

**Supporting Statement for Form SSA-44
Medicare Income-Related Monthly
Adjustment Amount – Life-Changing Event
20 CFR 418.1205, .1255, .1265, .2205, .2255, .2265**

OMB No. 0960-0784

A. Justification

1. Introduction/Authoring Laws and Regulations

Sections 1860D-13(a) and Section 1839(i) of the *Social Security Act*, as codified in the *Code of Federal Regulations*, 20 CFR 418, mandate reductions in the Federal Medicare Part B and prescription drug coverage subsidies. This results in higher premiums for those with Medicare Part B and prescription drug coverage with income above a specific threshold. The amount of the premium subsidy reduction is an income-related monthly adjustment amount, or IRMAA.

A Medicare beneficiary who experiences a significant life-changing event (LCE) and a subsequent reduction in income can report these circumstances to SSA and receive a reduction in or elimination of IRMAA. The Medicare Part B regulations requiring a life-changing event for use of a more recent taxable year are in Subpart B of 20 CFR Part 418. The parallel regulations for Medicare prescription drug coverage are in Subpart C of 20 CFR Part 418. Our regulations at 20 CFR 418.1205 and 20 CFR 418.2205 specify the LCEs.

The Social Security Administration (SSA) sends out IRMAA-specific notices to the public when we make an IRMAA determination. These notices explain how beneficiaries can provide new information for SSA to consider for the IRMAA calculation. If beneficiaries wish to report a life-changing event affecting their IRMAA using a form, they can use Form SSA-44 to do so.

2. Description of Collection

The Centers for Medicare & Medicaid Services in the Department of Health and Human Services is responsible for determining the amounts of Medicare Part B monthly premiums, the national base beneficiary premium for prescription drug coverage, and the monthly income-related adjustment amounts. SSA is responsible for several aspects of the premium collection process. As part of this process, SSA's role includes:

- 1) Determining which Medicare Part B and prescription drug coverage recipients are subject to IRMAA based on Federal tax return information from the Internal Revenue Service (IRS);
- 2) Determining when to apply an IRMAA amount;

- 3) Accepting information from recipients that updates or clarifies the tax data provided by IRS; and,
- 4) Making new initial IRMAA determinations based on a significant LCE when there is a reduction in income.

Since SSA determines IRMAA based on past IRS tax data, it is possible recipients' financial situations may have changed due to a significant LCE and SSA's IRMAA determination would no longer be accurate. SSA uses Form SSA-44, the Medicare Income-Related Monthly Adjustment Amount – Life-Changing Event, to collect information from Medicare recipients about an LCE that could affect their IRMAA.

SSA defines a relevant LCE as: 1) marriage, 2) divorce or annulment, 3) spousal death, 4) work stoppage, 5) work reduction, 6) loss of income due to property loss, 7) loss of pension income, and 8) receipt of a one-time employer's (or former employer's) settlement payment.

Beneficiaries can contact or visit an SSA office directly, or print and mail Form SSA-44 from the Internet to request the use of a more recent taxable year to determine their IRMAA because of a significant LCE. SSA uses the information collected on Form SSA-44 to determine if the initial IRS tax data used for the beneficiary needs to change. If the agency determines the LCE warrants the use of a more recent taxable year to determine IRMAA, we will use the information to make a new initial determination. The respondents are Medicare Part B and prescription drug coverage enrollees with modified adjusted gross income over a high-income threshold who experience one of the eight significant LCEs cited above.

3. Use of Information Technology to Collect the Information

Form SSA-44 has two modalities: 1) an online-only PDF respondents can print, complete, and mail to SSA; and 2) a field-office interview, during which SSA employees enter the data electronically during the interview. More than three-quarters of respondents choose the field-office interview option.

In accordance with the agency's Government Paperwork Elimination Act plan, the in-person field office version is considered electronic. Based on our data, we estimate approximately 75 percent of respondents under this information collection use the electronic version.

4. Why We Cannot Use Duplicate Information

The nature of the information we are collecting and the manner in which we are collecting it preclude 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 SSA did not collect this information, we would be unable to allow Medicare enrollees with prescription drug coverage or Part B who have experienced significant LCEs to report such

events. This would put SSA in violation of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (*Pub.L. 108-173*), the *Affordable Care Act* (*Pub.L. 111-148*), and relevant regulations. Since SSA collects this information on an as needed basis, 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 us to collect this information in a manner inconsistent with *5 CFR 1320.5*.

8. Solicitation of Public Comment and Other Consultations with the Public

SSA published the 60-day advance Federal Register Notice on January 30, 2014 at 79 FR 5014, and we received no public comments. We published the second Notice on April 16, 2014 at 73 FR 21499. If we receive any comments in response to the 30-day Notice, we will forward them to OMB.

SSA did not consult members of 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 Parts 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

Method of Information Collection	Number of Respondents	Frequency of Response	Average Burden Per Response (minutes)	Estimated Annual Burden (hours)
Personal Interview (SSA field office)	147,000	1	30	73,500
SSA-44 Paper Form	39,000	1	45	29,250
Totals	186,000			102,750

The total burden for this information collection request is **102,750** hours. This figure represents burden hours, and we did not calculate a separate cost burden.

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 for this collection is approximately \$8,500,000. This estimate is a projection of the costs for printing the collection instrument and for collecting the information through field-office interviews.

15. Program Changes or Adjustments to the Information Collection Request

There are no changes to the public reporting 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

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)*.

18. Exceptions to Certification Statement

Since this is a PDF-only form, SSA is not requesting an exemption from the OMB requirement to print the OMB expiration date on the form.

B. Collections of Information Employing Statistical Methods

SSA does not use statistical methods for this information collection.