

SUPPORTING STATEMENT A

Hospice Request For Certification And Supporting Regulations (CMS-417)

A. BACKGROUND

This is a request for a reinstatement with change of the CMS-417 form, which is titled “Hospice Request for Certification in the Medicare Program.” The CMS-417 form is an identification and screening form used to initiate the certification process for Hospices. The CMS-417 form is also completed by existing hospices at the time of their recertification surveys, to update their certification information.

The CMS-417 form collects data that is used to determine if the provider has sufficient personnel to participate in the Medicare program. If a Hospice provider meets these preliminary staffing requirements, a survey is scheduled to determine if the provider complies with the conditions of participation (CoPs) required by the Medicare program. The data provided by the Hospice provider on the CMS-417 form serve as a basis for the survey inspection. The facility is only required to complete certain items on the certification forms as indicated by the instructions included with the form. These items are explained below.

B. JUSTIFICATION

1. Need and Legal Basis

This activity is authorized by section 122 of the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 (Public Law 97-248) and section 1861(dd) of the Social Security Act, which allow hospice entities to participate as Medicare providers of services if the entities meet regulatory conditions of participation. For Medicare purposes, certification is based on the State survey agency's reporting of the provider's compliance or noncompliance with the health and safety requirements published in regulations.

Section 1861(dd) of the Social Security Act (the Act) defines Hospice Care and Hospice Program with respect to the Medicare Hospice Benefit. The regulations at 42 CFR 418 set forth the Health and Safety Conditions of Participation (CoPs) that all Hospices must meet to participate in Medicare.

The Secretary has authorized States through contracts to conduct surveys of hospices to determine the hospices' compliance with these requirements.

2. Information Users

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The CMS-417 form is used in the initial stages of the survey process to gather and record minimum identification information into the Survey and Certification technology system (currently the Automated Survey Processing Environment [ASPEN]) in the State and at the central and regional offices of the Centers for Medicare and Medicaid Services.

Ultimately, the information from the CMS-417 form is used by CMS in making initial certification and subsequent recertification decisions. Initially, when a hospice expresses an interest in participating in the Medicare program, it contacts the State agency which forwards the Request for Certification (CMS-417) form to the applicant. The state agency for each state is listed at https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/downloads/state_agency_contacts.pdf.

The information on the form serves as a screen for the State agency to determine if the hospice has the basic capabilities to participate in the Medicare program. At the time of the recertification, the form is completed by the hospice and given to the surveyor, so that the necessary identification and operational data (such as the number and types of staff, types of services, and other information to assist the surveyors in selecting a sample of patients) may be revised in the event that there have been changes. The information on the CMS-417 is entered into the Survey and Certification technology system (currently the Automated Survey Processing Environment [ASPEN]), and it serves as the information base for the creation of a record for future Federal certification and monitoring activity.

3. Improved Information Technology

The certification form lists minimum criteria that a hospice must meet in order to be approved for Medicare participation. The standardized format and simple checkbox method provide for consistent reporting by State survey agencies. Recording this information would be no easier for State surveyors using direct access equipment.

The form is available online at <http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS417.pdf>, and can be submitted to the State agency via email.

4. Duplication of Similar Information

This certification form does not duplicate any information collection. The form addresses specific requirements for certification. State survey agencies conduct these reviews with Federal funds from CMS. This form is a basic deliverable under these contracts and is the only one of its kind collected by CMS for hospices.

5. Small Business

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This form is completed by small businesses, but is a necessary data collection, with minimal burden imposed. This form is required for any hospice in order for certification or recertification.

6. Less Frequent Collection

Submission of the certification form is based on the frequency of surveys. These surveys, in turn, depend on the frequency specifications of regulations and the availability of survey funds. The Improving Medicare Post-Acute Care Transformation Act (IMPACT Act) of 2014 (P.L. 113-185) mandates that all Medicare certified hospices be surveyed every three years beginning April 6, 2015, and ending September 30, 2025.

7. Special Circumstances

There are no special circumstances.

8. Federal Register Notice/Outside Consultation

The 60-day Federal Register notice published on April 2, 2021 (86 FR 17392). There were no public comments received.

