all MA organizations.
- Sections 1102 and 1871 of the Act, which provide general authority for the Secretary to prescribe regulations for the efficient administration of the Medicare program.
- Section 1866(j) of the Act, which provides specific authority with respect to the enrollment process for providers and suppliers in the Medicare program.

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-855 (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 are 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

The data collections 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 is 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 new enrollment requirement does not have a significant economic impact on a substantial number of small businesses because the number of non-enrolled MA providers and suppliers is small in comparison to the general nationwide population of providers and suppliers. Moreover, many MA providers and suppliers are already enrolled in Medicare and would therefore not be affected by this rule.

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 that would require an information collection to be conducted in a manner that requires respondents to:

- Report information to the agency more often than quarterly;
- Prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- Submit more than an original and two copies of any document;
- Retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- Collect data in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- Use a statistical data classification that has not been reviewed and approved by OMB;
- Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent

with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or

- Submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

8. Federal Register Notice/Outside Consultation

The July 15, 2016 (81 FR 46162), proposed rule (CMS-1654-P, RIN 0938-AS81) serves as the 60-day Federal Register notice. The rule did not receive any PRA-related comments.

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. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimate

12.1 Wage Estimates

To derive average costs, we used data from the U.S. Bureau of Labor Statistics' (BLS) May 2015 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm). In this regard, the following table presents the mean hourly wage, the cost of fringe benefits (calculated at 100 percent of salary), and the adjusted hourly wage.

National Occupational Employment and Wage Estimates

Occupation Title	Occupation Code	Mean Hourly Wage ($/hr)	Fringe Benefit ($/hr)	Adjusted Hourly Wage ($/hr)
Non-Physician Practitioner (Health Diagnosing and Treating Practitioners)	29-1000	46.65	46.65	93.30
Office and Administrative Support Operations	43-0000	17.47	17.47	34.94
Physicians and Surgeons	29-1060	97.33	97.33	194.66

As indicated, we are adjusting our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and overhead costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, there is no practical alternative and we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

In calculating the cost, we used the following assumptions:

- The CMS-855A and CMS-855B will likely be completed by office and administrative staff.

- The CMS-855I will likely be completed by the enrolling or enrolled physician or non-physician practitioner. Unless as indicated otherwise, for purposes of elements (1) through (13) below of the CMS-855I, we assumed that physicians will complete one-half of the total submissions and non-physician practitioners will complete the remaining one-half. Accordingly, we will use a mixed adjusted hourly wage of $143.98/hr (or ($93.30/hr + $194.66/hr)/2) for most of the CMS-855I elements.

12.2 Requirements and Burden Estimates

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

CMS-855A

(NEW REQUIREMENT/BURDEN) Medicare Advantage Provider and Supplier Enrollment under §422.222 (CMS-1654-F)

As stated in the "Background" section of this Supporting Statement, CMS-1654-F adds a new §422.222, under which providers and suppliers that are types of individuals or entities that can enroll in Medicare in accordance with section 1861 of the Social Security Act, must be enrolled in Medicare in an approved status in order to provide health care items or services to a Medicare enrollee who receives his or her Medicare benefit through an Medicare Advantage organization.

We are finalizing this requirement as proposed. As articulated in more detail in section 15 of this Supporting Statement, we project the following additional hour and cost burdens associated with this requirement.

	Individuals (32,000 total respondents) (3 hours/application)	**Organizations (32,000 total respondents) (6 hours/application)**
CMS-855A	n/a	10,666 respondents x 6 hours 63,996 hours 10,666 respondents x 6 hours = 63,996 hours @ $34.94/hr = $2,236,020.24

(1) Physician-Owned Hospital Checkbox

We 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 resulting in a 167 hour burden (2,000 X .0833 hours). Using the aforementioned $34.94/hr wage for “Office and Administrative Support Operations,” we project the total annual cost to be $5,835 (167 X $34.94/hr).

(2) Registration of Business

To ensure compliance with § 511 of the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA), we 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 believed it will take each provider 5 minutes to furnish this information. This results in a 3,332 hour burden (40,000 X .0833 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $116,420 (3,332 X $34.94/hr).

