

**Supporting Statement for the State Death Match Collections
State Death Match—Electronic Death Registration (EDR) Online
Verification of the Social Security Number in State Death Registration
State Manual Death Registration process**

**20 CFR 404.301; 404.310-311; 404.316; 404.330-341;
404.350-352; and 404.371; 416.912**

OMB# 0960-0700

A. Justification

1. *Section 205 (r) of the Social Security Act* requires the Commissioner of Social Security to contract with the States to obtain death certificate information in order to compare it to the Social Security Administration's (SSA) payment files. This match ensures the accuracy of our payment files by detecting unreported or inaccurate dates of deaths of beneficiaries. Entitlement to retirement, disability, wife's, husband's or parent's benefits under the provisions of the Social Security Act terminates when the beneficiary dies.

Sections 202 and 203 of the Social Security Act set out how death affects a person's entitlement. *20 CFR 404.301; 404.310-311; 404.316; 404.330-341; 404.350-352; 404.371, and 416.912 of the Code of Federal Regulations* further explain the policies and procedures for implementing *sections 202 and 203 of the Act*.

2. About 2.5 million people die in the United States each year. Approximately 2.0 million are Social Security beneficiaries. The death of a beneficiary is an event that terminates the individual's entitlement to benefits. The States furnish this information to SSA to compare the death information to SSA payment files. This is done via the Manual Registration Process or Electronic Death Registration Process.

Manual Registration Process

The manual death registration process is a slow, paper-driven process. It starts with the funeral director, charged by State law with completing the demographic information on the individual, such as name, date of birth, Social Security Number and sex code. The funeral director then hand delivers the certificate to the attending physician to complete the cause of death information. In some jurisdictions, the data is then delivered to a county or local registrar and finally to the State Department of Vital Statistics where it is officially registered. While the State process is manual, the transfer of information to SSA is automated using today's technology, Government to Government Services Online (GSO).

SSA's contracts with the states using the manual process stipulate that SSA must independently verify the State death data before taking a termination action. This process involves alerts to the SSA field office to attempt a direct contact with the alleged

deceased individual to verify the death. When that fails, the field office sends a call-in letter to the alleged deceased individual and sets a diary for its return. When there is no response to the letter, benefits to the alleged decedent are suspended and finally terminated. Termination of benefits can take up to six months. The delay contributes to incorrect payments after death.

EDR Registration Process

The EDR process is web-based. The system permits electronic transfer of the death certificate from the funeral director, to the next participant who completes a portion of the certificate. EDR reduces the processing time needed to register deaths and drastically improves the business practices of the various participants in death registration. EDR results in the State's ability to send SSA the report within 5 days of the date of death and within 24 hours of receipt in the State repository.

Requests for online verification of the SSN will pass through the State server. Each State is responsible for authenticating each death registration participant and maintaining an audit trail of each request. SSA is responsible for authenticating State servers, processing verification requests and building verification responses. The online verification system uses the decedent's demographic information; i.e. SSN, name, date of birth, sex to match with SSA's records. The response will either indicate that the name, date of birth, SSN and sex match is an accurate report or it will give a code indicating why a match did not occur. This will allow the participant making the request to correct data that prevented the match, if the decedent's informant is able to obtain more accurate information.

The States have agreed that the online verification of the social security number (SSN) at the first point of collection in the registration process, by the funeral director, will satisfy the requirement to independently verify the SSN. This will permit SSA to immediately terminate benefits and save \$36-42 million in program dollars and over 102 work years annually. SSA is required by statute to share death data with the four Federal benefit-paying agencies. They are the Office of Personnel Management, Department of Defense, Railroad Retirement Board and the Department of Veterans Affairs. We expect similar savings for these agencies.

3. Both Death Match processes are automated electronic transfer between the States and SSA. However, EDR is a web-based system that links all the State participants via the Internet. The States tag the records that verify using the online verification process. Once SSA receives the batch file, SSA immediately directs the records with verified numbers to a termination process. The process eliminates the need for the field to independently verify State death reports for these individuals and to later input these death reports for termination. Therefore, EDR automates the death registration process for the States which allows SSA to fully automate its death termination process.
4. The information collected for the online verification in death registration precludes duplication. While the Form SSA-721 (OMB No. 0960-0142) collects data similar to that currently collected in the death registration process, it is slowly being phased out by

the EDR. Because the EDR provides timely verified fact of death reports to SSA which SSA considers proof of death, funeral directors will no longer submit the paper SSA-721 for death records to SSA once the EDR system is implemented in all states.

