

Supporting Statement—Part A

Requirements Related to Surprise Billing; Part II

CMS-10791/OMB control number- 0938-NEW

Background

On December 27, 2020, the Consolidated Appropriations Act, 2021 (CAA), which includes the No Surprises Act, was signed into law. The No Surprises Act provides Federal protections against surprise billing and limits out-of-network cost sharing under many of the circumstances in which surprise bills arise most frequently.

The Act adds a new Part E of title XXVII of the Public Health Service Act establishing requirements applicable to providers, and facilities. These include provisions at new PHS Act sections 2799B-6 which requires providers and facilities to furnish a good faith estimate of expected charges upon request or upon scheduling an item or service for an individual. Providers and facilities are required to inquire if an individual is enrolled in a group health plan, group or individual health insurance coverage, a Federal Employees Health Benefits (FEHB) plan,¹ or a Federal health care program and if enrolled in a group health plan, or group or individual health insurance coverage, or a health benefits plan under chapter 89 of title 5,² whether the individual is seeking to have a claim for such item or service submitted to such plan or coverage (hereafter referred to as an “uninsured (or self-pay) individual”). In the case that an uninsured (or self-pay) individual requesting a good faith estimate for an item or service or schedules an item or service to be furnished, PHS Act section 2799B-6(2)(B) and the October 2021 interim final rules at 45 CFR 149.610 require providers and facilities to furnish the good faith estimate to the uninsured (or self-pay) individual.

No Surprises Act Section 112 also adds PHS Act section 2799B-7 as added by these interim final rules at 45 CFR 149.620, which directs the Secretary of HHS to establish a process under which an uninsured (or self-pay) individual can avail themselves of a patient-provider dispute resolution (PPDR) process if their billed charges after receiving an item or service are substantially in excess of the expected charges listed in the good faith estimate furnished by the provider or facility, pursuant to PHS Act section 2799B-6. Under the PPDR process, an uninsured (or self-pay) individual may request a payment review and decision from an independent company certified by HHS. These companies are referred to as Selected Dispute Resolution (SDR) entities. The SDR entity is responsible for deciding the amount an uninsured (or self-pay) individual must pay under the PPDR process. Under PHS Act section 2799B-7, an uninsured (or self-pay) individual means, with respect to an item or service, an individual who does not have benefits for such item or service under a group health plan, group or individual health insurance

¹ HHS interprets the requirements described in PHS Act section 2799B-6 to apply with respect to FEHB covered individuals as they would to other individuals enrolled in a group health plan, group or individual health insurance coverage offered by a health insurance issuer. Although PHS Act section 2799B-6 does not reference health benefits plans under chapter 89 of title 5, the definition of “uninsured individual” at PHS Act section 2799B-7 does include individuals who do not have benefits under these health benefits plans, and these sections work together to provide protections for the uninsured (or self-pay) population. Moreover, the requirement for the provision of an advance explanation of benefits required by PHS Act section 2799A-(1)(f), ERISA section 716(f), and Code section 9816(f) and 5 U.S.C. 8902(p) cannot be accomplished by a FEHB carrier unless it receives a good faith estimate from a provider in accordance with PHS Act section 2799B-6(2)(A).

² A health benefits plan offered under chapter 89 of title 5, United States Code is also known as a Federal Employees Health Benefits (FEHB) plan.

coverage offered by a health insurance issuer, federal health care program (as defined in section 1128B(f) of the Social Security Act), or a health benefits plan under chapter 89 of title 5, United States Code (or an individual who has benefits for such item or service under a group health plan or individual or group health insurance coverage offered by a health insurance issuer, but does not seek to have a claim for such item or service submitted to such plan or coverage).

This information collection request (ICR) focuses on certain requirements related to HHS requirements under the October 2021 interim final rules (October 7, 2021, 86 FR 55980). Based on the legislative and regulatory authority outlined above, the requirements are summarized as follows:

- Health care provider and facility requirements to inform uninsured (or self-pay) individuals both verbally and in writing of the availability of a good faith estimate of expected charges. (45 CFR 149.610)
 - See Appendix 1. Right to Receive a Good Faith Estimate of Expected Charges Notice. Health care provider and facility requirements to furnish good faith estimates to individuals who are not enrolled in a plan or coverage or a federal health care program, or not seeking to file a claim with their plan or coverage (uninsured or self-pay individuals) when scheduling an item or service, or upon request. (45 CFR 149.610); Appendix 2. Good Faith Estimate Template; Appendix 11. Good Faith Estimate Data Elements. Please note: consumers are not being asked to sign Good Faith Estimate forms as listed in Appendices 1 and 2 as these are not consent forms but for informational purposes and for the purposes of initiating the Patient-Provider Dispute Resolution process, if necessary.
- Requirements for entities to meet certain standards to be certified or recertified by HHS as an SDR entity for the patient provider dispute process (PPDR). (45 CFR 149.620(d))

