

Supporting Statement Part A
Medicare Request for Retirement Benefit Information
(CMS-R-285, OMB 0938-0769)

Background

Medicare Premium Part A is a voluntary program that is financed from premium payments by enrollees together with contributions from funds appropriated by the Federal government.

Form CMS-R-285, “Medicare Request for Retirement Benefit Information,” is used to obtain information regarding whether a beneficiary currently purchasing Medicare Premium Part A coverage is receiving retirement payments based on State or local government employment, how long the claimant worked for the State or local government employer, and whether the former employer or pension plan is subsidizing the individual’s Part A premium.

In this 2024 iteration, CMS is requesting a Reinstatement with changes type of approval from OMB due to changes mentioned below. The title of this form has been updated to *Medicare Request for Retirement Information instead of Request for Retirement Information*. An Office of Communications plain language review suggested the specification of adding the ‘Medicare’ to the title. Additionally, this 2024 iteration has been updated to identify sections A and B, which more clearly specify which questions should be completed by the applicant and which should be completed by the employer. “SECTION A,” requests the employee’s name and Social Security Number, employer’s name and address, and the claimant’s name and Social Security Number if different from the employee’s name. SECTION A is titled, **“SECTION A: To be completed by the person requesting a Medicare Part A (Hospital Insurance) premium reduction.”**

The portion of the application that must be completed by the employer has been updated to identify “SECTION B,” includes questions 1 through 5, the signature, title, and phone number of the employer official completing the form, as well as the date the form is completed by the official. SECTION B is titled, **“SECTION B: To be completed by employer.”**

The burden time estimates have been updated for the claimant and third-party disclosure (employer) respondents, as well as for the federal employee recording the information submitted on the form. We adjusted our respondent and federal employee cost estimates by using current BLS wage figures.

A. Justification

1. Need and Legal Basis

Section 1818(d)(5) of the Social Security Act (the Act) provides that certain former State and local government employees (and their current or former spouses) may have the Part A premium reduced to zero. To be eligible for the premium adjustment, individuals must:

- be age 65 or older;
- have been enrolled in Medicare premium Part A for at least 7 years;
- did not have the premium paid for by a State, a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions; and
- have 10 years of employment with the State or local government employer or a combination of 10 years of employment with a State or local government employer and a nongovernment employer.

Form CMS-R-285 elicits the information that the Social Security Administration (SSA) -- CMS' agent for processing Medicare enrollments and premium amount determinations/adjustments -- needs to properly determine whether the premium for Part A coverage can be reduced. The Form is an essential part of the process of determining whether an individual qualifies for the premium reduction.

2. Information Users

Form CMS-R-285 provides the necessary information regarding the prior state or local government employment to process the individual's request for premium Part A reduction based on their employment by a state or local government. The form is completed by the state or local government employer on behalf of the individual seeking the Medicare premium reduction. The SSA, CMS' agent for processing Medicare enrollments and premium amount determinations, will use this information to help determine whether a beneficiary meets the requirements for reduction of the Part A premium. The form is owned by CMS but not completed by CMS staff.

3. Use of Information Technology

The form is available on the internet (<https://www.cms.gov/medicare/cms-forms/cms-forms/cmsforms-items/cms060878>) however, data is not transmitted using an electronic source. Data is collected through receipt of the form at one of SSA's field offices. The information on the completed form is reviewed manually by SSA. The form cannot be completed online, and must be mailed, faxed, or dropped off at an SSA field office. Thus, the collection of this information does not involve the use of information technology.

4. Duplication of Efforts

This information does not duplicate any other effort.

5. Small Businesses

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

6. Less Frequent Collection

This information is collected only as needed. If this information is not collected, the enrollee cannot have his or her Medicare Part A premium reduced as permitted by law. Since the statute outlines parameters of criteria that must be met to be eligible for the premium reduction, the information solicited in this form cannot be minimized.

