

SUPPORTING STATEMENT - PART A

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

Summary of Changes from Previously Approved Collection

- The burden has decreased due to a reduction in the estimated total number of respondents. In 2019, the estimated number of respondents was 5,910,000. The number of respondents is now estimated to be 5,797,500.

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, “Third Party Collection Program/Medical Services Account/Other Health Insurance,” 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 is collected by 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 (respondent) fills out the DD Form 2569 “Third Party Collection Program/Medical Services Account/Other Health Insurance” manually, on paper, or electronically, certifying whether they are eligible for VA benefits and/or have OHI. The form is completed electronically using an electronic signature pad that interfaces with the e2569 module in the Armed Forces Billing and Collections Utilization Solution (ABACUS). The electronic signature pad method asks the same questions as the DD Form 2569.

Once the form is completed by the patient, manually or electronically, the information is then entered and stored (by the MTF administrative staff) in the Composite Health Care System (CHCS) database, MHS GENESIS, or future financial and/or billing system. This information is then also stored in DEERS. 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

Currently, the use of electronic signature pads is estimated at 40% and use of the paper DD Form is 60%. This has not changed from the previous estimated electronic submission rate of 40% in 2019. 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.

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 (FRN) for the collection published on Tuesday, May 24, 2022. The 60-Day FRN citation is 87 FR 31541-31542.

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

A 30-Day Federal Register Notice for the collection published on Thursday, September 8, 2022. The 30-Day FRN citation is 87 FRN 54984.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the Federal Register 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.

The following SORNS are associated with this collection:

- DMDC 02 DoD-DEERS which is available at [DMDC-02-DoD.pdf \(defense.gov\)](#)
- Defense Health Agency EDHA 07, "Military Health Information System", available at [EDHA-07.pdf \(defense.gov\)](#),
- Defense Health Agency EDHA 12, "Third Party Collection System", available at <https://dpcl.dod.mil/Privacy/SORNSIndex/DOD-wide-SORN-Article-View/Article/570677/edha-12/>
- Defense Health Agency EDHA 07, "Military Health Information System", available at [EDHA-07.pdf \(defense.gov\)](#)

The following PIAs are associated with this collection:

- Defense Enrollment Eligibility Reporting System (DEERS), https://www.dhra.mil/Portals/52/Documents/Privacy/PIA/DEERS_PIA_2021_Public.pdf

- Composite Health Care System (CHCS), <https://health.mil/Reference-Center/Forms/2014/07/29/PIA-Summary-Composite-Health-Care-System>
- Armed Forces Billing and Collection Utilization Solution (ABACUS), <https://health.mil/Reference-Center/Forms/2019/04/22/PIA-Summary-Armed-Forces-Billing-And-Collection-Utilization-Solution-Amazon-Web-Services-ABACUS-AWS>
- Defense Healthcare Management System Modernization Electronic Health Record (DHMSM EHR)/MHS GENESIS, <https://health.mil/Reference-Center/Forms/2019/09/30/PIA-Summary-DHMSM-EHR>

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 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 with this package.

12. Respondent Burden and its Labor Costs

Part A: ESTIMATION OF RESPONDENT BURDEN

1) Collection Instrument

DD Form 2569

- a) Number of Respondents: 2,319,000
- b) Number of Responses Per Respondent: 1.5
- c) Number of Total Annual Responses: 3,478,500
- d) Response Time: 4 minutes
- e) Respondent Burden Hours: 231,900 hours

2) Collection Instrument

e2569 module

- a) Number of Respondents: 1,546,000
- b) Number of Responses per Respondent: 1.5
- c) Number of Total Annual Responses: 2,319,000
- d) Response Time: 4 minutes
- e) Respondent Burden Hours: 154,600

3) Total Submission Burden

- a) Total Number of Respondents: 3,865,000

- b) Total Number of Annual Responses: 5,797,500
- c) Total Respondent Burden Hours: 386,500 hours

There are 3,865,000 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 3,865,000 respondents (1,932,500) update their health insurance forms during the year for a total of 5,797,500 responses received by the government each year.

Part B: LABOR COST OF RESPONDENT BURDEN

- 1) Collection Instrument
DD Form 2569
 - a) Number of Total Annual Responses: 3,478,500
 - b) Response Time: 4 minutes
 - c) Respondent Hourly Wage: \$31.58
 - d) Labor Burden per Response: \$2.11
 - e) Total Labor Burden: \$7,323,402

- 2) Collection Instrument
e2569 module
 - a) Number of Total Annual Responses: 2,319,000
 - b) Response Time: 4 minutes
 - c) Respondent Hourly Wage: \$31.58
 - d) Labor Burden per Response: \$2.11
 - e) Total Labor Burden: \$4,882,268

- 3) Overall Labor Burden
 - a) Total Number of Annual Responses: 5,797,500
 - b) Total Labor Burden: \$12,205,670

Source: <http://www.bls.gov/web/empsit/ceseesummary.htm> (Bureau of Labor Statistics national average hourly wage for all employees February 2022)

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

Part A: LABOR COST TO THE FEDERAL GOVERNMENT

- 1) Collection Instrument

DD Form 2569

- a) Number of Total Annual Responses: 3,478,500
- b) Processing Time per Response: 5 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$16.60
- d) Cost to Process Each Response: \$1.38
- e) Total Cost to Process Responses: \$4,811,925

2) Collection Instrument

e2569 module

- a) Number of Total Annual Responses: 2,319,000
- b) Processing Time per Response: 5 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$16.60
- d) Cost to Process Each Response: \$1.38
- e) Total Cost to Process Responses: \$3,207,950

3) Overall Labor Burden to the Federal Government

- a) Total Number of Annual Responses: 5,797,500
- b) Total Labor Burden: \$8,019,875

Source: [GS Pay Scale | 2022 General Schedule Pay Scale for Federal Employees \(federaljobs.net\)](#) (2022 GS Pay Scales)

Part B. OPERATIONAL AND MAINTENANCE COSTS

1) Cost Categories

- a) Equipment: \$0
- b) Printing: \$0.06/completed form * 2,319,000 (# electronic forms received that may be printed) = \$139,140.00
- c) Postage: \$0
- d) Software Purchases: \$0
- e) Licensing Costs: \$0
- f) Other: \$0

2) Total Operational and Maintenance Cost: \$139,140

Part C: TOTAL COST TO THE FEDERAL GOVERNMENT

1) Total Labor Cost to the Federal Government: \$139,140

2) Total Operational and Maintenance Costs: \$8,019,875

3) Total Cost to the Federal Government: \$8,159,015

15. Reasons for Change in Burden

The burden has decreased due to a reduction in the estimated total number of respondents. In 2019, the estimated number of respondents was 5,910,000. The number of respondents is now estimated to be 5,797,500.

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.