

## Supporting Statement Part A

### ASC Forms for Medicare Program Certification (CMS-370 and CMS-377)

#### A. Background

In order to receive Medicare payment, Ambulatory Surgical Centers (ASCs) are required to be in compliance with the Federal requirements set forth in the Medicare Conditions for Coverage (CfC) found at 42 CFR Part 416, Subparts A through C. Certification of ASC compliance with the regulatory requirements is accomplished through survey. The data collected on these forms facilitates the completion of the survey and certification process in order for ASCs to participate in the Medicare program.

#### B. Justification

##### 1. Need and Legal Basis

This activity is authorized by Section 934 of the Omnibus Budget Reconciliation Act of 1980, which is implemented under 42 CFR 416, which allows ASCs that meet health, safety, and other standards specified by the Secretary to participate in Medicare. Section 934 amended various sections of the Act, including sections 1832 and 1863 which instruct the Secretary to consult with appropriate State Agencies and recognized national accreditation bodies in developing the conditions (health and safety requirements) as well as section 1864, which authorized the Secretary to use States in determining compliance with the conditions, referred to in regulations as CfCs.

##### 2. Information Users

The Health Insurance Benefits Agreement (CMS-370) is used for the purpose of establishing eligibility for payment under Title XVIII of the Social Security Act (the "Act"). This agreement, upon submission by the ASC and upon acceptance for filing by the Secretary of Health & Human Services, shall be binding on the ASC and the Secretary. The agreement may be terminated by either party in accordance with regulations. In the event of termination, payment will not be available for ASC services furnished on or after the effective date of termination.

The Request for Certification or Update of Certification Information in the Medicare Program Form (CMS-377) is used by State agencies who conduct certification surveys on CMS' behalf to maintain information on the facility's characteristics that facilitate conducting surveys, e.g., determining the size and the composition of the survey team on the basis of the number of ORs/procedure rooms and the types of surgical procedures performed in the ASC. CMS also intends to make increasing use of aggregated data to analyze trends in facility compliance to determine whether there are correlations based on key facility characteristics. To date, CMS has used data from the CMS-377 to target surveyor training and to educate the ASC community on non-compliance issues specific to various types of ASC suppliers (e.g., single specialty vs multi-specialty ASCs, etc.).

In addition, CMS receives inquiries periodically from members of Congress, the GAO, or OIG concerning the characteristics of participating providers and suppliers, in order to facilitate policy review and development. Collection of this data will allow CMS to be responsive to such inquiries.

### 3. Improved Information Technology

The CMS-370 and CMS-377 must be completed and signed by ASC staff. The forms are submitted via mail, fax, or email. There is not a process for electronic collection at this time.

### 4. Duplication of Similar Information

Neither form CMS-370 or form CMS-377 duplicates any information collection. Each form addresses specific requirements for either eligibility for payment or certification or update of certification in the Medicare program.

### 5. Small Businesses

Many ASCs affected by this requirement are small businesses; however, the information collection is necessary for the business to participate in the Medicare program. These paperwork requirements are minimal and are necessary to meet the participation requirements of the law.

### 6. Less Frequent Collection

The Form CMS-370 is collected one time only over the course of the duration of the agreement between CMS and the ASC applicant. It is necessary to prevent fraud and abuse in the Medicare program and to assure that ASCs understand they must comply with all applicable Federal requirements and make a binding commitment to compliance throughout their participation in the Medicare program. If the information were collected less frequently, CMS would not have a binding commitment on the part of ASCs to comply with all applicable Medicare requirements. The presence of unsafe, fraudulent, or abusive entities in the Medicare program puts patients/residents at risk of harm and diverts resources from the Medicare Trust Funds that are needed to reimburse legitimate claims for medical care provided to Medicare beneficiaries.

The Form CMS-377 is collected at most once every three years. Less frequent collection would result in CMS potentially having significantly outdated information on the ASC's characteristics, which could adversely impact oversight activities.

### 7. Special Circumstances

There are no special circumstances associated with this collection. This information collection complies with the general guidelines in 5 CFR 1230.6.