B. Justification

1. Need and Legal Basis

The No Surprises Act also includes provisions that require health care providers and health care facilities to furnish good faith estimates upon request or upon scheduling items or services to uninsured (or self-pay) individuals. In order to implement these good faith estimate provisions under PHS Act section 2799B-6(1) and 2799B-6(2)(B), as added by section 112 of the No Surprises Act, HHS is adding 45 CFR 149.610 to establish requirements for providers and facilities to specifically inquire about an individual's health coverage status and establish requirements for providing a good faith estimate to uninsured (or self-pay) individuals. PHS Act section 2799B-6(2) and the October 2021 interim final rules specify that a provider or facility must provide a notification (in clear and understandable language) of the good faith estimate of the expected charges for furnishing such items or services (including any items or services that are reasonably expected to be provided in conjunction with such scheduled items or services and such items or services reasonably expected to be so provided by another health care provider or health care facility), with the expected billing and diagnostic codes (i.e., ICD, CPT, HCPCS, DRG, and/or NDC codes) for any such items or services. The definitions related to good faith estimates of expected charges for uninsured (or self-pay) individuals for scheduled items and services and upon request, requirements for the providers and facilities, timing, and good faith estimate content requirements are set forth in PHS Act section 2799B-6 and implementing regulation at 45 CFR 149.610.

HHS added 45 CFR 149.620(d) to codify provisions related to certification of SDR entities. Under 45 CFR 149.620(d), HHS requires that a certified SDR entity satisfy the certification requirements set forth for Independent Dispute Resolution (IDR) Entities at 45 CFR 149.510 (e) with certain exceptions related service areas, fee schedules and policies and procedures to hold dispute resolution entity fees in a trust or escrow account. In addition a certified SDR entity must meet conflict-of-interest mitigation policy requirements specified in 45 CFR 149.620(d)(3). HHS assesses the whether or not an SDR entity meets the certification and recertification standards as part of the contracting process, as a certified SDR entity is contracted with HHS to perform their SDR duties.

The ICRs in the October 2021 interim final rules advance the legislative goals of the No Surprises Act.

2. Information Users

The information requirements of the October 2021 interim final rules included in CMS-10791 have two components:

- *Good Faith Estimates.* Providers and facilities must furnish a good faith estimate of expected items and services beginning on or after January 1, 2022, which will allow uninsured (or self-pay) individuals to have access to information about health care pricing before receiving care. This information will allow uninsured (or self-pay) individuals to evaluate options for receiving health care, make cost-conscious health care purchasing decisions, and reduce surprises in relation to their health care costs for items and services. Additionally, uninsured (or self-pay) individuals will need a good faith estimate to initiate the patient-provider dispute resolution process.
- *Certification and Recertification of SDR Entities.* HHS will request information from entities seeking to be certified or recertified as an SDR entity. This information will be used to assess whether or not the entity satisfies the requirements for certification.

3. Use of Information Technology

HHS does not restrict the use of electronic technology to process all information collected by HHS. Specifically:

- o The notice on the availability of a good-faith estimate must be posted on providers' and facilities' websites and mailed at the request of the individual;
- o Convening providers and facilities are required to provide the good faith estimate to the uninsured (or self-pay) individual either by paper or electronically, pursuant to the uninsured (or self-pay) individual's requested format, and in the latter case, technology must be used; and
- o The process for the certifying and recertifying of SDR entities, is administered through an HHS owned portal system, the Federal IDR portal. The costs and burden related to the Federal IDR portal are currently approved under Department of Labor's No Surprises Act: IDR Process information collection request (ICR) (OMB control number 1210-0169).

4. Duplication of Efforts

There is no duplication of efforts for these ICRs.

5. Burden on Small Businesses

Providers and facilities incurring burden related to these requirements include providers of air ambulance services, rural health centers, federally qualified health centers, laboratories, and imaging centers, many of which may be small businesses. The Departments have tried to minimize the burden on all respondents.

6. Less Frequent Collection

This ICR is required to fulfill the statutory requirements in the CAA. Uninsured (or self-pay) individuals will not be able to obtain a good faith estimate, nor will they be able to initiate the patient-provider dispute resolution process, if this collection is conducted less frequently. Additionally, if this collection is not conducted SDR entities will not be able to submit the required materials and obtain the required certification.

7. Special Circumstances

There are no special circumstances.

8. Federal Register/Outside Consultation

A 60-day FR Notice published on January 5, 2022 (87 FR 461). Several comments were received (refer to Appendix 15 to view responses to comments received). A 30-day notice will publish in the Federal Register on April 28, 2022 (87 FR 25273). No outside consultation was sought.

9. Payments/Gifts to Respondents

There is no payment/gift to respondents.

10. Confidentiality

All information collected under this initiative will be maintained in strict accordance with statutes and regulations governing confidentiality requirements.

11. Sensitive Questions

There are no sensitive questions associated with these information collections.

12. Burden Estimates (Hours & Wages)

To compute wage estimates, we generally used data from the Bureau of Labor Statistics³ to derive average labor costs for estimating the burden associated with the ICRs. The methodology for calculating the hourly compensation, overhead cost, and total hourly labor cost for occupations is based on Department of Labor (DOL) methodology.⁴ Table 1 presents the hourly compensation, overhead cost, and total hourly labor cost for occupations.

