

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 applicants who show in writing that SSA disadvantaged their rights, the Commissioner shall give such applicant reasonable notice and an opportunity for a hearing with respect to such decision. In addition, if SSA holds a hearing, SSA shall, based on 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 (Code)*. 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 states 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, which transferred to the Medicare Appeals Council within HHS the Medicare appellate review functions that the SSA Appeals Council performs. *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 of the *Code*.

20 CFR 404.1713 and 416.1513 of the Code 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 claimants representatives who file a reconsideration request on a client's behalf and request direct fee payment on the matter use the i506.

2. **Description of Collection**

Individuals use Form SSA-561-U2, the associated Modernized Claims Systems (MCS) or Modernized Supplemental Security Income Claims Systems (MSSICS) interview, or the iAppeals Internet application (i561) to initiate a request for reconsideration of an initial determination. 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 an initial determination.

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 for medical and non-medical reconsideration request, as part of our iAppeals application. 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 through our iAppeals application. Information from the i561 medical reconsideration request propagates into SSA's MCS and MSSICS. For non-medical reconsideration requests, technicians transfer the information to MCS and 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 collects and the manner in which we collect 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 July 22, 2016, at 81 FR 47845, and we received no public comments. The 30-day FRN published on October 3, 2016 at 81 FR 68088. If we receive any comments in response to this Notice, we will forward them to OMB.

Note: The first Federal Register Notice shows incorrect burden information for the SSA-561-U2. We have corrected for this in the second Notice, in #12 below and on ROCIS.

We consulted with five advocacy group participants for two iAppeals Single Submission Conference Calls and meetings regarding current the iAppeals Internet application. We asked these advocacy groups for their concerns related to the single submission practice for iAppeals, which OMB approved in March 2015. During the conference calls and meetings, the advocacy participants shared their experiences illustrating the practical challenges they encountered using iAppeals since the implementation of single submission. They also expressed concerns regarding the single submission practice. Based on their feedback, SSA agreed to continue internal discussions on ways to improve the iAppeals application, including improvements to the single submission practice.

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**

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Total Annual Burden (hours)

SSA-561(paper), MCS & MSSICS)	300,370	1	8	40,049
i561(Internet iAppeals)	1,161,300	1	5	96,775
Totals	1,461,670			136,824

The total burden for this ICR is 136,824 hours. This figure represents 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. This estimate is 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 i561 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

The decrease in burden hours stems from SSA updating the iAppeals application by adding the function for individuals to file a non-medical appeal through iAppeals by using the i561 (Request for Reconsideration; OMB # 0960-0622) or the i501 Request for Hearing by Administrative Law Judge. Currently, individuals may only appeal medical decisions using the i561 or i501 and i3441 (Disability Report; OMB # 0960-0144), by including non-medical appeals to the iAppeals process, we allow individuals who would have used the more lengthy paper process to use our shorter electronic process instead.

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 SSA-561-U2, 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, i561 (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.