### 8. Federal Register Notice/ Outside Consultation

The 60-day Federal Register notice published on April 14, 2017 (82 FR 17997). There were no public comments.

The 30-day Federal Register notice published on June 26, 2017 (82 FR 28851). There were no public comments received.

#### 9. Payment/Gift To Respondent

There are no payments or gifts associated with this collection.

#### 10. Confidentiality

We do not pledge confidentiality.

#### 11. Sensitive Questions

There are no questions of a sensitive nature on these forms.

#### 12. Burden Estimate (Total Hours & Wages)

##### **A. Time Required for Signing of the CMS-370**

The CMS-370 form must be complete by ASCs that are seeking participation in the Medicare program. We believe that this task would be performed by a member of top management team of the ASC such as the Chief Executive Officer.

According to the U.S. Bureau of Labor Statistics, the average hourly wage for a CEO is \$93.44.<sup>1</sup> There are approximately new **170** ASCs per year. We estimate that it would take the ASC 5 minutes of time to review, fill in the required information, and sign the CMS-370 form.

The time required to complete the CMS-370<sup>2</sup> across all new ASCs is 15 hours

- 5 minutes x 170 new ASCs per year = 850 minutes
- 850 min. divided by 60 min. per hour = 15 hours across all ASCs to complete the CMS-370 form.

##### **B. Time Required for Review of Applicatory Statutory and Regulatory Authority By Facility CEO**

In the previous submissions of this PRA package, our burden estimate presumed the applicant has full knowledge of the Medicare program requirements in which they're requesting participations via completion of

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<sup>1</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

<sup>2</sup> This number is based on a 5 year average of the statistics (from 2013 to 2017) obtained from the CMS Survey & Certification QCOR database.

the Medicare application (CMS-855), one could also presume the likelihood of an individual not having such knowledge of these program requirements is probable.

Therefore, we agree that since the form CMS-370 is based on certain statutes and regulatory law, the burden estimate for each form should also include the estimated time it takes for the signer of the form to read the applicable statutory and regulatory language. For the CMS-370, this statutory and regulatory law includes:

- Section 1832(A)(2)(F) of the Social Security Act;
- 42 CFR §416;
- 42 CFR §416.120
- 42 CFR §416.130

Thus we have revised our burden estimate to consider that it would take the signer of the CMS-370 form, who is unfamiliar or minimally familiar with this statutory and regulatory language, approximately **40 minutes** to review the applicable law. This task would likely be performed by the facility CEO.

According to the U.S. Bureau of Labor Statistics, the average hourly wage for a CEO is \$93.44.<sup>3</sup> There are approximately **170** new ASCs per year.

The time required across all new ASCs to complete a review of the relevant statutory and regulatory language associated with the CMS-370 form is **113** hours:

- 40 min. x 170 = 6,800 minutes
- 6,800 divided by 60 min/hour = 113 hours

#### **C. Time Required for Photocopying and Filing of the Completed CMS-370 Form**

We have further estimated that it would take an additional **5 minutes** of time by to make a photocopy of the CMS-370 form and file the document when fully executed. This work would likely be performed by a Medical Secretary.

We estimate that it would take **15** hours across all new ASCs for Medical Secretary to photocopy and file the completed and signed CMS-370 form.<sup>4</sup>

- 5 minutes x 170 new ASCs per year = 850 minutes
- 850 min. divided by 60 min. per hour = 15 hours.

#### **D. Time Required for Prepare the CMS-370 Form of Mailing and Place in Mail**

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<sup>3</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

<sup>4</sup> This number is based on 2016 statistics (from 2013 to 2017) obtained from the CMS Survey & Certification QCOR database.

Upon completion of the CMS-370 form, the ASC must mail one original copy to the State Survey Agency. We estimate that it will take **10 minutes** of time by a Medical Secretary to prepare the original copies of the CMS-370 for mailing (i.e. – preparing a mailing envelope, reviewing the form for completeness, folding the forms and inserting them into the envelopes, and putting the envelopes into the mail).