(3) Indian Health Facilities

To ensure that CMS-855A enrollment applications are routed to the correct Medicare contractor, we 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 projected that it will take the provider 5 minutes to furnish this information. Using our previous estimate of 40,000 providers, this resulted in a 3,332 hour burden (40,000 X .0833 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $116,420 (3,332 X $34.94/hr).

(4) Cost Report Date

This data element asks for the provider's year-end cost report date.

We estimate that it will take the provider 5 minutes to provide this information. Using our previous figure of 40,000 providers resulted in a 3,332 hour burden (40,000 X .0833 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $116,420 (3,332 X $34.94/hr).

(5) Effective Dates of Ownership or Managerial Control

This data element 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.

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 resulted in a 40,000 hour burden (40,000 X 1 hour). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $1,397,600 (40,000 X $34.94/hr).

(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 resulted in a 20,000 hour burden (40,000 X .5 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $698,800 (20,000 X $34.94/hr).

(7) Purchase of Provider

Section 5 of the CMS-855A sets out 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. This is to help us determine whether the owner is a holding company.

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 resulted in a 10,000 hour burden (40,000 X .25 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $349,400 (10,000 X $34.94/hr).

(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 resulted in a 13,333 hour burden (40,000 X .333 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $465,855 (13,333 X $34.94/hr).

(9) Billing Agent Date of Birth

Provides 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) PECOS and to ensure consistency between the CMS-855A paper and electronic forms.

We projected 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). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $23,304 (667 X $34.94/hr).

(10) IRS Determination Letter

To ensure compliance with § 511 of TIRPA, we 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 projected that this requirement will take the provider 10 minutes to fulfill, resulting in a 1,000 hour burden (6,000 X .1666 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $34,940 (1,000 X $34.94/hr).

(11) Submission of Additional Documents

Section 17 of the CMS-855A provides a statement 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). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $46,575 (1,333 X $34.94/hr).

(12) 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 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). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $11,635 (333 X $34.94/hr).

Burden Estimates (CMS-855A)

Table 1 below outlines the revised burden costs associated with furnishing the CMS-855A information outlined above:

Table 1 – Burden of Producing Information

Provision	**OMB Control No.**	**Respondents**	**Responses**	**Burden per Response (hours)**	**Total Annual Burden (hours)**	**Hourly Labor Cost of Reporting ($/hr)**	**Total Cost ($)**
(NEW) Medicare Advantage Provider and Supplier Enrollment under §422.222 (CMS-1654-F)	0938-0685	10,666	10,666	6	63,996	34.94	2,236,020
Physician-Owned Hospital Checkbox	0938-0685	2,000	2,000	.0833	167	34.94	5,835
Registration of Business	0938-0685	40,000	40,000	.0833	3,332	34.94	116,420
Indian Health Facilities	0938-0685	40,000	40,000	.0833	3,332	34.94	116,420
Cost Report Dates	0938-0685	40,000	40,000	.0833	3,332	34.94	116,420
Effective Dates of Ownership	0938-0685	40,000	40,000	1	40,000	34.94	1,397,600
Percentage of Direct and Indirect Ownership	0938-0685	40,000	40,000	.5	20,000	34.94	698,800
Purchase of Provider	0938-0685	40,000	40,000	.25	10,000	34.94	349,400
Contractual Services	0938-0685	40,000	40,000	.3333	13,333	34.94	465,855
Billing Agent DOB	0938-0685	4,000	4,000	.1666	667	34.94	23,304
IRS Determination Letter	0938-0685	6,000	6,000	.1666	1,000	34.94	34,940
Submission of Additional Documents	0938-0685	8,000	8,000	.1666	1,333	34.94	46,575

Confirmation of LLC Status	0938-0685	2,000	2,000	.1666	333	34.94	11,635
TOTAL	**--**	**312,666**	**312,666**	**varies**	**160,825**	**34.94**	**3,383,204**

CMS-855B

(NEW REQUIREMENT/BURDEN) Medicare Advantage Provider and Supplier Enrollment under §422.222 (CMS-1654-F)

As stated in the "Background" section of this Supporting Statement, CMS-1654-F adds a new §422.222, under which providers and suppliers that are types of individuals or entities that can enroll in Medicare in accordance with section 1861 of the Social Security Act, must be enrolled in Medicare in an approved status in order to provide health care items or services to a Medicare enrollee who receives his or her Medicare benefit through an Medicare Advantage organization.