The 30-day Federal Register notice published on June 17, 2021 (86 FR 32270).

9. Payment Gift to Respondent

There are no payments or gifts made to a respondent for completion of this data collection. The payments are made for services rendered to our beneficiaries. These reports collect the data for the costs and payments made to a provider.

If they fail to submit these reports, there are penalties that are applied. The penalty is the suspension of claims payments until a report is submitted. Once the report is submitted the payments for claims are released. If they file the report timely there are no payment or gifts and no interruption in the claims payments.

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10. Confidentiality

We do not pledge confidentiality.

11. Sensitive Questions

There are no questions of a sensitive nature on the form.

12. Burden Estimate (Total Hrs. & Wage)

a. Time and Cost Burden For Completion of CMS-417 by New Hospices

Form CMS-417 is completed by new hospices when they first apply for participation in the Medicare program (i.e., at initial certification). We estimate that there are an average of 311 new hospices established each year. This estimate is an average of the number of new hospices established between 2016 and 2020. (See the chart below).

<i>Calendar Year</i>	<i>Number of New Hospices</i>
2016	310
2017	306
2018	293
2019	294
2020	350
Total number of new hospices established between 2016 – 2022	1,553
Average number of new hospices established between 2016 – 2022 (1,553 / 5 = 310.6)	311

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We estimate that it would take approximately 45 minutes (0.75 hour) for a new hospice to complete the CMS-417 form. We make this estimate because, while this form seems short and simple, it requires the person completing it to provide information about the number of hired and volunteer staff of every kind that works for the facility. We believe that it would take the hospices staff time to research and obtain this information.

We further estimate that the total annual time burden ***across all new hospices*** per year would be **233 hours**.

- 45 minutes per each CMS-417 x 311 new hospices per year = 13,995 minutes per year
- 13,995 minutes per year divided by 60 minutes per hour = 233.25 hours per year

We believe that the person at the hospice who would complete the CMS-417 form would have a management position at the hospice. We believe that this management position would fall under the U.S. Bureau of Labor Statistics' job category of Medical and Health Services Manager. According to the U.S. Bureau of Labor Statistics, the mean hourly wage for this job is \$55.37 (<https://www.bls.gov/oes/current/oes119111.htm>). This wage, adjusted to account for the employer's overhead and fringe benefits, would be \$110.74.

We estimate that the cost burden for the completion of the CMS-417 by ***each new hospice*** would be **\$83.07**.

- \$110.74 divided by 60 minutes = \$1.846 per 1 minute
- \$1.846 per 1 minute x 45 minutes = \$83.07 per 45 minutes

We further estimate that the total annual cost across ***all new hospices*** per year would be **\$25,802.42**.

- \$110.74 per hour x 233 hours = \$25,802.42

b. Time and Cost Burden For Completion of CMS-417 by Existing Hospices

The CMS-417 form is also completed by existing hospices at the time of their recertification surveys, to update their certification information. Currently, there are 5,244 existing hospices in the U.S. at this time. Hospices are surveyed by the State

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Survey Agencies **every 3 years**. Therefore, we estimate that the State Survey Agencies would survey approximately **1,748** hospices per year (5,244 divided by 3 = 1,748).

We estimate that it would take approximately 45 minutes to complete the CMS-417 form by **each existing hospice** being surveyed. We further estimate that the total annual time burden **across all existing hospices** per year would be **1,311 hours**.

- 45 minutes per each CMS-417 x 1,748 existing hospices surveyed/year = 78,660 min.
- 78,660 minutes divided by 60 minutes per hour = 1,311 hours

We believe that the person who would complete the CMS-417 form would have a management job at the hospice that would fall under the U.S. Bureau of Labor Statistics job category of Medical and Health Services Manager. According to the U.S. Bureau of Labor Statistics, the mean hourly wage for this job is \$55.37 (<https://www.bls.gov/oes/current/oes119111.htm>). This wage, adjusted to account for the employer's overhead and fringe benefits, would be \$110.74.

We estimate that the cost burden for completion of the CMS-417 by **each** existing hospice being surveyed would be **\$83.07**.

