

Supporting Statement – Part A
Request for Employment Information
CMS-R-297, OCN 0938-0787

Background

CMS is requesting an extension of a currently approved collection under 0938-0787. This form is used by the Social Security Administration (SSA) to obtain information from employers regarding whether a Medicare beneficiary's coverage under a group health plan is based on current employment status.

A. Justification

1. Need and Legal Basis

Section 1837(i) of the Social Security Act (the Act) provides for a special enrollment period for individuals who delay enrolling in Medicare Part B because they are covered by a group health plan based on their own or a spouse's current employment status. Disabled individuals with Medicare may also delay enrollment because they have large group health plan coverage based on their own or a family member's current employment status. When these individuals apply for Medicare Part B, they must provide proof that the group health plan coverage is (or was) based on current employment status.

2. Information Users

The Social Security Administration uses this information to determine whether an individual meets the requirements for a special enrollment period and/or late enrollment penalty reduction.

3. Use of Information Technology

The collection of this information does not involve the use of information technology.

4. Duplication of Efforts

The collection of this information does not duplicate any other effort.

5. Small Businesses

Small businesses are not affected by the collection of this information.

6. Less Frequent Collection

This information is collected only as needed. Less frequent collection would adversely affect beneficiaries eligible for a special enrollment period or late enrollment penalty reduction since

they are only allowed to enroll if the employer verifies group health plan coverage based on current employment status.

7. Special Circumstances

There are no special circumstances involved with the collection of this information.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published on April 4, 2013 (78 FR 20323). While no public comments were received, CMS is actively consulting with the SSA for feedback.

9. Payments/Gifts to Respondents

There were no payments or gifts to respondents.

10. Confidentiality

The information collected is used only by SSA for the purpose of determining a beneficiary's eligibility for a special enrollment period and/or premium surcharge reduction.

11. Sensitive Questions

There are no sensitive questions

12. Burden Estimates (Hours & Wages)

\$56,250. (\$15 per hour multiplied by 3,750 hours). The approximate number of respondents is 15,000. We estimate it will take 15 minutes to complete the form (15,000 x 0.25 hours = 3,750 hours).

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

\$30,712.71. The approximate number on respondents is 15,000. We estimate that it takes an SSA field office GS-09 staff 5 minutes to manage/oversee the use of the form. The 2013 average GS-09 hourly rate of \$24.58 x .0833 hours (5 minutes) x 15,000 (number of forms) = \$30,712.71.

15. Changes to Burden

The number of forms has increased from 5,000/year to 15,000/year. This figure was increased

based on the changes at Social Security to increase the age to which individuals receive full retirement benefits. Because the full retirement age has increased from 65 to 67, growing numbers of people are continuing to work after they become eligible for Medicare. These individuals have group health plan coverage through that employer, and they are delaying enrollment in Part B. Thus, more people are enrolling using the special enrollment period resulting in an increase in the number of total forms. The timeframe of 15 minutes in which to complete the form has not changed.

The cost burden has increased from \$12,500 to \$56,250. This is a result of improved methods to approximate the estimate. Specifically, the salary amount of an individual in an administrative position completing the form at the business increased from \$10/hour to \$15/hour.

16. Publication/Tabulation Dates

None

17. Expiration Date

CMS would like to display the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

This ICR does not employ any statistical methods.