

Supporting Statement for Form SSA-1724
Claim for Amounts Due In The Case of a Deceased Social Security Recipient
20 CFR 404.503(b)
OMB No. 0960-0101

A. Justification

1. Introduction/Authoring Laws and Regulations

Section 204(d) of the *Social Security Act (Act)* provides that if an individual dies before payment under Title II (such as old age, survivors, or disability insurance benefits) is complete, the Social Security Administration (SSA) will pay the amount due (including the amount of any check not negotiated) to individuals meeting specified qualifications. Section 20 CFR 404.503(b) of the *Code of Federal Regulations* outlines the order of priority for distribution of underpayments due a deceased beneficiary. Briefly summarized, a Social Security payment due a deceased beneficiary may be paid to a family member or a legal representative of the estate in the following order of priority:

- 1) The surviving spouse who was either living in the same household as the deceased at the time of death or who, for the month of death, was entitled to a monthly benefit on the same record as the deceased;
- 2) Children who, for the month of death, were entitled to a monthly benefit on the same record as the deceased;
- 3) Parents who, for the month of death, were entitled to a monthly benefit on the same record as the deceased;
- 4) A surviving spouse not qualified under 1. above;
- 5) Children not qualified under 2. above;
- 6) Parents not qualified under 3. above; or
- 7) The legal representative of the deceased person's estate.

Additionally, section 1870(g) of the *Act* provides that the Centers for Medicare and Medicaid Services refund any excess Medicare premiums paid or withheld from Social Security, Railroad Retirement Board, or Office of Personnel Management benefit payments. As per the *Act*, we refund these payments only to people meeting specified qualifications following the death of a Title XVIII beneficiary. This section of the *Act* also outlines the order of priority for distribution of excess premium refunds due a deceased beneficiary. Briefly summarized, refunds may be issued to a family member or the legal representative of the estate in the following order of priority:

- 1) The legal representative of the deceased person's estate.
- 2) The surviving spouse who was either living in the same household as the deceased at the time of death or who, for the month of death, was entitled to a monthly benefit on the same record as the deceased;
- 3) Children who, for the month of death, were entitled to a monthly benefit on the same record as the deceased;

- 4) Parents who, for the month of death, were entitled to a monthly benefit on the same record as the deceased;
- 5) A surviving spouse not qualified under 1. above;
- 6) Children not qualified under 2. above; or
- 7) Parents not qualified under 3. above.

2. Description of Collection

SSA uses the information Form SSA-1724, Claim for Amounts Due in the Case of a Deceased Social Security Recipient,” provides to ensure proper payment of a Title II underpayment or Medicare premium refund due a deceased beneficiary.

At times, SSA may discover that it has underpaid a beneficiary who is now deceased. For Title II, if SSA has sufficient information on file to determine the identity and current addresses of all persons entitled to the underpayment, then it will proactively disburse funds to that individual(s). If SSA does not have sufficient information in the file to identify the people entitled to the underpayment, it will use information on file to attempt to identify potential beneficiaries (such as sending letters to the last known address of potentially eligible individuals). Less commonly, SSA may receive proactive claims or inquiries from claimants seeking to establish their eligibility for a deceased’s underpayment.

SSA collects the information when a surviving child(ren), parent(s), or spouse is not already entitled to a monthly benefit on the same earnings record, or there is no surviving spouse of the deceased who was living in the same household with the deceased at the time of death. The agency also uses Form SSA-1724 to request the Social Security numbers (SSN) of the people claiming the underpayment. The SSN facilitates computerized processing of the claim; use of reporting payment information; and identification of the payee to the Internal Revenue Service, if needed.

For Title XVIII, SSA requests applicants complete Form SSA-1724 when we owe a Medicare premium refund to a deceased beneficiary who previously paid the excess premiums and there is no estate representative or record of a Title II death underpayment recipient.

At times, SSA may request proof of death, proof of the claimant’s relationship to the beneficiary, proof of disability, or proof of the claimant’s status as a legal representative of the estate if relevant and if we do not have the necessary evidence on file.

The respondents are applicants for Title II underpayments or Medicare premium refunds owed to deceased beneficiaries.

3. Use of Information Technology to Collect the Information

Form SSA-1724 is available on SSA's Intranet website for SSA employees to print

and mail to the public. Applicants can also complete Form SSA-1724 while in an SSA field office or access the form on the internet to print, fill-out, and send to SSA for processing. This collection does not currently have an electronic submission option as described in the Government Paperwork Elimination Act, as we prioritized other information collections for full electronic conversions. Given that IT Mod programming is an ongoing, dynamic project, we cannot provide specific timelines for when we will be able to make any particular ICR available via Internet web-based application. We will ultimately convert most existing ICRs to full electronic versions depending on how they fall within our overall IT Mod schema, but this may be unconnected to the PRA approval lifecycle.

In the interim, we evaluated this collection for conversion to a submittable PDF. Given the high volume of conversions we are coordinating and the more urgent nature of some of the other conversions, we ultimately decided not to prioritize this ICR for conversion to fully submittable PDF at this time. When we are able to schedule this form for conversion to a submittable PDF, we will submit a Change Request to OMB to request prior approval.

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 the SSA-1724, we would not be sure that the proper recipients are paid death underpayments or Medicare premium refunds as required by Federal law. Because we collect the information on an as needed basis, 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 April 6, 2021 at 86 FR 17874, and we received no public comments. The 30-day FRN published on June 23, 2021 at 86 FR 33007. If we receive any comments in response to this Notice, we will forward them to OMB.

9. Payment or Gifts to Respondents

SSA does not provide payment 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

Please see the burden chart below:

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-1724	250,000	1	10	41,677	\$31.48*	24**	\$4,459,992***

* We based this figure on average U.S. worker’s hourly wages, as reported by Bureau of Labor Statistics data (https://www.bls.gov/oes/current/oes_nat.htm#00-0000).

** We based this figure on the average FY 2021 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 (OIRA) 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)****
250,000	1	30	125,000	\$3,935,000

****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 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 ICR is **41,677** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$8,394,992**. 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 to respondents.

14. Annual Cost To Federal Government

The annual cost to the Federal Government is approximately \$1,444,631. 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	\$586
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	\$0
SSA Employee (e.g., field office, 800 number, DDS staff)	GS-9 employee x # of responses x processing time	1,440,625

Information Collection and Processing Time		
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	\$3,420
Quantifiable IT Costs	Any additional IT costs	\$0
Total		\$1,444,631

* 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. First, since we work with almost every US citizen, we often do bulk mailings, and cannot track the cost for a single mailing. In addition, 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

There are no changes to the public reporting burden. However, we updated the burden in ROCIS to include the 30-minute travel time to the field office, which increased the overall burden for this collection.

*Note: The total burden reflected in ROCIS is 266,667, while the burden cited in #12 above is 41,667. This discrepancy is because the ROCIS burden reflects the following components: field office waiting time + a rough estimate of a 30-minute, one-way, drive burden. In contrast, the chart in #12 above reflects actual burden.

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.