7. Special Circumstances

This information is collected only as needed. Otherwise, there are no special circumstances that would require an information collection to be conducted in a manner that requires respondents to:

- 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

The 60-day notice published in the Federal Register (89 FR 27764) on 4/18/2024.

During the comment period, 1 comment was received. The comment expressed general support for the form. No changes were made to the form as a result of the comment. The response can be found in the attached "Response to Comments" document.

The 30-day notice published in the Federal Register (89 FR 64465) on 08/07/2024.

9. Payment/Gift to Respondents

This form provides the evidence necessary to determine eligibility for the Part A premium reduction, as permitted by law. Once an individual's premium is reduced to zero, premiums for future Part A coverage are no longer required. The individual will be refunded for any premiums paid in advance for months of coverage that occur after the premium reduction is effective, as permitted by law. There are no payments or gifts provided to respondents.

10. Confidentiality

The information will be used solely by SSA for the express purpose of determining a beneficiary's eligibility for the reduction of the Medicare Part A premium.

The Social Security number is collected so that SSA can properly identify the individual and determine if the relationship between the Medicare enrollee and the employee meets the eligibility criteria as outlined in law. The beneficiary's Medicare Number is not used because the certifying official does not have access to the number. The certifying official needs the SSN of the employee and the claimant to accurately complete the form. None of the information is collected or stored electronically on CMS systems.

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)

Wage Estimates (Claimant)

The wage estimate for the claimant is computed as follows:

Annually, there are approximately 500 applicants who use form CMS-R-285. 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 500 applicants to complete the form is 42 hours (500 x 0.0833 (5 minutes) = 42 hours).

To derive average costs for individuals, we used data from the U.S. Bureau of Labor Statistics' May 2023 National Occupational Employment and Wage Estimates for our salary estimate (https://www.bls.gov/oes/current/oes_nat.htm#00-0000). We believe that the burden will be addressed under All Occupations (occupation code 00-0000) at \$23.11 (hourly median) 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 (Claimant)

The burden is computed as follows:

We estimate an annual burden of 42 hours (500 respondents x 0.0833 hours) at a cost of \$971 (42 x \$23.11/hr) or \$1.94 per respondent (971/500 respondents).

The claimant completes Section A on the form. Section A is summarized by the following:

SECTION A: To be completed by the person requesting a Medicare Part A (Hospital Insurance) premium reduction

The top portion of the form should be completed by the employee and requests the employee’s name and Social Security number, the employers name and employer’s address, and the claimant’s name and claimant’s address. 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 (Employer) (The Employer is referred to as the “Third Party” on the Part II Worksheet)

The wage estimate is computed as follows:

We also estimate the approximate number of responses to be 500 for employers who complete the requested information related to the applicant’s employment and employer-sponsored healthcare coverage. We estimate it will take 10 minutes for the employer to complete Section B.

In aggregate, the burden for 500 employer respondents to complete the forms in 10 minutes per response is 83 hours (500 x 0.166 (10 minutes) = 83 total burden hours).

Burden Estimate (Employer)

The form is completed by a certifying official at a local or state government agency. Based upon the nature of the questions asked, it is estimated that a “Compensation, Benefits, and Job Analysis Specialist” working for the state or local agency would be most qualified to complete this form accurately. According to the United States Bureau of Labor and Statistics (BLS) a “Compensation, Benefits, and Job Analysis Specialist” may specialize in specific areas, including pension programs. We believe this is the most appropriate category.