Table 1: Adjusted Hourly Wages used in Burden Estimates

Occupation Title	Occupational Code	Hourly Total Compensation (\$/hr)	Overhead Cost (\$/hr)	Total Hourly Labor Costs (\$/hr)
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	43-6014	\$28.96	\$26.27	\$55.23
Lawyer	23-1011	\$105.28	\$35.68	\$140.96
Computer Programmers	15-1251	\$67.62	\$46.15	\$113.77
Medical Secretaries and Administrative Assistants	43-6013	\$27.94	\$18.13	\$46.07
Human Resources Specialists	13-1071	\$49.09	\$42.74	\$91.83
Business Operations Specialist	13-1198	\$59.60	\$41.72	\$101.32
General and Operations Manager	11-1021	\$88.25	\$34.30	\$122.55
Compensation and Benefits Manager	11-3111	\$96.97	\$24.81	\$121.78
Computer and Information Systems Managers	11-3021	\$113.52	\$53.38	\$166.90

³ May 2020 Bureau of Labor Statistics, Occupational Employment Statistics, National Occupational Employment and Wage Estimates at https://www.bls.gov/current/oes_stru.htm.

⁴ <https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/rules-and-regulations/technical-appendices/labor-cost-inputs-used-in-ebsa-opr-ria-and-pra-burden-calculations-june-2019.pdf>

Occupation Title	Occupational Code	Hourly Total Compensation (\$/hr)	Overhead Cost (\$/hr)	Total Hourly Labor Costs (\$/hr)
Medical and Health Services Manager	11-9110	\$83.39	\$21.62	\$105.01
Physician (all other)	29-1228	\$154.74	\$14.66	\$169.40
All occupations	00-0000	\$39.40	\$ 24.92	\$64.32

12.1 Regarding Notice of Right to Good Faith Estimates for Uninsured (or Self-Pay) Individuals (45 CFR 149.610)

Convening providers and facilities are required under 45 CFR 149.610(b) to inform uninsured (or self-pay) individuals of the availability of good faith estimates of expected charges. The notice regarding the availability of good faith estimates for uninsured (or self-pay) individuals must be written in a clear and understandable manner and made available in accessible formats and in the language(s) spoken by individual(s) seeking items and services with such convening provider or convening facility.

Additionally, the notice must be prominently displayed (and easily searchable from a public search engine), on the convening provider’s or convening facility’s website, in the convening provider’s or convening facility’s office, and on-site where scheduling or questions about the cost of items and services occur. These requirements estimate the information collection burdens for three groups of provider types: (1) providers associated with health care facilities, (2) individual physician practitioners, and (3) wholly physician-owned private practices. For all three groups of providers, the requirements apply the same methodology to estimate the burden, consisting of the following steps:

- Drafting notices informing uninsured (or self-pay) individuals of their right to receive a good faith estimate of expected charges.
- Displaying the notices on the provider’s website, in the provider’s office, and on-site where scheduling or questions about the cost of items or services occur.
- Posting a single page notice in at least two prominent locations.
- Printing and materials costs for posting notices.

Details about the requirements of the steps that apply to all three provider groups are described once for providers associated with health care facilities and apply equally to the other two provider groups. Any specific differences in estimating the burden to comply with these requirements are detailed for the specific provider group below. HHS invites comments on the assumptions and calculations made in these ICRs.

Providers Associated with Health Care Facilities

Unique to providers associated with health care facilities, HHS assumes that such providers will enter into agreements with their associated health care facility to provide notice of the availability of good faith estimates of expected charges to uninsured (or self-pay) individuals on their behalf. HHS estimates that it will take an average of two hours for a lawyer to draft an agreement and a medical secretary and

administrative assistant two hours to provide electronic copies to all associated convening providers to sign. As shown in Table 2, this results in an equivalent cost estimate of approximately \$91,770,384 to be incurred as one-time cost in 2022.

HHS cannot estimate how many providers will incur burden to sign the agreement, but assumes the burden to providers will be minimal; the use of electronic signature portals may reduce the burden to the convening provider. In future years, this agreement can be included in the contract between the facilities and providers at no additional cost.

Table 2: Estimated One-Time and Hour Burden for Providers Associated with Facilities to Enter into Agreements to Provide Notice of Right to a Good Faith Estimate

Year	Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours)	Total Burden (Hours)	Total Estimated Cost
2022	245,336	245,336	4	981,344	\$91,770,384*

* This burden is estimated as follows: 245,336 health care facilities x 2 hours = 490,672 hours. A labor rate of \$140.96 is used for a lawyer. The labor rate is applied in the following calculation: 245,336 health care facilities x 2 hours x \$140.96 = \$69,165,125. 245,336 health care facilities x 2 hours = 490,672 hours. A labor rate of \$46.07 is used for a medical secretary and administrative assistant. The labor rate is applied in the following calculation: 245,336 health care facilities x 2 hours x \$46.07 = \$22,605,259. Therefore, 490,672 hours + 490,672 hours = 981,344 total burden hours and \$69,165,125 + \$22,605,259 = \$91,770,384 total annual respondent time cost.

