

Supporting Statement for Form SSA-1021
Appeal of Determination for Extra Help with Medicare Prescription Drug Costs
OMB No. 0960-0695

A. Justification

1. Introduction/Authoring Laws and Regulations

Public law 108-173, also known as the *Medicare Prescription Drug, Improvement and Modernization Act of 2003* (MMA), amended *Title XVIII* of the *Social Security Act* (*Act*) to establish a subsidy program to help certain individuals with limited income and resources pay for Medicare Part D prescription drug coverage. SSA commonly refers to this subsidy program as Extra Help. Some individuals may automatically become eligible for Extra Help if they have either Medicare and Supplemental Security Income benefits, full Medicaid coverage, or a Medicare Savings Program as a Qualified Medicare Beneficiaries, Specified Low-Income Medicare Beneficiaries, or a Qualifying Individual. An individual, or a proper applicant acting on the behalf of an individual, may have to file a valid application in order to become eligible for the Medicare Part D subsidy.

The Social Security Administration (SSA) reviews Medicare Part D subsidy applications and makes eligibility determinations. Section *1860D-14* of the *Act* describes the Extra Help eligibility criteria. Section *1860D-14(a)(3)(B)(iv)(II)* of the *Act* requires the Commissioner of the Social Security Administration (SSA) to establish a mechanism for individuals to appeal subsidy eligibility determinations using procedures described in Section *1631(c)(1)(A)*.

2. Description of Collection

SSA uses Form SSA-1021, Appeal of Determination for Help With Medicare Prescription Drug Plan Costs, to obtain information from individuals who appeal SSA's decisions regarding eligibility or continuing eligibility for a Medicare Part D subsidy. The respondents are Medicare beneficiaries, or proper applicants acting on behalf of a Medicare beneficiary, who do not agree with the outcome of an SSA subsidy eligibility determination, and are filing an appeal.

3. Use of Information Technology to Collect the Information

SSA uses several modalities including paper, fillable PDF and Intranet applications to collect information on Form SSA-1021. SSA employees have the ability to input information into the Intranet-based Medicare Application Processing System (MAPS) through either personal interviews with the respondents, or when we receive paper or fillable PDFs in the mail. We estimate approximately 77 percent of the respondents file through personal interview during which SSA employees record the information using MAPS. This information collection does not currently allow for electronic submission or electronic disclosure under GPEA as it has been conveyed to us by OIRA.

4. Why We Cannot Use Duplicate Information

The nature of the information we collect 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-1021, the public would not have a structured way to appeal a subsidy determination in writing. Because we only collect the information once, we cannot collect it 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 July 29, 2020, at 85 FR 45723, and we received no public comments. The 30-day FRN published on September 25, 2020 at 85 FR 60509. If we receive any comments in response to this 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

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost Amount (dollars)*	Average Wait Time in Field Office (minutes) **	Total Annual Opportunity Cost (dollars)
SSA-1021	2,872	1	10	479	\$25.72*	0	\$12,320*

(Paper version)							
SSA-1021 (Intranet version: MAPS)	9,691	1	10	1,615	\$25.72*	24**	\$141,229
Totals	12,563			2,094			\$153,549

* We based this figure on average U.S. worker’s hourly wages; State and local government worker’s salaries; and attorney representative payee wages, as reported by Bureau of Labor Statistics data. (https://www.bls.gov/oes/current/oes_nat.htm)

** We based this figure on the average FY 2020 wait times for field offices, based on SSA’s current management information data.

*** This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. **There is no actual charge to respondents to complete the application.**

In addition, OMB’s Office of Information and Regulatory Affairs is requiring SSA to use a rough estimate of a 30-minute, one-way, drive time in our calculations of the time burden for this collection. OIRA based their estimation on a spatial analysis of SSA’s current field office locations and the location of the average population centers based on census tract information, which likely represents a 13.97-mile driving distance for one-way travel. We depict this on the chart below:

Total Number of Respondents Who Visit a Field Office	Frequency of Response	Average One-Way Travel Time to a Field Office (minutes)	Estimated Total Travel Time to a Field Office (hours)	Total Annual Opportunity Cost for Travel Time (dollars)****
9,691	1	10	1,615	\$141,229

****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

Per OIRA, we include this travel time burden estimate under the 5 CFR 1320.8(a)(4), which requires us to provide “time, effort, or financial resources expended by persons [for]...transmitting, or otherwise disclosing the information,” as well as 5 CFR 1320.8(b)(3)(iii) which requires us to estimate “the average burden collection...to the extent practicable.” SSA notes that we do not obtain or maintain any data on travel times to a field office, nor do we have any data which shows that the average respondent drives to a field office, rather than using any other mode of transport. SSA also acknowledges that respondents’ mode of travel and, therefore, travel times vary widely dependent on region, mode of travel, and actual proximity to a field office.

NOTE: We included the total total opportunity cost estimate from this chart in our calculations when showing the total time and opportunity cost estimates in the paragraph below.

We base our burden estimates on current management information data, which

includes data from actual interviews, as well as from years of conducting this information collection. Per our management information data, we believe that 10 minutes accurately shows the average burden per response for reading the instructions, gathering the facts, and answering the questions. Based on our current management information data, the current burden information we provided is accurate. The total burden for this collection instrument is **2.094** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$294,778**. SSA does not charge respondents to complete our applications.

13. Annual Cost to the Respondents (Other)

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

14. Annual Cost To Federal Government

The annual cost to the Federal Government for this IC is approximately **\$3,322,606**.

Description of Cost Factor	Methodology for Estimating Cost	Cost in Dollars*
Designing and Printing the Form	Design Cost + Printing Cost	\$507
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	\$0
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	\$3,140,75
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	\$169,551
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	\$11,798
Quantifiable IT Costs	Any additional IT costs	\$0
Other	[Component may add as needed]	\$0
Total		\$3,322,606

* We have inserted a \$0 amount for cost factors that do not apply to this collection.

SSA is unable to break down the costs to the Federal government further than we already have. It is difficult for us to break down the cost for processing a single form, as field office and State Disability Determination Services staff often help respondents fill out several forms at once, and the time it takes to do so can vary greatly per respondent. As well, because so many employees have a hand in each aspect of our forms, we use an estimated average hourly wage, based on the wage of our average field office employee (GS-9) for these calculations. However, we have calculated these costs as accurately as possible based on the information we collect

for creating, updating, and maintaining these information collections.

15. Program Changes or Adjustments to the Information Collection Request

When we last cleared this IC in 2017, the burden was 2,387 hours. However, we are currently reporting a burden of 2,094 hours. This change stems a decrease in the number of responses from 14,320 to 12,563. There is no change to the burden time per response. Although the number of responses changed, SSA did not take any actions to cause this change. These figures represent current Management Information data.

16. Plans for Publication Information Collection Results

SSA will not publish the results of the information collection.

17. Displaying 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 those of an OMB approval. Since SSA does not periodically revise and reprint its public-use forms (e.g., on an annual basis), OMB granted this exemption so SSA would not have to destroy stocks of otherwise useable forms with expired OMB approval dates, avoiding Government waste.

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.

