



DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop N3-01-21  
Baltimore, Maryland 21207-0512

April 6, 2018

Ms. Jennifer Jessup  
Departmental Paperwork Clearance Officer  
U.S. Department of Commerce, Room 6616  
14<sup>th</sup> and Constitution Avenue, NW  
Washington, DC 20230

Re: *Federal Register Notice* of March 22, 2018, for the U.S. Census Bureau's Service Annual Survey (OMB Control Number: 0607-0422)

Dear Ms. Jessup:

The Office of the Actuary at the Centers for Medicare and Medicaid Services (CMS) strongly supports the continued collection of health care data by the Census Bureau's Service Annual Survey. The revenue estimates derived from this data are critical to the National Health Expenditures Accounts (NHEA). The NHEA is a detailed economic accounting matrix that estimates total health spending in the United States by provider, payer, and sponsor. Additionally, SAS data is used by CMS in the development of price indexes (or market baskets) that update Medicare payments. The SAS data are used as follows:

- To produce annual estimates of total spending for physician and clinical services, other professionals, hospital, home health, nursing and residential care, and dental services
- To aid in the development of estimates of spending by payer including out-of-pocket, private health insurance, and other private sources.
- To calculate detailed cost weights used in the development of CMS market baskets.

CMS uses the following items covering the health care and social assistance (NAICS 62) sector:

Item(s)	CMS Use
Operating revenue	Estimate total spending by NHEA service category
Patient care revenue – government, private health insurance, patient out-of-pocket- payments from patients and their families, patients out-of-pocket – Patients' assigned Social Security Benefits, other patient care revenue, and all other non-patient care revenue	Estimate spending by payer
Expenses for employer firms	Estimate cost weights for CMS market baskets

Please keep CMS informed about changes to the health care and social assistance forms. For additional information, please contact Aaron Catlin, Deputy Director in the National Health Statistics Group, at 410-786-3138 or by e-mail at [Aaron.Catlin@cms.hhs.gov](mailto:Aaron.Catlin@cms.hhs.gov).

Sincerely,

Stephen Heffler  
Director, National Health Statistics Group  
Office of Actuary, Centers for Medicare and Medicaid Services