

**Supporting Statement for
State Supplementation Provisions: Agreement; Payments
20 CFR 416.2095-416.2098, 20 CFR 416.2099
OMB No. 0960-0240**

A. Justification

1. Introduction/Authoring Laws and Regulations

Section 1618 of the *Social Security Act (Act)* and 20 CFR 416.2095-416.2098 of the *Code of Federal Regulations (Code)* require states that administer their own supplementary income payment program(s) to demonstrate compliance with the *Act* by passing Federal cost-of-living increases on to individuals who are eligible for state supplementary payments. States are required to report to the Social Security Administration (SSA) their compliance of the passing-along of such increases under 20 CFR 416.2099 of the *Code*.

2. Description of Collection

SSA collects the pass-along increase information from each state agency that: (1) administers a state supplementary program; and (2) has agreed to comply with the provisions of the *Act*. The information we request allows SSA to determine each state's compliance or noncompliance with the pass-along requirements of the *Act*. Federal participation in the state's Medicaid program, under Title XIX of the *Act*, is dependent upon SSA's determination of a state's compliance. States report supplementary payment information annually (for states complying by the maintenance-of-payment levels method). SSA may ask them to report up to four times per year (for states complying by the total-expenditures method). This collection asks respondents (i.e., states) to confirm their compliance with the pass-along requirements, and to provide any changes to their optional supplementary payment rates. The respondents are state agencies administering supplementary income payment programs.

3. Use of Information Technology to Collect the Information

SSA does not collect this information through forms or any other standardized information collection; therefore, we cannot create an electronic version for these regulatory requirements under the Government Paperwork Elimination Act. However, SSA encourages states to report the information via electronic mail (email). Per our management information data, most respondents respond via email, for ease of submission.

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 collect this information, the state's failure to report the required payment information is loss of Federal financial participation in the state's Medicaid program under Title XIX of the Act. Legally mandated, the agencies only report the information up to four times per year; therefore, we cannot collect the information 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 August 23, 2021 at 86 FR 47190, and we received no public comments. The 30-day FRN published on November 18, 2021 at 86 FR 64585. 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 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

This 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)* | Total Annual Opportunity Cost (dollars)** |
|-------------------------------|-----------------------|-----------------------|---------------------------------------|---------------------------------------|---|---|
| Total Expenditures | 11 | 1 | 60 | 11 | \$21.46* | \$236** |
| Maintenance of Payment Levels | 22 | 1 | 60 | 22 | \$21.46* | \$472** |
| Totals | 33 | | | 33 | | \$708** |

* We based this figure on the average state Eligibility for Government Programs Interviewers hourly wages, as reported by Bureau of Labor Statistics data (<https://www.bls.gov/oes/current/oes434061.htm>).

** 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.**

The total burden for this ICR is **33** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$708**. SSA does not charge respondents to complete our applications. 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 the 60 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.

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 \$1,000. This estimate accounts for costs from the following areas:

| Description of Cost Factor | Methodology for Estimating Cost | Cost in Dollars* |
|----------------------------|---------------------------------|------------------|
| Designing and Printing | Design Cost + Printing | \$0* |

| the Form | Cost | |
|---|--|----------------|
| 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-11 employee x # of responses x processing time. | \$1,000 |
| 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 | \$0* |
| Quantifiable IT Costs | Any additional IT costs | \$0* |
| Total | | \$1,000 |

* 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 staff often process the information from several respondents at once, and the time it takes to do so can vary greatly per respondent. However, we have calculated these costs as accurately as possible based on the information we collect for processing this information collection.

15. Program Changes or Adjustments to the Information Collection Request

When we last cleared this IC in 2018, the burden was 54 hours. However, we are currently reporting a burden of 33 hours. This change stems from a decrease in the number of responses from 54 to 33. 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

SSA is not requesting an exception to the requirement to display an 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