

# ***Supporting Statement for Paperwork Reduction Act Submissions***

*National Plan and Provider Enumeration System (NPPES) Supplemental Data Collection  
CMS-10749/OMB control number: 0938-NEW*

## **A. Background**

The adoption by the Secretary of HHS of the standard unique health identifier for health care providers is a requirement of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The unique identifier is to be used on standard transactions and may be used for other lawful purposes in the health care system. The CMS Final Rule published on January 23, 2004 adopts the National Provider Identifier (NPI) as the standard unique health identifier for health care providers. Health care providers that are covered entities under HIPAA must apply for and use NPIs in standard transactions. Other health care providers are eligible for NPIs but are not required by regulation to apply for them or use them. Health care providers began applying for NPIs on May 23, 2005.

The National Provider Identifier Application and Update Form is used by health care providers to apply for NPIs and furnish updates to the information they supplied on their initial applications. The form is also used to deactivate their NPIs if necessary. The original application form was approved in February 2005 and has been in use since May 23, 2005. The form is available on paper or can be completed via a web-based process. Health care providers can mail a paper application, complete the application via the web-based process via the National Plan and Provider Enumeration System (NPPES), or have a trusted organization submit the application on their behalf via the Electronic File Interchange (EFI) process. The Enumerator uses the NPPES to process the application and generate the NPI. NPPES is the Medicare contractor tasked with issuing NPIs, and maintaining and storing NPI data.

The National Provider Identifier (NPI) Application processes over 1 million new provider and/or updates to existing application annually.

Less than 2.75% of all changes are made via OMB- 0938-0931(National Provider Identifier (NPI) Application/Update Form- CMS- 10114). This allows providers to submit and update paper application information for the creation of and /or update existing information for the National Provider Identifier (NPI). OMB- 0938-0931 collects data for both individual and organizational applications.

A vast majority of providers (97.4%) utilize the web application (90.1%) or the Electronic File Interchange (EFI [7.3%]) process. There have been multiple updates to the Web based application to support current CMS operational needs, (Office of Minority Health and the 21<sup>st</sup> Century Cures Act, interoperability.

The following are included in this new request for the optional data field information:

Office of Minority Health

1. Demographic Information (Ethnicity and Race information)
  - a. Primary and Secondary Languages Spoken by provider
  - b. Identification of primary location as home address.
  - c. Primary and Secondary Languages Spoken in practice locations
2. Organization Information
  - a. Organization Name
  - b. Office Hours
  - c. Office, exam room, medical equipment accessible to individuals with mobility disabilities
  - d. Multiple Practice Locations (only one is collected on the paper form but Web allows multiple)
  - e. Multiple Contact Person (only one is collected on the paper form but Web allows multiple)

21<sup>st</sup> Century Cures Act, interoperability.

1. Endpoint Information
  - a. Endpoint Type
  - b. Endpoint
  - c. Endpoint description
  - d. Endpoint Use
  - e. Endpoint Content Type
  - f. Is the Endpoint affiliated to another Organization?
  - g. Endpoint Location

This PRA package is solely used for the optional data fields in the WEB application only.

**B. Justification**

**1. Need and Legal Basis**

Data collected for the Office of Minority Health:

Current law invests in the implementation of a new health data collection and analysis strategy. This strategy contains provisions to strengthen federal data collection efforts by requiring that all national federal data collection efforts collect information on race, ethnicity, sex, primary language and disability status. The law also provides the Department of Health and Human Services (HHS) the opportunity to collect additional demographic data to further improve our understanding of healthcare disparities.

The law requires that data collection standards for these measures be used, to the extent that it is practical, in all national population health surveys. It applies to self-reported optional information only. The law also requires any data standards published by HHS to comply with standards created by the Office of Management and Budget (OMB).

The web based optional data fields can be seen in Appendix A1: Data Collected for the Office of Minority and Appendix A2: Data collected for the 21<sup>st</sup> Century Cures Act, interoperability.

The standards apply to population health surveys sponsored by HHS, where respondents either self-report information or a knowledgeable person responds for all members of a household. HHS is implementing these data standards in all new surveys.

