

SUPPORTING STATEMENT - PART A

Third Party Collection Program (Insurance Information) – 0720-0055

1. Need for the Information Collection

The DoD is authorized to collect “reasonable charges” from third party payers for the cost of inpatient and outpatient services rendered at military treatment facilities (MTFs) to military retirees, all dependents, and other eligible beneficiaries who have private health insurance. The DoD may also collect from civilians (or their insurers) the cost of trauma or other medical care provided to them and from other federal agencies the average cost of health care provided to their beneficiaries at DoD MTFs. In order for DoD to perform such collections, eligible beneficiaries may elect to provide DoD with other health insurance (OHI) information. For civilian non-beneficiary and interagency patients, DD Form 2569 is necessary and serves as an assignment of benefits, approval to submit claims to payers on behalf of the patient, and authorization to release medical information. This form is available to third-party payers upon request.

The collection of personal information from individuals of the public for use in medical services is authorized by Title 10 U.S.C. § 1095, “Health Care Services Incurred on Behalf of Covered Beneficiaries: Collection from Third-Party Payers” Title 32 C.F.R. §220, “Collection From Third Party Payers of Reasonable Charges for Healthcare Services,” Title 10 USC § 1079b(a), “Procedures for Charging Fees for Care Provided to Civilians; Retention and Use of Fees Collected,” and Title 10 USC § 1085, “Medical and Dental Care from Another Executive Department: Reimbursement.”

2. Use of the Information

This information will be collected by military treatment facility (MTF) administrative support staff -- including but not limited to, admissions clerks, patient registration and scheduling clerks, and clinic staff -- from beneficiaries and non-beneficiaries at the time of admission and/or outpatient visit to the MTF (i.e., at point of service) or as soon as practical thereafter. The patient fills out the DD Form 2569 manually or electronically, certifying whether they are eligible for VA benefits and/or have OHI. This is the main entry point for the information, which is then also stored in DEERS, and can be updated by the patient there. The form will help the local MTF determine the proper third party payer to bill for medical care provided to beneficiaries, and facilitates the collection of reasonable charges from third party and other payers.

3. Use of Information Technology

In addition to collecting the information on a paper DD Form 2569, MTF Commanders and Resource Management may, but are not required, purchase current technology (e.g., electronic signature pad) to collect the information electronically. This electronic signature pad interfaces with the e2569 module in the Armed Forces Billing and Collections Utilization Solution (ABACUS), and any future financial and/or billing solutions to collect and store patient OHI electronically. Currently, the use of electronic signature pads is estimated at 40%, an increase from the previous estimated electronic submission rate of 20% in 2016. In efforts to increase this percentage, computer based training on the use of the e2569 module and instructional guides for installing an electronic signature pad have been developed and made available to all MTFs. The information collected on this form will be entered into the Composite Health Care System (CHCS) database or future financial and/or billing system, which must be updated on a regular basis to ensure that the information is current and accurate. The form itself will serve as documentation that the requirements of the law have been satisfied. Since the information requested is readily

available to the respondent, DHA feels the completion of the form is not unduly burdensome.

4. Non-duplication

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5. Burden on Small Businesses

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities.

6. Less Frequent Collection

Beneficiaries and civilian non-beneficiary patients who are provided care at MTFs generally update health care coverage on an annual basis at the beginning of the calendar year. Thus, the current frequency for this information collection is annually, or on occasion (when information changes). Data cannot be collected on a less frequent basis. Currently, this form is the most comprehensive, complete and reliable means of identifying potential third party payers, and this information must be collected each time a beneficiary or non-beneficiary is provided medical care in the MTF, or at least annually, because insurance can be purchased or canceled at any time. It is crucial to collect the most up-to-date information on insurance payers at the patient's point of service; reimbursement revenue will significantly decrease if this information is not collected.

7. Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice for the collection published on Tuesday, June 25, 2019. The 60-Day FRN citation is 84 FRN 29853.

No comments were received during the 60-Day Comment Period.

A 30-Day Federal Register Notice for the collection published on Thursday, August 29, 2019. The 30-Day FRN citation is 84 FRN 45477.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the 60-Day Federal Register Noticed was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

A Privacy Act Statement is located at the top of the DD Form 2569.

