

# **Supporting Statement for CMS-1957 Social Security Office (SSO) Report of State Buy-In Problem**

## **A. Background**

This is a request for OMB reapproval of the CMS-1957, SSO Report of State Buy-In Problems. Under Section 1843 of the Social Security Act, States may enter into an agreement with the Department of Health and Human Services to enroll eligible individuals in Medicare and pay their premiums. The purpose of the State Buy-in' program is to assure that Medicaid is the payer of last resort by permitting a State to provide Medicare protection to certain groups of needy individuals, as part of the State's total assistance plan. State Buy-in also has the effect of transferring some medical costs for this population from the Medicaid program, which is partially State funded to the Medicare program, which is funded by the federal government and individual premiums. Generally, the States Buy-in for individuals who meet the eligibility requirements for Medicare and are cash recipients or deemed cash recipients or categorically needy under Medicaid. In some cases, States may also include individuals who are not cash assistance recipients under the Medical Assistance Only group.

## **B. Justification**

### 1. Need and Legal Basis

The statutory authority for the State Buy-in program is Section 1843 of the Social Security Act, amended through 1989. Under Section 1843, a State can enter into an agreement to provide Medicare protection to individuals who are members of a Buy-in coverage group, as specified in the State's Buy-in agreement.

The Code of Federal Regulations at 42 CFR Section 407.40 provides for States to enroll in Medicare and pay the premiums for all eligible members covered under a Buy-in coverage group. Individuals enrolled in Medicare through the Buy-in program must be eligible for Medicare and be an eligible member of a Buy-in coverage group.

The day to day operations of the State Buy-in program is accomplished through an automated data exchange process. The automated data exchange process is used to exchange Medicare and Buy-in entitlement information between the Social Security District Offices, Medicaid State Agencies and the Centers for Medicare & Medicaid Services (CMS). When problems arise however that cannot be resolved through the normal data exchange process, clerical actions are required. The CMS-1957, "SSO

Report of State Buy-In Problem” is used to report Buy-in problems cases. The CMS-1957 is the only standardized form available for communications between the aforementioned agencies for the resolution of beneficiary complaints and inquiries regarding State Buy-in eligibility.

## 2. Information Users

In most instances, the SSO becomes aware of a problem through a beneficiary complaint. Social Security District Offices and State Medicaid Agencies submit completed CMS 1957 forms to CMS to identify and correct Buy-in problems.

A Buy-in problem usually involves one or more of the following:

1. A request to accrete or delete an individual from a State’s Buy-in rolls.
2. A request to adjust the enrollment (accretion) and/or deletion (dis-enrollment) date(s) annotated to CMS’ Medicare record.
3. A complaint of duplicate billing – occurs when State is paying the Medicare Part B premiums while the premiums are being deducted from a beneficiary’s social security check.
4. A complaint that an individual enrolled in the Buy-in program is also being directly billed for the Medicare premiums.
5. A request to refund Medicare premiums paid by the individual, while the individual was an eligible member of a covered group.
6. A complaint that a Medicare claim was denied due to no Medicare coverage while the individual was an eligible member of a covered group.
7. A complaint that an individual received a Medicare termination notice while being an eligible member of a Buy-in coverage group.
8. Individual is no longer eligible for Buy-in.
9. Medicare entitlement voided due to fraud or no longer meets Medicare residency requirement.
10. Individual moved out of the country.

The CMS-1957 is used in the resolution of beneficiary complaints regarding the State Buy-in Program. The instructions for completing the CMS-1957 are posted on SSA PolicyNet: HI 00815.088, Serviceing DO/BO Processing of CMS-1957. The SSO completes Part 1 and Part 2 of the form and forwards the form to the State Medicaid

Agency for additional information, if necessary. The form is returned to the SSO for final review of the State data. The SSO forwards the form to CMS when the Third Party billing file and related records need correction.

The CMS-1957 is designed as a cover letter to accumulate information necessary in resolving Buy-in problem cases. The CMS-1957 is described below:

Identifying information is provided at the top portion of the form. This includes a “To” and “From” block; Beneficiary level-identification block including: Name; Medicare Claim Number, Social Security Number, Welfare ID Number, State and County of Residence, Sex, Date of Birth, and Claimant’s Mailing address. The SSO may need to contact the State Medicaid Agency in order to complete the identification block.

