

Supporting Statement Part A  
Request for Employment Information  
(CMS-R-297/CMS-L564, OMB 0938-0787)

**Background**

On July 30, 1965, P.L. 89-97 created Title XVIII of the Social Security Act. Title XVIII established the hospital insurance program (also referred to as Part A) and the supplementary medical insurance (SMI) program (also referred to as Part B).

Part B is a voluntary program and is financed from premium payments by enrollees together with contributions from funds appropriated by the Federal government. All individuals age 65 or older who are entitled to Part A can enroll in Part B. There are some individuals, age 65 and over who are not entitled to or eligible for premium-free Part A. These individuals may, however, pay a premium for Part A and/or enroll in Part B only.

The form CMS-L564, also referred to as CMS-R-297, is used, in conjunction with form CMS-40B, Application for Supplementary Medical Insurance, during an individual's special enrollment period (SEP). Completed by an employer, the CMS-L564 provides proof of an applicant's employer group health coverage. The Social Security Administration (SSA) uses it to obtain information from employers regarding whether a Medicare beneficiary's coverage under a group health plan is based on current employment status. This form is available in both English and Spanish.

This 2022 iteration is an extension that does not propose any program changes. The burden significantly increased due to more accurate data provided by SSA.

**A. Justification**

1. Need and Legal Basis

Section 1837(i) of the Social Security Act (the Act) provides for a SEP for individuals who delay enrolling in Medicare Part B because they are covered by a group health plan based on their own or a spouse's current employment status. Disabled individuals with Medicare may also delay enrollment because they have large group health plan coverage based on their own or a family member's current employment status. When these individuals apply for Medicare Part B, they must provide proof that the group health plan coverage is (or was) based on current employment status. Form CMS L564 provides this proof so that SSA can determine eligibility for the SEP. Individuals eligible for the SEP can enroll in Part B without incurring a late enrollment penalty. Individuals may also use this form to prove that their group health

plan coverage is based on current employment status and to have the assessed Medicare late enrollment penalty reduced.

2. Information Users

The Social Security Administration uses this information to determine whether an individual meets the requirements for a special enrollment period and/or late enrollment penalty reduction.

3. Use of Information Technology

The form is available online via Medicare.gov and CMS.gov for individuals who are requesting the SEP to obtain and submit to their employer for completion. The employer must complete and sign the form, and submit it to the individual to accompany their enrollment or late enrollment penalty reduction request. The information on the completed form is reviewed manually by SSA. Thus, the collection of this information does not involve the use of information technology.

4. Duplication of Efforts

The collection of this information does not duplicate any other effort.

More specifically, the information provided to the IRS is related to minimum essential coverage and is not the same thing as Group Health Plan (GHP) coverage. The form specifically gathers information that is not collected in other areas regarding: when the person (or spouse or family member) was hired, when the employment ended, when the GHP coverage started, and when the GHP coverage ended. And, in some cases, when the employer and GHP met certain other criteria to meet parameters for the SEP, as outlined in law. Both of these date ranges and the other information are needed to determine eligibility for the SEP.

5. Small Businesses

Small businesses are not affected by the collection of this information.

6. Less Frequent Collection

This information is collected only as needed. Less frequent collection would adversely affect beneficiary's eligibility for a special enrollment period or late enrollment penalty reduction since they're only allowed to enroll using the SEP if the employer verifies group health plan coverage based on current employment status.

## 7. Special Circumstances

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 notice published in the Federal Register on 03/06/2023 (88 FR 13830).  
No comments received during the comment period.

The 30-day notice published in the Federal Register on 05/20/2023 (88 FR 34502).

## 9. Payments/Gifts to Respondents

This form provides the evidence necessary to determine eligibility for the SEP, which permit enrollment without a late enrollment penalty, or for a reduction of an assessed late enrollment penalty, as permitted by law. There are no payments or gifts to respondents.

## 10. Confidentiality

The information collected is used only by SSA for the purpose of determining a beneficiary's eligibility for a special enrollment period and/or premium surcharge reduction. Both CMS and SSA are responsible for ensuring that all PII remains confidential.

The completed form is never provided to CMS, rather it is stored with SSA.

#### 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 Estimates (Hours & Wages)

##### **Section A on the Request for Employment Information Form (Applicants)**

The applicant completes Section A by filling in seven fields. They are as follows:

Item 1: Requests the applicant to fill in the name of the employer. This is needed so that SSA can verify with the employer that said employee was working during the time indicated.

Item 2: Requests the date that the applicant is filling out the Request for Employment Information form.

Item 3: Requests the employer's address.

Items 4 and 5: Requests the applicant's name and Social Security number so that SSA and CMS can identify the individual.

Items 6: Requests the employee's name. This name may be the same as Item 1 if the applicant is also the employee. However, the name may differ from Item 1 if the applicant is getting group health plan coverage through a spouse or family member. Enrollment in Part B can be established through a spouse or family member, therefore the employee's name is needed to identify the relationship between the applicant and the employee.

Item 7: Requests the employee's Social Security Number (SSN). This may be the same as the applicant's SSN or different if the applicant is receiving GHP coverage through a spouse or family member. Enrollment in Part B can be established through a spouse or family member, therefore the employee's SSN is needed to identify the person through whom coverage to Part B will be established.

