

Supporting Statement for Paperwork Reduction Act Submissions – Part A
Evaluation of Medicare Prior Authorization of PMDs Demonstration
CMS-10471/OMB Control Number: 0938-1235

A. Background

The Centers for Medicare & Medicaid Services (CMS) requests clearance for its primary contractor, Provider Resources, Inc., to gather the qualitative information necessary to evaluate the “Medicare Prior Authorization of Power Mobility Devices (PMDs) Demonstration” (Demonstration).

The purpose of the Demonstration is to ensure that payments for PMDs are appropriate before the claims are paid, thereby preventing the fraud, waste, and abuse in the seven states participating in the Demonstration: California, Florida, Illinois, Michigan, New York, North Carolina and Texas. On October 1, 2014, CMS extended the demonstration and expanded to 12 additional states (Maryland, New Jersey, Pennsylvania, Indiana, Kentucky, Ohio, Georgia, Tennessee, Louisiana, Missouri, Washington, and Arizona). Additional benefits of the Demonstration include ensuring that a beneficiary's medical condition warrants their medical equipment under existing coverage guidelines and preserving their ability to receive quality products from accredited suppliers.

In order to gather qualitative information for analysis, the evaluation team will use semi-structured interview guides that focus on the direct impact of the Demonstration on stakeholder groups. Stakeholders will be drawn from advocacy organizations, power mobility device supply companies, State and Local Government, and healthcare practitioners. This PRA package explains the research methodology and data collection strategies designed to minimize the burden placed on research participants, while effectively gathering the data needed for the evaluation of the Demonstration.

B. Justification

1. Need and Legal Basis

The Demonstration began for PMD orders written on or after September 1, 2012 with the intent of reducing fraud and increasing payment accuracy. To determine the extent to which the Demonstration has achieved its goals, CMS contracted with Provider Resources, Inc. (PRI) to evaluate the Demonstration. The information collection is necessary to obtain the qualitative data for the evaluation.

The Demonstration and its evaluation are authorized under Section 402(a)(1)(J) of the Social Security Amendments of 1967 (42 U.S.C. 1395b-1(a)(1)(J)), which permits the Secretary to “develop or demonstrate improved methods for the investigation and prosecution of fraud in the provision of care or services under the health programs established by the Social Security Act.”

2. Information Users

The information will be collected by phone, by the Provider Resources, Inc. evaluation team, and for the express purpose of evaluating the Demonstration. As a new collection, the information collected will be used as part of the evaluation of the Demonstration. This information will be used by the Provider Compliance Group in the Center for Program Integrity to identify and reduce fraud.

3. Use of Information Technology

This data collection will use digital recording technology to record the interviews, as well as store and manage the audio files. The team will also take notes using Microsoft Word. There will be no electronic submission of responses. The burden has been reduced to the furthest extent possible by conducting the interviews by phone.

4. Duplication of Efforts

This information collection does not duplicate any other effort and the information cannot be obtained from any other source.

5. Small Businesses

There may be a number of suppliers, advocates, and/or providers who may own or work for a small business. The following steps are intended to reduce the burden as much as possible on all stakeholders, including small businesses and other small entities: for each interview, the stakeholder will be notified of the expected duration, scheduling will occur via email and interviews will occur by telephone, and no stakeholder will be expected to submit any documentation.

6. Less Frequent Collection

The intent of these interviews is to collect information from a variety of stakeholders to inform the evaluation of the Demonstration from a number of perspectives. Not interviewing these stakeholders or interviewing them less frequently would result in an incomplete evaluation of the Demonstration. Overall, the evaluation combines both qualitative and quantitative information and focuses on outcomes, successes, and lessons learned from the Demonstration. The stakeholder interviews are a key component of the evaluation's overall approach.

Interviewing stakeholders twice will allow the team to assess the Demonstration periodically throughout its three-year life and is considered necessary for the evaluation.

7. Special Circumstances

This request is consistent with the general information collection guidelines of 5 CFR 1320.5(d) (2). No special circumstances apply.

8. Federal Register/Outside Consultation

A 60-day Federal Register Notice published February 27, 2017 (82 FR 11921 pages 11921-11923). A single comment was received. A 30-day notice published May 26, 2017 (82 FR 24350).

9. Payments/Gifts to Respondents

No payment or gifts to respondents will be granted.

10. Confidentiality

No assurance of confidentiality will be provided to respondents; however the following privacy statement will be read to each respondent before their interview begins:

We are soliciting input from a range of different types of individuals and appreciate your perspective on these issues. These interviews typically take an hour to an hour-and-a-half. We encourage you (and your staff) to be candid: your honest opinions and comments will be extremely helpful for the purpose of this research. For note taking purposes, we would like to ask your permission to record this interview to ensure that we have an accurate record of your comments and feedback. Recordings and interviews notes will not be shared with CMS or anyone outside of the immediate research team, and your privacy will be maintained to the extent provided by law. The recordings will remain PRI's property and will be destroyed following completion of our study.

Do we have your permission to record this call?

[If YES, begin recording. If NO, make sure the note taker knows this and is prepared.]

