

Supporting Statement Part A
Request for Employment Information
CMS-R-297/CMS-L564, OCN 0938-0787

Background

CMS is requesting to revise 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.

Section A on the Request for Employment Information [CMS-L564 (CMS-R-297)] is to be completed by the applicant. There are seven fields that the applicant must complete. They are as follows:

Item 1: Requests the applicant to fill in the name of the employer. This needed so that SSA can verify with the employer that said employee was working during the time indicated.

Item 2: Requests the date that the applicant is filling out the Request for Employment Information form.

Item 3: Requests the employer's address.

Items 4 and 5: Requests the applicant's name and Social Security number so that SSA and CMS can identify the individual.

Items 6: Requests the employee’s name. This name may be the same as Item 1 if the applicant is also the employee. However, the name may differ from Item 1 if the applicant is getting group health plan coverage through a spouse or family member. Enrollment in Part B can be established through a spouse or family member, therefore the employee’s name is needed to identify the relationship between the applicant and the employee.

Item 7: Requests the employee’s Social Security Number. This may be the same as the applicant’s SSN or different if the applicant is receiving GHP through a spouse or family member. Enrollment in Part B can be established through a spouse or family member, therefore the employee’s SSN is needed to identify the person through whom coverage to Part B will be established.

Section B on the Request for Employment Information [CMS-L564 (CMS-R-297)] is to be completed by the employer.

Item 1 through 4: Requests if the applicant was covered under an employer group health plan and if so, if the coverage has ended and when. SSA requires this information to determine eligibility for the SEP.

Item 5: Requests the employer to fill out the dates the employee worked for their company or if they are currently still employed. SSA requires this information to determine eligibility for the SEP.

Item 6: Requests information regarding larger group health plans coverage for a disabled applicant. Specifically, SSA needs to know the timeframe that the large group health plan was primary payer to determine eligibility for the SEP.

Under the sections called “For Hours Bank Arrangements ONLY” there are three fields that need to be filled out by the employer if the applicant was covered under an Hours Bank Arrangement.

Item 1: Provides if the applicant was covered under an Hours Bank Arrangement.

Item 2: Determines if the applicant has hours remaining in reserve.

Item 3: Indicates the date in which reserved hours ended or will be used.

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 using the SEP 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 October 23, 2013 (78 FR 63208). No comments were received; however, changes were made subsequent to the publication of the 60-day notice. Those changes were from internal review and additional consultation with the Social Security Administration. The changes correct an inadvertent omission of a field to indicate information necessary to determine SEP eligibility for disabled individuals and some minor typographical errors.

The adjustments to this form were developed in consultation with the Social Security Administration to ensure smooth operational implementation and that necessary data elements are collected in the revised form to permit the determination of SEP eligibility for specific situations permitted in statute.

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)

Burden to Applicant:

There are approximately 15,000 applicants annually who use form CMS-L564. It takes an applicant on average 5 minutes to complete Section A of the CMS-L564.

The burden is computed as follows:

There are 15,000 applicants taking 5 minutes per response. $15,000 \times .0833$ (5 minutes) = 1,249.50 total burden hours.

While there may be some cost to applicants, individuals completing this form can be of any age (though most are 65 or older). Thus, there are individuals completing this form who are working currently, may not be working currently or never worked. There are no appropriate wage categories to use to annualize any cost to the respondents for 5 minutes.

Burden to Employer:

We estimate the burden to the employer is \$56,250. The approximate number of respondents is 15,000. We estimate it will take 15 minutes for the employer to complete the form or 3,750 total employer hours.

The burden is computed as follows:

\$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 ($15,000 \times 0.25$ 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

There is a change in the burden to the time the applicant spends filling out a small section of the form prior to sending the form to the employer for completion. The revised form requires the applicant to fill out Section A. While this activity may have occurred with the previous form, it was not captured in previous burden estimates. We estimate it will take the applicant 5 minutes to fill out Section A of the form. The change in the burden is due to adjustments in the form and operational processes.

In addition, changes were made subsequent to the 60-day notice. The changes included corrections of minor typographical errors and an inadvertent omission of the end date for the group health plan coverage of a disabled individual. This field was necessary to capture the beginning and end dates of the coverage so that a determination of eligibility for the Special Enrollment Period can occur. While the inclusion of the coverage end date is an additional piece of information, we believe that it is accessible and available in conjunction with the start date of the coverage. Therefore, we do not believe there to be any additional burden, beyond the amounts identified in the prior paragraph, to either the applicant or the employer.

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

Not applicable. There are no statistical methods.