

Supporting Statement for Hospice Request for Certification in The Medicare Program (Form CMS-417)

A. BACKGROUND

This is a request for a reinstatement with changes to the CMS-417 form, which is titled “*Hospice Request for Certification in the Medicare Program.*” The CMS-417 form is approved under OMB control number 0938-0313 and the current approval expired on 11/30/2024.

We have made several changes to the CMS-417 form that make it easier to read, understand and complete. For example, we made the data fields larger to provide more space in which to provide responses. We have also reformatted the data fields and available responses to make them easier to understand and complete. In addition, we have added a new data field to collect the title of the person signing the CMS-417 form. We believe it is important to collect this information to ensure that the person completing and signing the form has the proper authority to do so. Finally, we made the instruction more comprehensive. We have submitted a change crosswalk that provides a detailed explanation of all the changes made to the CMS-417 form.

The CMS-417 form is an identification and screening form used to initiate the certification process for new 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 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.

Supporting Statement for Hospice Request for Certification in The Medicare Program (Form CMS-417)

2. Information Users

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 and recertification decisions. Initially, when a hospice expresses an interest in participating in the Medicare program, it contacts the applicable State Survey Agency (SA) which forwards the Request for Certification (CMS-417) form to the applicant.¹ The information on the form serves as a screen for the SA to determine if the hospice has the basic capabilities to participate in the Medicare program.

At the time of the recertification survey, the CMS-417 form is completed by the existing hospice to be surveyed and given to the surveyor. The completed CMS-417 form provides the survey team with the necessary identification and operational data (such as the number and types of staff, types of services, and other information to assist in the selecting a sample of patients) to plan for the survey. 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

CMS has converted the CMS-417 form to a fillable .pdf format. This will make it easy for the hospice staff to complete the form electronically using free, easy to use pdf software such as Adobe Acrobat. After completing the form electronically, the hospice staff can send the CMS-417 form via email to the SA or surveyor. The CMS-417 form is available online at <http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS417.pdf>,

4. Duplication of Similar Information

This CMS-417 form does not duplicate any other information collection requests. The SAs conduct these reviews with Federal funds from CMS. This form is the only one of its kind collected by CMS for hospices.

¹ The SA for each state is listed at https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/downloads/state_agency_contacts.pdf.

**Supporting Statement for
Hospice Request for Certification in The Medicare Program
(Form CMS-417)**

5. Small Business

This form is completed by both large and small hospices but is required for the initial hospice certification and periodic recertifications. This data collection imposes minimal burden.

6. Less Frequent Collection

Submission of the CMS-417 form is based on the frequency of surveys. These surveys, in turn, depend on the frequency specifications set forth in the CMS regulations, State Operation Manual (SOM), 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 was published on XX/XX/20XX.

The 30-day Federal Register notice published on XX/XX/20XX.

9. Payment Gift to Respondent

There are no payments or gifts made to a respondent for completion of this data collection. Payments made by Medicare to hospice providers are made solely for the hospice services furnished to our beneficiaries.

If a hospice fails to submit the CMS-417 form as required, Medicare could impose penalties such as denial of payment for claims submitted by that hospice provider for services furnished to Medicare beneficiaries until the required CMS-417 form is submitted.

10. Confidentiality

We are not able to ensure confidentiality of the information collected on the CMS-417 form because the completed forms are sent to the SAs. However, CMS does not publish or otherwise disseminate the information collected on the CMS-417 form and knows of no reasons for the SAs to do so.

**Supporting Statement for
Hospice Request for Certification in The Medicare Program
(Form CMS-417)**

11. Sensitive Questions

The data collected on the CMS-417 form in does not include any staff or patient protected health information (PHI) or protected personally identifiable information (PII). There is no information collected of a sensitive nature that would require confidentiality.

12. Burden Estimate (Total Hrs. & Wage)

a. Time and Cost Burden to New Hospices for Completion of CMS-417

The CMS-417 form is completed by new hospices when they first apply for participation in the Medicare program (i.e., at initial certification).

As shown in the chart below, we estimate that there is a 5-year average of 569 new hospices established each year. We determined the annual number of new hospices by calculating the 5-year average number of new hospices between 2019 and 2023.

Average Annual Number of New Hospices	
Calendar Year	Number of New Hospices
2019	294
2020	350
2021	876
2022	919
2023	404
Total number of new hospices established between 2019 – 2023	2,843
5-year average number of new hospices (2,843 hospices ÷ 5 years)	569

Supporting Statement for Hospice Request for Certification in The Medicare Program (Form CMS-417)

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 **427 hours**.

- 45 minutes x 569 new hospices/year = 25,605 minutes per year
- 25,605 minutes per year ÷ 60 minutes per hour = 427 hours per year

We believe that the staff member at the hospice who would complete the CMS-417 form would have a management position that falls 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 average hourly wage for this job is \$61.53¹. This wage, adjusted to account for the employer's overhead and fringe benefits, would be **\$123.06**.

We estimate that the cost burden for the completion of the CMS-417 form by **each new** hospice would be **\$92.30**.

- \$123.06 divided by 60 minutes = \$2.051 per 1 minute
- \$2.051 per 1 minute x 45 minutes = \$92.295 per 45 minutes

We further estimate that the total annual cost *across all new hospices* per year would be **\$52,547**.

- 427 hours x \$123.06 per hour x = \$52,546.62

b. Time and Cost Burden to Existing Hospices for Completion of CMS-417 form

The CMS-417 form is also completed by existing hospices to update their certification information at the time of their recertification surveys. Hospices are surveyed by the SAs **every 3 years**.