Part 1, “Report of Problem by SSO” and Part 2, “SSI Status at SSO” (if applicable) are completed by the Social Security District Office. This section describes the problem and/or situation.

Part 3, “Report of Buy-In Status by Welfare Department” and Part 4, “Information from the State’s records and/or actions being taken by State” are completed by the State Medicaid Agency. These sections are used for verifying Buy-in eligibility. After verifying the Buy in status, the form is signed by the authorized State Medicaid Agency personnel; the form is dated and returned to the appropriate SSO and then the form is sent to CMS for resolution.

Beneficiary problems and concerns related to the State Buy-in program cannot be officially documented without the use of CMS-1957 form. This form facilitates the coordination of efforts between the SSDOs, State Medicaid Agencies and CMS in the resolution of State Buy-in problems.

3. Improved Information Technology

The form CMS-1957 is completed once for each Medicare record. In an effort to improve the use of the form through advance technology and electronic submissions, the form is now available in a PDF fill-able format with “save as” and ‘e-signature’ features. The form CMS-1957 now lends itself to submission to CMS through electronic mail exchange.

4. Duplication

There is no duplication of work when resolving a State Buy-in problem. Each problem is unique to a Medicare record. The information provided on the CMS-1957 is also unique to each individual.

5. Small Businesses

This form is not completed by small business, but rather State and Federal Agencies.

6. Less Frequent Collection

This form is completed as needed when a beneficiary experiences a problem related to the State Buy-in problem.

7. Special Circumstances

There are no special circumstances.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on\_\_\_\_\_.

9. Payment/Gift To Respondents

There are no payments/gifts to respondents.

10. Confidentiality

While there are no assurances of confidentiality provided, the information is used only within the Medicare program.

11. Sensitive Questions

There are no questions of a sensitive nature associated with this form.

12. Burden Estimate (Hours & Wages)

There are approximately 3,802 forms completed and submitted to CMS for resolution annually. It is assumed that each form represents a beneficiary making a complaint. Therefore, 3,802 beneficiaries provided information to their local SSO District Office.

The SSO completes Part 1 and Part 2 of the form by compiling and documenting information provided by the beneficiary. The average interview and completion time for the CMS-1957 is 20 minutes.

The form may be forwarded to the State Medicaid Agency for verification of the Buy-in status and returned to the SSO. The two sections completed by the State

Medicaid Agencies are merely check boxes. Contacts in the State Medicaid Agencies estimate that this part of the form can be completed in 15 minutes.

The burden is computed as follows:

SSO Beneficiary Interview:

3,802 beneficiary interviews multiplied by 20 minutes (1/3 hr)  
= 1,266.07 hours

State Medicaid Agency:

CMS only records the total count of forms received. A breakdown by Agency is not available.

**Total burden = (Not applicable) hours**

SSO Beneficiary Interview:

Based on the standard hourly rate of \$18.45 GS-7, step 5 multiplied by  
1, 266.07 hours  
= \$23,358.99

13. Capital Costs

\$23,358.99

14. Annual Cost to Federal Government

Printing Costs:

No printing costs currently incurred.

Processing Costs:

Not Applicable – CMS does not record SSA’s processing costs related to the CMS 1957 form.

Social Security District Office Service complaints on the CMS-1957. Cost is computed as follows: GS-7, step 5, hourly rate of \$18.45 multiplied by 1,266.07 hours = 23,358.99

Total Federal Cost is \$23,358.99

15. Program Changes

The number of respondents decreased since the last time this information collection was submitted for OMB approval. We have adjusted the burden accordingly.

16. Publication and Tabulation Data

This information is not published or tabulated.

17. Display of Expiration Date

No expiration date currently exists on the form and we are seeking approval to not display an expiration date on the form. Neither the form nor the information requested changes from renewal to renewal. The requirement to include an expiration date, would necessitate the destruction of “in stock” forms with old dates. This would represent an increased cost to the Government for reprinting new forms.

18. Certification

There are no exceptions to the certification statement.

**C. Collections of Information Employing Statistical Methods**

This section does not apply because statistical methods were not used in developing this collection.