

• 18 U.S.C. 1035 authorizes criminal penalties against individuals in any matter involving a health care benefit program who knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact; or makes any materially false, fictitious, or fraudulent statements or representations, or makes or uses any materially false fictitious, or fraudulent statement or entry, in connection with the delivery of or payment for health care benefits, items, or services. The individual shall be fined or imprisoned up to 5 years or both.

• 18 U.S.C. 1347 authorizes criminal penalties against individuals who knowingly and willfully execute, or attempt, to execute a scheme or artifice to defraud any health care benefit program, or to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by or under the control of, any health care benefit program in connection with the delivery of or payment for health care benefits, items, or services. Individuals shall be fined or

imprisoned up to 10 years or both. If the violation results in serious bodily injury, an individual shall be fined or imprisoned up to 20 years, or both. If the violation results in death, the individual shall be fined or imprisoned for any term of years or for life, or both.

VI. Collection of Information Requirements

Under the Paperwork Reduction Act of 1995 (PRA), agencies are required to provide a 60-day notice in the **Federal Register** and solicit public comment before a collection of information requirement is submitted to OMB for review and approval. To evaluate fairly whether an information collection should be approved by OMB, section 3506(c)(2)(A) of the PRA requires that we solicit comments on the following issues:

- Whether the information collection is necessary and useful to carry out the proper functions of the agency;
- The accuracy of the agency's estimate of the information collection burden;

- The quality, utility, and clarity of the information to be collected; and
- Recommendations to minimize the information collection burden.

Therefore, we are soliciting public comment on each of these issues for the information collection requirement discussed below.

The following sections of this document contain information collection requirements:

Section 424.510 Requirements for Obtaining a Billing Number and Medicare Billing Privileges

To enroll in the Medicare program and obtain and activate a Medicare provider or supplier billing number, § 424.510(a) requires a provider or supplier to complete and submit a CMS 855 to us, demonstrating that the provider or supplier meets all of the requirements set forth in this section. The burden associated with these requirements are currently captured in the CMS 855 (OMB Approval Number 0938-0685) and shown below in Table 1.

TABLE 1.—CURRENT ESTIMATED HOURS FOR COMPLETION OF CMS 855 FORMS FOR INITIAL ENROLLMENT

CMS form number	Estimated number of respondents	Estimated time for completion per respondent	Total number of hours for completion	Total cost in dollars (million)
855A	5,000	8 Hours	40,000	\$3
855B	10,000	8 Hours	80,000	\$6
855I	50,000	5 Hours	250,000	\$3
855R	100,000	15 Minutes	25,000	\$.3
855S	9,000	8 Hours	72,000	\$5.4
Total Estimated Hourly and Financial Burden	467,000	\$17.7

The estimated number of respondents is based on current Medicare contractor workload reports. The cost in dollars is based on hourly salaries for applicable staff to complete the applications.

Section 424.510(f) states that we reserve the right to perform on-site inspections of a provider or supplier to verify and ensure validity of the information submitted to us or our agents and to determine compliance with Medicare requirements. We intend to conduct on-site visits of all new

suppliers of DMEPOS before they can enroll in the Medicare program. The burden associated with these requirements are currently captured and approved in form HCFA-R-263 (OMB Approval Number 0938-0749).

We also intend to conduct approximately 490 on-site visits to Community Mental Health Centers. The burden associated with these requirements are currently captured and approved in form HCFA-R-273 OMB Approval Number 0938-0770). We also

intend to conduct approximately 2800 visits to IDTFs on an annual basis. We will seek OMB approval for these visits. The burden associated with this requirement is the time and effort necessary for a facility to provide documentation to verify information provided on their CMS 855 and to demonstrate that they meet other necessary Medicare requirements and regulations.

TABLE 2.—ESTIMATED ANNUAL REPORTING BURDEN

CFR sections	Annual number of responses	Frequency	Average burden per response (hours)	Annual burden (hours)	Annual cost
424.510(f)	2800	1	4	11,200	\$0

Since these site visits are unannounced and performed to ensure

proper physical location, equipment, and personnel to meet Medicare

requirements, we do not expect the