SUPPORTING STATEMENT FOR FORM SSA-1021
APPEAL OF DETERMINATION FOR HELP WITH MEDICARE PRESCRIPTION DRUG PLAN COSTS
20 CFR 418.3110
OMB No. 0960-0695

A. Justification

1. **Introduction/Authoring Laws and Regulations -** The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established a Medicare Part D program for voluntary prescription drug coverage of premium, deductible, and co-payment costs for certain low-income individuals. The MMA mandates providing subsidies for those individuals who qualify for the program and who meet eligibility criteria for help with premium, deductible, and/or co-payment costs.

   The Social Security Administration (SSA) uses Form SSA-1020 (OMB No. 0960-0696) to collect information and make a subsidy eligibility determination. *Section 1631(c)(1)(A)* of the *Social Security Act,* as codified by *20 CFR 418.3110* of the *Code of Federal Regulations,* describes the right of beneficiaries to appeal SSA's eligibility determination. The latter section describes the appeal/administrative review process, in which individuals may request a reconsideration hearing via phone, mail, or email. SSA conducts the reconsideration hearing by telephone or, if the individual waives this option, SSA conducts a case review. If the individual does not agree with the outcome of the reconsideration hearing/case review, the individual may appeal to a Federal district court.

2. **Description of Collection -** SSA requires an instrument that individuals can use to request an appeal by mail. We use Form SSA-1021, the Appeal of Determination for Help with Medicare Prescription Drug Plan Costs, for this purpose. Individuals use the form when requesting an appeal of SSA's determination about their eligibility for a Medicare Part D subsidy.

3. **Use of Information Technology to Collect the Information –** In addition to the paper form, SSA employees use an internal electronic system, the Medicare Application Processing System (MAPS), for claimants who wish to file an appeal via an in-person or telephone interview. Approximately 30 percent of all claimants file their appeal using MAPS. SSA is not considering the electronic expansion for this process because of the short length of the form and the relatively small burden it places on the public.

4. **Why We Cannot Use duplicate Information -** The nature of the information we are collecting and the manner in which we are collecting it preclude duplication. There is no other collection instrument SSA uses that collects similar data.

5. **Minimizing Burden on Small Respondents -** This collection does not affect small businesses or other small entities.

6. **Consequence of Not Collecting Information or Collecting it Less Frequently -** If we did not collect this information individuals wishing to appeal in writing SSA's Medicare Part D subsidy eligibility determinations would be unable to do so, which would be a violation of the MMA. Because individuals complete the form only when appealing their subsidy eligibility determination, we cannot collect the information less frequently.

   There are no technical or legal obstacles that prevent burden reduction.

7. **Special Circumstances -** There are no special circumstances that would cause SSA to conduct this information collection in a manner inconsistent with 5 CFR 1320.5.

8. **Solicitation of Public Comment and other Consultations with the Public -** SSA published the 60-day advance Federal Register Notice on August 2, 2010, at 75 FR 45190, and there were no public comments. We published the 30-day Federal Register Notice on November 24, 2010, at 75 FR 71785. If we receive any public comments, we will forward them to OMB. There have been no consultations with members of the public.

9. **Payment or Gifts to Respondents -** SSA provides no payment or gift to the respondents.

10. **Assurances of Confidentiality -** SSA protects and holds the information we collect 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. **Justification for Sensitive Questions -** The information collection does not contain any questions of a sensitive nature.

12. **Estimates of Public Reporting Burden –** Approximately 75,000 respondents average about 10 minutes each to complete Form SSA-1021 for a total of 12,500 burden hours annually. The total reflects burden hours; we did not calculate a separate cost burden.

13. **Annual Cost to the Respondents (Other) -** There is no known cost burden to the respondents.

14. **Annual Cost to the Federal Government -** The annual cost to the Federal Government is approximately $30,680. This estimate is a projection of the costs for printing and distributing the collection instrument and for collecting the information.

15. **Program Changes or Adjustments to the Information Collection Request -** There are no changes in the public reporting burden.

16. **Plans for Publication Information Collection Results –** SSA will not publish the results of the information collection.

17. **Displaying the OMB Approval Expiration Date -** OMB granted SSA an exemption from the requirement to print the OMB expiration date on its program forms. SSA produces millions of public-use forms with life cycles exceeding those of an OMB approval. Since

SSA does not periodically revise and reprint its public use forms (e.g., on an annual basis), OMB granted this exemption so that SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

18. Exceptions to Certification Statement - 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

SSA does not use statistical methods for this information collection.