

OMB No. 0960-0696 (Form SSA-1020)
Application for Help with Medicare Prescription Drug Plan Costs

Proposed Minor (Non-Substantive) Changes

General Note

Below are descriptions of and justifications for SSA's proposed changes to OMB Form No. 0960-0696 (SSA-1020). Please note that all the changes we are proposing are non-substantive in nature. Additionally, the majority of the changes involve minor wording differences to improve question clarity. The impetus for making these changes comes from Senate and House requests, public advocacy comments at meetings with SSA, our experience processing the applications, and SSA's continued evaluation of the form.

COVER PAGE:

- **Second Paragraph**-Will change from:

“The Medicare Prescription Drug program began on January 1, 2006. The program gives you a choice of prescription plans that offer various types of coverage.”

to:

“The Medicare Prescription Drug program gives you a choice of prescription plans that offer various types of coverage.”

Rationale: We removed the reference to the program start date since it was only noteworthy the year the program began.

- **Sixth Paragraph**-Will change from:

“If you need information about the Medicare Prescription Drug program, call 1-800-MEDICARE (TTY 1-877-486-0248) or visit www.medicare.gov.”

to:

“If you need information about Medicare Prescription Drug Plans or how to enroll in a plan call 1-800-MEDICARE (TTY 1-877-486-0248) or visit www.medicare.gov”

Rationale: The change above is being made for clarity

- **Signature:**

Change- Jo Anne B. Barnhart, Commissioner

to:

Michael J. Astrue, Commissioner

Rationale: We are making this change to reflect the signature of SSA's current Commissioner.

PAGE 1:

• **First Paragraph and Second Paragraphs-** Will change from:

“Do you (or the person you are helping apply) have Medicare and Supplemental Security Income (SSI) or Medicare and Medicaid or does your state pay your Medicare premiums?”

If the answer is YES, do not complete this application because you automatically will get the extra help. You will receive another letter about how you will receive the extra help. If the answer is NO or NOT SURE, please complete this application. Complete all questions unless otherwise noted.”

to:

“Do you or the person you are helping apply have Medicare and Supplemental Security Income (SSI) or Medicare and Medicaid?”

If the answer is YES, do not complete this application because you automatically will get the extra help.

Does your state Medicaid program pay your Medicare premiums because you belong to a Medicare Savings Program?

If the answer is YES, contact your state Medicaid office for more information. You could get the extra help automatically and may not need to complete this application.”

Rationale:

The current version is technically incorrect. Not every state Medicaid program that pays individuals' Medicare premiums automatically provides the extra help. Therefore, individuals in that category are now instructed to contact their state Medicaid office for more information.

• **How to Complete This Application:**

Change- Deleted “or a # 2 pencil” from the first bullet

Added “Do not add any handwritten comments on the application.”

Rationale:

Responses recorded using #2 pencils are often too light to scan.

Handwritten comments affect the scanning process of these forms.

• **Completing Your Application, Last paragraph-**

Will change from:

“Return the entire package in the enclosed envelope. Do not include any attachments. If we need more information, such as statements from financial institutions, we will contact you.”

to:

“Return this application package in the enclosed envelope. Do not include anything else in the envelope. If we need more information, we will contact you.”

Rationale: Language was revised for clarity.

PAGE 2:

- **Header**-Will change from:
“THIS DOES NOT ENROLL YOU IN **THE** MEDICARE PRESCRIPTION DRUG PROGRAM.”

to:

“THIS DOES NOT ENROLL YOU IN **A** MEDICARE PRESCRIPTION DRUG PLAN.”

Rationale: The revised statement is clearer than the current language.

- **Question 1**-Will change from:
“Applicant’s Name: (Print each letter in a separate box.)”
to:
“Applicant’s Name: Print name as it appears on your Social Security card. Use one box for each letter.”

Rationale: Adding “as it appears on your Social Security card” will reduce the number of application processing exceptions. The name on the application must match the name shown on the beneficiary’s social security card.

- **Question 2**-Will change from:
“If you are married and living with your spouse, please provide the following information for your spouse. If you are not currently married or do not live with your spouse, skip to question 3.”

to:

“If you are married and living with your spouse, please provide the following information as it appears on your spouse’s Social Security card. If you are not currently married or do not live with your spouse, skip to question 3 and do not include any information about your spouse on this application.”

Rationale: The name on the application must match the name shown on Social Security’s records (i.e. the shown on the social security card). If the name doesn’t match, SSA’s systems will be unable to recognize or process the application.

To emphasize that SSA does not want information about a deceased or separated spouse, we added the instruction “do not include any information about that spouse”.

- **Question 3**-Will change from:
“If you are single, a widow(er) or your spouse does not live with you, are your savings, investments and real estate (other than your home) worth more than \$11,710? If you are married and living with your spouse, are these things worth more than \$ 23,410? Include

things you own by yourself, with your spouse or with someone else. Do not include the home you live in, vehicles, etc.

YES If you put an X in the YES box, STOP. You are not eligible for the extra help and you do not need to return this application to us. If you need a letter with this decision, sign the application on page 6 and return it to us.