HHS assumes that the associated facility will draft the notices informing uninsured (or self-pay) individuals of their right to receive a good faith estimate of expected charges. Information regarding the availability of good faith estimates for uninsured (or self-pay) individuals must be written in a clear and understandable manner and made available in accessible formats and in the language(s) spoken by individual(s) seeking items and services with such convening provider. Additionally, the notices must be prominently displayed on the convening provider’s website, and in the convening provider’s office, and on-site where scheduling or questions about the cost of items or services occur. Providers may satisfy this requirement by utilizing the language in the standard notice anticipated to be issued by the Department. HHS estimates that for each health care facility, it will take an average of two hours for a lawyer to read and understand the anticipated notice and draft any additions in clear and understandable language, a medical secretary and administrative assistant 30 minutes to prepare the document for posting within the facility, and a computer programmer one hour to post the information in the provider’s website on behalf of the facility. As shown in Table 3, this results in an equivalent cost of approximately \$102,754,069 to be incurred as a one-time cost in 2022.

Table 3: Estimated One-Time Cost and Hour Burden for Health Care Facilities (Including on Behalf of Health Care Providers Associated with Health Care Facilities) to Draft and Post Notice of Good Faith Estimate

Year	Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours)	Total Burden (Hours)	Printing and Materials Costs	Total Estimate Cost
2022	245,336	245,336	2.5	858,676	\$25,752	\$102,754,069*

*This burden is estimated as follows: 245,336 health care facilities x 2 hours = 490,672 hours. A labor rate of \$140.96 is used for a lawyer. The labor rate is applied in the following calculation: 245,336 health care facilities x 2 hours x \$140.96 = \$69,165,125. 245,336 health care facilities x 0.5 hours = 122,668 hours. A labor rate of \$46.07 245,336 health care facilities x 0.5 hours x \$46.07 = \$5,651,315. 245,336 health care facilities x 1 hours = 245,336 hours. A labor rate of \$113.77 is used for a computer programmer. The labor rate is applied to the following calculation: 245,336 health care facilities x 1 hour x \$113.77= \$27,911,877. Therefore, 490,672 hours + 122,668 hours + 245,336 hours = 858,676 total burden hours. Additionally, one-time printing and material costs are estimated using the following calculation: .05 x 2 pages x 245,336 impacted health care facilities = \$25,752 total one-time cost for printing and materials. The total respondent time costs are \$69,165,125 + \$5,651,315 + \$27,911,877 + \$25,752 = \$102,754,069.

HHS assumes that each health care facility will post a single page document in at least two prominent locations so that uninsured (or self-pay) individuals are provided reasonable notice of their right to a good faith estimate of expected charges. A prominent location in the health care facility may include patient appointment check-in kiosks, reception front-desks, patient appointment scheduling locations, and where patients pay bills. The notices should be drafted in clear and understandable language, shorter in length, and printed in legible font size. HHS assumes that each facility will incur a printing cost of \$0.05 per page and materials for a total equivalent cost of \$0.10. Hospitals may have a greater number of posting locations because of building size, therefore, HHS anticipates that hospitals will post four additional notices on average and incur an additional cost of \$0.20 each. This results in a one-time equivalent cost of approximately \$24,534 to all non-hospital health care facilities and an overall one-time cost of approximately \$25,752 when including hospitals.

HHS estimates that the one-time burden for providers and facilities to enter into agreements and for facilities to develop, prepare, print, and post the notices and update their respective websites will be approximately 1,840,020 total burden hours with an associated equivalent cost of approximately \$194,524,453 as shown in Table 4.

Table 4: Total Estimated One-Time Cost and Hour Burden for Health Care Facilities (Including on Behalf of Health Care Providers Associated with Health Care Facilities) to Provide Notice of Right to a Good Faith Estimate *

Year	Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours)	Total Annual Burden (Hours)	Printing and Materials Costs	Total Estimated Cost
2022	245,336	245,336	7.5	1,840,020	\$25,752	\$194,524,453*

*Estimated cost includes the sum of Table 2 and Table 3. It also includes computer programming cost to update health care facility website with right of good faith estimate notice to uninsured (or self-pay) individuals. Total printing and material costs of \$24,534 to all non-hospital healthcare facilities and an overall one-time cost of approximately \$25,752 when including hospitals.

Individual Physician Practitioners

HHS estimates that 145,887 individual physician practitioners will incur burden and cost to comply with this provision.⁵ HHS estimates an average of two hours and thirty minutes for the individual physician practitioner to read and understand the provided notice and draft any additions in clear and understandable language and (for 80% of individual physician practitioners) a computer programmer one hour to post the information in the provider’s website. HHS estimates that the one-time burden for individual physician practitioners to develop, prepare, print, post the notices, and make website updates will be approximately 481,426 total burden hours. This results in an equivalent cost of approximately \$75,075,712. HHS assumes that each individual physician practitioner will incur a printing cost of \$0.05 per page and materials for a total equivalent cost of \$0.10. This results in an annual one-time equivalent cost of approximately \$14,589 to all individual physician practitioners.

HHS estimates that the annual one-time burden for individual physician practitioners to develop, prepare, print, post the notices, and make website updates will be approximately 481,426 total burden hours with an associated equivalent cost of approximately \$75,075,712, as shown in Table 5.

