Supporting Statement for State Supplementation Provisions:
Agreement; Payments
20 CFR 416.2095-416.2098, 20 CFR 416.2099
OMB No. 0960-0240

A. Justification

1. Introduction/Authoring Laws and Regulations

Section *1618* of the *Social Security Act (Act)* and *20 CFR 416.2095-416.2098* of the *Code of Federal Regulations (Code)* require states that administer their own supplementary income payment program(s) to demonstrate compliance with the *Act* by passing Federal cost-of-living increases on to individuals who are eligible for state supplementary payments. States are required to report to SSA their compliance of the passing-along of such increases under *20 CFR 416.2099* of the *Code.*

2. Description of Collection

The Social Security Administration (SSA) collects the pass-along increase information from each state agency that (1) administers a state supplementary program, and (2) has agreed to comply with the provisions of the *Act.* The information we request allows SSA to determine each state's compliance or noncompliance with the pass-along requirements of the *Act*. Federal participation in the state's Medicaid program, under title XIX of the *Act*, is dependent upon SSA's determination of a state's compliance. States report supplementary payment information annually (for states complying by the maintenance-of-payment levels method). SSA may ask them to report up to four times in a year (for states complying by the total-expenditures method). This information collection asks the respondents (i.e., states) to confirm their compliance with the pass-along requirements, and to provide any changes to their optional supplementary payment rates. The respondents are state agencies administering supplementary income payment programs.

3. Use of Information Technology

SSA has not created an electronic option under the agency's Government Paperwork Elimination Act (GPEA) plan because only 32 states and the District of Columbia respond. This is less than the GPEA cut-off of 50,000. However, SSA encourages states to report the information via electronic mail

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

The consequences of a state failing to report the required payment information is loss of Federal financial participation in the state's Medicaid program under title XIX of the *Act*. Legally mandated, the agencies only report the information four times per year; therefore, we cannot collect the information 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 June 23, 2015, at 80 FR 36031, and we received no public comments. SSA published the second Notice on August 25, 2015, at 80 FR 51647. 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 we are collecting 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

We may ask the seven states that have elected to comply with the pass-along requirements using the total-expenditures method to report expenditures data quarterly. SSA requests the 26 states that have elected to comply by maintaining their payment levels to furnish payment level amounts once each year. The estimated average response time is 60 minutes for 54 burden hours as shown on the chart below:

Modality of Completion	Number of Respondents	Frequency of Response	Number of Responses	Average Burden Per Respons	Estimated Total Annual

				e (minutes)	Burden (hours)
Total Expenditures	7	4	28	60	28
Maintenance of Payment Levels	26	1	26	60	26
Total	**33**		**54**		**54**

The total burden for this ICR is 54 hours. This figure 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 $7,000. This includes $3,700 for preparing and sending letters to the affected states, and $3,300 for analyzing information received in incoming reports from the states to determine their compliance with section *1618* of the Act.

15. Program Changes or Adjustments to the Information Collection Request
The slight increase in the annual burden hours were stems from an increase in the number of respondents who are administering their own state supplementary program, and thus comply with the pass-along requirements through the payment levels method.

16. Plans for Publication Information Collection Result
SSA will not publish the results of the information collection.

17. Displaying the OMB Approval Expiration Date
SSA is not requesting an exception to the requirement to display an expiration date.

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