## **2. Purpose and users of the information**

The application is used by the NPPES contractor to collect data ensures that the applicant has the necessary information for unique identification. Information collected from the health care providers in order to be assigned NPIs and the updates to that information are stored and maintained in the NPPES. Information about health care providers is needed in order to uniquely identify them so they can be assigned unique NPIs. If they are not uniquely identified, the same health care provider could be assigned more than one NPI. The NPPES captures the information from the application form, uniquely identifies the health care provider, and assigns it an NPI.

## **3. Use of Information Technology**

This collection lends itself to electronic collection methods and is currently available through the NPPES website. The NPPES website is a secure, intelligent and interactive national data storage system maintained and housed at the Virtual Data Center (VDC) hosted by the Companion Data Services (CDS), which is the company that maintains CMS' Data Centers. It has limited user access through strict CMS systems access protocols. Access to the data maintained in NPPES is limited to CMS, NPPES contractor employees responsible for provider NPI processing, and the providers who have NPI files in NPPES. These providers only have access to their own files. The data stored in NPPES mirrors the data collected on the CMS-10114 (National Provider Identifier (NPI) Application/Update Form) (OMB- 0938-0931) and is maintained indefinitely as both historical and current information. NPPES also supports an Internet-based provider/supplier platform which allows the provider/supplier to complete a web based CMS-10114 application and transmit it to the NPPES contractor database for processing, including an upload file capability (also known as EFI submission) for approved provider organizations that helps to facilitate the enumeration process. NPPES has also adopted an electronic signature standard. Periodically, CMS will require adjustment to the format of the CMS-10114 form (either paper, electronic or both) for clarity and to improve optional data fields. These adjustments do not alter the current OMB data collection approval.

#### 4. **Duplication Efforts**

*The CMS-10114 – OMB- 0938-0931 The National Provider Identifier Application/Update Form Revision* (paper application) was published for the 60-day comment period on June 8<sup>th</sup>. The burden for the NPI application is included in that PRA package. The data fields in the PRA package for OMB-0938-0931 are required by regulations; unlike this new PRA package which only includes burden for the optional data fields, collected on the web application.

#### 5. **Small Businesses**

There will be minimal impact on small businesses as the length of time to read, complete, and submit the online form is expected to be less than ten minutes.

#### 6. **Less Frequent Collection**

After the application for an initial NPI, this information is collected on an as needed basis as the regulation also mandates that health care providers notify NPPES of updates to their NPI data within 30 days of the update.

#### 7. **Special Circumstances**

There are no special circumstances associated with this collection.

#### 8. **Federal Register Notice/Outside Consultation**

A 60-day notice will publish in the Federal Register XX/XX/XXXX.

#### 9. **Payments/Gifts to Respondents**

There are no payments or gifts to the respondents as a result of completing this form.

#### 10. **Confidentiality**

CMS will comply with all Privacy Act, Freedom of Information laws and regulations that apply to this collection. Privileged or confidential commercial or financial information is protected from public disclosure by Federal law 5 U.S.C. 522(b)(4) and Executive Order 12600.

#### 11. **Sensitive Questions**

There are no sensitive questions associated with this information.

## 12. Burden Estimate (Total Hours & Costs)

### A. Burden Estimate

CMS is calculating burden based on the number of actual applications processed for calendar year 2019 and NPPES data compiled. Burden has been estimated based on the number of affected users, reasons to collect the data, and the data collection methods.

The hour burden to the respondents is calculated based on the following assumptions:

- There were 999,291 applications for initial NPIs in 2019 using the NPPES Web and NPPES Web using EFI process.
- The electronic and EFI (which is also electronic but takes a different format) collection will be counted in the burden hours.
- Completion of the application takes 0.17 hours (10 minutes).

CMS estimates the new total burden hours for this information collection to be 169,880 hours. These figures are calculated based on when/why and how long it takes a respondent to complete and submit this application.

### HOURS ASSOCIATED WITH COMPLETING THE APPLICATION:

A. 924,669 respondents completing the application form via NPPES Web

B. 74,622 respondents completing the application form via NPPES Web using EFI process

- There were 999,291 applications for initial NPIs in 2019 using the NNPES Web and NPPES Web using EFI process.
- The electronic and EFI (which is also electronic but takes a different format) collection will be counted in the burden hours.
- Completion of the application takes 0.17 hours (10 minutes).
- Cost to the respondents is calculated as follows based on the following assumptions:
  - The CMS-10114 can be completed by administrative staff and reviewed and signed by professional staff, and
  - The record keeping burden is included in the time determined for completion by administrative staff.
- Based on the information above, CMS has split the cost burden as follows:
  - Office and administrative support workers complete the application in approximately 8 minutes, or 0.135 hours, and
  - Health diagnosing and treating practitioners review and sign the application in approximately 2 minutes, or 0.035 hours.