⁵ In generating these estimates, HHS reviewed data from the American Medical Association (AMA) and Kaiser Family Foundation. See Kane C. Policy Research Perspectives Recent Changes in Physician Practice Arrangements: Private Practice Dropped to Less than 50 Percent of Physicians in 2020. Accessed July 15, 2021. <https://www.ama-assn.org/system/files/2021-05/2020-prp-physician-practice-arrangements.pdf>; Professionally Active Physicians. KFF. Published May 20, 2020. <https://www.kff.org/other/state-indicator/total-active-physicians/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22>.

Table 5: Estimated One-Time Cost and Hour Burden for Individual Physician Practitioners to Draft and Post Notice of Good Faith Estimate Notice*

Year	Estimated Number of Respondents (Occupation Type)	Estimated Number of Responses	Burden Per Response (Hours)	Total Annual Burden (Hours)	Printing and Material Costs	Total Estimate Cost
2022	145,887(All Physicians)	145,887	2.5	364,717	\$14,589*	\$61,797,674
2022	116,709** (Additional burden for Subset of Physicians with Websites)	116,709	1	116,709	-	\$13,278,038
Total	-	-	3.5	481,426	-	\$75,075,712***

*HHS estimates that 80 percent (116,709) of individual physician practitioners have a website. Therefore, estimated cost includes computer programming cost to update individual physician practitioners’ websites with right to good faith estimate notice to uninsured (or self-pay) individuals. HHS assumes that each individual physician practitioner will incur a printing cost of \$0.05 per page and materials for a total equivalent cost of \$0.10. Total printing and material costs of \$14,589 are included.

**Note that the 116,709 computer programmers are accounted for in the total number of 145,887 individual physician practitioners that must comply with the requirement.

*** The is calculated as follows: 145,887 individual physician practitioners x 2.5 hours = 364,717 hours. A labor rate of \$169.40 is used for a physician. The labor rate is applied to the following calculation: 145,887 individual physician practitioners x 2.5 hours x \$169.40 = \$61,783,085. HHS assumes that 80 percent of individual physician practitioners have a website resulting in 116,709 websites needed to be updated with good faith estimate notices. HHS assumes that the physician will pay a computer programmer to make the website update. The burden is estimated as follows: 116,709 websites needing updates x 1 hour = 116,709 hours. A labor rate of \$113.77 is used for a computer programmer. The labor rate is applied to the following calculation: 116,709 websites needing updates x 1 hour x \$113.77 = \$13,278,038. Therefore, 364,717 hours + 116,709 hours = 481,426 total burden hours. The total annual respondent time cost is \$61,783,085 + \$13,278,038 = \$75,061,124. Total printing and material costs are of \$14,589. Therefore, \$75,061,124 + \$14,589 = \$75,075,712.9.

Wholly-Physician-Owned Private Practices

HHS estimates that 120,525 wholly physician-owned private practices will incur burden and cost to comply with this provision.⁶ For each practice, HHS estimates an average of two hours and thirty minutes for a general and operations manager to read and understand the provided notice and draft any additions in clear and understandable language and a computer programmer one hour to post the information in the provider’s website. This results in an equivalent cost of approximately \$50,650,005 to be incurred as a one-time cost in 2022. This burden is estimated as follows: 120,525 wholly physician-owned private practices x 2.5 hours = 301,312 hours. A labor rate of \$122.55 is used for a general and operations manager. The labor rate is applied to the following calculation: 120,525 wholly physician-owned private practices x 2.5 hours x \$122.55 = \$36,925,829. 120,525 wholly physician-owned private practices x 1 hour = 120,525 hours. A labor rate of \$113.77 is used for a computer programmer. The labor rate is applied to the following calculation: 120,525 wholly physician-owned private practices x 1 hour x \$113.77 = \$13,712,123. Therefore, the total burden hours are 301,312 + 120,525 = 421,837 and the total equivalent costs are \$36,925,829 + \$13,712,123 = \$50,637,952. The printing and material costs are \$12,052. Therefore, \$50,637,952+ \$12,052 = \$50,650,005.

HHS assumes that each the wholly physician-owned private practice will incur a printing cost of \$0.05 per page and materials for a total equivalent cost of \$0.10. This results in a one-time equivalent cost of approximately \$12,052 to all wholly physician-owned private practices.

HHS estimates that the annual one-time burden for wholly physician-owned private practices to develop, prepare, print, and post the notices, and make website updates will be approximately 421,837 total burden hours with an associated equivalent cost of approximately \$50,650,005, as shown in Table 6.

