

Supporting Statement A
Medicare/Medicaid Psychiatric Hospital Survey Data
And Supporting Regulations (CMS-724)

Background

The Medicare/Medicaid health Insurance Program is authorized by Title XVIII and XIX of the Social Security Act (the Act). This program provides reimbursement for the medical care of the aged, disabled persons and individuals whose income is insufficient to meet the cost of necessary medical services. Sections 1864, 1819(d), 1919(d), and 1102 of the Act require that facilities meet standards specified by the Secretary of the Department of Health and Human Services (DHHS), in order to be certified for Medicare/Medicaid reimbursement.

The form (CMS-724) is used during the survey of psychiatric hospitals to collect data that is not collected elsewhere and assists CMS in program planning and evaluation of survey needs. We are requesting an extension of the collection currently approved under OMB control number 0938-0378.

Surveys of psychiatric hospitals are conducted by either the State Survey Agency (SA) or specialized contractors hired by CMS to perform these surveys. The SA conducts surveys of psychiatric hospitals in only 2 states (i.e. - Texas and Louisiana). In the remaining 48 states, these surveys are conducted by the CMS psychiatric hospital survey contractor.

Justification

1. Need and Legal Basis

Statutory authority for this activity is found at Title XVIII, Section 1864 of the Act. This section recognizes psychiatric hospitals as Medicare providers and allows the Secretary to establish conditions of participation and to use State agencies under contract to assist in determining compliance with these conditions of participation. The special conditions of participation applicable to psychiatric hospitals are found in 42 CFR Parts 482.60, 482.61, and 482.62.

To determine compliance with conditions of participation, the Secretary has authorized States, through contracts, to conduct surveys of health care providers. Medicare's approval or disapproval is based on a provider's or supplier's compliance or noncompliance with the health and safety requirements published in regulations.

Survey Agency (SA) or a CMS The data collected with the CMS-724 form is collected from psychiatric hospitals that are **not** "deemed" which means that they are **not** surveyed by an accrediting organizations (such as The Joint Commission) but are instead surveyed by the State contractor. The reason that we do not include psychiatric hospitals that are surveyed by accrediting organizations, such as the Joint Commission, is because they have their own survey forms do not use the CMS-724 form.

The information collected on this form assists CMS in maintaining an accurate database on providers participating in the Medicare psychiatric hospital program.

Supporting Statement A
Medicare/Medicaid Psychiatric Hospital Survey Data
And Supporting Regulations (CMS-724)

2. Information Users

The information collected on the CMS-724 form is used by the SA or CMS contractor while conducting their survey. The information obtained from the survey assists CMS in evaluating the Medicare psychiatric hospital program by determining whether each psychiatric hospital surveyed meets the applicable Conditions of Participation and quality standards. This form is also used for audit purposes such as determining patient population and characteristics of the psychiatric hospital. In addition, the data collected with the CMS-724 form is used for audit purposes including tracking the bed capacity, number of certified beds, patient unit types, age of patients, type of survey, admission to certified beds, non-certified beds, determining whether the hospital operate a Medicaid only residential treatment program, obtaining Medicare and Medicaid billing information, and determining the number of surveyors.

The form (CMS-724) is used during the survey of psychiatric hospitals to collect data that is not collected elsewhere and assists CMS in program planning and evaluation of survey needs. The information collected on this form assists CMS in maintaining an accurate database on providers participating in the Medicare psychiatric hospital program.

3. Use of Information Technology

The CMS-724 is in a non-fillable form.pdf format that can be downloaded from the CMS website. The facility is required to fill in the information on page one of the form which includes the facility name, address, telephone number, number of admissions, age range of patients, identify each patient care unit, the number of beds and patient census. The survey team is required to fill in the information on page two which includes the dates of survey, type of survey, and survey team composition. They surveyors sign the CMS-724 form.

As the CMS 724 form is a non-fillable .pdf form, it must be completed by handwriting or typewriter, and therefore cannot be submitted electronically. For the reasons stated above, the CMS-724 form does not lend itself to electronic signature at this time. However, if, a later date, CMS considers converting this form to electronic submission, electronic signatures could be used.

4. Duplication of Efforts

This data collection form does not duplicate any of other information collection, are specific to the psychiatric hospital program, and cannot be obtained from any other source.

This survey form is the only standardized mechanism available for the CMS contractor or SA surveyors to record the requested data.