We estimate that it would take **28** hours across all new ASCs for Medical Secretary to photocopy and file the completed and signed CMS-370 form.<sup>5</sup>

- **10 minutes x 170 new ASCs per year = 1,700 minutes**
- **1,700 min. divided by 60 min. per hour = 28 hours**

**E. Total Time Estimate for CMS-370 Form**

**Time Required For ASC To Prepare Each CMS-370 Form**

Preparation & signing by CEO:	5 minutes
Review of Statutory and CMS Regulatory law by CEO	40 minutes
Copying for form and filing of copy by Medical Secretary	5 minutes
<u>Preparation for mailing &amp; mailing by Medical Secretary</u>	<u>10 minutes</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>60 minutes</b>

**Time Required To Prepare the CMS-370 Form Across All ASCs**

Preparation & signing by CEO:	15 hours
Review of Statutory and CMS Regulatory law by CEO	113 hours
Copying for form and filing of copy by Medical Secretary	15 hours
<u>Preparation for mailing &amp; mailing by Medical Secretary</u>	<u>28 hours</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>171 hours</b>

**F. Cost Estimate for Signing of the CMS-370**

We estimate that it would take approximately **5 minutes** for the CEO of the ASC to fill in the required information and sign the CMS-370 form and **15 hours** across all ASCs to complete this task.

- **5 minutes x 170 new ASCs per year = 850 minutes**
- **850 min. divided by 60 min. per hour = 15 hours.**

We believe that this task would be performed by the Chief Executive Officer of the ASC. According to the U.S. Bureau of Labor Statistics, the average hourly wage for a CEO is \$93.44<sup>6</sup>

<sup>5</sup> This number is based on 2016 statistics (from 2013 to 2017) obtained from the CMS Survey & Certification QCOR database.

The estimated cost for each new ASC for the completion and signing of the CMS-370 by the CEO is **\$7.80**

- \$93.44 divided by 60 min. = \$1.56 per min.
- \$1.56 per min. x 5 min. = \$7.80

The estimated cost across all new ASCs for signing the CMS-370 by the ASC CEO is **\$1,326**

- \$93.44 divided by 60 min. = \$1.56 per min.
- \$1.56 per min. x 5 min. = \$7.80
- \$7.80 x 170 ASCs = \$1,326

#### **G. Cost for Review of Applicatory Statutory and Regulatory Authority By Facility CEO**

We estimate that it would take approximately **40** minutes for the CEO of the ASC to review the applicable statutory and regulatory law related to the CMS-370 form. We further estimated that it would **113** hours across all ASCs to complete this task.

According to the U.S. Bureau of Labor Statistics, the average hourly wage for a CEO is **\$93.44**.<sup>7</sup>

The estimated cost for this task for each new ASC is **\$62.40**.

- \$93.44 divided by 40 min. = \$1.56 per min.
- \$1.56 per min. x 40 min. = \$62.40

The estimated cost for this task across all new ASCs is **\$10,608**

- \$93.44 divided by 40 min. = \$1.56 per min.
- \$1.56 per min. x 40 min. = \$62.40
- \$62.40 x 170 ASCs = \$10,608

#### **H. Cost Estimate for Photocopying and Filing of the Completed CMS-370 Form**

We estimate that it would take approximately **5** minutes for a Medical Secretary at an ASC to photocopy the original, signed CMS-370 form and file the photocopy. We estimated that it would take **14.66** hours across all ASCs to complete this task.

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<sup>6</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

<sup>7</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Medical Secretary is **\$16.22**.<sup>8</sup>

The estimated cost for each new ASC is **\$1.35**

- \$1.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 5 min. = \$1.35

The estimated cost across all new ASCs is **\$229.50**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 5 min. = \$1.35
- \$1.35 x 170 ASCs = \$229.50

#### **I. Cost Estimate for Prepare the CMS-370 Form of Mailing and Place in Mail**

We estimate that it would take approximately **10** minutes for to prepare the signed CMS-370 form for mailing and to put it into the outgoing mail or mailbox. We estimate that it would take **28** hours across all ASCs to complete this task.