Table 6: Estimated One-Time Cost and Hour Burden for Wholly Physician-owned Private Practices to Draft and Post Notice of Good Faith Estimate Notice*

Year	Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours)	Total Burden (Hours)	Printing and Material Cost	Total Estimated Cost
2022	120,525	120,525	3.5	421,837	\$12,052*	\$50,650,005**

* Estimated cost includes computer programming cost to update wholly physician-owned private practice website with right of good faith estimate notice to uninsured (or self-pay) individuals. HHS assumes that

⁶ In generating these estimates, HHS reviewed data from the American Medical Association (AMA) and Kaiser Family Foundation. See Kane C. Policy Research Perspectives Recent Changes in Physician Practice Arrangements: Private Practice Dropped to Less than 50 Percent of Physicians in 2020. Accessed July 15, 2021. <https://www.ama-assn.org/system/files/2021-05/2020-prp-physician-practice-arrangements.pdf>; Professionally Active Physicians. KFF. Published May 20, 2020. <https://www.kff.org/other/state-indicator/total-active-physicians/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22>.

each wholly physician-owned private practice will incur a printing cost of \$0.05 per page and materials for a total equivalent cost of \$0.10. Total printing and material costs of \$12,052 are included.

**The total estimated cost burden is the sum of \$36,925,829 (the cost for wholly physician-owned practices to have a general and operations manager draft and post GFE) + \$13,712,123 (the cost for a computer programmer to update the practice website) + \$12,052 (the cost for printing and materials) = \$50,650,005. These costs represent 3.5 burden hours per response.

Summary

HHS estimates that the one-time burden for health care providers (including providers associated with health care facilities, individual physician practitioners, and wholly physician-owned private practices) and health care facilities to provide notice of the right to a good faith estimate of expected charges to uninsured (self-pay) individuals will be approximately 2,743,283 total burden hours with an associated equivalent cost of approximately \$320,250,169 as shown in Table 7.

Table 7: Estimated Total One-Time Cost Related to Notice of Right to Good Faith Estimate*

Year	Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours) ⁷	Total Annual Labor Burden (Hours)	Total Printing and Material Costs	Total Estimated Cost
2022	511,748	511,748	15.5	2,743,283	\$52,393	\$320,250,169

*Tables 4, 5 and 6 are combined to present total estimated amounts. Calculations for the total annual labor burden (in hours) are presented in Tables 4, 5, and 6. This table presents a cumulative 15.5 hours of burden per response for summary purposes.

12.2 Good Faith Estimate of Expected Charges upon Request of Uninsured (or self-pay) Individuals and for Scheduled Items and Services (45 CFR 149.610)

These interim final rules require a convening provider or facility to provide a good faith estimate of expected charges to uninsured (or self-pay) individuals for scheduled items and services and upon request (45 CFR 149.610) including those items or services furnished by a co-provider or co-facility in conjunction with the primary items or services. HHS estimates that approximately 3,498,942 uninsured (or self-pay) individuals will be impacted by this rule requirement.⁸ A total of 511,748 providers

⁷ This includes the time for providers associated with health care facilities to enter into agreements with health care facilities to provide good faith estimates on their behalf.

⁸ The number is estimated as follows: 51,744,200 nonemergency elective procedures (surgical and non-surgical) performed annually x 9.2% uninsured rate = 4,760,466. HHS assumes that some uninsured populations will forego elective procedures because of costs. Therefore, a 30% decrease adjustment was included resulting in 3,332,326. HHS also assumes a 5% adjustment for good faith estimate inquires only resulting in a final value of 3,498,942. See Squitieri, Lee et al. “Resuming Elective Surgery during Covid-19: Can Inpatient Hospitals Collaborate with Ambulatory Surgery Centers?” Plastic and reconstructive surgery. Global open vol. 9,2 e3442. 18 Feb. 2021, doi:10.1097/GOX.0000000000003442 (The study estimates 4,297,850 nonemergency elective procedures (surgical and non-surgical) are performed each month. This value was multiplied by 12 months = 51,574,200. HHS adjusted by approximately one-third of one percent to account annual increase in volume since study publication resulting in 51,744,200). See also KFF [Health Insurance Coverage of the Total Population](#).

associated with health care facilities, individual physician practitioners, and wholly physician-owned private practices will incur the burden and costs associated with generating a good faith estimate.⁹ HHS welcomes comments on this estimate.

HHS estimates that it will take an average of 30 minutes for a business operations specialist to determine a patient's insurance status, orally inform the patient of their right to receive a good faith estimate of expected charges, and provide an oral good faith estimate, if no additional items and services are needed. HHS assumes 1,749,471 (50 percent) of uninsured (or self-pay) individuals fall in this category. Therefore, the annual equivalent cost estimate for provision of good faith estimates where no additional items and services are needed is of \$88,628,201. This burden is estimated as follows: 1,749,471 uninsured individuals in need of good faith estimates without additional items and services x 0.50 hours = 874,736 hours. A labor rate of \$101.32 is used for a business operations specialist. The labor rate is applied in the following calculation: 1,749,471 claims x 0.50 hours x \$101.32 = \$88,628,201.

HHS estimates that it will take an average of 30 minutes for a business operations specialist to generate a good faith estimate of expected charges furnished by a co-provider and co-facility for items and services to the convening provider. Given that 1,749,471 (50 percent) of uninsured individuals require additional items and services, the same number (1,749,471) of claims will be generated by co-providers or co-facilities. Therefore, the annual equivalent cost estimate for good faith estimates sent to convening providers by co-providers or co-facilities is \$88,628,201. This burden is estimated as follows: 1,749,471 uninsured individuals in need of good faith estimates with additional items and services x 0.50 hours = 874,736 hours. A labor rate of \$101.32 is used for a business operations specialist. The labor rate is applied in the following calculation: 1,749,471 claims x 0.50 hours x \$101.32 = \$88,628,201. HHS assumes that all communication between convening provider and convening facility, and co-provider or co-facility will be done electronically.