DoD Information System	SORN ID Number and Title	Privacy Impact Assessment
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Defense Enrollment Eligibility Reporting System (DEERS)	DMDC 02 DoD-DEERS Copy available at https://dpcl.dod.mil/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/627618/dmdc-02-dod/	https://www.dmdc.osd.mil/appj/dwp/rest/download?fileName=DEERS_PIA.pdf&groupName=websiteDocuments
Composite Health Care System (CHCS)	Defense Health Agency EDHA 07, "Military Health Information System". Copy available at https://dpcl.dod.mil/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570672/edha-07/	https://health.mil/Reference-Center/Forms/2014/07/29/PIA-Summary-Composite-Health-System
Armed Forces Billing and Collection Utilization Solution (ABACUS)	Defense Health Agency EDHA 12, "Third Party Collection System". Copy available at https://dpcl.dod.mil/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570677/edha-12/	https://health.mil/Reference-Center/Forms/2019/04/22/PIA-Summary-Armed-Forces-Billing-And-Collection-Utilization-Solution-Amazon-Web-Services-ABACUS-AWS

Records Retention and Disposition Schedule: Close out at the calendar year in which received. Destroy 10 year(s) after cut off (DAA-0330-2014-0014-0002).

11. Sensitive Questions

Along with other required HIPAA standard data transaction elements, the patient's social security number (SSN) is collected as required by 32 CFR 220.9. Also, it is the most common way health care payers uniquely identify their beneficiaries and coordinate benefits. The patient's SSN is required to ensure accurate identification of patients and the billable services and insurance claims related to them. The form contains no other questions of a sensitive nature. An SSN Justification Memo is provided separately.

12. Respondent Burden and its Labor Costs

a. Estimation of Respondent Burden

1. **DD Form 2569 – Third Party Collection Program/Medical Services Account/Other Health Insurance**

- a. Number of Respondents: 3,940,000
- b. Number of Responses Per Respondent: 1.5
- c. Number of Total Annual Responses: 5,910,000
- d. Response Time: 4 minutes
- e. Respondent Burden Hours: 394,000 hours

2. **Total Submission Burden**

- a. Total Number of Respondents: 3,940,000
- b. Total Number of Annual Responses: 5,910,000
- c. Total Respondent Burden Hours: 394,000 hours

There are 3,940,000 respondents. However, they must update their health insurance information by resubmitting the form if their health insurance information changes during the year. We estimate that half of the 3,940,000 respondents (1,970,000) update their health insurance forms during the year for a total of 5,910,000 responses received by the government each year.

The collection burden for updating the information in DEERS is accounted for under OMB Control Number 0704-0415.

b. Labor Cost of Respondent Burden

1. **DD Form 2569 – Third Party Collection Program/Medical Services Account/Other Health Insurance**

- a. Number of Total Annual Responses: 5,910,000
- b. Response Time: 4 minutes
- c. Respondent Hourly Wage: \$27.77
- d. Labor Burden per Response: \$1.85
- e. Total Labor Burden: \$10,933,500

2. Overall Labor Burden

- a. Total Number of Annual Responses: 5,910,000
- b. Total Labor Burden: \$10,933,500

Source: <http://www.bls.gov/web/empstat/csesesummary.htm> (Bureau of Labor Statistics national average hourly wage for all employees April 2019)

13. Respondent Costs Other Than Burden Hour Costs

There are no annualized costs to respondents other than the labor burden costs addressed in Section 12 of this document to complete this collection.

14. Cost to the Federal Government

a. Labor Cost to the Federal Government

1. DD Form 2569 – Third Party Collection Program/Medical Services Account/Other Health Insurance

- a. Number of Total Annual Responses: 5,910,000
- b. Processing Time per Response: 5 minutes
- c. Hourly Wage of Worker(s) Processing Responses: \$15.68
- d. Cost to Process Each Response: \$1.31
- e. Total Cost to Process Responses: \$7,742,100.00

2. Overall Labor Burden to Federal Government

- a. Total Number of Annual Responses: 5,910,000
- b. Total Labor Burden: \$7,742,100.00

b. Operational and Maintenance Costs

- a. Equipment: \$0
- b. Printing: \$0.06/completed form * 2,364,000 (# electronic forms received that may be printed) = 141,840
- c. Postage: \$0
- d. Software Purchases: \$0
- e. Licensing Costs: \$0
- f. Other: \$0
- g. Total: \$141,840

- 1. Total Operational and Maintenance Costs: \$141,840.00
- 2. Total Labor Cost to the Federal Government: \$7,742,100.00
- 3. Total Cost to the Federal Government: \$7,883,940.00

15. Reasons for Change in Burden

The burden has increased since the previous approval due to an increase in the estimated number of respondents since the last approval in 2016.

16. Publication of Results

The results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.