

Supporting Statement Part A
Request for Termination of Medicare Premium Part A, Part B, or
Part B Immunosuppressive Drug Coverage (Part B-ID) and
Supporting Statute and Regulations
CMS-1763, OMB 0938-0025

Background

The CMS Form “Request for Termination of Medicare Premium Part A, Part B, or Part B Immunosuppressive Drug Coverage (Part B-ID)” supports sections 1818(c)(5), 1818A(c)(2)(B), 1838(b)(1), and 1838(h) of the Social Security Act (the Act) and corresponding regulations at 42 CFR §§ 406.28, 407.27, and 407.62.

Medicare Part B, premium-Part A and Medicare Part B Immunosuppressive Drug Coverage are voluntary programs and are financed from premium payments by enrollees together with contributions from funds appropriated by the Federal government. Sections 1818(c)(5), 1818A(c)(2)(B) and 1838(b)(1) of the Act allows a Medicare enrollee to voluntarily terminate Supplementary Medical Insurance (Part B), the premium Hospital Insurance (premium-Part A) or Part B Immunosuppressive drug coverage by filing a written request. These statutory provisions were codified at 42 CFR 406.28, 407.27, and 407.62.

Because Medicare is recognized as a valuable protection against the high cost of medical and hospital bills, when an individual wishes to voluntarily terminate Part B, premium Part A or Part B-ID, the enrollee is requested to provide the reason they wish to terminate coverage to permit an opportunity for the Centers for Medicare & Medicaid Services (CMS), through its delegated agent for processing Medicare enrollments and disenrollments -- the Social Security Administration (SSA) -- to ensure that the individual understands the ramifications of the decision.

The CMS-1763 is the form used by individuals who wish to terminate their Medicare Part A, Part B or Part B-ID. This 2024 iteration is a revision that does not propose any program changes. Per the Office of Communication’s plain language suggestion, the title has been updated to “Request for Termination of Medicare Premium Part A, Part B, or Part B Immunosuppressive Drug Coverage (Part B-ID).” The 2024 submission saw an increase in the burden due to utilization of the form and improvement in the accuracy of the data exchanges between CMS and SSA. Updated wage information for a federal government employee is also responsible for part of the increase.

To increase the beneficiary application experience, this form can be completed physically and mailed, during a phone interview with an SSA employee, and in person at field offices. The enrollment data from 2023 demonstrates a successful ability for individuals to gain immunosuppressive drug coverage benefits.

CMS is revising enrollment forms to improve usability for the general public. The option to choose an end date was removed from the Part A and Part B sections on the form since the end date is determined by the filing date. To reduce confusion and calls to the 1-800 line, examples

were added so individuals know when to expect their coverage to end. This 2024 iteration is a revision that does not propose any program changes.

CMS also plans to have these forms translated into Spanish, Vietnamese, Chinese and Korean to increase accessibility for the Medicare population.

A. Justification

1. Need and Legal Basis

Sections 1818(c)(5), 1818A(c)(2)(B) and 1838(b)(1) of the Act and corresponding regulations at 42 CFR 406.28(a) and 407.27(c) require that a Medicare enrollee wishing to voluntarily terminate Part B or premium Part A coverage file a written request with CMS or SSA. Pursuant to 1838(h) of the Act and the corresponding regulation at 42 CFR 407.62(a), individuals wishing to terminate their Part B-ID coverage must notify SSA. The statute and regulations also specify when coverage ends based upon the date the request for termination is filed.

Form CMS-1763 collects the information necessary to process Medicare enrollment terminations.

2. Information Users

Form CMS-1763 provides the necessary information to process the enrollee's request for termination of Part B, premium Part A and Part B-ID coverage.

The form is completed by either the person with Medicare (i.e., the enrollee) or 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 and disenrollments on behalf of CMS.

3. Use of Information Technology

Although the preferred method of data collection is an in-person interview with an SSA representative, the Form CMS-1763 can be found on the Internet via SSA's official website: <https://www.ssa.gov/medicare/manage>. Additionally, the form will be available for download at <https://www.cms.gov/medicare/cms-forms/cms-forms/downloads/cms1763.pdf>. Individuals may complete the form and submit it to SSA for processing. Individuals may also contact SSA to make their requests. In such cases, SSA will conduct the in-person interview via telephone, and if the individual still wants to terminate the coverage, mail the form to the individual. We estimate that half the termination requests are received via telephone. SSA reviews the information completed on the form manually. Thus, the collection of this information does not involve the use of information technology.

4. Duplication of Efforts

The collection of this information does not duplicate any other effort, as the Medicare enrollee must initiate the request for voluntary termination of his or her coverage. Use of this form is the

initial request by the enrollee. Even if the enrollee previously terminated Part B and/or premium Part A and is now requesting termination of a new period of coverage, the information must be updated to ensure proper disposal of the new request.

This information is not available from any other source.

5. Small Business

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 a beneficiary requests to terminate Part B, premium Part A or Part B-ID coverage for a period of current Medicare enrollment. If this information is not collected, the enrollee cannot have his or her enrollment terminated as permitted by law. Since the statute allows for Part B, premium Part A or Part B-ID termination and specifies how such a request must be made, 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 Notices/Outside Consultants

The 60-day notice published in the Federal Register on TBD (FR).

Commented [CP1]: To be completed by OSORA

9. Payments/Gifts to Respondents

Once an individual's coverage is terminated, premiums for future coverage are no longer required. The individual will be refunded for any premiums paid in advance, for months of coverage that occur after the termination is effective, as permitted by law. There are no payments or gifts to respondents.

10. Confidentiality

The information collected is used only by SSA for the purpose of processing a request for Medicare enrollment termination. Both CMS and SSA are responsible for ensuring that all personally identifiable information (PII) remains confidential.