HHS estimates that it will take an average of one hour for a business operations specialist to determine a patient's insurance status, inform uninsured (or self-pay) individuals of their right to receive a good faith estimate of expected charges, and provide a good faith estimate, if additional items and services are needed from a co-provider or co-facility. HHS assumes 1,749,471 (50 percent) of uninsured individuals fall in this category. Therefore, the annual equivalent cost estimate is \$177,256,402. This burden is estimated as follows: 1,749,471 claims x 1 hour = 1,749,471 hours. A labor rate of \$101.32 is used for a business operations specialist. The labor rate is applied in the following calculation: 1,749,471 claims x 1 hour x \$101.32 = \$177,256,402.

Thus, a total of \$265,884,603 is estimated for business operations specialists, when adding the cost if no additional items and services are needed (\$88,628,201) to the cost of items and services from co-providers and co-facilities (\$177,256,402). Thus, the cost to generate a good faith estimate for both cases where additional items and services are needed and where no additional items and services are needed is \$354,512,803.

HHS estimates that approximately 90 percent of uninsured (or self-pay) individuals will receive a good faith estimate of expected charges through the mail that is two pages in length.¹⁰ The remaining 10 percent of uninsured (or self-pay) individuals will receive the good faith estimate via email correspondence; burden and costs are therefore accounted for in the two preceding paragraphs. HHS assumes that each convening provider or facility will incur a printing cost of \$0.05 per page and materials

⁹ These estimates include the total number of health care facilities and health care providers from the preceding ICR Regarding Notice of Right to Good Faith Estimate.

¹⁰ HHS assumes that the good faith estimate will be printed in 8.5" x 11" letter sized paper.

for a total equivalent cost of \$0.10 per good faith estimate. Therefore, the annual equivalent cost estimate for printing good faith estimates is \$314,905 for all health care providers and health care facilities. This estimate is calculated as follows: \$0.05 cost per page x 2 pages x 3,149,048 uninsured individuals who receive a written good faith estimate = \$314,905.

HHS assumes that 5 percent of uninsured (or self-pay) individuals (i.e., 157,452 uninsured (or self-pay) individuals) will request a mailed copy of their written good faith estimate of expected charges to a preferred location.¹¹ HHS assumes that it will take an average of fifteen minutes for a medical secretary and administrative assistant to print and mail the good faith estimate to the uninsured (or self-pay) individual. HHS estimates a postage cost of \$0.55 per mailing. Therefore, the annual equivalent cost estimate is \$1,900,057 to mail the good faith estimate for all health care providers and health care facilities.

Table 8: Estimated Annual Cost and Hour Burden per Response per Health Care Provider and Health Care Facility to Accept and Fulfill Requests for Mailed Good Faith Estimates of Expected Charges (Mailing Costs Only)

Occupation	Burden Hours per Respondent	Labor Cost per Hour	Total Mailing Cost per Respondent
Medical Secretary and Administrative Assistant	0.25	\$46.07	\$3.71*
Total per Respondent	0.25	-	\$3.71

Table 9: Estimated Annual Cost and Hour Burden for All Health Care Providers and Health Care Facilities to Accept and Fulfill Requests for Mailed Good Faith Estimates of Expected Charges

Number of Respondents	Number of Responses	Burden Hours per Respondent	Total Burden Hours	Total Labor Costs of Reporting	Mailing Cost	Total Annual Cost
511,748	157,452	0.25	39,363	\$1,813,458	\$86,599	\$1,900,057**

* The cost per respondent is calculated as: \$1,900,057 in medical secretary and administrative assistant annual respondent time cost to mail good faith estimate and mailing costs (printing costs are already accounted for in preceding section) divided by 511,748 health care providers and healthcare facilities = \$3.71 cost per respondent.

**The burden is estimated as follows: 157,452 good faith estimates x 0.25 hours = 39,363 hours. A labor rate of \$46.07 is used for a medical secretary and administrative assistant. The labor rate is applied in the following calculation: 157,452 good faith estimates x 0.25 hours x \$46.07 = \$1,813,458. Therefore, 157,452 mailed good faith estimates x \$0.55 postage cost = \$86,599 in mailing costs + \$1,813,458 in annual respondent time cost = \$1,900,057.

¹¹ An estimated 3,149,048 uninsured individuals who receive a written good faith estimate x 5% = 157,452 uninsured individuals who request a mailed good faith estimate of expected charges.

Summary

HHS estimates the annual cost to a convening provider or facility to provide a good faith estimate of expected charges to uninsured (or self-pay) individuals for scheduled items and services and upon request between 2022-2024 to be \$356,727,765 (inclusive of printing, materials, mailing costs) and total burden hours of 3,538,305.