NO or NOT SURE. If you put an X in the no or not sure box, complete the rest of this application and return it to us.”

to:

“If you are married and living with your spouse, do you have savings, investments or real estate worth more than \$23,410? If not married or you don’t live with your spouse, do you have savings, investments or real estate worth more than \$11,710? DO NOT include the home you live in, vehicles, personal possessions, burial plots or irrevocable burial contracts.

YES If you place an X in the YES box, STOP. You are not eligible for the extra help and you do not need to return this application to us. If you need a letter stating you are not eligible, sign the application on page 6 and return it to us.

NO or NOT SURE If you place an X in the no or not sure box, complete the rest of this application and return it to us.”

Rationale: The language is being revised for clarity.

Page 3

- **Header above Question 4**—Replaced the word “put” with “place”.

- **Question 4**-Will change from:

“Please enter the money amounts of bank accounts, investments or cash that either you, your spouse (if married and living together) or both of you own in the boxes below. Include items that either of you own with another person. (Include only the dollar figures, not the account number.) If you or your spouse (if married and living together) do not own an item listed, wither separately, jointly or with another person, place an X in the NONE box.

-Bank accounts (Checking, savings and certificates of deposit)

-Stocks, bonds, savings bonds, mutual funds, Individual Retirement Accounts or other similar investments

-Any other cash at home or anywhere else”

to:

“Please enter the money amounts of all bank accounts, investments or cash that either you, your spouse, if married and living together, or both of you own in the boxes below. Include items that either of you own with another person. Include only the dollar figures, not the account number. If you or your spouse do not own

an item listed, either separately, jointly or with another person, place an in the **NONE** box.

-Combined total of all bank accounts (checking, savings and certificates of deposit)

-Combined total of all stocks, bonds, savings bonds, mutual funds, Individual Retirement Accounts or other similar investments

-Any other cash at home or anywhere else”

Rationale: Revised for clarity; deleted the redundant phrase “if married and living together” from the fourth line of the current version.

- **Question 5**-Will change from:

“Do you own life insurance policies with a total face value of more than \$1500? Answer for you and for your spouse if your spouse lives with you. If you answered NO for both you and your spouse, go to question 6.

YOU: YES NO

Spouse (if living together) YES NO

If you answered YES for either of you, how much money would you get if you turned in your policies for cash right now? Enter the amount. If you and your spouse both answered YES, enter the combined amount. (This is not the face value of your policies. You may need to call your insurance company to help answer this question.)”

to:

“Do you own life insurance policies with a total face value of more than \$1,500? Answer for you and your spouse if your spouse lives with you.

If you answer **NO** for both you and your spouse, go to question 6.

YOU: YES NO

SPOUSE: YES NO

If you answered **YES** for either of you, how much money would you get if you turned in your policies for cash right now? Enter the amount. If you answered **YES** for both you and your spouse, enter the combined amount. This is not the face value of your policies. You may need to call your insurance company to help answer this question.”

Rationale: Revised for clarity; deleted the redundant phrase “if living together” from the spouse’s answer since question 4 and 5 already state that the information is needed only “if married and living together”.

- **Question 6** –Will change from:

“Do you expect to use money from any of these sources listed in questions 4 or 5 to pay for funeral or burial expenses?

YOU: YES NO

Spouse (if living together) YES NO”

to:

“Will some money from the sources listed in **questions 4 and 5** be used to pay for funeral or burial expenses? IF YES, skip to Question 7. If NO, place an X in the NO box, then go to question 7.

YOU: YES NO

Spouse: YES NO”

Rationale: The wording of this question was changed for clarity at the request of staff of the House Committee of Energy and Commerce.

- **Question 7**-Will change from:

“Other than your home and the property on which it is located, do you (or your spouse, if married and living together) own any real estate?”

to:

“Other than your home and the property on which it is located, do you or your spouse, if married and living together, own any real estate? Examples of other real estate are summer homes, rental properties or undeveloped land you own.”

Rationale: We are adding examples for increased clarity as a result of SSA’s Office of Quality Performance review of applications.

Page 4

- **Question 8**-Will change from:

“Your household size may affect the amount of help you can get. Therefore, we need to know how many relatives who live with you (and your spouse, if married and living together) depend on you or your spouse to provide at least one-half of their financial support. Relatives may include anyone related to you by blood, marriage or adoption. How many relatives who live with you and your spouse depend on you or your spouse to provide at least one-half of their financial support? **Do not include yourself or your spouse in this number.** (Place an in only one box.)”

to:

“Not counting your spouse if you are married, how many other relatives live in your household and receive **at least one-half** of their financial support from you or your spouse? We count relatives related to you by blood, marriage or adoption. Place an X in only one box. **Do not include yourself or your spouse in the number you enter.** If your household consists only of you or you and your spouse, place an X in the **NONE** box.”

Rationale: Results of reviews conducted by the Office of Quality Performance showed that applicants didn't understand this question. The wording was revised to further insure that applicants will respond correctly.

