

**Supporting Statement A for Medicare Applications:
Application for Enrollment in Medicare Part A
Internet Claim (iClaim) Application Screen
Modernized Claims System and Consolidated Claim Experience Screens**

**Supporting Regulations in 42 CFR 406.6, 406.7, 406.10, 406.11 and 406.20
(CMS-18F5, OMB 0938-0251)**

BACKGROUND

The Centers for Medicare and Medicaid Services (CMS) Form “Application for Hospital Insurance” supports sections 1818 and 1818A of the Social Security Act (the Act) and corresponding regulations at 42 CFR §§ 406.6 and 406.7.

Individuals who are entitled to retirement or disability benefits under Social Security Administration (SSA) or Railroad Retirement Board (RRB) benefits are automatically entitled to Medicare Hospital Insurance (Part A) when they attain age 65 or reach the 25th month of disability benefit entitlement. These individuals do not file a separate application for Part A because their application for Social Security or RRB benefits is also an application for Part A.

Individuals who are not entitled to or eligible for RRB or SSA benefits must apply for Part A. This group includes individuals who defer filing an application for monthly benefits, individuals who are transitionally insured, government employees who pay only the Hospital Insurance portion of the Federal Insurance Contributions Act tax and individuals eligible for Premium Part A for the Working Disabled.

The Application for Enrollment in Medicare Part A (CMS-18F5 and CMS-18F5-SP) was designed to capture all the information needed to make a determination of an individual’s entitlement to Part A. This Information Collection Request (ICR) adds the collection instruments SSA uses to collect information from individuals who are filing an Application for Hospital Insurance, updates the burden information.

In this 2020 iteration, CMS and SSA collaborated to make changes to the form CMS-18-F-5 in support of the system changes SSA is making under its IT Modernization initiative. There is a crosswalk of changes attached, that outlines the changes to the form. In this iteration, CMS will begin reporting for additional collection instruments, including the Internet Claim System (iClaim) and the Modernized Claims System (MCS) soon to be upgraded to the Consolidated Claims Experience (CCE). These collection instruments are currently OMB approved under SSA package 0960-0618. CMS seeks to transfer this collection, as it relates to Medicare, from SSA to CMS.

The burden estimate has significantly changed as a result of more accurate collection data provided by SSA, as well as, the addition of collection instruments.

A. JUSTIFICATION

1. Need and Legal Basis

The Act at §226(a), §227, 1818 and §1818A and the Code of Federal Regulations at 42 CFR §406.10, §406.11 and §406.20 outline the requirements for entitlement to Medicare Hospital Insurance (Part A).

Federal regulations at 42 CFR §406.6 specifies the individuals who must file an application for Part A and those who need not file an application for Part A. 42 CFR §406.7 lists the CMS-18F5 as the application to be used by individuals applying for Part A.

The form CMS-18F5 and the Spanish version the CMS-18F5 SP elicit the information that SSA and CMS need to determine entitlement to Part A and, optionally, Supplementary Medical Insurance (Part B).

2. Information Users

The CMS-18-F-5 is used to establish entitlement to Part A and enrollment in Part B for claimants who must file an application.

The application follows the questions and requirements used by SSA on their own applications. This is done not only for consistency purposes but because certain title II and title XVIII insured status, relationship and residency requirements must be met in order to qualify for Part A (and Part B). The form is owned by CMS but is not completed by CMS staff. SSA uses the form to collect information and make Part A and B entitlement determinations on behalf of CMS.

The form consists of seventeen questions that must be answered to determine an individual's eligibility for Medicare.

Item 1 Tell Us About Yourself – The questions request information to identify the applicant and obtain contact information. The identity information includes name, sex, date/place of birth and Social Security number (SSN) or Medicare Number if the applicant is already a Medicare recipient. The applicant's SSN is requested to allow SSA to access their earnings systems to determine if the applicant is eligible for or entitled to premium-free Part A.

Item 2 Tell Us About Your Work History – request information needed to determine insured status.

In order to be entitled to free Part A an individual must be insured, that is, s/he must have worked the required amount of time under social security, the railroad retirement board (RRB) or as a government employee REF: §226(a)(1) of the ACT). Under §205 of the Act, the Commissioner of Social Security shall establish and maintain records of the amount of wages paid to each individual and the amounts of self employment income. These earnings are maintained under the worker's SSN. The earnings determine an individual's (or his/her dependent's) eligibility to benefits and Medicare. We also request information about the individual's current earnings and railroad work in order to determine if insured status is met based on recent employment that may not have posted on the individual's earnings record., RRB work credits can also be added to work credits earned under social security to meet the insured status requirement. This information is also used to determine whether SSA or RRB has jurisdiction of the Part A entitlement.