HHS estimates the annual cost for printing and materials to provide a written good faith estimate to uninsured individuals to be \$314,905. The mailing costs of good faith estimates to uninsured (or self-pay) individuals is \$86,599 with an annual total burden hour estimate of 39,363 hours and a total annual respondent time cost of \$1,813,458. This estimate is included in the total cost of \$356,727,765. HHS invites comments on the assumptions and calculations made in this ICR.

Table 10: Annual Burden and Total Cost Related to Provision of Good Faith Estimates for Uninsured (or-Self- Pay) Individuals (Labor, Printing, and Mailing)

Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours)	Total Annual Burden (Hours)	Total Annual Respondent Time Cost	Printing and Mailing Costs (Labor Cost Included)*	Total Estimated Cost
3,498,942	3,498,942	2.0	3,498,942	\$354,512,803	\$2,214,961	\$356,727,765**

* This is calculated as follows: \$314,905 in printing costs + \$86,599 in mailing costs + \$1,813,458 in estimated annual respondent time cost to mail good faith estimate = \$2,214,961. HHS assumes that it will take an average of fifteen minutes for a medical secretary and administrative assistant to print and mail the good faith estimate to the uninsured (or self-pay) individual. The annual burden hours associated with printing and mailing a good faith estimate of expected charges is 39,363 hours.

** The total estimated cost burden is the sum \$88,628,201 (the GFE costs without co-providers or co-facilities) + \$177,256,402 (the GFE costs with co-providers or co-facilities) + \$88,628,201 (the GFE costs to convening providers) + \$2,214,961 (printing and mailing costs, including labor).

12.3 Patient-Provider Dispute Resolution Process (45 CFR 149.620)

The burden estimates for the PPDR process are currently approved under Department of Labor's No Surprises Act: IDR Process information collection request (ICR) (OMB control number 1210-0169).

12.4 Selected Dispute Resolution Entity Certification and Recertification (45 CFR149.620(d))

An SDR entity must be certified under standards and procedures set forth in guidance promulgated by the Secretary. HHS has certified one SDR entity and has concluded the process for SDR entity certification for 2021-2022. In subsequent years, HHS estimates that one SDR entity will need to be recertified or reapproved, through the contracting process, and that on average it will take a general and operations manager two hours and medical secretary and administrative assistant 15 minutes to satisfy the requirement. This results in a one time cost burden of \$257 in 2023.

The total hour burden associated with the SDR entity certification or re-certification is 2.25 hours with an equivalent cost of \$257. HHS invites comments on the assumptions and calculations made in this ICR.

Table 11: Annual Burden and Cost Related to Patient-Provider SDR Entity Re-Certification Process

Year	Estimated Number of Respondents	Estimated Number of Responses	Burden Per Response (Hours)	Total Annual Burden (Hours)	Total Estimated Cost
2023	1	1	2.25	2.25	\$257*

* The burden is estimated as follows: (1 SDR entity x 2 hours) + (1 SDR entity x 0.25 hours) = 2.25 hours. A labor rate of \$122.55 is used for a general and operations manager and a labor rate of \$46.07 is used for medical secretary and administrative assistant. The labor rates are applied in the following calculation: (1 SDR entity x 2 hours x \$122.55) + (1 SDR entity x 0.25 hours x \$46.07) = \$257.

HHS will assess the SDR entity’s standards as part of contracting per the contract period.

Table 12: Summary of Annual Collection of Information Requirements and Burden Estimates

Regulation Section(s)	Number of Respondents	Number of Responses	Burden per Response (hours)	Total Annual Burden (hours)	Total Annual Cost (\$)
Regarding Notice of Right to Good Faith Estimates for Uninsured (or Self-Pay) Individuals (45 CFR 149.610)	511,748	511,748	15.5	2,743,283	\$320,250,169
Good Faith Estimate of Expected Charges upon Request of Uninsured (or self-pay) Individuals and for Scheduled Items and Services (45 CFR 149.610)	3,498,942	3,498,942	2.0	3,498,942	\$356,727,765
Selected Dispute Resolution Entity Certification and Recertification (45 CFR 149.620(d))*	1.0	1.0	2.25	2.25	\$257
Totals	4,010,691	4,010,691	20	6,242,227	\$676,978,191

* The recertification takes place once in 2023 with a one-time associated cost of \$257.

13. Capital Costs

HHS estimates a total printing and materials cost of \$52,393 to post notice of good faith estimates by providers associated with health care facilities, individual physician practitioners and wholly physician-owned private practices. Furthermore, HHS estimates the costs associated with printing, materials and mailing a good faith estimate of expected charges for all health care providers and health care facilities to be \$2,214,961. Therefore, the overall printing, materials and mailing cost associated with sending good faith and dispute resolution related notices is estimated to be \$2,267,354.¹²

14. Cost to Federal Government

There are no costs to the Federal government associated with this information collection.

15. Changes to Burden

This is a new request for an OMB control number.

16. Publication/Tabulation Dates

There are no plans to publish the outcome of the information collection.

17. Expiration Date

The expiration date will be displayed on the first page of each instrument (top, right-hand corner).

¹² HHS assumes that notices will be printed in 8.5" x 11" letter sized paper, \$0.05 cost in printing and materials cost per page and \$0.55 in postage cost.