- **Question 9** -Will change from:
 “If you (or your spouse, if married and living together) receive income from any of the sources listed below, please enter the **total MONTHLY income**. **If the amount changes from month to month or you do not receive it every month, enter the average monthly income for the past year for each type** in the appropriate boxes. Do not list wages and self-employment, interest income, public assistance, medical reimbursements or foster care payments here. If you or your spouse do not receive income from any of the sources listed below, place an X in the **NONE** box.”

to:

Change- If you or your spouse, if married and living together, receive income from any of the sources listed below, please enter the total amount you receive each month. **If the amount changes from month to month or you do not receive it every month, enter the average monthly income for the past year for each type** in the appropriate boxes. Do not list wages and self-employment, interest income, public assistance, medical reimbursements or foster care payments here. If you or your spouse do not receive income from a source listed below, place an X in the **NONE** box for that source.”

Under the list of income, in the fourth bullet, added “before deductions” after “Other Pensions or annuities”.

Rationale: Revised for clarity.

- **Question 10:** No changes.
- **Question 11**-Will change from:
 “Does anyone provide or help you (or your spouse, if married and living together) pay for any of the following household expenses — food, mortgage, rent, heating fuel or gas, electricity, water and property taxes? (**Do NOT include** food stamps, house repairs, help from a housing agency, an energy assistance program, Meals on Wheels or help with medical treatment and drugs.)”

to:

“Do you count on anyone to help pay for any of the following household expenses — food, mortgage, rent, heating fuel or gas, electricity, water and property taxes? **Do NOT include** food stamps, house repairs, help from a housing agency, an energy assistance program, Meals on Wheels, contributions from food banks, soup kitchens or help with medical treatment and drugs. Do not include small amounts of money given occasionally or unexpectedly.”

Changed “put” to “place” in the instructions for entering the money amount.

Rationale: The Senate Finance Committee requested that the question be revised including expanding of the list of items that applicants should not consider as “help in paying for household expenses”. Also, this question caused a significant percent of errors in processing the application so it was reworded to help ensure it would be answered correctly.

Page 5

- **Question 12, Change 1** -Will change from:
“What do you expect to earn in wages before taxes **this year?**”
to:
“What do you expect to earn in wages before taxes and deductions **this calendar year?**”

Rationale: Inserted “and deductions” and “calendar” year for clarity. The applicant will know that we need the total amount(s) earned for the calendar year.

- **Question 12, Change 2** - Deleted “if living together” from spouse’s response as redundant.

Rationale: The header above question 12 already states the information for the spouse is needed for questions 12-16 if the applicant is married and living with the spouse.

- **Question 13, Change 1** -Will change from:
“What do you expect your net earnings or loss from self-employment to be **this year?**”
Put an X in **NONE** if you are not self-employed.”

to:
“What do you expect your net earnings from self-employment to be **this calendar year?** Place an X in the **NONE** box if you are not self-employed and go to question 14.”

Rationale: Revised wording for clarity.

- **Question 13, Change 2** - Deleted “if living together” from spouse’s response.

Rationale: See above under Question 12, change 1

- **Question 14**
No changes

- **Question 15** - Removed the phrase “if married and living together”.
Rationale: This phrase is redundant.
- **Question 16** - Removed the phrase “if married and living together”.
Rationale: This phrase is redundant.

Page 6

- **Signatures** -Will change from:
“I/We understand that by submitting this application I am/we are declaring under penalty of perjury that I/we have examined all the information on this form and it is true and correct to the best of my/our knowledge. I/We understand that anyone who knowingly gives a false or misleading statement about a material fact in this information, or causes someone else to do so, commits a crime and may be sent to prison or may face other penalties, or both. I/We understand that the Social Security Administration (SSA) will check my/our statements and compare its records with records from Federal, State, and local government agencies, including the Internal Revenue Service to make sure the determination is correct.
By submitting this application I am/we are authorizing SSA to obtain and disclose information related to my/our income, resources, and assets, foreign and domestic, consistent with applicable privacy laws. This information may include, but is not limited to, information about my/our wages, account balances, investments, insurance policies, benefits, and pensions.”

to:

Signatures

“IMPORTANT INFORMATION – PLEASE READ CAREFULLY

I/We understand that the Social Security Administration (SSA) will check my/our statements and compare its records with records from Federal, State, and local government agencies, including the Internal Revenue Service (IRS) to make sure the determination is correct.

By submitting this application, I am/we are authorizing SSA to obtain and disclose information related to my/our income, resources, and assets, foreign and domestic, consistent with applicable privacy laws. This information may include, but is not limited to, information about my/our wages, account balances, investments, insurance policies, benefits, and pensions.

I/We declare under penalty of perjury that I/we have examined all the information on this form and it is true and correct to the best of my/our knowledge.”

Rationale: Members of Congress and advocates raised issues with the original penalty language earlier this year. They believed the penalty clause about the possibility of the beneficiary being sent to prison was unnecessary threatening. Our Office of the Inspector General concurred that it was sufficient to say “under penalty of perjury,” so we are removing the original penalty clause. Please note that we already made this change from the identical penalty clause in Medicare form

OMB No. 0960-0723, form SSA-1026 (Redetermination form), so we are making the same change here to maintain the consistency of language between the two forms..