

SUPPORTING STATEMENT
HOME HEALTH AGENCY SURVEY AND DEFICIENCIES REPORT
AND SUPPORTING REGULATIONS (CMS-1572)

A. BACKGROUND

This is a request to revise form CMS-1572, titled “Home Health Agency Survey and Deficiencies Report” (OMB 0938-0355). The current OMB approval expires on 03/31/2021.

The CMS-1572 form is used by State Survey Agencies when surveying Home Health Agencies (HHAs) and to collect information about an HHA. These regulations were created by CMS under the authority of sections 1861(o) and 1891 of the Social Security Act (“the Act”).

The CMS-1572 form has been revised by removing the survey and deficiencies report section. This section was removed because surveyors now enter this information directly into the Automated Survey Processing Environment [ASPEN]) system. A change crosswalk has been provided which states in detail all changes to the CMS-1572 form.

In the Medicare and Medicaid programs, CMS is responsible for developing Conditions of Participation (CoPs) that facilities must meet to become eligible to receive Medicare payments. State survey agencies (SAs) conduct on-site surveys of Home Health Agencies (HHAs) to ensure that HHA facilities are in compliance with these requirements.

Surveys of HHA providers are intended to ensure and strengthen patient health and safety, to enhance quality of care by emphasizing outcomes rather than process, to implement the Omnibus Reconciliation Act of 1987 (OBRA 87), and to achieve more effective compliance with Federal requirements. The CMS-1572 HHA survey form reflects this fundamental change and directs surveyors to observe and monitor the provision of care in the home setting. HHA surveyors use the CMS-1572 form to assist and direct them in evaluating important information relating to the quality of services provided HHAs in the home setting. Moreover, the CMS-1572 form represents a deficiency-based approach to evaluating and reporting compliance.

The regulations at 42 CFR Part 484, Subparts A, B, and C, contain the conditions of participation (CoPs) that HHAs must meet or exceed in order to participate in the Medicare program. HHAs participating in the Medicaid program must also meet the general Medicare CoPs, as per the CMS regulations at 42 CFR 440.70(d). Surveyors, who determine whether HHAs are in compliance with these CoPs and statutory requirements, focus on the actual delivery of care and the results of that care when making certification decisions.

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The CMS-1572 survey form captures data about each HHA provider's characteristics, such as: (1) whether the facility is a private facility, a unit of a larger facility or a location of a corporate chain of facilities; (2) if the facility operated other branches; (3) has there been a change of ownership since the last survey; (4) the type of services offered; (5) the credentials of the director; (6) the credentials of other staff members; (7) the patient census since the last survey (including number of admissions & discharges); (8) the patient population..

B. JUSTIFICATION

1. Need and Legal Basis

Section 1864 of the Social Security Act (the Act) requires the Secretary to enter into agreements with States to survey providers and certify compliance or noncompliance with Medicare conditions of participation. As such, it is the State survey agencies who most commonly use the CMS-1572 to collect the necessary information.

Section 1861(o) of the Act describes Home Health Care with respect to the Medicare program. Title 42 CFR Part 484, Subparts A, B, and C, sets forth the health and safety conditions of participation (CoPs) that all Home Health Agencies must meet to participate in Medicare. State survey agencies, as well as accreditation agencies, are used by CMS to determine if the CoPs are met.

Section 1902(a)(33)(B) of the Act requires the State Medicaid agency to contract with the State survey agency used by Medicare to determine whether providers meet the requirements for participation in the Medicaid program.

Finally, sections 488.26 and 442.30 of Title 42 in the Code of Federal Regulations require State survey agencies to follow basic principles and procedures in their work to determine a provider's compliance with the CoPs.

2. Information Users

The information is used by CMS regional offices, which have the delegated authority to certify Medicare facilities for participation, and by State Medicaid agencies, which have comparable authority under Medicaid. The information on the CMS-1572 is entered into the Survey and Certification technology system, which is called Automated Survey Processing Environment [ASPEN]). These data are analyzed by the regional offices and by the CMS central office components for program evaluation and monitoring purposes. This information is also available to the public upon request.

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The coded information on the HHA survey form provides essential data on HHAs and facility performance. This improves the OSCAR database as a means of monitoring and evaluating the survey and certification activities. Also, the standardized format provides for consistent reporting by State survey agencies, and the data are keyed on-site into laptop computers by the surveyors. At this time, the form itself is not submitted electronically.

3. Improved Information Technology

The information on the CMS-1572 is entered into the Automated Survey Processing Environment [ASPEN] system. The data are keyed on-site into laptop computers by the surveyors. The standardized, reporting format provides for consistent reporting by State survey agencies, and

4. Duplication

This form is used for surveying HHAs and does not duplicate any other collection instruments. The form addresses specific requirements for participation in the Medicare and Medicaid programs, and use of this form is required under the contracts with the State agencies.

