

**Supporting Statement for Form SSA-561-U2**  
**Request for Reconsideration**  
**20 CFR 404.907-404.921, 416.1407-416.1421, and 418.1325**  
**OMB No. 0960-0622**

**A. Justification**

1. *Section 205(b)(1) of the Social Security Act (the Act)* states that the Social Security Administration (SSA) provides an evidentiary hearing at the reconsideration level of appeal. Upon request by any such individual or upon request by an applicant who shows in writing that his or her rights have been disadvantaged, the Commissioner shall give such applicant reasonable notice and an opportunity for a hearing with respect to such decision, and if a hearing is held, shall on the basis of the evidence adduced at the hearing, affirm, modify or reverse the Commissioner's findings of the fact and such decision.

This hearing process is extended to comparable cases under Title XVI of *the Act* in 20 CFR 404.907 through 404.921 and 416.1407 through 416.1421 of the *Code of Federal Regulations*. In addition, *Section 251(a) of Public Law 106-169* creates a new Title VIII, *Section 809 (a)(1)* of this Title extends this hearing process to comparable case under Title VIII.

*Section 1869(b) of the Act* provides that any individual who is dissatisfied with an initial determination regarding Medicare entitlement, benefits, or coverage is entitled to a reconsideration of that determination. *Section 105(a)(2)(B) of Public Law 103-296* (the Social Security Independence and Program Improvements Act, which established SSA as an independent agency) stipulated that SSA and the Department of Health and Human Services (HHS) would share responsibility for the Medicare (*Title XVIII*) appeals process. The process provided for under this statute was that SSA would continue to perform the hearings function for determinations made by SSA about Medicare Part A and Part B entitlement. As required by the *Public Law 103-296*, SSA and HHS continued to negotiate transfer of some of the Medicare appeals functions; in 1995, the two agencies signed an agreement which transferred to the Medicare Appeals Council within HHS the Medicare appellate review functions that had been performed by the SSA Appeals Council. *Section 931 of Public Law 108-173* required transfer of the functions of administrative law judges (ALJs) responsible for hearing appeals under *Title XVIII of the Act* from SSA to HHS; however, SSA continues to conduct reconsiderations of initial determinations regarding Medicare entitlement. Additionally, effective January 2007, SSA makes determinations regarding Medicare Part B income-related monthly adjustment amount (IRMAA) required under *section 1839(i) of the Act (Public Law 108-173)*. Consistent with the procedure for Medicare entitlement issues, SSA will conduct reconsiderations of such initial determinations as provided in 20 CFR 418.1325.

2. Form SSA-561-U2 is used by the claimant to request reconsideration of entitlement to Social Security benefits (Title II), Supplement Security Income payments (Title XVI), Special Veterans Benefits (Title VIII), Medicare (Title XVIII) and of initial determinations regarding Medicare Part B income-related premium subsidy reductions. The respondents are individuals filing for reconsideration.
3. Form SSA-561-U2 is currently not available in electronic form. However, beginning September 2007, individuals who wish to file an appeal may do so using an internet version of the SSA-561-U2 (i561). The information submitted will be propagated into SSA's Modernized Claims Systems (MCS/MSSICS). We also make this collection available through MCS/MSSICS to those individuals who file an appeal by mail or through a personal interview within a field office. Currently, we estimate that 95% of all respondents have their claims processed through MCS/MSSICS; however, we estimate that 50% of all respondents will use the new i561 through the iAppeals Program once it is established.
4. The nature of the information being collected and the manner in which it is collected preclude duplication. There is no other collection instrument used by SSA that collects data similar to that collected here.
5. This collection does not impact small businesses or other small entities.
6. If this form were not used, claimants would not be able to explain their reasons for requesting reconsideration, including recent information in the evaluation, or having SSA's determination of the Medicare Part B income-related monthly adjustment amount reconsidered. Therefore the information cannot be collected less frequently. 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 60-day advance Federal Register Notice was published on April 10, 2007 at 72 FR 17980, and SSA has received no public comments. The second Notice was published on June 27, 2007, at 72 FR 35293. There have been no outside consultations with members of the public.
9. SSA provides no payment or gift to respondents.
10. The information requested 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 U.S.C. 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. From SSA-561-U2 is used by approximately 1,461,700 respondents annually. The estimated average completion time is 8 minutes for the paper version and 20 minutes for the new Internet version. SSA estimates that about half of our current respondents will use the new Internet version through the iAppeals program. Therefore, the annual reporting burden is as follows:

<b>Collection Method</b>	<b>Number of Respondents</b>	<b>Frequency of Response</b>	<b>Estimated Completion Time</b>	<b>Total Burden Hours</b>
Paper & Modernized Claims System	730,850	1	8 minutes	97,447
i561	730,850	1	20 minutes	243,617
<b>Totals</b>	<b>1,461,700</b>			<b>341,064</b>

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

13. There is no known cost burden to the respondents.
14. The annual cost to the Federal Government is approximately \$6,105,942. SSA estimates \$4,502,036 as a projection of the costs for printing and distributing the collection instrument and for collecting the information. SSA estimates the start up and development costs for the new iAppeals system will be approximately \$1,603,906. Once the system is implemented the costs to the Federal Government will be minimal upkeep costs which are shared with all of SSA's other Internet applications.
15. The increase in the public reporting burden is due to the estimated increase in completion time for the new i561 (Internet version) as a part of the new iAppeals Program.

The decrease in the public reporting burden for the paper SSA-561-U2 is due to SSA's anticipation that half of our current respondents will switch to the new iAppeals Internet version (i561) after implementation of the new program.

16. The results of the information collected will not be published.
17. OMB has granted SSA an exemption from the requirement that the expiration date for OMB approval be printed on its program forms. SSA produces millions of public-use forms, many of which have a life cycle longer than that of an OMB approval. SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis). This

exemption was granted so that otherwise useable editions of forms would not be taken out of circulation because the expiration date had been reached. In addition, Government waste has been avoided because stocks of forms will not have to be destroyed and reprinted.

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. Collections of Information Employing Statistical Methods**

Statistical methods are not used for this information collection.