We believe that this task would be performed by a Medical Secretary. According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Medical Secretary is \$16.22<sup>9</sup>

The estimated cost for each new ASC is **\$1.35**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 10 min. = \$2.70

The estimated cost across all new ASCs is **\$459**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 10 min. = \$2.70
- \$2.70 x 170 ASCs = \$459

#### **J. Non-Labor Related Costs**

Each new ASC that completes a CMS-370 form must mail an original copy of the completed form to the State Survey Agency. This will require the facilities will incur costs for one first-class postage stamp or postage meter postage mark.

We estimate that the cost of postage for each new ASC would be **\$0.50**

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<sup>8</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

<sup>9</sup> The wages for a Medical Secretary can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes436013.htm>

We estimate that the cost of postage across all new ASCs would be **\$85.00**

- $\$0.50 \times 170 = \$85.00$

#### **K. Total Cost Estimate for CMS-370 Forms**

##### **Total Costs Per Each New ASC**

Preparation & signing by CEO:	\$ 7.80
Review of Statutory and CMS Regulatory law by CEO	\$62.40
Copying for form and filing of copy by Medical Secretary	\$ 1.35
Preparation for mailing & mailing by Medical Secretary	\$ 1.35
<u>Non-Labor Related Costs</u>	<u>\$ 0.50</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>\$73.40</b>

##### **Total Costs Across All New ASCs**

Preparation & signing by CEO:	\$ 1,326.00
Review of Statutory and CMS Regulatory law by CEO	\$10,608.00
Copying for form and filing of copy by Medical Secretary	\$ 229.50
Preparation for mailing & mailing by Medical Secretary	\$ 459.00
<u>Non Labor Related Costs</u>	<u>\$ 85.00</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>\$12,707.50</b>

#### **I. Burden Estimate for the CMS-377 Form**

The completion of the CMS-377 form is required when a ASC seeks participation in the Medicare program (*hereinafter referred to as the “initial CMS-377 form”*). We estimate that there are approximately 170 new ASCs seeking participation in the Medicare program each year.

An ASC must also complete a CMS-377 form when the SA performs a recertification survey. These surveys are performed approximately every 3 years by the SA.

At this time, there are **5,665** ASCs enrolled in the Medicare program. We estimate that approximately one-third of these existing ASCs would be surveyed each year, which would provide for a survey of each ASC every 3 years. This means that the SA would perform recertification surveys of **1,888** ASCs per year and these ASCs would be required to complete the CMS-377 form (*hereinafter referred to as “survey CMS-377 form”*).

We believe that the time for completion of the *survey* CMS-377 form would be less than the time required for the completion of the *initial* CMS-377 form for several reasons. First, the ASC has already filled out the CMS-377 before and would be familiar with this form and what must be filled out. Second, the ASC



should have a copy of the CMS-377 previously filled out and can use it as a sample from which to get information to complete the currently required CMS-377 form. In fact, if there is no change in the information to be placed on the currently required CMS-377 form, the ASC could copy or scan the previous form and add an original signature and current date.

Further, we would not attribute time in our burden estimate for review of the statutory and regulatory law as the ASC should have reviewed this when the initial CMS-377 form was filled out and may have had reason to do so at various times since that time for other reasons.

#### **A. Time for Completion And Signing of the CMS-377 Form By The CEO**

The CMS-377 form is titled “**Ambulatory Surgical Center Request for Initial Certification or Update of Certification Information in the Medicare Program.**” Submission of this form will initiate the process of determining whether the Conditions for Coverage has been met by the ASC.

The ASC must fill in data on the CMS-377 form including: (1) CCN number; (2) State/County Code; (3) State/Region Code; (4) Facility identifying information (i.e. – facility name, address, telephone number); (5) Type of control (i.e. – proprietary, non-profit, government); (6) Type of ancillary services provided (i.e. – laboratory, ancillary, pharmaceutical); (7) Types of surgical specialties (i.e., - dental, endoscopy, ENT, OB/GYN, ophthalmic, Orthopedic, pain, plastic/reconstructive, podiatry, other); (8) Facility Characteristics (i.e. – number of ORs and date ASC began providing services)

We estimate that it would take the ASC’s CEO approximately **20 minutes** to fill in the required information on the CMS-377 form and sign it both when the ASC is applying for participation in the Medicare Program and also when the ASC is to undergo a recertification survey.