**Table 1: Burden Hours**

<b>Collection Types</b>	<b>Respondents</b>	<b>Responses</b>	<b>Time (hours)</b>	<b>Total hours</b>
<b>NPPES WEB Application</b>	924,669	1	0.17	157,194 hours
<b>NPPES Web Application using EFI process</b>	74,622	1	0.17	12,686 hours
<b>TOTAL</b>	999,291 Respondents			169,880 hours

**B. Burden Estimate (costs)**

- CMS used the hourly wage calculations which were taken from the most recent wage data provided by the Bureau of Labor Statistics (BLS) for May 2019 (see [http://www.bls.gov/oes/current/oes\\_nat.htm#43-0000](http://www.bls.gov/oes/current/oes_nat.htm#43-0000)), indicating the mean hourly wage for the general categories of "Office and Administrative Support Occupations" and "Health Diagnosing and Treating Practitioners." CMS adjusts the employee hourly wage estimates by a factor of 100 percent. This is necessarily an estimation, both because fringe benefits and overhead costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, there is no practical alternative and we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

**Table 2: Wage Rates**

<b>Wage Category</b>	<b>Base Wage Rate</b>	<b>Wage Rate + Fringe Benefits (100%)</b>
Office and Administrative Support Occupations	\$19.73	\$39.46
Health Diagnosing and Treating Practitioners	\$49.26	\$98.52

The cost burden to the respondents is calculated based on the following assumptions:

COSTS ASSOCIATED WITH COMPLETING THE APPLICATION:

CMS estimates the new total burden cost for this information collection to be \$8,773,774.98 for 999,291 Respondents. These figures are calculated based on when/why and how long it takes a respondent to complete and submit this application as well as who is completing and signing the application.

A. 924,669 respondents completing the application form via NPPES Web

0.135 hours (8 minutes) x \$39.46 = \$5.33 per application completed by office and administrative support workers

0.035 hours (2 minutes) x \$98.52 = \$3.45 per application reviewed and signed by Health Diagnosing and Treating Practitioners

Subtotal 1 = \$5.33 + \$3.45 = \$8.78 per application

Total 1: 924,669 respondents x \$8.78 per application = \$8,118,593.82 annually for completion of the applications via NPPES Web

B. 74,622 respondents completing the application form via NPPES Web using EFI process

0.135 hours (8 minutes) x \$39.46 = \$5.33 per application completed by office and administrative support workers

0.035 hours (2 minutes) x \$98.52 = \$3.45 per application reviewed and signed by Health Diagnosing and Treating Practitioners

Subtotal 1 = \$5.33 + \$3.45 = \$8.78 per application

Total 2: 74,622 respondents x \$8.78 per application = \$655,181.16 annually for completion of the applications via NPPES Web using EFI process

TOTAL FOR APPLICATIONS:

Total 1 + Total 2 = \$8,118,593.82 + \$655,181.16 = \$8,773,774.98 total cost for the application using the form

**Table 3: Total Burden for Supplemental Data Collection**

<b>Data Collection Activity</b>	<b>Respondents</b>	<b>Responses Per Year</b>	<b>Time Per Response (hours)</b>	<b>Total Burden Per Year (hours)</b>	<b>Cost per Hour</b>	<b>Total Burden Costs Per Year Using Loaded Rate</b>
<b>NPPES Web Application using EFI process</b>	924,699	1				\$8,118,593.82
<b>NPPES Web Application using EFI process</b>	74,622	1				\$655,181.16
Total	999,291					\$8,773,774.98

13. **Capital Costs**

There are no capital costs associated with this collection.

14. **Cost to the Federal Government**

There is no cost to the federal government for this information collection.

15. **Changes to Burden**

This is a new request for an OMB control number. Currently, the burden hours for the application using the NPPES Web and the NPPES Web using EFI process is 169,880 hours with approximately 999,291 respondents.

16. **Publication/Tabulation Dates**

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

17. **Expiration Date**

We are planning on displaying the expiration date on the right hand top corner of the instructions on page one as well as the top right hand corner of the form itself on page 3.