There are currently **8,547** existing hospices in the U.S. As ASCs are surveyed every 3 years, we estimate that the SAs would survey approximately **2,849** hospices per year.

- $8,547 \div 3 \text{ years} = 2,849$ **existing** hospices surveyed per year

We estimate that it will take approximately **45 minutes** for **each existing hospice** being surveyed to complete the CMS-417. We further estimate that the total annual time burden for completion of the CMS-417 form **across all existing hospices** would be **2,137 hours**.

Supporting Statement for Hospice Request for Certification in The Medicare Program (Form CMS-417)

- 45 minutes x 2,849 existing hospices surveyed/year = 128,205 min.
- 78,660 minutes ÷ 60 minutes per hour = 2,136.75 hours

We believe that the hospice staff member who would complete the CMS-417 form would have a management job that falls 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 \$61.53. (<https://www.bls.gov/oes/current/oes119111.htm>). This wage, adjusted to account for the employer's overhead and fringe benefits, would be **\$123.06**.

We estimate that the cost burden for completion of the CMS-417 by **each existing hospice** being surveyed would be **\$92.30**.

- \$123.06 ÷ 60 minutes = \$2.051 per minute
- \$2.051 per minute x 45 minutes = \$92.295

We further estimate that the total annual cost **across all existing hospices** per year would be **\$262,979**.

- 2,137 hours x \$123.06 per hour = \$262,979.22

c. Summary of Time and Cost Burdens Associated with the CMS-417 form

The table below provide a summary of the time and cost burdens associated with the completion of the CMS-417 form by new hospices, existing hospices and the combined burden for both new and existing hospices.

**Time & Cost Burdens for Completion of CMS-417 form
by Both New & Existing Hospices**

Task	Number of Respondents	Time Per Each Response	Annual Hour Burden Across All Providers	Cost Per Response	Cost Burden Across All Hospices
Burden for completion of CMS-417 for new hospices	569 new hospices	0.75 hour (45 min.)	427 hours	\$92.30	\$52,547
Burden for completion of CMS-417 for existing hospices	2,849 existing hospices	0.75 hour (45 min.)	2,137 hours	\$92.30	\$262,979
Total burden for CMS-417 form by new & existing hospices	3,418	1.5 hours	2,564 hours	\$184.60	\$315,526

**Supporting Statement for
Hospice Request for Certification in The Medicare Program
(Form CMS-417)**

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

The hospices submit their completed CMS-417 form to the applicable SA for review. We estimate that the review of the CMS-417 form would be performed by a SA staff person and would take approximately 15 minutes (0.25 hour) per form.

Approximately 3,418 new and existing hospices a CMS-417 form to the SAs annually. We estimate that the total annual time burden to the SA staff for the review of the completed CMS-724 forms would be **855 hours**.

- $0.25 \text{ hour} \times 3,418 \text{ CMS-415 forms per year} = 855 \text{ hours}$

We estimate that the hourly wage for a State Survey Agency staff person is \$39.00. This wage adjusted for the employers overhead and fringe benefits would be \$78.00 per hour.

We estimate that the cost burden for the review of **each** CMS-724 form would be **\$19.50**.

- $0.25 \times \$78.00 = \19.50

We further estimate that the total annual cost burden to the State Survey Agency for the review of **all** CMS-724 forms annually would be **\$66,690**.

- $855 \text{ hours} \times \$78.00 \text{ per hour} = \$66,690$

15. Program/Burden Changes

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

**Supporting Statement for
Hospice Request for Certification in The Medicare Program
(Form CMS-417)**

Description of Burden	Amounts Requested	Amount Approved in Previous PRA Package	Changes in Time and Cost Burdens
a. Number of annual responses for CMS-417	3,418 responses	2,059 responses	+1,359 responses
b. Annual time burden across all new hospices to complete the CMS-417 form	427 hours	233 hours	+194 hours
c. Annual time burden across all existing hospices to complete the CMS-417 form	2,137 hours	1,311 hours	+826 hours
d. Annual cost burden across all new hospices to complete all CMS-417 forms	\$52,547	\$25,802	+\$26,745
e. Annual cost burden across all existing hospices to complete all CMS-417 forms	\$262,979	\$145,180	+\$117,799
Total Number of Responses	3,418 responses	2,059 responses	+1,359 responses
Total Hour Burden	2,564 hours	1,544 hours	+1,020 hours
Total Cost Burden	\$315,526	\$170,982	+\$144,544

As the above tables show, there has been an increase in the time and cost burden since the last PRA package. For example:

- The total annual number of responses for both the CMS-417 forms has been increased from 2,059 in the previous PRA package to 3,418 in the current PRA package. **This is an increase of 1,359 responses.**
- The total annual combined time burden for the CMS-417 forms has increased from 1,544 hours in the previous PRA package to 2,564 hours in the current PRA package. **This is an increase of 1,020 hours.**
- The total annual combined cost burden for the CMS-417 forms has increased from \$170,982 in the previous PRA package to \$315,526 in the current PRA package. **This is an increase of \$144,544.**

**Supporting Statement for
Hospice Request for Certification in The Medicare Program
(Form CMS-417)**

These increases in time and cost burdens are directly attributable to several factors. First, there has been an increase in total number of respondents. When the number of respondents increases, the time and cost burdens increase proportionally.

Also, the hourly wage rate for a Medical and Health Services Manager was increased from \$110.74 to \$123.06. This is an increase of \$12.32 per hour. We made this change to be consistent with the current U.S. Bureau of Labor Statistics wage rates. When the hourly wage rate is increased, the cost burden will also increase.

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.