

Supporting Statement for SSI Monthly Wage Reporting (Telephone)

20 CFR 416.701-732

OMB No. 0960-0715

A. Justification

1. Authority for the Commissioner to conduct a quality review process is contained in *section 205(a) of the Social Security Act* for title II and *section 1631(d) (1) of the Act* for title XVI. *20 CFR 416.701-732* require that beneficiaries of Supplemental Security Income (SSI) report changes, such as changes in income, resources and living arrangements that could affect the receipt and amount of their payments.

SSI stewardship payment accuracy findings point to wages as the single largest category of SSI overpayments year after year. Approximately 25 percent of all overpayment deficiency dollars (approximately \$400 million per year) are attributable to wages. Stewardship data indicate that the greater portion of these overpayment dollars is the result of fluctuating income and/or beneficiary failure to timely report an increase in wages. Changes in the amount of wages received by an SSI beneficiary or deemor (i.e., ineligible spouse or parent) affect the beneficiary's payment amount or eligibility status. We believe that many of these overpayments could be prevented by large-scale monthly wage reporting involving tens of thousands of SSI beneficiaries and deemors, if it could be done in a quick and accurate manner. However, SSA does not have the operational work-years to handle large-scale monthly wage reporting in either field offices or teleservice centers. We have previously proposed, and were authorized by OMB, to pilot an automated monthly wage reporting process that allowed callers to phone a toll-free telephone number to report their wages.

Section 202 of the Social Security Protection Act (42 USC 902 note) requires SSA to issue receipts to disabled beneficiaries, or their representatives, when they report wages.

2. SSA requests that the SSI monthly wage reporting telephone system (MWR) be authorized permanently. Currently, a sample of individuals who were recruited during the second pilot phase and who need to report a change in wages call an SSA toll-free telephone number that is accessed using knowledge-based authentication. Callers must provide their first and last name, social security number, and date of birth. The information provided by the caller is subsequently

compared to SSA records to determine the accuracy (or inaccuracy) of the response. The system permits callers to make the wage report either by speaking their responses (through voice recognition technology) or by keying their responses using the telephone key pad. Based on the success of the pilot, SSA has determined that this is an effective means of reporting wage data.

SSA has previously selected a sample of approximately 600 SSI beneficiaries, deemors¹ and representative payees² of beneficiaries who have recurring wages posted to the Supplemental Security Record (SSR) that are of an amount sufficient to affect payment. The sampled individuals were recruited and trained by local field offices and asked to participate in the pilot.

The sampled individuals dial a toll free number within the first 6 days of each month and respond to a series of voice prompts. Once callers successfully authenticate, they provide the total wages received in the month immediately prior. The 6-day reporting period is dictated by system cutoff dates. In most cases, the alleged wage amounts are posted to the SSR in time to prevent potential overpayments.

SSA intends to rapidly expand usage of the MWR system in late FY07 and FY08. Once permanent authorization is received, we intend to recruit approximately 50,000 individuals in the first year of national rollout and continue usage growth to approximately 100,000 individuals in the first out-year and 150,000 individuals in the second out-year. Participants will be recruited during the course of normal contact with SSA. They may be recruited during an initial claim, pre-effectuation review contact (PERC), redetermination, or other post-eligibility contact. Once recruited they will receive a training package and given instruction regarding how to use the phone system. Reporting wages via the MWR phone system is, and will continue to be, completely voluntary on the part of the beneficiary/deemor.

SSA is also required to now issue receipts to disabled individuals who report their own work activity or to representatives who report work activity on behalf of the disabled beneficiary. We issued receipts to those individuals during the second phase of the pilot and found the system to be notably successful. In the near future SSA intends to expand receipt distribution to all individuals who report wages via the MWR system.

In order to promote increased usage and realize the full savings potential of the MWR system SSA requests permanent authorization from OMB. Recent systems enhancements have been made and additional enhancements are being requested

¹ Note: Deemors are parents of minor children and spouses of adult beneficiaries whose earned income is deemed to belong to the beneficiary and, therefore, reduces the amount of SSI payment.)

² Note: A representative payee is the person, agency, organization, or institution selected to receive and manage benefits on behalf of an incapable beneficiary. This includes a parent who is receiving benefits on behalf of a minor child.

that should make reporting easier for the approximately 500,000 beneficiaries and deemors we believe could be recruited to use the system. SSA anticipates a national rollout of this project in FY 08 and believes that any interruption in reporting would be detrimental to earlier efforts to recruit and train reporters. Interruption of reporting could also damage the regularity of reporting as SSA makes the transition from the current limited universe to national implementation. A report of findings is attached.