We are finalizing this requirement as proposed. As articulated in more detail in section 15 of this Supporting Statement, we project the following additional hour and cost burdens associated with this requirement.

	Individuals (32,000 total respondents) (3 hours/application)	**Organizations (32,000 total respondents) (6 hours/application)**
CMS-855B	n/a	10,666 respondents x 6 hours 63,996 hours 10,666 respondents x 6 hours = 63,996 hours @ $34.94/hr = $2,236,020.24

(1) Registration of Business

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

We projected 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 which results in a 10,000 hour burden (120,000 X .0833 hours). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $349,400 (10,000 X $34.94/hr).

(2) Indian Health Facilities

To ensure that CMS-855B enrollment applications are routed to the correct Medicare contractor, we 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). Using the aforementioned $34.94/hr wage, we project the total annual cost to be $349,400 (10,000 X $34.94/hr).

(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 1,400 ASCs will furnish this data. The estimated time involved is 10 minutes. We therefore projected a 233 hour burden (1,400 X .1666 hours). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $8,141 (233 X $34.94/hr).

(4) Advanced Diagnostic Imaging Information

The Social Security Act, in 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 will request information from advanced diagnostic imaging services (ADIs) 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 is 15 minutes. We therefore projected a 5,000 hour burden (20,000 X .25 hours). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $174,700 (5,000 X $34.94/hr).

(5) Effective Dates of Ownership

The data element 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.

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 resulted in a 40,000 hour burden (120,000 X .3333 hours). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $1,397,600 (40,000 X $34.94/hr).

(6) Title of Section 6 Official

This data element 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 projected 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 resulted in a 10,000 hour burden (120,000 X .0833 hours). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $349,400 (10,000 X $34.94/hr).

(7) Place of Birth of Section 6 Official

The data element 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 projected that it will take the provider 5 minutes to furnish this information. Using our estimate of 120,000 suppliers, this resulted in a 10,000 hour burden (120,000 X .0833 hours). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $349,400 (10,000 X $34.94/hr).

(8) Billing Agent Date of Birth

The data element requests 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). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $69,880 (2,000 X $34.94/hr).

(9) IRS Determination Letter

To ensure compliance with § 511 of TIRPA, we 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). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $116,455 (3,333 X $34.94/hr).

(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 projected 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). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $116,455 (3,333 X $34.94/hr).

(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 believed that 6,000 will be requested to submit IRS documentation verifying its LLC status. We projected 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). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $34,940 (1,000 X $34.94/hr).

(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 projected that it will take the supplier 10 minutes to do so. This results in a 3,333 hour burden (20,000 X .1666 hours). Using the above-referenced $34.94/hr wage, we project the total annual cost to be $116,455 (3,333 X $34.94/hr).

Revised Burden Estimates (CMS-855B)

Table 2 below outlines the revised burden costs associated with furnishing the CMS-855B information outlined above:

Table 2 – Burden of Producing Information

Provision	OMB	Respondents	Responses	Burden	Total	Hourly	Total Cost

	Control No.			per Response (hours)	Annual Burden (hours)	Labor Cost of Reporting ($/hr)	($)
(NEW) Medicare Advantage Provider and Supplier Enrollment under §422.222 (CMS-1654-F)	0938-0685	10,666	10,666	6	63,996	34.94	2,236,020
Registration of Business	0938-0685	120,000	120,000	.0833	10,000	34.94	349,400
Indian Health Facilities	0938-0685	120,000	120,000	.0833	10,000	34.94	349,400
ASC Accreditation	0938-0685	1,400	1,400	.1666	233	34.94	8,141
ADIs Information	0938-0685	20,000	20,000	.25	5,000	34.94	174,000
Effective Dates of Ownership	0938-0685	120,000	120,000	.3333	40,000	34,94	1,397,600
Title of Section 6 Official	0938-0685	120,000	120,000	.0833	10,000	34.94	349,400
Birthplace of Section 6 Official	0938-0685	120,000	120,000	.0833	10,000	34.94	349,400
Billing Agent DOB	0938-0685	24,000	24,000	.0833	2,000	34.94	69,880
IRS Determination Letter	0938-0685	20,000	20,000	.1666	3,333	34.94	116,455
Submission of Additional Documents	0938-0685	20,000	20,000	.1666	3,333	34.94	116,455
Confirmation of LLC Status	0938-0685	6,000	6,000	.1666	1,000	34.94	34,940
TIN Documentation	0938-0685	20,000	20,000	.1666	3,333	34.94	116,455
TOTAL	--	**722,066**	**722,066**	**varies**	**162,278**	**34.94**	**3,431,526**