5. This collection does not have a significant impact on a substantial number of small businesses or small entities. The reporting burden on small businesses or other small entities has not changed in this electronic online verification process from the burden currently imposed by collecting name, date of birth, gender and SSN. These data elements are essential for SSA's matching program both in the current environment and in the EDR system.
6. There are no technical or legal obstacles that prevent burden reduction. Section 205(r) states that SSA must collect death registration information from each decedent. Non-collection or less frequent collection of this information would jeopardize the accuracy of the Agency's payment files, as well as the payment files of the four federal benefit-paying agencies that also use this information.
7. There are no special circumstances that would cause this information collection to be conducted in a manner inconsistent with 5 CFR 1320.5.
8. The 60-day advanced Federal Register (FR) notice was published on November 30, 2007 at 72 FR 67776, and SSA has received no public comments. The second FR notice was published on January 17, 2008 at 73 FR 3307.

SSA published a correction Notice on March 28, 2008 at 73 FR 16734 to update the burden chart in #12 below. The correct information has been published in the Federal Register and is show in #12 below. However, it should be noted that none of the published Federal Register Notices took into account the average one-time start-up fee of 2.5 million per participating state. That fee is shown in #13 below and reflected in its own IC within the ICR on ROCIS.

SSA was invited to participate on a work group by NAPHSIS to reengineer the death registration process in USA. As major users of death data, SSA had the opportunity to express its need for receipt of fact of death data. SSA interacted with the representatives of the national professional participant organizations for example; American Medical Association, National Funeral Directors Association, National Association of Medial Examiners etc.

9. Under the eGov initiative, eVital to speed the nation-wide roll out of EDR, the Federal Government provides partial funding to States to help implementation of EDR. See item 14. below.
10. The information requested is protected and held confidential 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. The online verification system is a secure environment. The information collected during the online verification process is considered confidential. SSA published a routine use to notify the public.
12. Below are the burden estimates for the manual process as well as the new EDR process. Currently 20 states, New York City and the District of Columbia are participating in the EDR process. The following is an estimate of the cost burden for this collection of information:

Collection Format	Number of Respondents	Frequency of Responses	Average cost per record request	Estimated Annual Cost Burden
State Death Match-Manual Process	31	50,000 per State	.74	\$1,147,000
State Death Match-EDR	22	50,000 per State	2.65	\$2,915,000
Totals				*\$4,062,000

Please note that both of these data matching processes are entirely electronic and there is no hourly burden for the respondent to provide this information.

*The Total Estimated Annual Cost Burden includes totals for state, local and tribal governments.

13. There is no known cost burden to the respondents for the manual Death Registration process, above and beyond the customary expenses already incurred by the respondents. However, before a state can participate in the EDR process there is start-up and systems infrastructure cost which they must assume. However, the Federal government offset part of this expense as outlined in item 14. The costs to States for EDR implementation range between \$2-5 million. Nineteen states began using EDR with an average cost of \$2.5 million totally \$47.5 million in start-up costs.
14. The estimated cost to the Federal government for the Manual Registration process \$9,488 annually. Calculations based on 25% of a GS-7 salary. There is no known estimated cost to the Federal government for the EDR process because OVS automatically routes the decedent's SSN information to SSA's terminations systems and object programs. Then a termination action is taken without any human intervention. Therefore, no SSA personnel are used during this process.

However, under the eGov initiative, eVital to speed the nation-wide roll out of EDR, SSA provided partial funding to States to help implementation of EDR. The average amount

was approximately \$500,000 per State. In order to award EDR development funds the State must have met the following conditions:

- Have dedicated funds
- Have an infrastructure in place that will support a web-browser
- Have laws in place that will support an EDR , e.g. electronic signature
- Agree to allow SSA to immediately terminate any record it receives with a verified SSN.

In FY 2007, provisions of the Intelligence Reform and Terrorism Prevention Act of 2004 provided grants to the States to computerize their records to cross match birth and death records within and among the States. HHS has the authority for the funding of the grants for this effort and assumed the funding lead for EDR development.

15. There are no program changes to this collection. However, there is an adjustment increase attributed to the start up costs for the 19 states that began using the EDR process since this ICR was last approved by OMB.
16. The results of the information collection will not be published.
17. SSA does not request approval not to show the OMB expiration date. Displaying the expiration date is not inappropriate.
18. 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

The Statistical methods are not used for collection of this information because it will not reduce the reporting burden and are not applicable for this collection.