

Supporting Statement for Form SSA-561-U2
Request for Reconsideration
20 CFR 404.907-404.921, 416.1407-416.1421, 418.1009, and 418.1325
OMB No. 0960-0622

A. Justification

1. Introduction/Authoring Laws and Regulations

Section 205(b)(1) of the *Social Security Act (Act)* states that the Social Security Administration (SSA) provides an evidentiary hearing at the reconsideration level of appeal. Upon request by any such individual or upon request by an applicant who shows in writing that his or her rights have been disadvantaged, the Commissioner shall give such applicant reasonable notice and an opportunity for a hearing with respect to such decision, and if a hearing is held, shall on the basis of the evidence adduced at the hearing, affirm, modify or reverse the Commissioner's findings of the fact and such decision.

SSA extends this hearing process to comparable cases under *Title XVI* of the *Act* in 20 *CFR* 404.907 through 404.921 and 416.1407 through 416.1421 of the *Code of Federal Regulations*. In addition, section 251(a) of *Public Law 106-169* creates a new *Title VIII, Section 809 (a)(1)* of this Title, and extends this hearing process to comparable cases under *Title VIII*.

Section 1869(b) of the *Act* states that any individual who is dissatisfied with an initial determination regarding Medicare entitlement, benefits, or coverage, is entitled to a reconsideration of that determination. *Section 105(a)(2)(B)* of *Public Law 103-296* (the *Social Security Independence and Program Improvements Act*, which established SSA as an independent agency) stipulates that SSA and the Department of Health and Human Services (HHS) would share responsibility for the Medicare (*Title XVIII*) appeals process. The process provided for under this statute was that SSA would continue to perform the hearings function for determinations made by SSA about Medicare Part A and Part B entitlement. As required by the *Public Law 103-296*, SSA and HHS continued to negotiate transfer of some of the Medicare appeals functions; in 1995, the two agencies signed an agreement that transferred to the Medicare Appeals Council within HHS the Medicare appellate review functions that the SSA Appeals Council had been performing. *Section 931* of *Public Law 108-173* required transfer of the functions of administrative law judges (ALJs) responsible for hearing appeals under *Title XVIII* of the *Act* from SSA to HHS. However, SSA continues to conduct reconsiderations of initial determinations regarding Medicare entitlement. Additionally, since January 2007, SSA makes the determinations regarding Medicare Part B income-related monthly adjustment amount (IRMAA) required under section 1839(i) of the *Act (Public Law 108-173)*. Consistent with the procedure for Medicare entitlement issues, SSA will conduct reconsiderations of initial determinations as provided in 20 *CFR* 418-1325.

20 *CFR* 404.1713 and 416.1513 mandate that claimant representatives use our electronic services at the times and in the manner we prescribe on matters for which they request

direct fee payment. The *Requiring Electronic Filing of Appeals for certain Representatives Federal Register Notice* mandates the use of the i561 by claimant representatives who file a reconsideration request on a client's behalf and request direct fee payment on the matter.

2. Description of Collection

Individuals use Form SSA-561-U2, the associated MCS interview, or the Internet application (i561) to initiate a request for reconsideration of a denied claim. SSA uses the information to document the request and to determine an individual's eligibility or entitlement to Social Security benefits (*Title II*), SSI payments (*Title XVI*), Special Veterans Benefits (*Title VIII*), Medicare (*Title XVIII*), and for initial determinations regarding Medicare Part B income-related premium subsidy reductions. The respondents are individuals filing for reconsideration of a denied claim.

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-561-U2, the i561. Based on our data, we estimate approximately 62% of respondents under this OMB number use the electronic version. Respondents who wish to file request for reconsideration may do so using an internet version of the SSA-561-U2, the i561. Information from the i561 propagates into SSA's Modernized Claims Systems (MCS) and Modernized Supplemental Security Income Claims Systems (MSSICS). The collection instrument is also available through MCS and MSSICS to respondents who file request for reconsideration by mail or through a personal interview in a field office.

4. Why We Cannot Use Duplicate Information

The nature of the information SSA is collecting and the manner in which we are collecting it precludes 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-561-U2, or the electronic versions (MCS, MSSICS, and the i561), the public would not be able to explain their reasons for requesting reconsideration, including recent information in the evaluation, or having SSA's determination of the Medicare Part B income-related monthly adjustment amount reconsidered. Therefore, 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

The 60-day advance Federal Register Notice published on May 9, 2014 at 26798, and we received one public comment:

The commenter suggested we add more contact methods to the Internet screens.

Our Policy component responded letting the commenter know we considered the suggestion; however, we will not adopt it. Currently, these forms ask for daytime phone numbers for the appellant and a contact person. We believe this is sufficient. If our technicians are unable to reach a party by telephone, our procedures require we send a request for information notice. This provides for good record-keeping and protects the rights of our customers.

SSA published the second Notice on August 7, 2014, at 79 FR 46293. If we receive comments in response to the 30-day Notice, we will forward them to OMB. We did not consult with the public in the revision of this form.

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

Approximately 1,461,700 respondents file a reconsideration request annually. The estimated average completion time is 8 minutes for the Form SSA-561-U2 and 5 minutes for the i561. The annual reporting burden is as follows:

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)
Paper SSA-561; Modernized Claims Systems (MCS & MSSICS)	550,370	1	8	73,383
iAppeals - i561	911,330	1	5	75,944
Totals	1,461,700			149,327

The total burden reflects burden hours, and we did not calculate a separate cost burden.

13. Annual Cost to the Respondents (Other)

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

14. Annual Cost to the Federal Government

The annual cost to the Federal Government is approximately \$6,105,942 as a projection of the costs for printing and distributing the collection instrument and for collecting the information.

The estimated cost to the Federal Government to collect the information for the internet application iAppeals 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 Adjustment to the Information Collection Request

There are no changes to 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

For the paper Form HA-501-U5, SSA will not publish 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 the OMB approval date. Since SSA does not periodically (e.g., on an annual basis), revise and reprint its public-use forms, OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, thereby avoiding Government waste.

For the internet application, i501 (iAppeals), SSA is not requesting an exception to the requirement to display the OMB approval expiration date.

18. Exemption 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.