5. Small Business

Many Home Health Agencies are small businesses. The requirements in the Home Health Agency Conditions of Participation are the same for all home health care providers, regardless of the size of the business.

6. Less Frequent Collection

The 1996 budget bill amended Section 1819(c)(2)(A) of the Act in order to provide flexibility in the standard survey cycle for HHAs. The law now states that standard surveys will occur not later than 36 months after the previous standard survey, and that the Secretary shall establish a frequency for surveys within this 36-month interval commensurate with the need to assure the delivery of quality home health services.

7. Special Circumstances

There are no special circumstances.

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8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on November 19, 2020 (85 FR 73720). There were no public comments received.

The 30-day Federal Register notice published on February 4, 2021 (86 FR 8200).

9. Payment/Gifts to Respondent

The completion of this form during a successful certification/recertification survey certifies that the HHA is compliant with the Conditions of Participation, thus enabling the HHA to bill CMS for services rendered.

10. Confidentiality

We do not pledge confidentiality.

11. Sensitive Questions

There are no questions of a sensitive nature associated with this form.

12. Burden Estimate (Total Hrs. & Wage)

There are currently 11,500 HHA providers in the U.S. HHA providers are surveyed every 3 years by the State Survey Agency. This means that the SA would survey **3,833** HHA providers every year.

- 11,500 HHA providers divided by 3 years = 3,833

We believe that the HHA surveyor would be a Registered Nurse (RN). According to the U.S. Bureau of Labor Statistics, the mean hourly wage for an RN is \$37.24¹. This wage adjusted for the employers overhead and fringe benefits would be **\$74.48**.

We estimate that it would take **30 minutes** for the surveyor to complete each revised cms-1572 form. We estimate that the time burden across all HHAs surveyed per year would be **1,917 hours**.

- 0.5 hour x 3,833 HHA providers surveyed per year = 1,917 hours per year

¹ <https://www.bls.gov/oes/current/oes291141.htm>

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We estimate that the cost burden for the completion of *each revised CMS-1572 form* would be **\$37.24**.

- 0.5 hour per each CMS-1572 form x \$74.48 = \$37.24

We further estimate that the total annual cost burden associated with the completion of *all CMS-1572 forms* per year would be **\$142,778.16**.

- 1,917 hours x \$74.48 per hour = \$142,778.16

13. Capital Costs

There are no capital costs associated with this collection.

14. Costs to Federal Government

All costs associated with this form are incurred by the Federal Government in the normal course of business; therefore, there are no additional costs to the Federal Government.

15. Changes in Burden/Program Changes

In the previous PRA package submission, the approved time burden was 849 hours and the approved cost burden was \$86,598. In this current PRA package, we are requesting approval for a total time burden of 1,917 hours and a total cost burden of \$142,778. This is an increase in the time burden of 1,068 hours and an increase in the cost burden of \$56,180. This increase in the time and cost burden is due to the recalculation and correction of the existing burden, which had previously been incorrectly calculated.

These changes in the burden are attributable to several factors. First, we determined that there are currently 11,500 HHA providers, which are surveyed every 3 years by the State Survey Agency or accrediting organizations. This equates to 3,833 HHA providers being surveyed every year. In the previous PRA package submission it was estimated that 3,395 surveys were performed per year. This is an increase of 438 surveys per year in this PRA package. This increase in the number of surveys performed per year would raise the total time and cost burden associated with the completion of the CMS-1572 form.

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Second, in the previous PRA package, the time burden for completing the CMS-1572 form was stated to be 15 minutes. We believe this to be an underestimate of the time required to complete the CMS-1572 form because it would take time for the surveyor to obtain the information needed to complete the form. Therefore, we have increased the time estimate for completion of the CMS-1572 form to 30 minutes.

Finally, we have updated the job classification title for the surveyor from Medical and Health Services Managers to Registered Nurse and used updated wage figures from the U.S. Bureau of Labor Statistics. We believe that this is more accurate job classification for the surveyor, as most surveyors are registered nurses.

Finally, we have doubled the wage rate used to calculate the cost burden to account for the employer's overhead and fringe benefit. This was not done in the burden calculations of the previous PRA package.

16. Publication and Tabulation Dates

There are no publication and tabulation dates.

17. Expiration Date

CMS will display the expiration date on the revised CMS-1572 form.

18. Certification Statement

There are no exceptions to the certification statement.

C. Collections of Information Employing Statistical Methods

There are no statistical methods employed in the information collected.