

Supporting Statement for SSA-21
Supplement to Claim of Person Outside the United States
20 CFR 422.505(b), 404.460, 404.463, and 42 CFR 407.27(c)
OMB No. 0960-0051

A. Justification

1. Introduction/Authoring Laws and Regulations

In Section 20 *CFR 422.505(b)* of the *Code of Federal Regulations (Code)*, Form SSA-21 is a related form used with applications for retirement, survivors, and disability insurance benefits. We collect information as evidence to establish the right to benefits under the authority of section 205 of the *Social Security Act (Act)*. We use Form SSA-21 to collect information about the citizenship and residency of claimants and beneficiaries who are, have been, or will be outside the United States. We use the citizenship and residency information we collect from a claimant or beneficiary who is not a U.S. citizen (alien) to determine if the individual is subject to the alien nonpayment provision under section 202(t) of the *Act*; as well as 20 *CFR 404.460*, and 20 *CFR 404.463* of the *Code*. Section 202(t)(1) of the *Act* and 20 *CFR 404.460* of the *Code* prohibit the payment of monthly benefits to aliens who were outside the United States for six consecutive calendar months. We will not resume payments suspended under this provision until the alien remains present in the United States for an entire calendar month.

Section 202(t) of the *Act*, and 20 *CFR 404.460* and 20 *CFR 404.463 Subpart E* of the *Code* also provide exceptions to the alien nonpayment provision in section 202(t)(1) of the *Act*. The information we collect on Form SSA-21 helps to determine if certain exceptions apply to the claimant or beneficiary completing the form.

Section 202(t)(11) of the *Act* requires certain alien dependent or survivor claimants, or beneficiaries, subject to the alien nonpayment provision, to meet an additional 5-year residency requirement. Form SSA-21 collects the information we use to determine if these dependent or survivor claimants or beneficiaries have enough U.S. residency to meet the 5-year residency requirement.

Section 1838(b) of the *Act* and 42 *CFR 407.27(c)* of the *Code* state individuals may give SSA written notice that they no longer wish to be enrolled for Supplementary Medical Insurance (SMI). Form SSA-21 informs claimants and beneficiaries who are required to complete the form that they can only use SMI benefits inside the United States. Beneficiaries already enrolled in SMI who complete Form SSA-21 when they leave the United States may use this form to cancel their SMI coverage.

We collect information about work outside the United States to make determinations under the authority of Section 203 of the *Act*. We require information about citizenship, residency and alien status to determine whether we

must withhold nonresident alien tax as required under section 121 of *Public Law 98-21*, and sections 1441 and 871(a)(3) of the *Internal Revenue Code (IRC)*. The OMB approval effective 01/06/2015 included changes that qualified Form SSA-21 to be used as an acceptable substitute form for IRS Form W-8BEN according to 26 *CFR 1.1441-1(e)(4)(vi)*.

2. **Description of Collection**

Claimants or beneficiaries (both United States (U.S.) citizens and aliens entitled to benefits) living outside the U.S. complete Form SSA-21 as a supplement to an application for benefits. SSA collects the information to determine eligibility for U.S. Social Security benefits for those months an alien beneficiary or claimant is outside the U.S., and to determine if tax withholding applies. In addition, SSA uses the information to: (1) Allow beneficiaries or claimants to request a special payment exception in an SSA restricted country; (2) terminate supplemental medical insurance coverage for recipients who request it, because they are, or will be, out of the U.S.; and (3) allow claimants to collect a lump sum death benefit if the number holder died outside the United States and we do not have information to determine whether the lump sum death benefit is payable under the Social Security Act. The respondents are Social Security claimants, or individuals entitled to Social Security benefits, who are, were, or will be residing outside the United States for three months or longer.