Item 3 Tell us About Your Citizenship – Requests citizenship, lawful presence and residency information and are used to determine eligibility to Premium-HI when the individual does not meet the insured status requirements for free Part A and is requesting enrollment in premium Part A (REF: §1818 of the Act).

Item 4 Tell Us About Your Marital Status – Requests marital and spousal information and are completed in conjunction with the request for information in item 2 When individuals are not insured on their own work record, SSA will use the spousal information and SSN to determine if individuals are eligible for free Part A based on their spouses earnings record. As previously stated, there are no alternative identifiers that SSA can use to determine earnings information.

Item Enrollment in Premium Part A and Part B – Solicits an enrollment request for premium Part A if the individual is determined not to be eligible for free Part A. Provides the option to sign up for Part B.

Item 6 Tell Us About Your Current or Prior Health Coverage and Benefits – Requests information about receipt of Medicaid. SSA uses this information in conjunction with information collected in item 2 to determine if individuals are eligible for the State to pay their Part B premium. Also request information about prior and current health care coverage. SSA uses this information to determine the start date of Part B and surcharge amount, if any, when individuals are requesting Part B during the Special Enrollment Period (SEP). This item also requests Federal Civil Service Retirement Act annuity information about the applicant and/or their spouse. This is for the purpose of deducting Part B premiums from an annuity paid by the Office of Personnel Management. (REF: §1840(d)(1))

Item 7 Sign Your Application - Requests information to determine if the individual completing and signing the application has the authority to sign the application when filing for someone other than themselves.

3. Use of Information Technology

The data collected for entitlement to Part A and B is not collected by CMS but by SSA under an Interagency Agreement. In addition to the paper application as described above, applicants may apply via interview with an SSA employee or online. Previously, SSA reported these collection methods under OMB number 0960-0618. CMS seeks to transfer this collection from SSA to CMS.

Internet Claim (iClaim) Application:

iClaim is an online platform that mirrors the MCS format. The public can use iClaim to file an Application for Hospital Insurance if they are filing for Medicare based on their own work record. The responses applicants input into iClaim, determines the screens/questions they will receive, ensuring they only respond to relevant questions. When filing for Medicare only, iClaim provides the option to use the retirement application as an application for Medicare only. After completing the online application, claimants or their third-party representatives can submit it electronically to SSA, avoiding the need to visit an SSA office. iClaim is more convenient for users and reduces their application completion time by eliminating the need for an office visit. This also saves time and resources for SSA.

There are two ways to complete and submit iClaim. First-party iClaim respondents are individuals (claimants) who complete; electronically sign; and submit the entire application online on their own behalf. Third-party iClaim respondents are individuals who complete and submit an online claim for claimants. Third-party iClaim respondents cannot electronically sign the online application for claimants because iClaim cannot identify proper applicants. After third-party respondents submit an online claim, SSA sends an application summary directly to the claimants. The claimants must review, correct, and initial if necessary, and sign the application summary confirming the information and their intent to file for benefits and submit it to SSA. Once SSA receives the application summary, and any supplemental information if necessary, the CS processes the application.

The iClaim system can be found online at <https://secure.ssa.gov/iClaim/rib>. SSA POMS regarding the iClaim system, application, and process is available at <https://secure.ssa.gov/poms.nsf/lnx/0200204059>.

The use of information technology is becoming more prevalent, with 63 percent of Medicare only applications being completed online via the iClaim system in fiscal year 2019. SSA data provides that 36.95 percent of applicants apply via in person or telephone interview, and , less than 1 percent (.05%) of applicants apply using the form CMS-18-F-5.

Interview/SSA Claim System (Modernized Claims System (MCS)/Consolidated Claim Experience (CCE)):

During an interview, the CS inputs the applicant's response directly into SSA's claim system, currently known as the Modernized Claim System (MCS). For Medicare only claims, the CS uses an abbreviated version of MCS's retirement claims path. Guided by the MCS collection screens, the CS interviews the applicant either by phone or in person and inputs the information directly into SSA's application database. MCS prompts the CS with the required questions based on the type of application being filed and responses received. Information previously collected from the applicant will propagate into the claims path to prevent duplication of efforts. Claimants can provide their signature in writing or verbally following SSA's attestation policy. Claimants receive a printed application summary for their records. In contrast to the paper application, the interview process offers the following advantages: 1) it improves accuracy in recording responses, 2) it reduces the overall interview time, and 3) it reduces the number of times we have to re-contact applicants to clarify responses.

Information collected with the paper form CMS-18-F-5 or iClaim is entered into MCS. The information is compared electronically to the appropriate earnings information to determine insured status and/or prior entitlement. Adjudication of the Medicare claim creates or updates SSA's Master Beneficiary Record (MBR). The data is then passed to the CMS master record, the Enrollment Database, and a CMS health insurance record is established, and where applicable a Medicare card is issued.