#### **The estimated time for completion of the initial CMS-377 form by the CEO cross all new ASCs is 57 hours.**

- **170** new ASCs per year x **20** minutes per new ASC per CMS-377 form = **3,400** minutes per all new ASCs per year.
- **3,400** minutes per all new ASCs per year divided by **60** minutes per hour = **57** hours per all new ASCs per year.

#### **The estimated time for completion of the survey CMS-377 form by the CEO across all ASCs being resurveyed is 629 hours**

- **1,888** ASCs surveyed per year x **20** minutes per CMS-377 form = **37,760** minutes per all new ASCs per year.

- **37,760** minutes per all new ASCs per year divided by **60** minutes per hour = **629** hours per all new ASCs per year.

**B. Time Required for Photocopying of Original Copy of CMS-377 and Filing of Copy by a Medical Secretary**

After the CEO has completed and signed the CMS-377, we estimate that it would next be given to a Medical Secretary for photocopying and filing of the copy. According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Medical Secretary is **\$16.22**.<sup>10</sup>

The time required for the Medical Secretary to perform this task is **5 minutes** per each CMS-377 form.

The time for the Medical Secretary to photocopy the initial CMS-377 form and file for copy of the *initial* CMS-377 form) is 14 hours

- **5 minutes** per CMS-377 form x **170** ASCs = **850** minutes per all ASCs being surveyed per year to complete the *initial* CMS-377 form.
- **850** minutes per all ASCs being surveyed per year to complete the CMS-377 form divides by **60 minutes** per hour = **14** hours per all ASCs being surveyed per year to complete the *initial* CMS-377 form.

The time for the Medical Secretary to photocopy the initial CMS-377 form and file for copy of the *survey* CMS-377 form) is 157 hours

- **5** minutes per CMS-377 form x **1,888** ASCs = **9,440** minutes per all ASCs being surveyed per year to complete the *survey* CMS-377 form.
- **9,440** minutes per all ASCs being surveyed per year to complete the CMS-377 form divides by **60 minutes** per hour = **157** hours per all ASCs being re-surveyed per year to complete the *survey* CMS-377 form.

**C. Time Required for the Preparation for and Mailing of the CMS-377 Form to the State Agency by a Medical Secretary**

It is required that the ASC send the original copy of the CMS-377 form the SA. Therefore, we estimate that after a photocopy of the original, completed and signed CMS-377 form has been made, a Medical Secretary will prepare the CMS-377 form for mailing (i.e., - prepare a mailing envelope addressed to the SA, put the form into the envelope, seal the envelope) and put the envelope into

<sup>10</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

the outgoing mail.

We believe that these activities will take approximately **10 minutes** and would be performed by a Medical Secretary. According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Medical Secretary is **\$16.22**.<sup>11</sup>

We estimate that the time required to complete this task across all new ASCs for the *initial* CMS-377 form would be 28 hours

- **10 minutes** per CMS-377 form x **170 ASCs** = **1,700 minutes** per all ASCs being surveyed per year to complete the *initial* CMS-377 form.
- **1,700 minutes** per all ASCs being surveyed per year to complete the CMS-377 form divides by **60 minutes** per hour = **28 hours** per all ASCs being surveyed per year to complete the *initial* CMS-377 form.

We estimate that the time required to complete the *survey* CMS-377 by all ASCs being re-surveyed would be 315 hours

- **10 minutes** per CMS-377 form x **1,888 ASCs** = **18,880 minutes** per all ASCs being surveyed per year to complete the *survey* CMS-377 form.
- **18,880 minutes** per all ASCs being surveyed per year to complete the CMS-377 form divides by **60 minutes** per hour = **315 hours** per all ASCs being surveyed per year to complete the *survey* CMS-377 form.

