

**Supporting Statement for Forms SSA-8125 and SSA-L8125-F6 and Automating of
the Interim Assistance Reimbursement (IAR) Process
20 CFR 416.1901, .1902, .1904, .1906, .1908, .1910, .1920, .1922
OMB Control No. 0960-0546**

A. Justification

Within this supporting statement the phrase “IAR agency” refers to either a state or a local agency that receives Interim Assistance Reimbursement (IAR).

1. *The Code of Federal Regulations, 20 CFR 416.1901, 416.1902, 416.1904, 416.1906, 416.1908, 416.1910, 416.1920, 416.1922, Section 1631(g) of the Social Security Act, P.L. 94-365, and P.L. 100-203* authorize the Social Security Administration (SSA) to reimburse the state or local agencies for certain payments. The state must have an IAR Agreement with SSA to participate in the IAR program. This agreement allows SSA to reimburse a state or local agency for assistance given an individual to meet basic needs while SSA determines the individual’s initial eligibility or eligibility for reinstatement of benefits after a suspension or termination. The assistance must be wholly from State or local funds.
2. An individual signs an authorization form with the IAR agency acknowledging that he/she intends to file for Supplemental Security Income (SSI) and allows SSA to pay the agency for funds paid to the individual while SSA determines the individual’s SSI eligibility. SSA matches this authorization information against SSA’s files to identify individuals who may become eligible to receive SSI payments. SSA pays the IAR payments from the retroactive payments due the individual, and updates the SSI record with the code identifying the state or local agency and the fact that the state or local agency has a valid authorization.

Once SSA makes a determination on the SSI claim, SSA notifies the IAR agency of the determination (awards and denials). If SSA denies the claim or does not reinstate SSI benefits, SSA takes no further action unless the individual files an administrative appeal or appeals to a court, as appropriate. If the individual files an appeal, SSA notifies the IAR agency and the claim moves through the appeal process. If SSA ultimately denies the case, neither SSA nor the agency takes further action. If SSA approves the claim or appeal, SSA notifies the IAR agency and the adjudication process begins.

Thirty-eight States and the District of Columbia participate in the IAR program. The IAR Agreement with the states includes the following requirements (the letters below correspond to those on the chart in #12):

- a. **State Notification of Receipt of Authorization (Electronic Process):**
The IAR agency must notify SSA within a certain timeframe that the state has a valid authorization from the individual allowing SSA to reimburse

the state through the IAR process. The IAR agency may do this through one of several state exchange processes.

- b. **State Submission of Copy of Authorization (Manual Process):** The IAR agency must submit to SSA within a certain timeframe a paper copy of the valid authorization from the individual allowing SSA to reimburse the state through the IAR process.
- c. **State Computation of Amount of Reimbursement Due From SSA:** If SSA approves the claim or reinstates the case, SSA reimburses the IAR agency for assistance it gave the eligible individual. Depending on the issues involved in the SSI case, SSA mails the entire retroactive check to the state which then deducts the amount of the IAR due the IAR agency, or requests state IAR payment information, computes the IAR due the state and sends the IAR payment to the state. To receive the correct reimbursement from SSA, the state must compute the amount of assistance it paid to the eligible individual.
- d. **State Request for Determination – Dispute Resolution:** If SSA and a state cannot agree on an issue in dispute under the agreement, the state may request that the Commissioner make a determination on the issue. The Commissioner’s determination is final and conclusive. The state maintains the right to seek judicial review. The Commissioner maintains the right to assert lack of jurisdiction with respect to any suit brought under the agreement.
- e. **Form SSA-8125:** For cases that do not involve dedicated accounts, installments, or direct pay to an eligible authorized representative, SSA’s automated system generates and SSA-8125 notice listing the months and the amounts for each month in the IAR retroactive period. The IAR agency completes the paper SSA-8125.
- f. **Form SSA-L8125-F6:** For cases falling under P.L. 100-203 and P.L. 108-203, covering installment payments, dedicated accounts and direct pay for authorized representatives, SSA must ensure that an IAR agency does not send a residual payment to a recipient affected by these provisions. SSA does not mail the retroactive check to the IAR agency. Instead at the time of an award or reinstatement, SSA’s automated system generates an SSA-L8125-F6 listing the SSI months and amounts in the IAR period to the agency to record the amounts of the assistance given the recipient in the same month the recipient is eligible for a SSI payment. This automatically produced notice is then printed and mailed to the IAR agency. The IAR agency will then complete and send the form to the servicing SSA field office for issuance of its IAR check.
- g. **eIAR Process:** The eIAR Process will eliminate the need for the current

manual process for submitting the SSA-8125 and SSA-L8125-F6. We explain eIAR more thoroughly in #3 below and in the Addendum.

