

Supporting Statement Part A  
Application for Enrollment in Medicare Part B (Medical Insurance)  
CMS-40B, OMB 0938-1230

**Background**

Medicare Part B is a voluntary program, financed from premium payments by enrollees, together with contributions from funds appropriated by the Federal government. The Social Security Act (the Act) at section 226(a) provides that individuals who are age 65 or older and eligible for, or entitled to, Social Security or Railroad Retirement Board (RRB) benefits shall be entitled to premium-free Part A upon filing an application for such benefits. Section 1836 of the Act permits individuals with Medicare premium-free Part A to enroll in Part B.

Form CMS-40B is used by individuals who want to enroll in Part B. Such individuals enroll in Medicare Part B during their initial enrollment period IEP, the general enrollment period (GEP), which occurs from January through March each year, or during certain special enrollment periods (SEP)

Form CMS-40B provides a standardized means to determine the eligibility criteria for enrollment in Part B, as outlined in law. Information that is collected on Form CMS-40B (and the Spanish version CMS-40B-SP) is used by the Social Security Administration (SSA) – the Centers for Medicare & Medicaid Services’ agent for processing Medicare enrollments.

In this 2023 iteration, CMS is requesting a Revision approval due to substantive changes to the CMS-40B form. The form has been updated to improve the user’s experience. This includes adding clarifying questions so that respondents can make clear enrollment choices. These questions will also allow technicians to enroll respondents more efficiently. The same questions are asked on the currently approved CMS-18-F-5 “Application for Medicare Part A (Hospital Insurance)” (OMB 0938-0251).

In addition, we have adjusted the burden based on improved methods of estimating the number of respondents.

**A. Justification**

1. Need and Legal Basis

Section 1836 of the Act, and regulations at 42 CFR 407.10, provide the eligibility requirements for enrollment in Part B. Under the regulations, individuals may also enroll in Medicare Part B by signing a statement requesting Part B, if eligible for enrollment at that time. Individuals use the standardized Form CMS-40B to request enrollment.

The CMS-40B (and the CMS-40B-SP) collects the information that SSA needs to determine eligibility for and process enrollments into Part B.

## 2. Information Users

The CMS-40B provides the necessary information to determine eligibility and to process the beneficiary's request for enrollment for Medicare Part B coverage. This form is only used for enrollment by beneficiaries who already have Part A, but not Part B.

Form CMS-40B is completed by the person with Medicare or occasionally by an SSA representative using information provided by the Medicare enrollee during an in-person interview. The form is owned by CMS, but not completed by CMS staff. SSA processes Medicare enrollments on behalf of CMS.

### *Collection of Information Instruments and Instruction/Guidance Documents*

- Application for Enrollment in Medicare Part B (Medical Insurance)

The application form consists of eight items that are necessary to identify the enrollee and process the request.

Item 1: Requests the Medicare Number of the applicant including the Beneficiary Identification Code.

Item 2: Requests the name of the applicant.

Items 3, 4 and 5: Request the applicant's full mailing address, including state and zip. code and the applicant's phone number including area code

Item 6: Asks the applicant if they wish to sign up for Medicare Part B (Medical Insurance) to confirm the individual's intent to enroll in Part B coverage.

Item 7: Requests information about prior and current health care coverage. SSA uses this information to determine the start date of Part B and surcharge amount, if any, when individuals are requesting Part B during the Special Enrollment Period (SEP).

Item 8: Requests information about enrollments based on employer request or requirement. This can be used to determine if an individual is eligible for an SEP.

Item 9: Is an area for the applicant to provide any remarks or comments on the form to clarify information provided on the enrollment application.

Items 10 and 11: Request the signature of the applicant and the date the application was signed. If the application is signed by mark (X), a witness who knows the applicant must supply the following information in items 12 through 14:

Items 12 and 13: Request the signature of the witness, as well as the date the witness signed the application.

Item 14: Requests the address of the witness.

### 3. Use of Information Technology

The data collected for entitlement to Part A and B is not collected by CMS but by SSA under an Interagency Agreement. The agencies relationship is governed by Title XVIII of the Social Security Act.

In addition to the paper application as described above, applicants may apply via interview with an SSA employee over the phone or at a field office or online.

#### Online Application:

Individuals can file an application for Part B online if they are enrolling using the special enrollment period (SEP) for individuals insured under an employer group health plan. After completing the online application, claimants or their third-party representatives can submit it electronically to SSA, avoiding the need to visit an SSA office.

#### **In person or Telephonic Interview:**

Individuals have the option of enrolling telephonically or via an in person interview. SSA technicians conduct the interview and use an electronic system to input data collected from the applicant during the interview.

