

**Supporting Statement for Form SSA-821-BK**  
**Work Activity Report – Employee**  
**20 CFR 404.1520(b), 404.1571-404.1576,**  
**404.1584-404.1593, and 416.971-416.976**  
**OMB No. 0960-0059**

**A. Justification**

**1. Introduction/Authoring Laws and Regulations**

Sections 223(d) and 1633 of the *Social Security Act (Act)* authorizes the Social Security Administration (SSA) to provide regulations for administering the disability provisions of the law. The appropriate regulations are contained in Sections 20 CFR 404.1520(b), 404.1571-404.1576, 404.1584-404.1593, and 416.971-416.976 of the *Code of Federal Regulations*. Section 223(d) of the *Act* defines the term “disability” as the inability to engage in any substantial gainful activity (SGA) by reason of any medically determinable physical or mental impairment which one expects to result in death, or which lasted or is expected to last for a continuous period of not less than 12 months. Social Security Disability (SSDI) and Supplemental Security Income (SSI) applicants can become entitled to payments based on their inability to engage in SGA because of a physical or mental condition. When disability beneficiaries work, they must report the work so SSA can evaluate it to determine if they continue to meet the disability requirements of the law.

**2. Description of Collection**

One of the requirements for being entitled to receive SSDI or SSI or (in most cases) continuing to receive disability under SSDI is the claimant’s inability to engage in SGA due to a physical or mental condition. In situations where a claimant has reported work (e.g., during an initial claim he or she alleges work after the disability onset date, or he or she reports working after becoming entitled to benefits), or in situations where SSA has identified potential income from work via third parties (e.g., IRS reporting), SSA (typically the field office or program service center) uses Form SSA-821-BK to further evaluate whether the income earned indicates work at an SGA level.

To initiate the process, the field office or program service center will complete certain aspects of the form to reflect the income SSA believes the beneficiary may have earned, and the date range for which further information is required (e.g., onset date, date of last review, etc.). The questions on the SSA-821-BK are intended to learn more about the nature of the income, value of the work, and the time period of the work, to determine if the work constituted SGA.

As discussed above, we use the data we obtain to evaluate disability claims, and to help us determine if the claimant meets current disability provisions under Titles II and XVI. Since applicants for disability or SSI payments must prove an inability to perform any kind of SGA generally available in the national economy

for which we expect them to qualify based on age, education, and work experience, any work performed since the date the disability allegedly began, affects our disability determination. SSA may collect the information requested on this form in person, via a phone interview, by sending the form to the individual to complete, or through electronic submission. While the means of submission depends on the situation, typically, if the initial claim takes place in-office or by phone, the technician completes the form with the applicant during that interview if the applicant's prior responses regarding work indicate the need for completing the SSA-821-BK. If the applicant files online, the technician typically calls to complete the form over the phone but will mail it if the phone call is unsuccessful. For post entitlement situations, technicians are required to call the beneficiary over the phone and complete and attest the form. If unsuccessful, the technician mails the form. There are some post-entitlement instances when the form may be completed in-office.

We recently created an online fillable and submittable version of Form SSA-821-BK, the SSA-821-APP, which utilizes Adobe Sign technology to accept and process an electronic signature (eSignature). The online version of the SSA-821-APP is similar to the paper version and provides the public with an online service option as an alternative to mailing or faxing the form to the servicing office. Applicants and beneficiaries will be able to initiate the online version of the form from our website and electronically complete, sign, and submit it using the integrated Adobe Sign web application. The respondents are SSDI applicants or beneficiaries, and SSI applicants.

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

In accordance with the agency's Government Paperwork Elimination Act plan, SSA created the SSA-821-APP, a submittable PDF version of the paper form. Based on our data, we estimate approximately 20% of respondents under this OMB number use the electronic version at this time. Since we only recently implemented it in 2021, we will continue to evaluate the management information data to see if more respondents choose to use the submittable PDF version.

### **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 significantly 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-821-BK, we would have no way to determine whether an applicant's or beneficiary's work is SGA, which could cause an incorrect initial disability decision, or result in overpayments to recipients who

were receiving payments despite engaging in SGA. Failing to provide all or part of the information may prevent an accurate and timely decision on any claim filed. Because we collect this 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 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**

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 or for Teleservice Centers (minutes) **	Total Annual Opportunity Cost (dollars)***
SSA-821-BK (Paper)	319,900	1	30	159,950	\$10.95*	21**	\$2,977,469***
SSA-821-APP (Electronic)	91,400	1	30	45,700	\$10.95*		\$500,415***
<b>Totals</b>	<b>411,300</b>			<b>205,650</b>			<b>\$3,477,884***</b>

\* We based this figure on the average DI payments based on SSA's current FY 2021 data (<https://www.ssa.gov/legislation/2021FactSheet.pdf>).

\*\* We based this figure on averaging both the average FY 2021 wait times for field offices and teleservice centers, 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)****
319,900	1	30	159,950	\$1,751,453

\*\*\*\* 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.

The total burden for this ICR is **205,650** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$5,229,337**. 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 30 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 on the respondents.

**14. Annual Cost to Federal Government**

The annual cost to the Federal Government is approximately **\$2,321,284**. This estimate accounts for costs from the following areas:

<b>Description of Cost Factor</b>	<b>Methodology for Estimating Cost</b>	<b>Cost in Dollars*</b>
Designing and Printing the Form	Design Cost + Printing Cost	\$2,586
Distributing, Shipping, and Material Costs for the Form	Distribution + Shipping + Material Cost	\$87,972
SSA Employee (e.g., field office, 800 number, DDS staff) Information Collection and Processing Time	GS-9 employee x # of responses x processing time	\$1,994,805
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	\$235,921
Quantifiable IT Costs	Any additional IT costs	\$0*
<b>Total</b>		<b>\$2,321,284</b>

\* 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 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 2018, the burden was 150,000 hours. However, we are currently reporting a burden of 205,650 hours. This change stems from an increase in the number of responses from 300,000 to 411,300. 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.