- h. **State Notification to SSA of Deceased Claimant:** The IAR agency must inform SSA of any deceased claimants. IAR agencies may do this electronically through one of several state exchange processes.
- i. **Review/Signing Agreements:** SSA Regional Office (RO) staff negotiates with the state to agree on the specific agreement for that state. The SSA staff has some leeway in revising the language to accommodate the state. However, the SSA central office must approve any changes. The state attaches to the agreement the list of the political subdivisions within the state that SSA and the state agree can participate in the IAR program.
- j. **Maintenance of Authorization Forms:** The IAR agency retains all notices and authorization forms for the period defined in the IAR agreement for the purpose of SSA verifying transactions covered under the IAR agreement.
- k. **Maintenance of Accounting Forms and Notices:** The IAR agency retains all accounting forms for the period defined in the IAR agreement for the purpose of SSA verifying transactions covered under the IAR agreement.
- l. **Written notice from State to Recipient Regarding Amount of Payment:** The state sends to the recipient a notice explaining (1) the amount of the IAR payment the state paid to the recipient, (2) that SSA will notify the recipient how any remaining SSI money (if any) due him/her will be released by SSA, and (3) the recipient's right to a state hearing.
- m. **Retrieve and Consolidate Authorization and Accounting Forms:** IAR agencies must retrieve and consolidate their authorization and accounting forms for cases SSA RO staff has identified for an audit.
- n. **Participate in Periodic Review:** SSA periodically conducts a sample review of IAR accounting records of paid IAR cases to verify the accuracy of the agency accountability report.

RO staffs review each agency every two or three years and the sample size ranges from 100% of cases (fifteen or fewer) to 35% of cases (greater than seven hundred). SSA provides the sample list to the agency and RO staff conducts an onsite or mail review of the authorization forms, notices to the claimant and accounting forms. Upon completion of the review, the RO staff writes and provides a report of findings to the agency Director and the Associate Commissioner for Income Security Programs, SSA.

7. There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 CFR 1320.5.
8. SSA published the 60-day advance Federal Register Notice on September 25, 2008, at 73 FR 55585, and SSA has received no public comments. SSA published the second Notice on December 11, 2008, at 73 FR 75488.

On August 19, 2008, SSA held a teleconference with the SSA regional IAR coordinators and representatives from the States or agencies that deal with the IAR process for input to the eIAR process. SSA will hold more teleconferences as needed.

In both Federal Register Notices, we inadvertently double-counted the burden by placing a burden in the columns for eIAR. Since eIAR has not, yet, been implemented, the burden should have been a placeholder burden. SSA corrected this error in #12 below and on ROCIS. Please see the footnote for the eIAR burden on the chart below.

9. SSA provides no payment or gifts to the respondent.
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. In addition, SSA protects information collected electronically through our Privacy Policy for Internet Services that ensures the confidentiality of all information provided by the requester. Our Internet privacy policy is:
 - We collect personally identifiable information (name, SSA, DOB or email) only if specifically and knowingly provided by you.
 - SSA will use personally identifying information you furnish only in conjunction with services you request as described at the point of collection.
 - We sometimes perform statistical analyses of user behavior in order to measure customer interest in the various areas of our site. We will disclose this information to third parties only in aggregate form.
 - We do not give, sell, or transfer any personal information to a third party.
 - We do not enable “cookies.” (A “cookie” is a file placed on your hard drive by a Web site that allows it to monitor your use of the site, usually without your knowledge.)

SSA will provide access to screens which allow requests for personal information from SSA, allow the individual to make changes to personal information, or allow the individual to register personal and/or business information only upon verification of identity.