#### **D. Total Time Associated With Completion of CMS-377 Form**

##### **Total Time Estimate for Each CMS-377 Form**

Preparation & signing by CEO:	20 minutes
Copying for form and filing of copy by Medical Secretary	5 minutes
<u>Preparation for mailing &amp; mailing by Medical Secretary</u>	<u>10 minutes</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>35 minutes</b>

##### **Total Time Estimate Preparation of *Initial* CMS-377 Forms Across All New ASCs**

Preparation & signing by CEO:	57 hours
Copying for form and filing of copy by Medical Secretary	15 hours
<u>Preparation for mailing &amp; mailing by Medical Secretary</u>	<u>28 hours</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>100 hours</b>

<sup>11</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

**Total Time Estimate Preparation of Survey CMS-377 Forms Across All New ASCs Being Re-Surveyed**

Preparation & signing by CEO:	629 hours
Copying for form and filing of copy by Medical Secretary	157 hours
<u>Preparation for mailing &amp; mailing by Medical Secretary</u>	<u>315 hours</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>1,101 hours</b>

**E. Costs Associated With Preparation of the CMS-377 Form by CEO**

We believe that this task would be performed by the Chief Executive Officer of the ASC. According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Chief Executive Officer (CEO) is \$93.44.<sup>12</sup>

We estimate that it would take approximately 5 minutes for the CEO of the ASC to fill in and sign the CMS-370 form and **14.66** hours across all ASCs to complete this task.

The estimated cost for each new ASC is \$7.80

- \$93.44 divided by 60 min. = \$1.56 per min.
- \$1.56 per min. x 5 min. = \$7.80

The estimated cost across all new ASCs for preparation of *initial* CMS-377 is \$1,326

- \$93.44 divided by 60 min. = \$1.56 per min.
- \$1.56 per min. x 5 min. = \$7.80
- \$7.80 x 170 ASCs = \$1,326

The estimated cost across ASCs being resurveyed for preparation of *survey* CMS-377) is \$14,726.40

- \$93.44 divided by 60 min. = \$1.56 per min.
- \$1.56 per min. x 5 min. = \$7.80
- \$7.80 x 1,888 ASCs = \$14,726.40

**F. Cost Associated With Photocopying and Filing of Copy of Signed CMS-377 Form By Medical Secretary**

We estimate that it would take approximately 5 minutes for a Medical Secretary at an ASC to photocopy the original, signed CMS-370 form and file the copy. We estimated that it would take **14.66** hours across all ASCs to complete this task.

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<sup>12</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Medical Secretary is **\$16.22**.<sup>13</sup>

**The estimated cost to each new ASC for preparation of initial CMS-377 is \$1.35**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 5 min. = \$1.35

**The estimated cost across all new ASCs for preparation of initial CMS-377 is \$229.50**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 5 min. = \$1.35
- \$1.35 x 170 ASCs = \$229.50

**The estimated cost across all ASCs being resurveyed for survey CMS-377 is \$2,548.80**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 5 min. = \$1.35
- \$1.35 x 1,888 ASCs = \$2,548.80

**G. Cost Associated With Mailing of Completed & Signed CMS-377 Form**

As noted above we estimate that it would take approximately **10** minutes for to prepare the signed CMS-370 form for mailing and put it into the outgoing mail or mailbox. We estimate that it would take **28.33** hours across all ASCs to complete this task.

We believe that this task would be performed by a Medical Secretary. According to the U.S. Bureau of Labor Statistics, the average hourly wage for a Medical Secretary is \$16.22<sup>14</sup>

**The estimated cost for each new ASC for preparation of initial CMS-377 is \$2.70**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 10 min. = \$2.70

**The estimated cost across all new ASCs for preparation of initial CMS-377 is \$459**

- \$16.22 divided by 60 min. = \$0.27 per min.
- \$0.27 per min. x 10 min. = \$2.70

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<sup>13</sup> The wages for a facility CEO can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes111011.htm>

<sup>14</sup> The wages for a Medical Secretary can be found on the U.S. Bureau of Labor Statistics website at <https://www.bls.gov/oes/current/oes436013.htm>

- $\$2.70 \times 170 \text{ ASCs} = \$459$

**The estimated cost across ASCs being resurveyed for preparation of survey CMS-377) is \$5,097.60**

- $\$16.22 \text{ divided by } 60 \text{ min.} = \$0.27 \text{ per min.}$
- $\$0.27 \text{ per min.} \times 10 \text{ min.} = \$2.70$
- $\$2.70 \times 1,888 \text{ ASCs} = \$5,097.60$

**H. Non-Labor Related Costs**

Each ASC that completes a CMS-377 form must mail an original copy of the form to the State Survey Agency. This will require the ASC to incur costs for one first class postage stamps or postage mark will cost **\$0.50**.

