

Supporting Statement for Form SSA-1021
Appeal of Determination for Extra Help with Medicare Prescription Drug Costs
OMB No. 0960-0695

A. Justification

1. Introduction/Authoring Laws and Regulations

Public law 108-173, also known as the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA), amended Title XVIII of the Social Security Act to establish a subsidy program to help certain individuals with limited income and resources pay for Medicare Part D prescription drug coverage. This subsidy program is commonly referred to as Extra Help. Some individuals may automatically become eligible for Extra Help if they have either Medicare and Supplemental Security Income benefits, full Medicaid coverage, or a Medicare Savings Program (MSP) as a Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiaries (SLMB), or a Qualifying Individuals (QI). An individual, or a proper applicant acting on the behalf of an individual, may have to file a valid application in order to become eligible for the Medicare Part D subsidy.

The Social Security Administration (SSA) reviews Medicare Part D subsidy applications and makes eligibility determinations. Extra Help eligibility criteria is described in *Section 1860D-14 of the Act*. *Section 1860D-14(a)(3)(B)(iv)(II) of the Act* requires the Commissioner of SSA to establish a mechanism for individuals to appeal subsidy eligibility determinations using procedures described in *Section 1631(c)(1)(A)*. The purpose of this OMB clearance is to renew the existing SSA-1021 form.

2. Description of Collection

Individuals seeking Extra Help may apply via the SSA-1020 (paper form) or i1020 (online application) (OMB No. 0960-0696). If SSA determines that the claimant is not eligible for Extra Help, it will mail a notice to the claimant indicating the claim is denied. Extra Help denial notices include appeal rights and explain how to request an appeal.

Individuals learn about the appeal process for Extra Help via award/denial notices, 800# representatives, as well as SSA and CMS websites. Individuals voluntarily initiate the Extra Help appeal process by printing the form from SSA's online website and sending the completed form to SSA, contacting SSA's 800 Number to request an appeal, or going into the field office to request the appeal. If the individual chooses to call the 800# or go into the field office, an SSA technician enters the individual's request into the MAPS system. The request is then electronically sent to the Subsidy Determination Unit, who then schedules an appointment for the appeal and sends an appointment notice to the individual.

Individuals who appeal SSA's decision regarding eligibility or continuing

eligibility for Medicare Part D Extra Help must complete Form SSA-1021. The completed form may be mailed to either the local field office or to the Wilkes-Barre Direct Operations Center. The form may also be completed with assistance from an SSA technician via an in-person interview at the Field Office or over the telephone. All claims are entered into Medicare Application Processing System (MAPS), which automatically adjudicates claims based on the data input by SSA technicians.

We identified the following psychological costs based on the requirements for this information collection:

- **Psychological Cost #1:**
 - **Requirement for the Program:** The Extra Help hearing method for the appeal is only held over the phone. Individuals utilizing the form are of retirement or disability status.

 - **Psychological Cost:** This demographic may have some concerns with operating the phone to set up the hearing or the conference call if they want others present for the hearing process. They may also have concerns that they would rather be able to see everyone present for the hearing in person.

- **Psychological Cost #2:**
 - **Requirement for the Program:** The form may cause concerns as the individual is asked to write the reason(s) they are appealing the decision.

 - **Psychological Cost:** Not everyone has confidence in their writing to be able to relate such important information.

- **Psychological Cost #3:**
 - **Requirement for the Program:** The form asks if the individual has information to support the appeal, and if so, to send the information in with the form.

 - **Psychological Cost:** The individual may not have printing or copying capabilities and only have one copy of the information they would like to use.

We understand these psychological costs may cause respondents to delay their completion of the information collection or cause them to abandon the information collection entirely. However, we require full completion of this collection to request an Extra Help appeal. Therefore, we have taken this potential psychological cost into account when calculating our burden in #12 below.

The respondents are Medicare beneficiaries, or proper applicants acting on behalf

of a Medicare beneficiary, who do not agree with the outcome of an SSA Extra Help eligibility determination and want to file an appeal.