3. All data collected via the SSI monthly wage reporting telephone system is transmitted electronically using telephone keypad entry and voice recognition technology. Beneficiaries, deemors and representative payees reporting a change in wages call an SSA toll-free telephone number that allows them to either speak their responses (voice recognition technology) or key in the information using the numeric identifiers on the telephone. SSA decided to use this data gathering technology because it is widely available to SSI beneficiaries and deemors, whereas, for example, readily available access to the Internet among this population is inadequate to make its use cost effective. This automated information collection complies with the Government Paperwork Elimination Act (GPEA) and is designed to further the objective of the Act.
4. Form SSA-8150-EV is a one-page reporting form that collects some of the same information as that proposed in the Wage Reporting Pilot. The form serves as a reminder to individuals of the events they need to report and explains why reporting these events is important. This form is used by individuals to report changes in writing.

SSA also collects information from other sources such as public and private institutions, employers, and via computer matches with Federal and State agencies. However, to pay correct SSI benefits in a timely manner and to prevent potential overpayments, SSA depends primarily on individuals and their representative payees to report changes in circumstances when they occur.

5. This collection does not have a significant impact on a substantial number of small businesses or other small entities.
6. Failure to collect this information, or to collect it in a timely fashion, would serve to further the status quo. That is, wages would likely continue to be a leading cause of improper payments in the SSI program and potential reductions in the \$400 million overpayment deficiency dollars would be lost. There are no technical or legal obstacles that prevent burden reduction.
7. There are no special circumstances that would cause this information collection to be conducted in a manner that is not consistent with 5 CFR 1320.5.
8. The first Federal Register notice was published on March 23, 2007 at 72 FR 13851. The

second notice was published on May 21, 2007 at 72 FR 28540. We received no public comments concerning these notices. There have been no outside consultations with members of the public. Please note that we inadvertently published incorrect burden data in the 30-day notice, but will publish a correction notice.

9. SSA provides no payments or gifts to respondents.
10. The information collection is protected and held confidential in accordance with 42 U.S.C. 1306, 20 CFR 401 and 402, 5 U.S.C. 552 (Freedom of Information Act), 5 USC, 552a (Privacy Act of 1974) and OMB Circular No. A-130.
11. The information collection does not contain any questions of a sensitive nature.
12. Listed below are the year one burden figure estimates for the requested permanent authorization of the SSI Monthly Wage Reporting Telephone System (MWR):

Collection Method	Frequency of Reporting	Number of Respondents	Estimated Completion time	Burden Hours
Training/Instruction ³	1	50,000	35 minutes	29,167
MWR	12	50,000	5 minutes	50,000
Total		50,000		79,167

The total burden is reflected as burden hours, and no separate cost burden has been calculated.

13. No additional costs are required to compute hardware/software or recordkeeping equipment in order to comply with the information needs of the study.
14. Estimated annual costs to the government will vary according to actual participation by SSI beneficiaries and deemors. The fixed costs are \$3,403 per year. The variable costs depend on the number of calls and the length of each call. There is a \$.0167 per minute usage charge (we estimate 4 minutes per call) for a total usage charge per call of \$.07. There is also a \$0.32 per call transaction charge. We understand the transaction charge will decrease as more callers report wages. For purposes of this estimate we conclude \$4.68 per participant (12 calls X .39 per call). During the first full year of national implementation the costs to the Federal Government will be: 50,000 callers X \$4.68 + \$3403 = \$237,403. The combined return-on-investment (ROI) for planned enhancements is over 5000%. Costs to the Federal government for these enhancements in FY08 include: \$41,000 in

³ We are including the estimated time that it may take for the participant to complete the training. Due to the fact that we must separate the training package IC from the MWR it appears that the number of respondents is 100,000, there are only 50,000 total respondents.

contractor costs and \$641,000 in SSA Systems' work year costs. Carryover costs in FY09 are primarily for system maintenance and are projected to total \$154,000 in SSA Systems' work year costs only.

Additional estimated costs to the Federal Government to collect the information are negligible. Because the cost of maintaining the system which collects this information is accounted for within the cost of maintaining all of SSA's automated systems, it is not possible to calculate the cost associated with just one E-Gov application.

15. This request will result in an increase to the current public reporting burden. In SSA's initial pilot request we estimated a burden 350 hours. However, this is a request for permanent authorization of an alternative collection methodology that is expected to involve additional participants beyond the universe of those currently required to report the subject changes in wage amounts. Reporting via the MWR telephone system will also remain wholly voluntary on the part of the public. We are also including the estimated time that it may take for the participant to complete the training.
16. The results of the information collection will not be published.
17. We are not requesting an exception to the requirement to display an expiration date.
18. SSA is not requesting an exception to the certification requirements at 5 CFR 1320.9 and related provisions at 5 CFR 1320.8(b)(3).

B. Collection of Information Employing Statistical Methods

Statistical methods are not used for this information collection.