We typically only share information with CMS in an aggregate form so we can be sure to get your candid opinion and CMS is unable to directly identify individuals or organizations. However, from time to time specific examples and/or comments that cannot be de-identified can be very helpful in bringing issues with policy implications to the forefront. If we identify such an example or comment from our conversation today, we are asking for your permission to attribute it to your organization, and will only do so with your specific verbal consent. However, if you have any privacy and/or confidentiality concerns, you may decline at this time and we will not report any of your comments to CMS except when aggregated with those from other organizations so that they are de-identified.

Should these circumstances occur, do we have your permission or would you like to opt out of any attributable reporting?

11. Sensitive Questions

This collection does not contain any sensitive questions.

12. Burden Estimates (Hours & Wages)

The tables below detail the estimated time and cost burdens associated with each of the stakeholder categories we intend to interview. Table 1 summarizes the annualized cost burden on stakeholders across project years four, five, and six. (Please see Table 3’s description below for an explanation of the “Low” and “High” columns).

Table 1. Summary of Annualized Cost Burden on Stakeholders by Year

Annual Cost Burden (Estimated) by Project Year and Annually

Project Year	Low	Expected	High
Project Year 4	\$42,220	\$49,670	\$57,120
Project Year 5	\$42,220	\$49,670	\$57,120
Project Year 6	\$42,220	\$49,670	\$57,120
Total Cost	\$166,660	\$149,010	\$171,360
Average Annual Cost	\$42,220	\$49,670	\$57,120

All interviews, whether for screening, the stakeholder interview, or background research will be conducted over the telephone to minimize burden. Screenings and interviews will be conducted in each project year in each of the Demonstration states, while the background research interviews will be conducted two times for each stakeholder category in all project years. The annual time burden estimate calculations assume the following:

- 30 minutes per screening interview,
- 90 minutes for each stakeholder interview,
- 120 minutes for each stakeholder interview, and
- 90 minutes per background research interview

When estimating the annual cost burden for each stakeholder, we referenced the May 2015 Bureau of Labor Statistics (BLS) wage estimates (plus 100% fringe benefits rate), as shown in .

Table 2. Mean Hourly Wage Estimates for each Stakeholder Category

Stakeholder Category	Project Year 4	Project Year 5	Project Year 6
Practitioners	\$184.72	\$184.72	\$184.72
State and Local Government	\$106.10	\$106.10	\$106.10
PMD Suppliers	\$66.44	\$66.44	\$66.44
Advocates	\$47.76	\$47.76	\$47.76

For planning purposes, we have estimated the number of interviews we expect to conduct by stakeholder category; however we expect the distribution in each state may vary from year to year depending on stakeholder availability and willingness to participate. To illustrate this uncertainty, we have calculated 15% upper and lower bounds for the annual cost burdens to reflect the potential high and low variances on our cost estimates.

We expect the overall average annual number interviews to be 182 for the Private Sector and 21 for State and Local Government; the average annual hour burdens are 364 and 42 hours, respectively.

Table 3. Estimated Annualized Cost Burden on Summary Stakeholder Categories

Project Year	Summary Stakeholder Category	Number of Interviews			Annual Time Burden (Hours)			Annual Cost Burden (Estimated)		
		Screening	Interviews	Background Research	Screening	Interviews	Background Research	Low	Expected	High
4	Private Sector	126	182	9	63	364	14	\$37,350	\$43,941	\$50,532
	State and Local Government	14	21	3	7	42	5	\$4,870	\$5,729	\$6,588
5	Private Sector	126	182	9	63	364	14	\$37,350	\$43,941	\$50,532
	State and Local Government	14	21	3	7	42	5	\$4,870	\$5,729	\$6,588
6	Private Sector	126	182	9	63	364	14	\$37,350	\$43,941	\$50,532
	State and Local Government	14	21	3	7	42	5	\$4,870	\$5,729	\$6,588
Total		140	203	12	70	406	19	\$126,660	\$149,010	\$171,360

13. Capital Costs

There are no direct costs to respondents other than their time to participate in the study.

14. Cost to Federal Government

Table 4 below details the annual expected costs to the Federal government. These amounts include all direct and indirect costs of the design, data collection, analysis, and reporting phase of the study in regards to the information collection. The estimated cost for each project year is calculated by estimating the percent of effort of the total budget dedicated to the implementation of the stakeholder interviews.

Table 4. Cost to the Federal Government

Category	Project Year 4	Project Year 5	Project Year 6
Research Team Costs	\$101,592	\$103,116	\$105,178

15. Changes to Burden

The burden has increased by 166 hours (from 323 hours to 495 hours). The primary reason for this increase is due to background research being conducted twice per project year instead of one time per project year.

16. Publication/Tabulation Dates

Overall, the evaluation project's Period of Performance runs from approximately 11/2013 to 11/2018. During this time, the stakeholder interviews will be conducted between 12/2014 to 8/2018, and the background research discussions will take place between 11/2013 and 10/2018.

None of the interim reports, or the project's final report, are expected to be made public. A potential report to Congress would be authored by CMS, with support from PRI for submission sometime after January 2019.

17. Expiration Date

The expiration date will be displayed on each instrument (page 1 – top right corner).