The completed form is never provided to CMS; rather it is stored with SSA.

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)

Burden Estimates

There are approximately 197,518 respondents annually who request termination on Form CMS-1763. The data represents the most current information based on voluntary terminations of Medicare coverage for Part B and premium Part A since January 1, 2023, via the CMS Medicare Beneficiary Database (MBD).

Based on the information requested for completion by the respondent on the form, we estimate that it takes a respondent on average 5 minutes to complete, apart from the in-person interview. However, the in-person interview with SSA may take on average 10 minutes to complete, based on actual experience. As the in-person or telephonic interview is the preferred method to collect this information, and it has the longest duration, we derived the burden based on this method.

The hourly burden for respondents is computed as follows:

There are 197,518 respondents taking 10 minutes per response. $197,518 \times 0.17$ (10 minutes) = 33,578.06 total burden 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 (www.bls.gov/oes/current/oes_nat.htm). We believe that the burden will be addressed under All Occupations (occupation code 00-0000) at \$23.11/hr 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.

Number of applications	Time required	Total burden hours	Wage costs	Total cost
197,518	10 mins (0.17 hours)	33,578	\$23.11/hr	\$775,988

Information Collection Instruments and Supporting Documents

- Request for Termination of Medicare Premium Part A, Part B, or Part B Immunosuppressive Drug Coverage (Part B-ID)

The form can be obtained in English via CMS's website at <https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS017353> or in hard copy by contacting the SSA. Further, SSA assists those who speak other languages, or those unable to complete the form independently, via an in-person interview.

The form consists of ten items that are necessary to identify the enrollee, the type of coverage being terminated, and other information necessary to process the request.

Item 1: Requests the name of the enrollee to identify the individual.

Item 2: Requests the Medicare Number. This identifies the record upon which the enrollee's Medicare coverage was established and confirms identification of the individual for which the enrollment termination will be processed.

Item 3: Requests the mailing address of the enrollee.

Item 4: Requests the phone number of the enrollee.

Item 5: Requests the email address of the enrollee.

Item 6: Requests permission for Social Security and Medicare to send the enrollee emails regarding their benefits and coverage.

Item 7: Requests the name of the person making the request if it is other than the Medicare enrollee. SSA can, under certain circumstances, establish a representative payee for a beneficiary. Such individuals have the ability to make adjustments to the Social Security and/or Medicare benefits on behalf of the person with Medicare. If the enrollee has a representative payee, the name of that person would appear here. When this field is completed by a representative payee, SSA will accept the change made on behalf of the Medicare enrollee.

Item 8: Identifies the coverage (Hospital Insurance/Supplementary Medical Insurance) that the enrollee wants to terminate.

Item 8b: If applicable, requests the date (month and year) that the Part B Immunosuppressive Drug Coverage will end.

Item 9: Requests the enrollee's reason for termination of coverage. Voluntary termination requests are processed by SSA and input into SSA's system of record for all Social Security and Medicare beneficiaries, the Master Beneficiary Record (MBR). The disenrollment data is then passed to CMS' master record for Medicare beneficiaries, the Enrollment Database (EDB). When applicable, a revised Medicare card is issued.

Item 10: Requests the signature of the enrollee.

Item 11: Requests the signature of witness if applicable.

The collection of this information makes it possible to terminate Medicare enrollment for individuals.

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

Processing Costs

Based on the information requested for completion by the respondent on the form, we estimate that it takes the Federal government employee 5 minutes to review and record the collected data, apart from the in-person interview. However, the in-person interview with SSA may take on average 10 minutes to complete. As the in-person or telephonic interview is the preferred method to collect this information, we derived the burden based on this method and added the 5 minutes to process the received request, for a total of 15 minutes.

We estimate it will take the federal government employee 15 minutes to complete the interview, review and record the collected data.

It is calculated that the burden hours for 197,518 responses to be reviewed and recorded in 15 minutes per response to be 49,380 total hours ($197,518 \times 0.25$ (15 minutes) = 49,379.50 total burden hours, which we rounded to 49,380).

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-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/html/GS_h.aspx. We estimate that the average government employee at SSA to conduct the interview in-person or over the telephone will range between a Grade 9, Step 5 (GS-9-5) and a Grade 11, Step 5 (GS-11-5). As the employee grades

vary, we estimate that a Grade 11, Step 1 (GS-11-1) is the most appropriate level for a SSA representative to derive the average 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 \$29.76/hr or \$62,107 annually. Therefore, the total cost to the government to complete the annual volume of responses is \$1,469,548.80 (49,380 hours x \$29.76/hr = \$1,469,548.80).

Number of applications	Time required	Total burden hours	Wage costs	Total cost
197,518	15 mins (0.25 hours)	49,380	\$29.76/hr	\$1,469,549

15. Changes to Burden

The burden from the 2022 approved submission increased in cost from \$755,253 to \$1,469,549.00 for federal government costs – a change of \$714,296.00. The hourly burden from the 2022 approved submission increased from 28,554 hours to 49,380 hours -- a change of 20,826. The change is due to a marginal increase in terminations from the 2022 submission to the 2024 submission and an increase in the salary of a government employee at SSA.

This form was revised to improve usability for the general public. The option to choose an end date was removed from the Part A and Part B sections on the form since the end date is determined by the filing date. To reduce confusion and calls to the 1-800 line, examples were added so individuals know when to expect their coverage to end.

CMS also plans to have these forms translated into Spanish, Vietnamese, Chinese and Korean to increase accessibility for the Medicare population.

16. Publication and Tabulation

The information is not published or tabulated.

17. Display of Information

The form displays the expiration date next to the OMB control number.

18. Certification Statement

There are no exceptions to the certification statement.

19. Collections of Information Employing Statistical Methods

There have been no statistical methods employed in this collection.