3. **Use of Information Technology to Collect the Information**

SSA no longer stocks Form SSA-21 in paper form, but it is available in PDF fillable format on SSA's website, and our internal website. SSA incorporated the information collection for the SSA-21 into the iClaim application. We no longer require claimants using the iClaim application to complete a paper form SSA-21, and we adjusted the burden hours for iClaim to accommodate these respondents. We adjusted the burden hours for this IC to account for the claimants who no longer complete the SSA-21 because they use the iClaim application version.

A claimant or beneficiary may complete the form using the fillable PDF, and then print it for submission, or complete it manually after printing it; sign it; and deliver the completed form to a Social Security office either by mail or in person. We also accept signature proxy by attestation when completed through a personal interview with an SSA representative in person or by phone. For telephone interviews, we accept completion of the standardized text (Form SSA-21 macros added to the MCS application) in lieu of the paper form. We estimate that approximately 95% of applicants who do not apply for benefits using the iClaim application use the MCS application during an interview with an SSA employee. This leaves 5% of applicants to complete and submit the form using the paper modality when filing a claim for benefits. All beneficiaries who complete Form SSA-21 in post-entitlement situations (when moving outside the United States) either complete the form electronically; print, and deliver to SSA by mail or in person; or complete the form through a phone or in-office interview with an SSA employees.

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

Form SSA-21 collects the specific citizenship and residency information SSA needs to determine nonresident alien withholding status and the applicability of the ANP. If SSA did not collect this information, we risk overpayment of benefits to aliens who remain outside the United States for more than six consecutive calendar months. We also risk not meeting our obligation to withhold nonresident alien tax when applicable. 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 February 4, 2021, at 86 FR 8247, and we received no public comments. The 30-day FRN published on April 28, 2021 at 86 FR 22510. 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 Collection	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)***
Paper version - U.S. Residents	360	1	14	84	\$10.73*	24**	\$2,446***
Paper version - Residents of a Tax Treaty Country	1978	1	9	297	\$10.73*		\$3,187***
Paper version - Nonresident aliens	1379	1	8	184	\$10.73*		\$1,974***
Intranet version - (MCS) - U.S. Residents	441	1	11	81	\$10.73*		\$869***
Intranet version - (MCS) - Residents of a Tax Treaty Country	2426	1	6	243	\$10.73*		\$2,607***
Intranet version - (MCS) - Nonresident aliens	1691	1	5	141	\$10.73*		\$1,513***
Totals	8,275			1,030			\$12,596***

* We based this figure on average DI payments based on SSA's current FY 2020 data (<https://www.ssa.gov/legislation/2020Fact%20Sheet.pdf>).

** 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**

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)****
360	1	30	84	\$901

****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 opportunity cost estimate from this chart in our calculations when showing the total 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 **8,275** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$13,497** 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 is approximately **\$120,788**.

This estimate accounts for costs from the following areas:

Description of Cost Factor	Methodology for Estimating Cost	Cost in Dollars*
Designing and Printing the Form	Design Cost + Printing Cost	\$0*
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	\$119,988
Full-Time Equivalent Costs	Out of pocket costs + Other expenses for providing this service	\$0*
Systems Development, Updating, and Maintenance	GS-9 employee x man hours for development, updating, maintenance	\$800
Total		\$120,788

* 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. We often do bulk mailings, and cannot track the cost for a single mailing. Additionally, it is difficult for us to break down the cost for processing a single form, as field office, program service center, and FBU staff often help respondents fill out several forms at once, and the time it takes to do so can vary greatly per respondent. We use an estimated average hourly wage, based on the wage of our average field office employee (GS-9) for these calculations because so many employees have a hand in each aspect of our forms. 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 2018, the burden was 18,343 hours. However, we are currently reporting a burden of 8,275 hours. This change stems a decrease in the number of respondents completing Form SSA-21, and a decrease in the number of responses from 2,130 to 1,030. 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**

For the paper form SSA-21, we 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 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.

For the Internet version of form SSA-21 (through iClaim), SSA is not requesting an exception to the requirement to display the OMB approval 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.