The postage costs for each ASC is **\$0.50**

**The postage cost across all new ASCs is \$85.00**

- $\$0.50 \times 170 \text{ ASCs} = \$85.00$

**The postage costs across all ASCs being resurveyed is \$944.**

- $\$0.50 \text{ per each ASC} \times 1,888 \text{ ASCs being resurveyed} = \$944$

**I. Total Costs Associated With Completions of the Initial & Survey CMS-377 Forms.**

**i. Total Cost Associated With Initial CMS-377 for Each ASC**

**Total Costs Per Each New ASC**

- |  |                |
|--|----------------|
| • Preparation & signing by CEO:                            | \$ 7.80        |
| • Copying for form and filing of copy by Medical Secretary | \$ 1.35        |
| • Preparation for mailing & mailing by Medical Secretary   | \$ 2.70        |
| • <u>Non-Labor Related Costs</u>                           | <u>\$ 0.50</u> |

**Total Time Required for Preparation of CMS-370 Form                      \$12.35**

**Total Costs For Preparation of Initial CMS-377 Across All ASCs**

- |  |                 |
|--|-----------------|
| • Preparation & signing by CEO:                            | \$1,326.00      |
| • Copying for form and filing of copy by Medical Secretary | \$ 229.50       |
| • Preparation for mailing & mailing by Medical Secretary   | \$ 459.00       |
| • <u>Non Labor Related Costs</u>                           | <u>\$ 85.00</u> |

**Total Time Required for Preparation of CMS-370 Form                      \$2,099.50**

**ii. Total Cost For Completion of the Survey CMS-377 Across All ASCs**

• Preparation & signing by CEO:	\$14,727.40
• Copying for form and filing of copy by Medical Secretary	\$ 2,548.80
• Preparation for mailing & mailing by Medical Secretary	\$ 5,097.60
• <u>Non Labor Related Costs</u>	<u>\$ 944.00</u>
<b>Total Time Required for Preparation of CMS-370 Form</b>	<b>\$23,317.80</b>

### 13. Capital Costs

There are no capital costs associated with this collection.

### 14. Cost to Federal Government

The CMS Regional Offices are responsible for approving the CMS Form 370 while the State Survey Agencies code information from the CMS Form 377. Counter-signing the Form 370 follows a review of the file for a new Medicare ASC applicant. The amount for review of the form was calculated using an average salary of \$70.07 /hour for a Regional Office reviewer which includes benefits and overhead, and assuming it would take 30 minutes to review the file; the Federal cost is \$35.04 (0.50 hours x \$70.07) per agreement times the average number of annual new ASC supplier agreements (50), or \$1751.75.

State Survey Agencies are responsible for reviewing the Form 377, entering data from it into the survey and certification data base, and filing the hard copy. The amount for accomplishing this was calculated using an average salary of \$35.00/hour for a State Survey Agency reviewer which includes benefits and overhead, and assuming it would take 30 minutes to perform the required tasks; the Federal cost is \$17.50 (0.50 hours x \$35.00) per agreement times the 1898 forms submitted yearly, or \$33,215.00.

#### Printing and Distribution costs

CMS-370	\$ 690.00
CMS-377	\$ 570.00

TOTAL COSTS      \$36,227 (1751.75+33,215.00 + 690.00 + 570.00 = \$36,227)

### 15. Program/Burden Changes

The total number of ASCs currently in the Medicare program has decreased from 5,947 with the previous submission to 5,694. The annual burden hours increased from 633 to 641. This is possibly due to a rounding issue since the previous submission as the actual time it takes to complete and file have not changed. The average wage increased significantly per the Bureau of Labor Statistics since 2014 as well as the need to double that number to include benefits and overhead, which was not included in the previous package.

### 16. Publication and Tabulation Dates

There are no publication and tabulation dates associated with collection.

17. Expiration Date

CMS will display the expiration date.