5. Small Businesses

Approximately 75% of psychiatric hospitals are small businesses. However, there is little burden associated with the use of the CMS-724 form by small business psychiatric

Supporting Statement A
Medicare/Medicaid Psychiatric Hospital Survey Data
And Supporting Regulations (CMS-724)

hospitals. The psychiatric hospital only has to fill in the information on page one of the form, which includes which includes the facility name, address, telephone number, number of admissions, age range of patients, identify each patient care unit, the number of beds and patient census. This is information that the psychiatric hospital should have readily available. The survey team will fill in the information on page two and sign the CMS-724 form.

6. Less Frequent Collection

Submission of this form depends on the frequency of surveys performed. The frequency of surveys for psychiatric hospitals depends on survey finding levels.

The basic requirement is that this form CMS-724 is submitted for every survey conducted. Surveys are supposed to be conducted on each psychiatric hospital every 3 years. Validation surveys are also conducted every 3 years after recertification survey. The validation survey must be done within 60 days of the recertification survey and is conducted on all deemed psychiatric facilities. Surveys can be performed on an as needed basis to investigate complaint against a hospital (i.e. – “compliant survey”).

7. Special Circumstances

There are no special circumstances.

8. Federal Register/Outside Consultation

- The 60-day Federal Register notice published on May 5, 2017 (82 FR 21240). There were no public comments.
- The 30-day Federal Register notice published on July 17, 2017 (82 FR 32708). There were no public comments.
- CMS Form -724 was designed with the assistance of State agency staff, CMS regional office staff, and the CMS psychiatric consultants.

9. Payments/Gifts to Respondents

There are no payments/gifts given to respondents.

10. Confidentiality

We make no pledges of confidentiality, with the exception that CMS is prohibited from revealing the results of surveys by section 1865(b) of the Social Security Act.

11. Sensitive Questions

There are no questions of a sensitive nature on these forms.

Supporting Statement A
Medicare/Medicaid Psychiatric Hospital Survey Data
And Supporting Regulations (CMS-724)

12. Burden Estimates (Hours & Wages)

The data collection form has two parts; one part to be completed by the facility, and the other part to be completed by the survey team.

The completion of form CMS 724 is estimated to take 30 minutes to complete. The data requested from the facility is self-explanatory, should be kept in house and should require no more than 15 minutes to fill out. The portion of the form to be complete by the survey team is basically a checklist and should require no more than 15 minutes to complete.

- The 5 year average number of non-deemed psychiatric hospitals from 2014 to the present is 500.
- CMS surveys approximately 150 non-deemed psychiatric hospitals annually.

Time Burden for Survey of Non-Deemed Psychiatric Hospitals:

We estimate that the time required to complete the CMS-724 form is:

Part 1: 15 minutes

Part 2: 15 minutes

Total: 30 minutes

Number of providers in the universe	500
Number of providers surveyed annually	150

We estimate that the total annual time burden for completion of CMS-724 across all non-deemed psychiatric hospitals being surveyed is **75 hours**

- 150 providers x 30 minutes = 4,500 minutes
- 4,500 minutes divided by 60 minutes per hour = 75 hours

Cost Burden for Survey of Non-Deemed Psychiatric Hospitals

We estimate that the total annual cost burden for completion of CMS-724 across all non-deemed psychiatric hospitals being surveyed is **\$9,450**

Based on the Bureau of Labor Statistics, the mean hourly wage of a surveyor is \$126.00 per hour¹.

- \$126.00 per hour x 75 hours = **\$9,450**

13. Capital Costs

There are no capital costs associated with this collection.

¹ Based on data from Bureau of Labor and Statistics, the average hourly wage for surveyors, nurses, and providers is \$63 per hour. The wage including fringe benefits is \$126.00. (<https://www.bls.gov>)

Supporting Statement A
Medicare/Medicaid Psychiatric Hospital Survey Data
And Supporting Regulations (CMS-724)

14. Cost to Federal Government

There are no additional cost to the Federal Government.

15. Changes to Burden

There is no increase in the burden hours; however the cost has increased due to inclusion of fringe benefits.

16. Publication/Tabulation Dates

There are no publication or tabulation dates.

17. Expiration Date

CMS will display the expiration date on the form.

18. Certification Statement

There are no exceptions to the certification statements.