- \$110.74 divided by 60 minutes = \$1.846 per minute
- \$1.846 per minute x 45 minutes = \$83.07

We further estimate that the total annual cost across **all existing hospices** per year would be **\$145,180**.

- \$110.74 per hour x 1,311 hours = \$145,180.14

c. **Summary of Time and Cost Burdens Associated with Form CMS-417**

Time burden for completion of CMS-417 - each new hospice	45 min.
<u>Time burden for completion of CMS-417 - each existing hospice</u>	<u>45 min.</u>
TOTAL	1.5 hours
Time burden for completion of CMS-417 form - all new hospices	233 hours
<u>Time burden for completion of CMS-417 form - all existing hospices</u>	<u>1,311 hours</u>
TOTAL	1,544 hours

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Cost burden for completion of CMS-417 - each new hospice	\$ 83.07
<u>Cost burden for completion of CMS-417 - each existing hospice</u>	<u>\$ 83.07</u>
TOTAL	\$166.14

Cost burden for completion of CMS-417 form - all new hospices	\$ 25,802.42
<u>Cost burden for completion of CMS-417 form - all existing hospices</u>	<u>\$145,180.14</u>
TOTAL	\$170,982.56

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

There are no Federal costs anticipated since the form will no longer be printed as a multi-part form, but rather available on-line.

15. Program/Burden Changes

The table below shows the changes in burden from the last PRA package submission.

Description of Burden	Total Requested	Due to Adjustment in OPDIV/Office Estimate	Currently Approved
a. Number of annual responses for CMS-417	2,059	+1,208	851
b. Annual time burden across <i>all new hospices</i> to complete the CMS-417 form	233 hours	+233 hours	0 hours
c. Annual time burden across <i>all existing hospices</i> to complete the CMS-417 form	1,311 hours	+ 1,098 hours	213 hours
d. Annual cost burden across <i>all new hospices</i> to complete <i>all</i> CMS-417	\$25,802	+\$25,802	\$0

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e. Annual cost burden across all existing hospices to complete all CMS-417 forms	\$145,180	+\$125,669	\$19,511
Total Hour Burden	1,544 hours	+1,331 hours	213 hours
Total Cost Burden	\$170,982	+\$151,471	\$19,511

As stated in the above table, there has been an increase of 1,331 in the total burden hours and an increase of \$151,471 in the total burden costs. These increases are due to a combination of several factors which are discussed below.

First, in reviewing this PRA package, we noted that only 15 minutes had been allotted to complete each CMS-417 form. In the Supporting Statement A from the previous PRA package, it stated the following:

“Based on the simplicity of the form and its past usage, we estimate that it takes approximately 15 minutes (0.25 hour) to complete. The required information should be readily available to the hospice, thus no research or analysis would be needed.”

We disagree with this assessment. We note that the CMS-417 form requires the hospice staff to enter the number of both employed and volunteer staff of all types that work for the hospice. We believe that this information may not be readily available to the person completing the CMS-417 form, and that it may take some time and research to obtain this data. Therefore, we have increased the time estimate for completion of the CMS-417 form to 45 minutes.

Second, the increase in the time and cost burdens can be attributed to an increase in the number of respondents. In the previous PRA package, it was estimated that only 851 hospices would complete the CMS-417 form per year. We believe that this was a gross underestimation of the number of hospices that actually complete the CMS-417 form annually. We have adjusted this estimate to the correct number of existing hospices that complete the CMS-417 form, which is based on the actual number of existing hospices divided by three which represent the number of hospices that would be surveyed per year.

In addition, we have adjusted the number of respondents to include the number of new hospices per year seeking new Medicare certification that would be required to complete the CMS-417 form. This change added an additional 311 respondents to the burden calculations. This information was not included in the previous PRA package burden

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calculations.

Finally, we updated the wage rate for the Medical and Health Services Manager from \$91.60 ($\45.80×2) to the current adjusted rate of \$110.74 ($\55.37×2), which is the current wage rate for this job category provided by the U.S. Bureau of Labor Statistics. This is an increase in the amount of \$19.14 per burden hour.

16. Publication and Tabulation Dates

There are no publication and tabulation dates.

17. Expiration Date

CMS will display the expiration date on the 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.