3. Use of Information Technology to Collect the Information

SSA uses several modalities including paper, fillable PDF, intranet applications, and personal interviews to collect information on Form SSA-1021. SSA technicians input information into the Intranet-based Medicare Application Processing System (MAPS) through either personal interviews with the respondents, or when a paper application is received.

While the application for Extra Help can be completed online via the i1020, at this time SSA does not have an online application for submitting the Extra Help appeal form SSA-1021. SSA is unable to create an Internet version of this information collection, as this information collection does not currently allow for electronic submission or electronic disclosure under GPEA. We will reassess this ability if technological advances are created that would allow for us to make this collection available via the Internet.

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.

In the meantime, we estimate approximately 74 percent of respondents file through a personal interview during which SSA employees record information using MAPS. This personal interview can be conducted in-person at a field office or over the phone via the 800-number. SSA employees use verbal attestation in lieu of a wet signature. If a respondent completes a PDF fillable SSA-1021, respondents should provide a wet signature. When we are able to convert this form to an electronically submittable format, we will allow for an eSignature on the form.

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 form SSA-1021, the public would not have a structured way to appeal a subsidy determination in writing. This would violate §1860D-14(a)(3)(B)(iv) of the Act. Because we only collect the information once, 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 October 13, 2023, at 88 FR 71068, and we received no public comments. The 30-day FRN published on December 29, 2023, at 88 FR 90223. If we receive any comments in response to this Notice, we will forward them to OMB. We did not consult with the public in the development or maintenance of this form.

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

Modality of Completion	Number of Respondents	Frequency of Response	Average Burden per Response (minutes)	Estimated Total Annual Burden (hours)	Average Theoretical Hourly Cost (dollars)*	Average Wait Time in Field Office (minutes)**	Total Annual Opportunity Cost (dollars)***
SSA-1021 – (Paper version)	1,859	1	10	310	\$29.76*	0**	\$9,226***
SSA-1021 – (Internet version: MAPS)	5,291	1	10	882	\$29.76*	24**	\$89,220***
Totals	7,150			1,192			\$98,446***

* We based this figure on average U.S. worker’s hourly wages; State and local government worker’s salaries; and attorney representative payee wages as reported by Bureau of Labor Statistics data (https://www.bls.gov/oes/current/oes_stru.htm)

** We based this figure on the average FY 2022 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 13.97mile 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)****
5,291	1	30	2,646	\$78,775 ****

****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 also calculated the following Learning Cost time burden based on the estimated time and effort we expect respondents will take to learn about this program, its applicability to their circumstances, and to cover any additional research we believe respondents may need to take to understand how to comply with the program requirements (beyond reading the instructions on the collection instrument):

Total Number of Respondents	Frequency of Response	Estimate Learning Cost (minutes)	Estimated Total Annual Burden (hours)	Total Annual Learning Cost (dollars)**
7,150	1	10	1,192	\$35,474*****

*****We based this dollar amount on the Average Theoretical Hourly Cost Amount in dollars shown on the burden chart above.

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 learning about the program; receiving notices as needed; reading and understanding instructions; gathering the data and documents needed; answering the questions and completing the information collection instrument; scheduling any necessary appointment or required phone call; consulting with any third parties (as needed); and waiting to speak with SSA employees (as needed). Based on our current management information data, the current burden information we provided is accurate. The total burden for this ICR is **1,192** burden hours (reflecting SSA management information data), which results in an associated theoretical (not actual) opportunity cost financial burden of **\$212,695**. 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 on the respondents.

14. Annual Cost To Federal Government

The annual cost to the Federal Government is approximately **\$1,693,268**. 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	\$507
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-9 employee (\$23.49) x # of responses (7150) x processing time (10)	\$1,679,535

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	\$13,226
Quantifiable IT Costs	Any additional IT costs	\$0*
Total		\$1,693,268

* 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

When we last cleared the IC in 2021, the burden was 2,094 hours. We are now reporting a burden of 1,192 hours. This change stems from a decrease in the number of respondents from 12,563 to 7,150. 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.

* Note: The total burden reflected in ROCIS is **5,029**, while the burden cited in #12 of the Supporting Statement is **1,192**. 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 + learning costs. In contrast, the chart in #12 of the Supporting Statement 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.