

**Supporting Statement for Form SSA-1020/i1020**  
**Application for Extra Help With Medicare Prescription Drug Plan Costs**  
**20 CFR 418.3101**  
**OMB No. 0960-0696**

**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 mandated that subsidies would be available for individuals who qualify for the program and who meet eligibility criteria for help with premium, deductible, and/or co-payment costs. Section 1860D-14 of the *Social Security Act*, as codified in 20 CFR 418.3101 of the *Code of Federal Regulations*, discusses the subsidy eligibility criteria.

SSA uses form SSA-1020, the Application for Help with Medicare Prescription Drug Plan Costs, to collect the information necessary for making Part D subsidy eligibility determinations. The current Information Collection Request is for a revised version of form SSA-1020 and its electronic equivalent, the i1020. We are revising the SSA-1020/i1020 to increase clarity. The respondents for this form are applicants for the Medicare Part D subsidy.

**2. Description of Collection**

SSA uses SSA-1020/i1020 to obtain income and resource information from Medicare beneficiaries to make a subsidy decision. The respondents for this information collection are Medicare beneficiaries applying for the Part D. low-income subsidy.

**3. Use of Information Technology to Collect the Information**

In accordance with the agency's Government Paperwork Elimination Act plan, SSA created an Internet version of form SSA-1020, the i1020. Based on our data, we estimate approximately 29% of respondents use the electronic version, and 21% of the respondents complete information during field-office interview.

**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. SSA does not use another collection instrument to obtain 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 use form SSA-1020, the public would not have an opportunity to apply for the low-income subsidy, and SSA would have no means of making an eligibility decision. We would also be in violation of our administration duties under the Medicare Modernization Act. Because we only collect the information once, we cannot collect it less frequently.

There are no technical or legal obstacles to 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**  
 The 60-day advance Federal Register Notice published on November 16, 2010, at 76 FR 71105, and we received no public comments. The 30-day FRN published on February 14, 2012 at 77 FR 8322. If we receive any comments in response to this Notice, we will forward them to OMB.

We did not consult with the public in the revision of this form or Internet application.

- 9. Payment or Gifts to Respondents**  
 SSA does not provide payments or gifts to the respondents.

- 10. Assurances of Confidentiality**  
 SSA protects and holds confidential the information it collects 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**  
 The total burden for this ICR is 671,921 hours. The chart below represents the estimated total burden hours, and we did not calculate a separate cost burden.

<b>Collection Instrument</b>	<b>Number of Responses</b>	<b>Frequency of Response</b>	<b>Average Burden Per Response (minutes)</b>	<b>Estimated Total Annual Burden (hours)</b>
<b>SSA-1020 (paper application form)</b>	724,238	1	30	362,119
<b>i1020 (online application)</b>	409,189	1	25	170,495
<b>Field office interview</b>	278,613	1	30	139,307

<b>Totals</b>	<b>1,412,040</b>			<b>671,921</b>
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**13. Annual Cost to the Respondents (Other)**

This collection does not impose a known cost burden on the respondents.

**14. Annual Cost To Federal Government**

The annual cost to the Federal Government for the SSA-1020 is approximately \$4,815,547. This estimate includes \$1,458,260 for printing and distribution and \$3,357,287 for collection and processing of in-office interviews for the form.

The estimated cost to the Federal Government to collect the information for i1020 is 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 Internet application.

**15. Program Changes or Adjustments to the Information Collection Request**

There has been an increase in burden hours. This increase stems from an increase in the number of respondents completing the application (unspecified cause).

**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 the SSA-1020 paper form. 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 SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

SSA is not requesting an exception to the requirement to display the OMB approval expiration date on the Internet-based i1020.

**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.