CMS-855I

(NEW REQUIREMENT/BURDEN) Medicare Advantage Provider and Supplier Enrollment under §422.222 (CMS-1654-F)

As stated in the "Background" section of this Supporting Statement, CMS-1654-F adds a new §422.222, under which providers and suppliers that are types of individuals or entities that can enroll in Medicare in accordance with section 1861 of the Social Security Act, must be enrolled in Medicare in an approved status in order to provide health care items or services to a Medicare enrollee who receives his or her Medicare benefit through an Medicare Advantage organization.

We are finalizing this requirement as proposed. As articulated in more detail in section 15 of this Supporting Statement, we project the following additional hour and cost burdens associated with this requirement.

	Individuals (32,000 total respondents) (3 hours/application)	**Organizations (32,000 total respondents) (6 hours/application)**
CMS-855-I (32,000) Physicians (16,000) $194.66/hour Non-physician Practitioners (16,000) $93.30/hour	32,000 respondents 96,000 hours Consisting of: 16,000 physicians x 3 hours= 48,000 hours @ $194.66/hr = $9,343,680.00 16,000 non-physician practitioners x 3 hours= 48,000 hours @ $93.30/hr = $4,478,400.00	n/a

(1) Acceptance of New Patients

In section 2A, we added the following question: "Do you accept new patients?" Medicare beneficiaries 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 $143.98/hr (administrative wage). This results in a 18,333 hour burden (220,000 X .0833 hours). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $2,639,585 (18,333 X $143.98/hr).

(2) Employing Physician EIN

The data element requests 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 believed that 12,000 are 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). Since this element is completed by physician assistants, we must use the $93.30 hourly wage for non-physician practitioners (rather than the mixed hourly wage of $143.98/hr). This results in a revised total annual cost of $93,300 (1,000 X $93.30/hr).

(3) Information on ADIs

In Section 2, we request information from ADI suppliers regarding the services they provide and whether they are 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 is 15 minutes. We therefore projected a 3,000 hour burden (12,000 X .25 hours). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $431,940. (3,000 X $143.98/hr).

(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 projected 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $719,900 (5,000 X $143.98/hr).

(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 projected 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $719,900 (5,000 X $143.98/hr).

(6) Effective Dates of Individuals in Section 6

The data element 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 projected 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $1,919,685 (13,333 X $143.98/hr).

(7) Places of Birth of Section 6 Officials

The data element 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $1,919,685 (13,333 X $143.98/hr).

(8) Billing Agent Date of Birth

The data element requests 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $1,055,805 (7,333 X $143.98/hr).

(9) Submission of Additional Documents

Provides 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 projected 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $959,915 (6,667 X $143.98/hr).

(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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $287,960 (2,000 X $143.98/hr).

(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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $191,925 (1,333 X $143.98/hr).

(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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $1,439,800 (10,000 X $143.98/hr).

(13) Information about Advanced Diagnostic Imaging Suppliers

Captures information on any ADIS 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). Using the above-referenced mixed hourly wage of $143.98/hr, we project the total annual cost to be $1,151,840 (8,000 X $143.98/hr).

Revised Burden Estimates (CMS-855I)

Table 3 below outlines the burden costs associated with furnishing the CMS-855I information outlined above:

Table 3 – Burden of Producing Information

Provision	**OMB Control No.**	**Respondents**	**Responses**	**Burden per Response (hours)**	**Total Annual Burden (hours)**	**Hourly Labor Cost of Reporting ($/hr)***	**Total Cost ($)**
(NEW) Medicare Advantage Provider and Supplier Enrollment under §422.222 (CMS-1654-F)	0938-0685	32,000	32,000	3	96,000	varies	13,822,080