##### *Wage Estimates*

The wage estimate is computed as follows:

Annually, there are approximately 676,526 applicants who use form CMS-L564 (CMS-R297). Based on the limited information requested for completion by the applicant on the form, we estimate that it takes an applicant on average 5 minutes to complete Section A.

In aggregate, the burden for 676,526 applicants to complete the form is 1,250 hours ((15,000 x 0.0833 (5 minutes) = 56,355 hours).

To derive average costs for individuals, we used data from the U.S. Bureau of Labor Statistics' May 2021 National Occupational Employment and Wage Estimates for our salary estimate ([www.bls.gov/oes/current/oes\\_nat.htm](http://www.bls.gov/oes/current/oes_nat.htm)). We believe that the burden will be addressed under All Occupations (occupation code 00-0000) at \$28.01/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*

There are approximately 676,526 applicants who use Form CMS-L564. Based on the information requested for completion by the applicant on the form, we estimate that it takes an applicant on average 5 (.0833 hrs) minutes to complete.

The burden is computed as follows:

We estimate an annual burden of 56,355 hours (676,526 respondents x 0.0833 hours) at a cost of \$1,578,503.55 (56,355 hr x \$28.01/hr) or \$2.33 per respondent (\$1,578,503.55/676,526 respondents).

#### **Section B on the Request for Employment Information Form (Employers)**

The employer completes Section B.

Item 1 through 4: Requests if the applicant was covered under an employer group health plan and if so, if the coverage has ended and when. SSA requires this information to determine eligibility for the SEP.

Item 5: Requests the employer to fill out the dates the employee worked for their company or if they are currently still employed. SSA requires this information to determine eligibility for the SEP.

Item 6: Requests information regarding larger group health plans coverage for a disabled applicant. Specifically, SSA needs to know the timeframe that the large group health plan was primary payer to determine eligibility for the SEP.

Under the section called “For Hours Bank Arrangements ONLY” there are three fields that need to be filled out by the employer if the applicant was covered under an Hours Bank Arrangement.

Item 1: Provides if the applicant was covered under an Hours Bank Arrangement.

Item 2: Determines if the applicant has hours remaining in reserve.

Item 3: Indicates the date in which reserved hours ended or will be used.

### *Wage Estimates*

The wage estimate is computed as follows:

We also estimate the approximate number of responses to be 676,526 for employers, who complete the requested information related to the applicant’s employment and employer sponsored healthcare coverage. We estimate it will take 15 minutes for the employer to complete Section B.

In aggregate, the burden for 676,526 employer respondents to complete the forms in 15 minutes per response is 169,132 hours ( $676,526 \times 0.25$  (15 minutes) = 169,132 total burden hours).

To derive average costs for individuals, we used data from the U.S. Bureau of Labor Statistics’ May 2021 National Occupational Employment and Wage Estimates for our salary estimate (<https://www.bls.gov/oes/current/oes131141.htm>). We believe that the burden will be addressed under Compensation, Benefits, and Job Analysis Specialist (occupation code 131141) at \$35.49/hr. We calculated fringe benefits at \$70.98/hr.

### *Burden Estimates*

The estimated cost is \$12,004,989 (169,132 hours x \$70.98/hr).

## *12.3. Information Collection Instruments and Supporting Documents*

- Request for Employment Information

The form is available online in both English and Spanish at <https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS009718.html?DLPage=19&DLEntries=10&DLSort=0&DLSortDir=ascending>. It also can be obtained in hard copy by contacting the Social Security Administration (SSA). The Form includes instructions for completion.

Policies for SSA to process a received form are outlined in HI 00805.295 (Evidence of GHP or LGHP Coverage Based on Current Employment Status) at <http://policynet.ba.ssa.gov/poms.nsf/lrx/0600805295> (Exhibit of Form CMS (L564 Request for Employment Information) at <https://secure.ssa.gov/apps10/poms.nsf/lrx/0600805340>).

### 13. Capital Costs

There are no capital costs.

### 14. Cost to Federal Government

We estimate it will take the federal government employee 5 minutes to review and record the collected data.

It is calculated that the burden hours for 676,526 responses to be reviewed and recorded in 5 minutes per response to be 56,355 total hours ((676,526 x 0.0833 (5 minutes)) = 56,355 total burden hours).

To derive average costs, we used data from the Office of Personnel Management 2019 General Schedule (GS) Locality Pay Table for all salary estimates (). We estimate that the average government employee at SSA to receive and record the collected data to be a Grade 11, Step 1 (GS-11-1) – which we believe is the most appropriate level for a SSA field office representative.

As the processing of this form occurs at the national level and not just one geographic location, we estimated the salary using the national base general schedule. Such an hourly wage is \$27.30/hr or \$56,983 annually. Therefore the total cost to the government to complete the annual volume of responses is \$1,538,492 (56,355 hours x \$27.30/hr = \$1,538,492).

### 15. Program and Burden Changes

The burden has increased significantly due to CMS using data provided from SSA. SSA processes the form on behalf of CMS. The current data was pulled from SSA's repositories

and more closely matches our current estimates for individuals signing up for Medicare using an SEP. Previously, CMS estimated the burden based on less reliable, historical trends.

16. Publication/Tabulation Dates

There are no plans to publish or tabulate the information collected.

17. Expiration Date

The form displays the expiration date next to the OMB control number.

18. Certification Statement

There are no exceptions to the certification statement.

**B. Collection of Information Employing Statistical Methods**

Not applicable. There are no statistical methods.