CMS Response to Public Comments Received in Response to the Accrediting Organizations - Changes of Ownership Proposed Rule (CMS-3368-P)

The Centers for Medicare and Medicaid Services (CMS) received the following public comments in response to the burden estimates contained in the Collection of Information Requirements (COI.) section of the proposed rule:

<u>Comment:</u> One commenter stated that the development of a transition plan will engage employees in both the business operations and accreditation operations departments within the AO(s). This commenter suggested that the estimated time and cost burden of \$8,014 to allow for the work performed by business operations.

Response: We agree with this commenter that there could be a business person such as an accountant or auditor involved in the preparation of the transition plan. Therefore, we have revised the burden estimate for this task to include a time burden of 45 hours for an additional person who would be an accountant or auditor. This change increased the hourly burden estimate for the preparation of the transition plan from 90 to 135 hours.

<u>Comment</u>: One commenter suggested that the estimated time burden of 1 hour for a development of a response to a CMS request for additional information be increased to 8 hours. The commenter stated that while one individual will prepare the response, it will require multiple layers of internal review, approval, and communication as well as delivery to CMS.

<u>Response:</u> We appreciate this commenter's input. We agree that there would be layers of administrative review for any documentation requirements. However, we do not believe that this administrative review should be included in the burden estimate, because this is a task that is performed in the normal course of business and therefore would not be considered burden. Given the unpredictable nature of the "CMS request for additional information" we believe that the current burden estimate of 1 hour to perform this task is too low.

If the AO provides all of the information required by § 488.5(f)(2)(iii), CMS would need to request little, if any, additional information. However, if the AO fails to provide some of the information required by § 488.5(f)(2)(iii), we believe that the time spent by the AO to provide this information in response to a request from CMS for additional information would still be covered under our initial burden estimate for § 488.5(f)(2)(iii). Therefore, we do not agree with this commenter that the time required for the prospective owner to submit "additional documentation" should be increased to 8 hours. This request for additional information and/or documentation would occur only after CMS has received and reviewed the required documentation from the prospective new owner and found that there was missing or incomplete information or that we needed additional clarifying information.

CMS Response to Public Comments Received in Response to the Accrediting Organizations - Changes of Ownership Proposed Rule (CMS-3368-P)

We have increased the estimated time burden for this task to 3 hours. However, we note that this requirement would not be a regularly occurring burden under these regulations but would only be required when and if CMS needs additional information from the AO.

<u>Comment:</u> One commenter stated that the hours assigned for the preparation of the CHOW application was estimated to be two staff (one RN and one health services manager) for 2 hours each for a total of 4 hours. This commenter suggested that the amount of staff working in this task should be increased to three (two RNs and one health services manager), and the time spent on this task should be increased to 8 hours per each person for each a total of 24 hours.

<u>Response</u>: We thank the commenter for their concern. However, we did not provide a specific burden estimate for the task of preparing an application which would be performed by two RNs for a period of 2 hours each. We did provide specific time and cost burden estimates for the gathering and submission of required documentation set forth in § 488.5(f)(1) and §488.5(f)(2)(iii). We have revised this burden estimate in response to public comments received. We believe that this burden estimates, as revised, provide an accurate estimate of the burden related to the requirements of § 488.5(f)(2).