Acceptance of New Patients	0938-0685	220,000	220,000	.0833	18,333	143.98	2,639,585
Employing Physician EIN	0938-0685	12,000	12,000	.0833	1,000	93.30	93,300
ADI Information – Section 2	0938-0685	12,000	12,000	.25	3,000	143.98	431,940
Indian Health Facility Information	0938-0685	60,000	60,000	.0833	5,000	143.98	719,900
Registration of Business	0938-0685	60,000	60,000	.0833	5,000	143.98	719,900
Effective Date of Section 6 Individual	0938-0685	80,000	80,000	.1666	13,333	143.98	1,919,685
Birthplace of Section 6 Individual	0938-0685	80,000	80,000	.1666	13,333	143.98	1,919,685
Billing Agent Date of Birth	0938-0685	44,000	44,000	.1666	7,333	143.98	1,055,805
Submission of Additional Documents	0938-0685	40,000	40,000	.1666	6,667	143.98	959,915
Confirmation of LLC Status	0938-0685	12,000	12,000	.1666	2,000	143.98	287,960
IRS Determination Letter	0938-0685	8,000	8,000	.1666	1,333	143.98	191,925
Verification of EIN	0938-0685	60,000	60,000	.1666	10,000	143.98	1,439,800
Additional ADI Information	0938-0685	32,000	32,000	.25	8,000	143.98	1,151,840
TOTAL	--	**752,000**	**752,000**	**varies**	**190,332**	**varies**	**27,353,320**

*See section 12.1 of this Supporting Statement.

12.3 Total Burden

Table 4 – Total Burden of Producing Information for the CMS-855 Applications

Provision	OMB Control No.	Respondents	Responses	Burden per Response (hours)	Total Annual Burden (hours)	Hourly Labor Cost of Reporting ($/hr)	Total Cost ($)
CMS-855A	0938-0685	312,666	312,666	varies	160,825	34.94	3,383,204
CMS-855B	0938-0685	722,066	722,066	varies	162,278	34.94	3,431,526
CMS-855I	0938-0685	752,000	752,000	varies	190,332	varies	27,353,320
TOTAL	---	1,786,732	1,786,732	varies	513,435	varies	34,168,050

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. Applications are processed in the normal

course of Federal duties.

15. Changes in Burden/Program Changes

The forms have been revised by removing the “Draft” watermark. Otherwise, there are no changes to any of the application forms.

Based on the CMS-1654-F final rule, this iteration of the CMS-855A/B/I information collection request revises the burden estimates (number of respondents and hours) that are currently approved by OMB (see August 15, 2016, NOA). Our currently approved per hour response estimates are unchanged.

Under the new §422.222, providers and suppliers that are types of individuals or entities that can enroll in Medicare in accordance with section 1861 of the Social Security Act, must be enrolled in Medicare in an approved status in order to provide health care items or services to a Medicare enrollee who receives his or her Medicare benefit through an Medicare Advantage organization.

In aggregate, the rule will add 53,332 respondents which translates to an additional 224,044 hours.

Table 5 – Burden Change Associated with CMS-1654-F

	Individuals (32,000 total respondents) (3 hours/application)	**Organizations (32,000 total respondents) (6 hours/application)**
CMS-855-I (32,000) Physicians (16,000) $194.66/hr Non-physician Practitioners (16,000) $93.30/hr	32,000 respondents 96,000 hours Consisting of: 16,000 physicians x 3 hours= 48,000 hours @ $194.66/hr = $9,343,680.00 16,000 non-physician practitioners x 3 hours= 48,000 hours @ $93.30/hr = $4,478,400.00	--
CMS-855-A (10,666) $34.94/hour	--	10,666 respondents x 6 hours 63,996 hours 10,666 respondents x 6 hours = 63,996 hours @ $34.94/hr = $2,236,020.24
CMS-855-B (10,666)	--	10,666 respondents x 6 hours 63,996 hours 10,666 respondents x 6 hours = 63,996 hours @ $34.94/hr =

		$2,236,020.24
Total	53,332 respondents 223,932 hours $18,294,120.48	

The currently approved hourly wage projections---specifically, a flat $20/hour wage for administrative staff and a flat $150/hr wage for professionals, such as attorneys---did not reflect the above mentioned BLS hourly wage estimates. This iteration adjusts the cost estimates by using the BLS' May 2015 mean wage estimates (which have been adjusted by 100%) and BLS occupations.

16. Publication/Tabulation

N/A.

17. Expiration Date

We are planning on displaying the expiration date.