All data, whether collected on paper or online, is stored electronically and transferred to the SSA and CMS master records upon adjudication. The electronic data is retained.

Although technology is used in the collection, processing and storage of the data, the burden is not reduced by the use of technology. The burden is in the interview to solicit and clarify information that is collected for the application.

**Paper Form:**

The form CMS-40B is available on the internet  
(<https://www.cms.gov/Medicare/CMSForms/CMS-Forms/Downloads/CMS40B-E.pdf>).

Form CMS-40B-SP is also available on the internet  
(<https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS40B-S.pdf>).

Individuals complete the form and submit it to SSA for processing. The information completed on the form is reviewed manually by SSA.

4. Duplication of Efforts

This information does not duplicate any other effort, as the person with Medicare must initiate the request for enrollment into Part B coverage. Use of this form is the initial request by the individual. Even if the individual previously had and dropped Medicare Part B, the information must be updated to ensure proper disposition of the new request.

This information is not available from any other source.

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, and only when an existing Medicare beneficiary requests to enroll in Part B. Each individual respondent uses the form one time when he or she submits the request to enroll in Part B. If this information is not collected, the individual cannot enroll in Part B. Since the statute permits enrollment and specific data is necessary to determine eligibility, the burden cannot be minimized.

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 Notice/Outside Consultation

*Federal Register Notice*

The 60-day Federal Register Notice published in the Federal Register on 08/23/2023 (88 FR 57461).

We received one comment during publication. The comment did not result in any changes to the form or burden. The response to comment is attached to this supporting statement.

The 30-day Federal Register Notice published in the Federal Register on 11/24/2023 (88 FR 82379).

9. Payment/Gift to Respondents

There are no payments or gifts provided to respondents.

10. Confidentiality

This collection will be used solely by SSA for the purpose of determining a beneficiary’s eligibility Medicare Part B. The completed form is not provided to CMS, rather it is stored with SSA. Both CMS and SSA are responsible for ensuring that all personally identifiable information (PII) remains private. Data will be kept private to the extent allowed by law.

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 Estimate (Hours & Wages)

**Respondent Burden Hours**

Method of Completion	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Annual Burden (hours)	Average Wait Time in Field Office (Minutes)	Estimated Total Annual Burden (hours) for Wait Time)
Interview	852,341	1	15	213,085	24	340,936
Online	169,651	1	10	28,841	N/A	
Paper Form	46,723	1	30	23,362	N/A	
<b>Totals</b>	<b>852,341</b>			<b>265,288</b>		

*Wage Estimates*

To derive average costs for individuals we used data from the U.S. Bureau of Labor Statistics’ May 2022 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 \$29.76/hr.

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*

We estimate that there are approximately 1,068,715 respondents annually requesting enrollment in Part B using this collection. The burden is computed as follows:

We estimate an annual burden of 265,288 hours at a cost of \$7,894,971 (265,288 hr x \$ 29.76/hr) or \$7.39 per respondent (\$7,894,971/1,068,715 respondents).

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

<b>Method of collection</b>	<b>Number of respondents</b>	<b>Minutes to collect and input data</b>	<b>Burden Hours</b>	<b>Base hourly rate</b>	<b>Cost</b>
Interviews	852,341	15	213,085	\$32.21	\$6,863,468
Online	169,651	10	28,841	\$32.21	\$928,969
Paper	46,723	30	23,362	\$32.21	\$ 752,490
<b>Total Cost</b>	<b>1,068,715</b>	<b>55</b>	<b>265,288</b>	<b>\$32.21</b>	<b>\$8,544,927</b>

To derive average costs, we used data from the Office of Personnel Management 2023 General Schedule (GS) Locality Pay Table for all salary estimates ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salarytables/23Tables/html/GS\\_h.aspx](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salarytables/23Tables/html/GS_h.aspx)). We estimate that the average government employee at SSA to receive and record the collected data be a Grade 11, Step 5 (GS-11-5) – which we believe is the most appropriate level for a SSA representative to derive the costs to process this form.

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 \$32.21 or \$67,227 annually.

15. Changes to Burden

In this 2023 iteration, the estimated number of respondents increased from 400,000 to

1,068,715. The federal government burden hours increased from 33,320 hour to 265,288 hours. The significant burden change is due to CMS' reliance on SSA's improved data with consideration of the enrollment policies and processes which permit enrollment through 3 different enrollment mechanisms: paper form, online, and interview with SSA technician. The use of information technology section was updated to include the additional response methods.

The burden of federal government costs increased from the 2020 approved submission as a result of the factors mentioned above and the increase in wage for a federal employee GS 11-, step 5 from 28.42/hr in 2020 to \$32.21 in 2023.

16. Publication/Tabulation Dates

This information is not published or tabulated.

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.