To derive average employer costs, we used data from the U.S. BLS National Occupational Employment and Wage Estimates (<https://www.bls.gov/oes/current/oes131141.htm>). According to the most recent BLS wage data (May 2023), the median hourly wage for the category “Compensation, Benefits, and Job Analysis Specialist” is \$35.83/hr. The following table presents the median hourly wage, the cost of fringe benefits (calculated at 100 percent of salary), and the adjusted hourly wage for such an employed individual.

| Bureau of Labor | BLS Occupation | Median Hourly | Fringe Benefit | Adjusted Hourly |
|-----------------|----------------|---------------|----------------|-----------------|
|-----------------|----------------|---------------|----------------|-----------------|

| Statistics (BLS) Occupation Title | Code | Wage (\$/hr) | (\$/hr) | Wage (\$/hr) |
|---|-------------|---------------------|----------------|---------------------|
| Compensation, Benefits, and Job Analysis Specialist | 13-1141 | \$35.83 | \$35.83 | \$71.66 |

As indicated, we are adjusting our employee hourly wage estimates by a factor of 100 percent. This is necessarily a rough adjustment, both because fringe benefits and overhead costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, there is no practical alternative, and we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

Annually, there are approximately 500 employers (respondents) who complete the requested information on Form CMS-R-285. We estimate it will take 10 minutes (0.166 hr) for the employer to complete the form. In aggregate, the annual burden for 500 employer respondents to complete the form is 83 hours (500 x 0.166 hr) at a cost of \$5,948(83 hours x \$71.66).

We estimate an annual burden of 83 hours (500 respondents x 0.166 hours) at a cost of \$5,948 (83 hrs x \$65.18/hr) or \$11.90 per respondent (\$5,948/500 respondents).

The employer completes Section B on the form. Section B is summarized by the following:

SECTION B: To be completed by employer

Item 1: Asks the employer if the claimant is receiving retirement payments based on their own state or local employment.

Item 2: Asks the employer if the claimant is the spouse, widow, or widower of a person who is receiving (or did receive) retirement payments based on their own state or local government employment.

Item 3: Asks the employer how long the claimant or their spouse worked for the state or local government employer, and when the employment began and ended.

Item 4: Asks the employer if the pension plan or former employer subsidized the claimant’s Medicare Part A premium in whole or in part for any month during the past seven years.

Item 5: Asks the employer if the claimant is found to be eligible for the reduced Medicare Part A premium, will their retirement payments be adjusted or recalculated.

The bottom portion of the form requests the signature of the official/employer completing the form, the title of the official, their telephone number, and the date the form is completed.

| Respondent | # of Respondents | Annual Hourly | Annual Cost |
|-------------------|-------------------------|----------------------|--------------------|
|-------------------|-------------------------|----------------------|--------------------|

| | | | |
|-------------------|-----|---------------|---------|
| | | Burden | |
| Employer/Claimant | 500 | 125 Hours | \$6,919 |

Information Collection Instruments and Supporting Documents

Medicare Request for Retirement Benefit Information

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

To derive average costs, we used data from the Office of Personnel Management 2024 General Schedule (GS) Locality Pay Table for all salary estimates (https://www.opm.gov/policy-dataoversight/pay-leave/salaries-wages/salary-tables/23Tables/html/RUS_h.aspx). We estimate that the average government employee at SSA to receive and record the collected data to be a Grade 11, Step 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 \$29.76/hr.

We estimate it will take a federal government employee 10 minutes (0.166 hr) to review and record the collected data. For 500 responses, we estimate an annual burden of 83 hours (500 x 0.166 hr) at a cost of \$2,470. (83 hrs x \$29.76).

We estimate an annual burden of 83 hours (500 respondents x 0.166 hours) at a cost of \$2,470 (83 hrs x \$29.76/hr) or \$4.94 per respondent (\$2,470/500 respondents).

15. Changes to Burden

There are changes to the form's title and format, but the changes do not affect the burden. There are changes to the claimant, third party disclosure (employer), and federal employee time estimates. We adjusted our respondent cost estimate by using current BLS wage figures.

16. Publication/Tabulation Dates

None

17. Expiration Date

CMS would like to display the expiration date next to the OMB control number in the upper right corner of the form.

18. Certification Statement

There are no exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods

Not applicable. Requirements for this data collection do not employ statistical methods.