All data, whether collected on paper or online, is stored electronically and transferred to the SSA and CMS master records upon adjudication. The electronic data is retained.

Although technology is used in the collection, processing and storage of the data, the burden is not reduced by the use of technology. The burden is in the interview to solicit and clarify information that is collected for the application.

4. Duplication of Efforts

There is no duplication of effort.

5. Small Business

The use of this form does not involve small businesses.

6. Less Frequent Collection

This information is collected once, at the time the individual files for Hospital Insurance (Part A) of Medicare and Part B. If this information is not collected, the applicant cannot establish entitlement to Part A. Because there is a legal requirement to apply for benefits either on paper or electronically, the burden cannot be minimized.

7. Special Circumstance

There are no special circumstances that would require an information collection to be conducted in a manner that requires respondents to:

- Report information to the agency more often than quarterly;
- Prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- Submit more than an original and two copies of any document;
- Retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- Collect data in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
- Use a statistical data classification that has not been reviewed and approved by OMB;
- Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- Submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

8. Federal Register/Outside Consultation

The 60-day Federal Register notice published in the Federal Register on December 4, 2020 (85 FR 78333).

No comments were submitted.

The 30-day Federal Register notice published in the Federal Register on February 12, 2021 (86 FR 9349).

The gathering of this information is a necessary part of the Medicare entitlement process. This form was developed in 1965 and has undergone only minor revisions since then. Appropriate comments were solicited at that time. There have been no problems associated with the use of this form or the procedures established. Since the data is collected only once, there is no need for ongoing consultations.

9. Payments/Gifts to Respondents

There are no payments/gifts made to respondents.

10. Confidentiality

The information collected is protected under provisions of the Privacy Act. A copy of the information collected is provided to the applicant.

11. Sensitive Questions

There are no sensitive questions associated with this collection. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimate

Respondent Burden Hours

Method of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Annual Burden (hours)
18-F-5	696	1	15	174
iClaim	878,553	1	15	219,638
Interview/MCS	515,015	1	15	128,754
Totals	1,394,264			348,566

Wages

To derive average costs for individuals, we used data from the U.S. Bureau of Labor Statistics' May 2019 National Occupational Employment and Wage Estimates for our salary estimate (www.bls.gov/oes/current/oes_nat.htm). We believe that the burden will be addressed under All Occupations (occupation code 00-0000) at \$25.72/hr since the group of individual respondents varies widely from working and nonworking individuals and by respondent age, location, years of employment, and educational attainment, etc.

We are not adjusting this figure for fringe benefits and overhead since the individuals' activities would occur outside the scope of their employment.

Burden Estimates

The burden is computed as follows:

We estimate an annual burden of 348,566 hours at a cost of \$8,965,117 (348,566 hr x \$25.72/hr) or \$6.43 per respondent (\$8,965,117/1,394,264 respondents).

Information Collection/Reporting Instruments and Instruction/Guidance Documents:

- Application for Enrollment in Medicare Part A
- iClaim
- MCS/CCE

13. Capital Costs

There are no additional costs. SSA is the record keeper and the collection and storage of this data represents no additional cost. It is part of their normal claims activity.

14. Cost to the Federal Government

Federal Government Burden Hours

Method of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Annual Burden (hours)	Base Hourly Rate	Cost
18-F-5	696	1	30	348	29.22	\$10,169
iClaim	878,553	1	5	17,571	29.22	\$513,424
Interview/MCS/CCE	515,015	1	15	128,754	29.22	\$3,762,192
Totals	1,394,264			146,673		\$4,285,785

To derive average costs, we used data from Office of Personnel Management (OPM) 2019 General Schedule (GS) Locality Pay Table for all salary estimates (<https://www.opm.gov/policydata-oversight/pay-leave/salaries-wages/2019/general-schedule/>). We estimate that the average government employee at SSA to conduct the interview is a GS 11 step 5. According to OPM the average salary based on a GS 11 step 5, excluding locality pay, is \$60,981. This is the most appropriate level for a SSA representative to derive the average costs to process this form.

15. Program/ Burden Changes

The burden from CMS’s 2017 approved submission increased in cost from \$376,358.50 to \$4,285,785 for federal government costs – a change of \$3,909,427. The hourly burden from

the 2017 approved submission increased from 12,500 hours to 146,673 hours -- a change of 134,173.

This significant increase is a result of improved data provided by SSA, in addition to the transfer of the information technology collection instruments from SSA to CMS. Because SSA collects this data, per the Interagency Agreement, CMS relied heavily on their improved data to accurately capture the number of respondents. The use of information technology was previously captured in SSA's approved package 0960-0618.

16. Publication and Tabulation Data

This information is not published or tabulated.

17. Expiration Dates

CMS displays the expiration date in the top right corner.

18. Certification Statement

There are no exceptions to the certification statement.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

There have been no statistical methods employed in this collection.