11. The information collection does not contain any questions of a sensitive nature.
12. Listed below is the burden hour estimate for the current IAR information collection process included in the IAR Agreement between SSA and the State. Also, listed is the burden hour estimate for the eIAR process.

The estimate includes reading and signing the agreement.

Reporting Requirements

Type of Request	Number of Respondents	Frequency of Response	Number of Responses	Average Burden Per Response (minutes)	Estimated Annual Burden Hours (hours)
a) State notification of Receipt of Authorization (Electronic Process)	11 States	8,856 annually	97,416	1	1624
b) State Submission of copy of Authorization (Manual Process)	26 States	792 annually	20,592	3	1030
c) State Computation of Amount of Reimbursement Due From SSA	39 States	577 annually	22,503	30	11,252
d) State Request for Determination – Dispute Resolution	2 States	1 annually	2	15	1
e) Paper Form SSA-8125	39 States	1282	49,998	10	8,333
f) Paper Form SSA-L8125-F6	39 States	1282	49,998	10	8,333
g) eIAR Process ¹	1	-	-	-	1

¹ Since we have not implemented this program yet, we are showing a on-hour placeholder burden for the new eIAR application. Upon implementation of eIAR, we will update the burden information for eIAR and both the SSA-8125 and SSA-8125-F6 accordingly.

h) State Notification to SSA of Deceased Claimant	20 States	2	40	15	10
i) Review/Signing Agreements	39 States	1	39	12 hours	46

Recordkeeping Requirements

	Number of Respondents	Frequency of Response	Number of Responses	Average Burden Per Response	Estimated Annual Burden Hours
j) Maintenance of Authorization Forms	39 States	3,189	124,371	3	6219
k) Maintenance of Accounting Forms and Notices	39 States	3,189	124,371	3	6219

Third Party Disclosure Requirements

	Number of Respondents	Frequency of Response	Number of Responses	Average Burden Per Response	Estimated Annual Burden Hours
l) Written notice from State to Recipient Regarding Amount of Payment	39 States	576	22,464	7	2621

Periodic Review of Agency Accounting Process

	Number of Respondents	Frequency of Response	Number of Responses	Average Burden Per Response	Estimated Annual Burden Hours
m) Retrieve and	12 States	1	12	3 hours	36

Consolidate Authorization and Accounting Forms					
n) Participate in Periodic Review	12 States	1	12	16 hours	192
o) Correct Administrative and Accounting Discrepancies	6 States	1	6	4 hours	24

Total Administrative Burden

	Number of Respondents	Frequency of Response	Number of Responses	Average Burden Per Response	Estimated Annual Burden Hours
Total	39 States		511,825		46,363

The total burden reflects as burden hours. SSA calculated no separate cost burden.

13. There is no known cost burden to the respondents.
14. For the current process, the annual cost to the Federal Government is approximately \$160,055.28. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.

The overall cost to the Federal Government to collect the IAR information through the eIAR process is negligible. SSA's cost of maintaining the system which collects this information is established and accounted for within the cost of maintaining all of SSA's automated systems and it is not possible to calculate the cost associated with this one application.

15. The changes in the public reporting burden are due to several factors. Previously we cleared the burden information for only the SSA-8125 and SSA-L8125-F6; however, we inadvertently did not report the burden information for the business process. Therefore, we are now adding the business process to the clearance package to rectify the potential PRA violation. We are also adding a new eIAR process that will initially increase the overall public reporting burden.

There is no burden change for the forms SSA-8125 and SSA-L8125-F6. However, ROCIS shows changes to due adjustments whenever we create ICs for the first time. The only change in burden is a program increase due to the addition of the business process and eIAR burdens.

16. SSA will not publish the results of the information collection.
17. OMB exempted SSA from the requirement to print the OMB approval expiration date 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). OMB granted this exemption so the agency would not have to discontinue using otherwise useable editions of forms with outdated expiration dates. In addition, SSA avoids government waste, because we will not have to destroy and reprint stocks of forms.

SSA is not requesting an exception to the requirement to display an expiration date for the electronic IAR process.

18. SSA is not requesting an exception to the certification requirements at 5 CFR1320.9 and related provisions at 5 CFR 1320.8(b) (3).

B. Collections of Information Employing Statistical Methods

- SSA is not using statistical methods for this information collection.